

(Annexure - II)

**SCHEME OF AMALGAMATION  
UNDER SECTION 230 TO 232 OF THE COMPANIES ACT 2013**

**BETWEEN**

**PROAIM ENTERPRISES LIMITED**  
(The "First Transferor Company" or "Transferor Company -1" or  
"Amalgamating Company -1" or "Proaim")

**AND**

**AXON VENTURES LIMITED**  
(The "Second Transferor Company" or "Transferor Company -2" or  
"Amalgamating Company -2" or "Axon")

**AND**

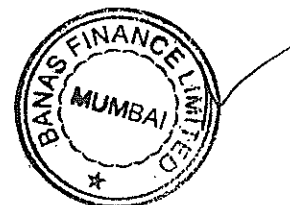
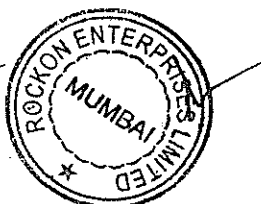
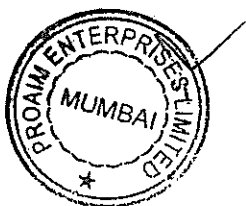
**ROCKON ENTERPRISES LIMITED**  
(The "Third Transferor Company" or "Transferor Company -3" or  
"Amalgamating Company -3" or "Rockon")

**WITH**

**BANAS FINANCE LIMITED**  
(The "Transferee Company" or "Amalgamated Company" or "Banas")

**AND**

**RESPECTIVE SHAREHOLDERS AND CREDITORS**



## 1. Preamble

### **This scheme of Arrangement provides for:**

Amalgamation of the Proaim Enterprises Limited (hereinafter referred to as “The First Transferor Company”) and Axon Ventures Limited (hereinafter referred to as “The Second Transferor Company”) and Rockon Enterprises Limited (hereinafter referred to as “The Third Transferor Company”) collectively referred to as “Transferor Companies” with Banas Finance Limited (hereinafter referred to as “Transferee Company”) pursuant to provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules framed there under including any statutory modifications or re-enactments thereof, if any and in accordance with the provisions of section 2(1B), 47 and 72A of the Income Tax Act, 1961.

### **Parts of the Scheme**

The Scheme is divided into following parts:

**Part I** - deals with the definitions and share capital;

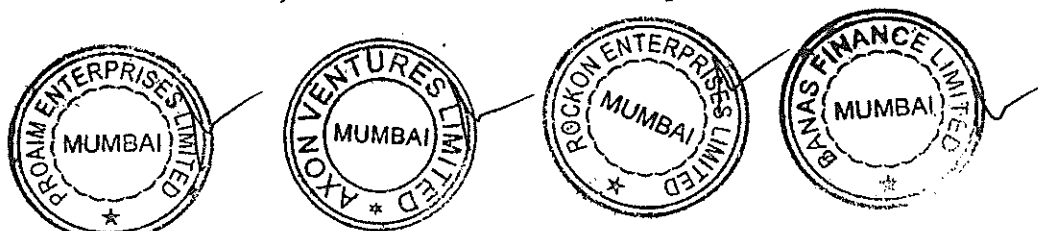
**Part II** - deals with the amalgamation of Proaim Enterprises and Axon Ventures Limited and Rockon Enterprises Limited with Banas Finance Limited;

**Part III** - deals with General, Terms and Conditions applicable to the Scheme.

## 2. Rationale of the Scheme

The Transferor Companies and the Transferee Company are currently part of the same management and are associated companies. The rationale for the proposed Scheme is as under:

- a. The arrangement shall provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, the arrangement will enable optimal utilization of existing resources and provide an opportunity to fully leverage assets, capabilities, experience and infrastructure of all the four companies;
- b. Reduce the managerial overlaps involved in operating multiple entities; ease and increase operational and management efficiency; integrate business functions; eliminate duplication and rationalization of administrative expenses;
- c. Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities to maximize shareholder value;
- d. Improved organizational capability and leadership arising from the pooling of human capital that has diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry;
- e. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes,



productivity improvements, improved procurement;

- f. Synchronizing of efforts to achieve uniform corporate policy, Greater integration and greater financial strength and flexibility for the amalgamated entity;
- g. Reduce regulatory compliance and multi-layer taxation of inter-se transaction;
- h. Better value creation for the shareholders of the company and improved competitive position of the combined entity in the market
- i. The proposed scheme is not prejudicial to the interest of the creditors or the employees of the Transferor Companies and the Transferee Company.

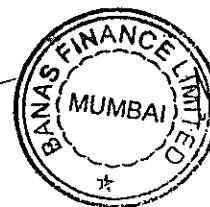
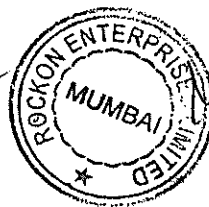
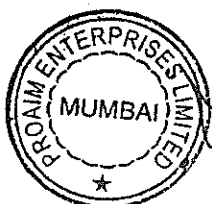
## PART I

### DEFINITIONS AND SHARE CAPITAL

#### 3. DEFINITIONS:

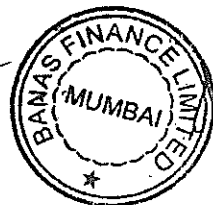
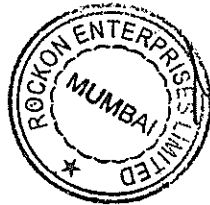
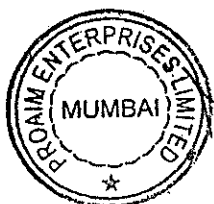
In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 3.1 **Proaim Enterprises Limited** (hereinafter referred to as “**First Transferor Company**” or “**Transferor Company -1**” or “**Amalgamating Company -1**” or “**Proaim**”) means a company incorporated under the provisions of the Companies Act, 1956 on 21<sup>st</sup> December, 1984 as Shreenath Commercial and Finance Limited in the state of Maharashtra as a public limited company. Subsequently, the name of the company was changed to Proaim Enterprises Limited from 29<sup>th</sup> September 2015;
- 3.2 **Axon Ventures Limited** (hereinafter referred to as “**The Second Transferor Company**” or “**Transferor Company -2**” or “**Amalgamating Company -2**” or “**Axon**” ) means a company incorporated under the provisions of the Companies Act, 1956 on 7<sup>th</sup> August 1982 as Aesthetic Investment Limited in the state of Maharashtra as a public limited company. Subsequently, the name of the company was changed to Axon Infotech Limited from 05<sup>th</sup> November 1999. Again the name of the company was changed to Axon Finance Limited from 06<sup>th</sup> March 2014. Finally the name of the company was changed to Axon Ventures Limited from 13<sup>th</sup> October 2015;
- 3.3 **Rockon Enterprises Limited** (hereinafter referred to as “**The Third Transferor Company** or “**Transferor Company -3**” or “**Amalgamating Company -3**” or “**Rockon**”) means a company incorporated under the provisions of the Companies Act, 1956 on 10th June, 1976 as Aggarwal Electronics Pvt ltd in the state of Maharashtra as a private limited company. Subsequently, the name of the company was changed to Aggarwal Electronics Limited and also company became public limited company from 09<sup>th</sup> September 1992. Again the name of the company was changed to Insutech India Limited from 29<sup>th</sup> December 1992. Again the name of the company was changed to Rockon Fintech Limited from 06<sup>th</sup> May



2010. Finally the name of the company was changed to Rockon Enterprises Limited from 23<sup>rd</sup> October 2015;

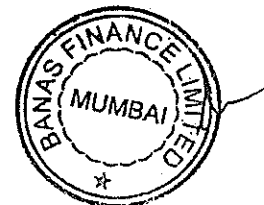
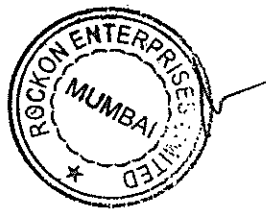
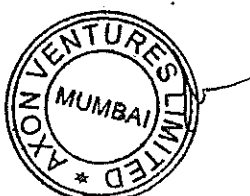
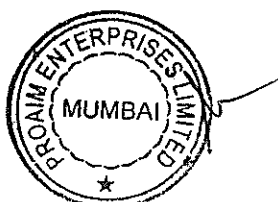
- 3.4 **Banas Finance Limited** (hereinafter referred to as "**The Transferee Company**" or "**Amalgamated Company**" or "**Banas**") means a company incorporated under the provisions of the Companies Act, 1956 on 6th June, 1983 in the state of Maharashtra as a public limited company registered as Pioneer Leasing Company Limited Non Banking Financial Company (NBFC) with RBI. Subsequently, the name of the company was changed to Banas Finance Limited from 28<sup>th</sup> August 1986.
- 3.5 "**The Act**" or "**the said Act**" means the Companies Act, 1956 and Companies Act, 2013 (to the extent applicable) and rules and regulations made thereunder, and includes any statutory modifications, re-enactment or amendments(s) thereto, from time to time and also includes any other relevant provisions of the Companies Act 1956 for the time being in force. Any references to the provisions of the Companies Act, 1956 shall be construed to be references to the corresponding provisions in the Companies Act, 2013;
- 3.6 "**Appointed Date**" means the 1<sup>st</sup> day of April, 2018 or such other date as the National Company law Tribunal ("**NCLT**") or any other appropriate authority may direct;
- 3.7 "**Board**" or "**Board of Directors**" means the Board of Directors or any committee thereof, of the Transferor Companies and the Transferee Company as the context may require for the purpose of this scheme;
- 3.8 "**The Effective Date**" means the date on which certified copies of the Order(s) of the NCLT at Mumbai vesting the assets, properties, liabilities, rights, duties, obligations and the like of all the Transferor Companies in the Transferee Company are filed with the Registrar of Companies, Maharashtra, after obtaining the necessary consents, approvals, permissions, resolutions, agreements, sanctions and orders in this regard;
- 3.9 "**NCLT**" or "**Tribunal**" means the National Company Law Tribunal", Mumbai Bench, to which this scheme of amalgamation in its present form is submitted for its sanctioning under sections 230 to 232 of the Companies Act, 2013;
- 3.10 "**New Equity Shares**" shall mean the equity shares to be issued to members of Transferor companies;
- 3.11 "**Record Date**" means the date to be fixed by the Board of the Directors of Banas Finance Limited, for the purposes of issue and allotment of shares of Banas Finance Limited as may be applicable and relevant in accordance with this Scheme of Amalgamation;
- 3.12 "**Scheme**" or "**the Scheme**" or "**this Scheme**" means this Scheme of Amalgamation in its present form or with any modification(s) and amendments as may be made from time to time, and with appropriate approvals and sanctions and with appropriate approvals and sanctions of NCLT and other relevant regulatory



authority, as may be required under the Companies Act, 2013, as applicable and under all the applicable laws;

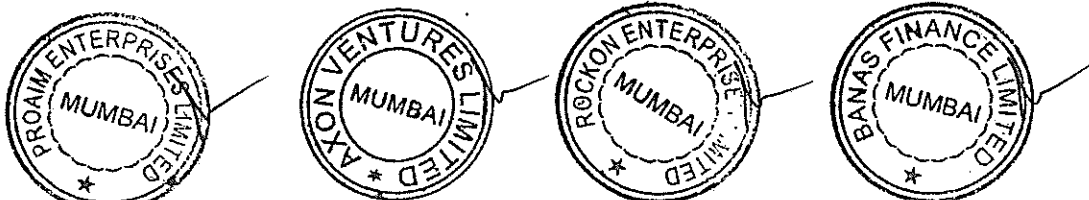
- 3.13 “**SEBI**” means Securities and Exchange Board of India;
- 3.14 SEBI Circular means SEBI Circular No CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with CFD/DIL3/CIR/2017/105 dated September 21, 2017 and SEBI Circular CFD/DIL3/CIR/2018/2 dated January 3, 2018, as may be amended from time to time;
- 3.15 SEBI Listing Regulations means SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015;
- 3.16 “**Stock Exchange**” means BSE Limited where the shares of the Transferor Companies and Transferee Company are listed.
- 3.17 “**Record Date**” means the date to be fixed by the Board of the Directors of Transferee Company, after the Effective Date, with reference to which the eligibility of the equity share holder of the Transferor Companies, for the purposes of issue and allotment of shares of the Transferee Company, in accordance with this Scheme of Amalgamation, shall be determined.
- 3.18 “**The Transferee Company**” or “**Amalgamated Company**” means Banas Finance Limited.
- 3.19 The “**Transferor Companies**” or “**Amalgamating Companies**” collectively mean and include Proaim Enterprises Limited, Axon Ventures Limited and Rockon Enterprises Limited.
- 3.20 “**Undertakings**” shall mean and include:
- i. entire business of the Transferor Companies as on the Appointed Date, on a going concern basis and includes the following:
  - ii. all the assets, whether movable or immovable, leasehold or freehold, tangible or intangible (including Goodwill), real or personal, corporeal or incorporeal, in possession or reversion, present, future or contingent, of whatsoever nature and wherever situated, intellectual property rights and all other claims, estates, interests, goodwill, powers, properties, rights and titles of every description of, or relating to, the Transferor Companies as on the Appointed Date (collectively, “Assets”); and
  - iii. all the debts, duties, liabilities and obligations of any and every description of, or pertaining to, the Transferor Companies as on the Appointed Date, whether provided for or not in the books of account of the Transferor Companies and whether disclosed or undisclosed in their balance sheets (collectively, “Liabilities”).

Without prejudice to the generality of above sub-clauses above, the Undertakings of the Transferor Companies shall also include:



- i. all permits, rights, entitlements and other licenses, bids, tenders, letters of intent, expression of interest, certifications, municipal permissions, approvals, consents, no objection certificates, statutory registrations obtained originally including any renewals/modifications/amendments thereafter, from any and all regulatory and statutory authorities, ownership rights, Goodwill, licenses, leases, and tenancies in relation to office and residential properties for the employees, benefit of any deposits, privileges, all other rights and exemptions and other benefits of any application made therefore, right to use and avail of telephones, telexes, facsimile connections and installations, and other communication facilities, power lines, water pipelines, and all other utilities and services of every kind, nature and description whatsoever held by the Transferor Companies or to which the Transferor Companies are entitled to as on the Appointed Date;
- ii. investments, cash and bank balances, all earnest moneys and/ or deposits including security deposits paid by the Transferor Companies;
- iii. all records, files, papers, computer programs, drawings, manuals, data catalogues, and advertising materials, lists of present and former customers and vendors, customers' and vendors' credit information, customers and vendors pricing information and other records of every kind, nature and description whatsoever held by the Transferor Companies or to which the Transferor Companies are entitled to as on the Appointed Date;
- iv. all present and future liabilities (including contingent liabilities);
- v. all employees of the Transferor Companies engaged in or in relation to the business of the Transferor Companies at respective sites, branches and other offices and all provisions and benefits made in relation to such employees including but not limited to provident funds, registrations and reserves;
- vi. all taxes including (but not limited to) accumulated business losses, Unabsorbed Depreciation, Capital Losses, Minimum Alternate Tax Credit as defined under Income Tax Act, 1961 paid under sections 272A, 115JAA/115JB or such other sections of the Income Tax Act, duties, cess of whatsoever nature refundable/ receivable to the Transferor Companies from any statutory/ government authority including but not limited to ESIC, employee provident fund, labour taxes, profession tax, service tax, VAT, excise duty, etc; and
- vii. all other interests, provisions, benefits and advantages of agreements, contracts, deeds, leases, allotments, arrangements, authorizations, concessions, easements, engagements, exemptions, liberties, and all other interests where so ever situated, belonging to or in the ownership, power or possession and under the control of or vested in or, granted in favour of or enjoyed by or arising to the Transferor Companies.

3.21 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to



them under the Act (as applicable) and other applicable laws, rules, regulations, bye laws, as the case may be or any statutory modification or re-enactment thereof from time to time;

- 3.22 The headings herein shall not affect the construction of this Scheme;
- 3.23 The singular shall include the plural and vice versa; and references to one gender shall include all genders;
- 3.24 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- 3.25 References to person includes any individual, firm, body corporate (whether or not incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).

#### 4. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme, set out herein in its present form or with any modifications(s) as approved by the NCLT, shall be effective from the Appointed Date but shall be operative from the Effective Date.

#### 5. SHARE CAPITAL

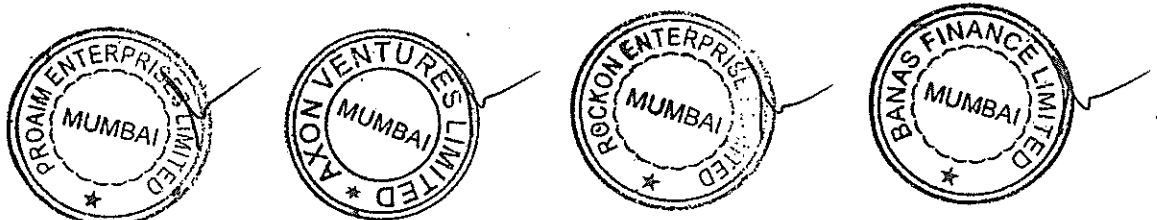
- 5.1 The Share Capital of the First Transferor Company as at 31st March, 2018 is as under:

<u>Particulars</u>	<u>Rupees</u>
<b><u>Authorized Capital</u></b>	
1,30,00,000 Equity Shares of Rs. 10/- each	13,00,00,000/-
<b><u>Issued, Subscribed and Paid - up</u></b>	
1,26,52,490 Equity Shares of Rs. 10/- each fully paid -up	12,65,24,900/-

- 5.2 The Share Capital of the Second Transferor Company as at 31st March, 2018 is as under:

<u>Particulars</u>	<u>Rupees</u>
<b><u>Authorized Capital</u></b>	
1,00,00,000 Equity Shares of Rs.10/- each	10,00,00,000/-
<b><u>Issued, Subscribed and Paid - up</u></b>	
76,40,000 Equity Shares of Rs.10/- each fully paid -up	7,64,00,000/-

- 5.3 The Share Capital of the Third Transferor Company as at 31st March, 2018 is as under:



<u>Particulars</u>	<u>Rupees</u>
<b><u>Authorized Capital</u></b>	
1,80,00,000 Equity Shares of Rs.10/- each	18,00,00,000/-
<b><u>Issued, Subscribed and Paid –up</u></b>	
1,65,17,690 Equity Shares of Rs.10/- each fully paid -up	16,51,76,900/-

5.4 The Share Capital of the Transferee Company as at 31st March, 2018 is as under:

<u>Particulars</u>	<u>Rupees</u>
<b><u>Authorized Capital</u></b>	
1,23,00,000 Equity Shares of Rs.10/- each	12,30,00,000/-
<b><u>Issued, Subscribed and Paid – up</u></b>	
1,13,76,000 Equity Shares of Rs. 10/- each fully paid-up	11,37,60,000/-

(The face value of equity shares were consolidated from Rs. 1/- each to Rs. 10/- each per share on 29<sup>th</sup> August, 2017)

## PART II

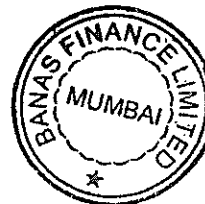
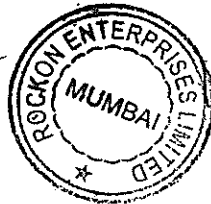
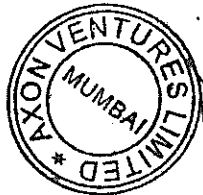
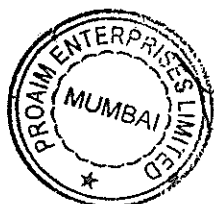
### AMALGAMATION OF TRANSFEROR COMPANIES WITH THE TRANSFEE COMPANY

#### 6. TRANSFER AND VESTING OF UNDERTAKINGS

- 6.1 With effect from the opening of the business as on the Appointed Date (i.e. 1st April, 2018) and subject to the provisions of this Scheme, the entire Undertakings of the Transferor Companies including the assets and liabilities as on the Appointed Date, shall pursuant to Section 230 to 232 and other applicable provisions of the Act, without any further act, instrument or deed, be and shall stand transferred to and vested in and/or deemed to have been transferred to and vested in the Transferee Company as a going concern subject, however, to all charges, liens, mortgages, if any, then affecting the same or any part thereof.

PROVIDED ALWAYS that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Companies and which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security after the amalgamation has become effective or otherwise unless specifically provided hereinafter.

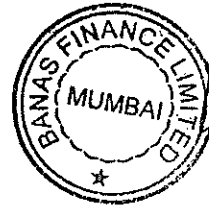
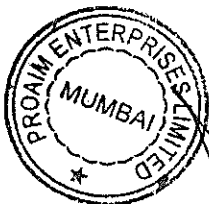
- 6.2 The entire business of the Transferor Companies as going concerns and all the properties whether movable or immovable, real or personal, corporeal or incorporeal, present or contingent including but without being limited to all assets, authorized capital, fixed assets, capital work-in-progress, current assets and debtors, investments, rights, claims and powers, authorities, allotments, approvals and consents, reserves,



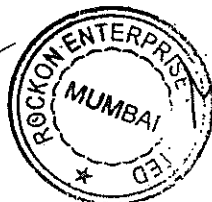
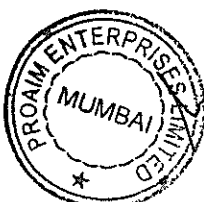


provisions, permits, ownerships rights, lease, tenancy rights, occupancy rights, incentives, claims, rehabilitation schemes, funds, quota rights, import quotas, licenses, registrations, contracts, engagements, arrangements, brands, logos, patents, trade names, trademarks, copy rights, all other intellectual property rights, other intangibles of the Transferor Companies whether registered or unregistered or any variation thereof as a part of its name or in a style of business otherwise, other industrial rights and licenses in respect thereof, lease, tenancy rights, flats, telephones, telexes, facsimile connections, e-mail connections, internet connections, websites, installations and utilities, benefits of agreements and arrangements, powers, authorities, permits, allotments, approvals, permissions, sanctions, consents, privileges, liberties, easements, other assets, special status and other benefits that have accrued or which may accrue to the Transferor Companies on and from the Appointed Date and prior to the Effective Date in connection with or in relation to the operation of the undertaking and all the rights, titles, interests, benefits, facilities and advantages of whatsoever nature and where ever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies as on the Appointed Date and prior to the Effective Date shall, pursuant to the provision of Section 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company.

- a. With effect from the Appointed Date, all the equity shares, debentures, bonds, notes or other securities held by the Transferor Companies, whether convertible into equity or not and whether quoted or not shall, without any further act or deed, be and stand transferred to the Transferee Company as also all the movable assets including cash in hand, if any, of the Transferor Companies shall be capable of passing by manual delivery or by endorsement and delivery, as the case may be, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or by endorsement and delivery.
- b. In respect of movable properties of the Transferor Companies other than specified in Clause 6.2 (a) above, including sundry debtors, outstanding loans and advances, if any recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi government, local and other authorities and bodies including MAT Credit and Statutory deposits, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, give notice in such form as it may deem fit and proper to each person, debtor or depositor, as the case may be, that pursuant to the Tribunal having sanctioned the Scheme, the said debts, loans, advances or deposits be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Companies to recover or realize all such debts, deposits and advances (including the debts payable by such persons, debtor or deposit to the Transferor Companies) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.



- 6.3 With effect from the Appointed Date, all the debts, unsecured debts, liabilities, duties and obligations of every kind, nature and description of the Transferor Companies shall also under the applicable provisions of the Act, without any further act or deed be transferred to or be deemed to be transferred to the Transferee Company so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to the contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause.
- 6.4 It is clarified that all debts, loans and liabilities, duties and obligations of the Transferor Companies as on the Appointed Date and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or upto the day of the Appointed Date shall be the debts, loans and liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Companies or on any income earned from those assets.
- 6.5 It is further specifically clarified, admitted, assured and declared by the Transferee Company that on this Scheme becoming effective, it will take over, absorb and pay and discharge on due dates all the liabilities including liabilities for income tax, wealth tax, central sales tax, value-added tax, service tax, excise duty, custom duty, goods and service tax, fringe benefit tax, dividend distribution tax, if any, of the Transferor Companies.
- 6.6 With effect from the Appointed Date all debts, liabilities, dues, duties and obligations including all income tax, wealth tax, central sales tax, value added tax, service tax, excise duty, custom duty, goods and service tax, fringe benefit tax, dividend distribution tax, MAT and other Government and Semi-Government and Statutory liabilities of the Transferor Companies shall pursuant to the applicable provisions of the Act and without any further act or deed be also transferred or be deemed to be transferred to and vest in and be assumed by the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of Transferee Company on the same terms and conditions as were applicable to the Transferor Companies.
- 6.7 All taxes of any nature, duties, cess or any other like payments or deductions made by Undertakings of Transferor Companies to any statutory authorities such as Income Tax, Sales tax, Service Tax, Value Added Tax, Goods and Services Tax, Dividend Distribution Tax, PF, ESIC, MAT Credit etc. or any tax deduction/ collection at source, relating to the period before, on or after the Appointed Date and up to the Effective Date shall be deemed to have been on account of and on behalf of Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the order on this Scheme by the NCLT or any other appropriate authority and upon relevant proof and documents being provided to the said authorities.
- 6.8 Each of the Transferor Companies is a going concern. The amalgamation will not affect the interests of any of the employees and creditors of the Transferor Companies and the Transferee Company.



## 7. CONTRACTS, BONDS AND OTHER INSTRUMENTS

Subject to other provisions contained in the Scheme, all contracts, bonds, debentures, indentures and other instruments to which the Transferor Companies are parties subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and as effectually as if, instead of the Transferor Companies, the Transferee Company had been a party thereto.

## 8. LEGAL PROCEEDINGS

If any, suit, writ petition, appeal, revision or other proceedings (hereinafter called "the Proceedings") by or against any of the Transferor Companies are pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Companies or of anything contained in the Scheme, but all such Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Companies as if the Scheme had not been made. On and from the Effective Date, the Transferee Company shall and may initiate any legal proceedings including criminal proceedings for and on behalf of any of the Transferor Companies.

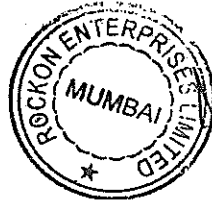
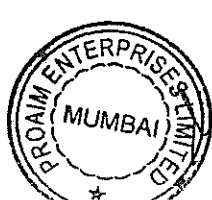
## 9. OPERATIVE DATE OF THE SCHEME

The Scheme set out herein in its present form with or without any modifications(s) approved or imposed or directed by the NCLT or made as per Clause 18 of the Scheme, shall be effective from the Appointed Date but shall become operative from the Effective Date.

## 10. TRANSFEROR COMPANIES STAFF, WORKMEN AND EMPLOYEES

All the staff, workmen and other employees in the service of the Transferor Companies immediately before the transfer of the Undertaking under the Scheme shall become the staff, workmen and employees of the Transferee Companies on the basis that:

- 10.1 Their respective services shall have been continuous and shall not have been interrupted by reason of the transfer of the Undertaking of the Transferor Companies;
- 10.2 The terms and conditions of service applicable to the said staff, workmen or employees after such transfer shall not in any way be less favorable to them than those applicable to them immediately before the transfer; and
- 10.3 It is provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or other special fund, if any, created or existing for the benefit of the staff, workmen and other employees of the Transferor Companies are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever related to the administration or operation of such funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions of such Funds as per the terms provided in the respective trust deeds. It is the aim and intent of the Scheme herein that all the rights,



duties, powers and obligations of the Transferor Companies in relation to such funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees employed in different units of the Transferor Companies under such Funds and Trusts shall remain fully protected.

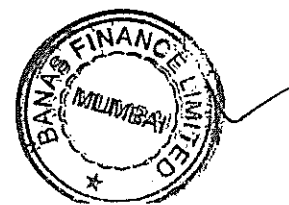
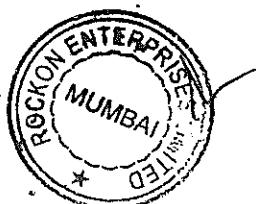
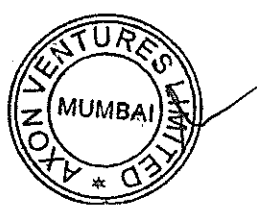
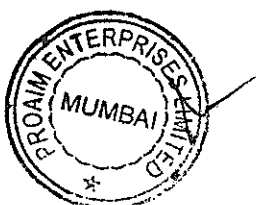
## 11. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANIES TILL EFFECTIVE DATE

With effect from the Appointed Date and up to the Effective Date, the Transferor Companies:

- 11.1 shall carry on and shall be deemed to be carrying on all their respective business activities of undertaking and shall stand possessed of their respective properties and assets for and on account of and in trust for the Transferee Companies and all the profits or income accruing or arising to the Transferor Companies and/or any cost, charges, expenditure or losses arising or incurred by them shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or cost, charges, expenditure or losses of the Transferee Companies;
- 11.2 shall in the ordinary course of their respective business activities of undertaking, assign, transfer or sell or exchange or dispose of or deal with all or any part of the rights vested with or title and interest in the property, assets, immovable or movable properties including assignment, alienation, charge, mortgage, encumbrance or otherwise deal with the rights, title and interest in the actionable claims, debtors and other assets etc., with the consent of the Transferee Company and such acts or actions would be deemed to have been carried on by the Transferor Companies for and behalf of the Transferee Company and such acts or actions would be enforceable against or in favour of the Transferee Company and all the profits or incomes or losses or expenditure accruing or arising or incurred by the Transferor Companies shall, for all purposes, be treated as the profits or incomes or expenditure or losses of the Transferee Company;
- 11.3 hereby undertake to carry on their respective businesses until the Effective Date with reasonable diligence, utmost prudence and shall not, without the written consent of the Transferee Companies, alienate, charge or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of the Transferor Companies business;
- 11.4 shall not, without the written consent of the Transferee Company, undertake any new business.
- 11.5 shall not vary the terms and conditions of the employment of their employees except in the ordinary course of business.
- 11.6 pay all statutory dues relating to their respective Undertakings for and on account of the Transferee Company.

## 12. ISSUE OF SHARES BY THE TRANSFEREE COMPANY

- 12.1 Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking of the First Transferor Company in the Transferee



Company in terms of the Scheme, the Transferee Company shall subject to the provisions of the Scheme and without any further application or deed, issue and allot 50 (Fifty) Equity Shares of Rs. 10/- (Rupees Ten) each, credited as fully paid-up in the capital of the Transferee Company to all Equity Shareholders of the First Transferor Company whose names appear in the Register of Members, on a record date to be fixed by the Board of the Transferee Company, for every 100 Equity Share of the face value of Rs. 10/- (Rupees Ten) each held by the Shareholders of the First Transferor Company.

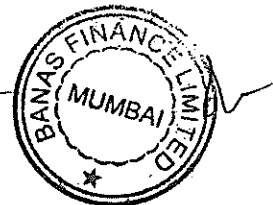
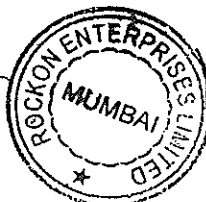
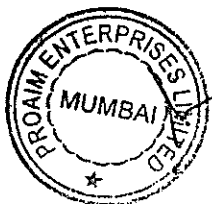
In the event the equity shares to be issued result in fractional entitlements, the Board of directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares to an integer in a manner to ensure that only 63,26,245 number of fully paid equity shares of Rs. 10/- each to be issued to the shareholders of the First Transferor Company.

- 12.2 Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking of the Second Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall subject to the provisions of the Scheme and without any further application or deed, issue and allot 48 (Forty Eight) Equity Shares of Rs. 10/- (Rupees Ten) each, credited as fully paid-up in the capital of the Transferee Company to all Equity Shareholders of the Second Transferor Company whose names appear in the Register of Members, on a record date to be fixed by the Board of the Transferee Company, for every 100 Equity Share of the face value of Rs. 10/- (Rupees Ten) each held by the Shareholders of the Second Transferor Company.

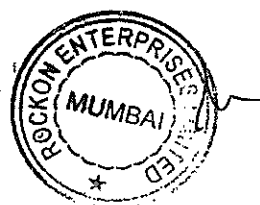
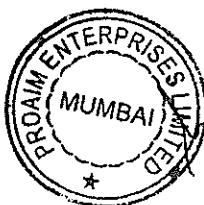
In the event the equity shares to be issued result in fractional entitlements, the Board of directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares to an integer in a manner to ensure that only 36,67,200 number of fully paid equity shares of Rs. 10/- each to be issued to the shareholders of the Second Transferor Company.

- 12.3 Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking of the Third Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall subject to the provisions of the Scheme and without any further application or deed, issue and allot 26 (Twenty Six) Equity Shares of Rs. 10/- (Rupees Ten) each, credited as fully paid-up in the capital of the Transferee Company to all Equity Shareholders of the Third Transferor Company whose names appear in the Register of Members, on a record date to be fixed by the Board of the Transferee Company, for every 100 Equity Share of the face value of Rs. 10/- (Rupees Ten) each held by the Shareholders of the Third Transferor Company.

In the event the equity shares to be issued result in fractional entitlements, the Board of directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares to an integer in a manner to ensure that only 42,79,285 number of fully paid equity shares of Rs. 10/- each to be issued to the shareholders of the Third Transferor Company.



- 12.4 The equity shares of the Transferee Company to be issued and allotted as above shall be subject to the Memorandum and Articles of Association of Transferee Company and shall rank *pari-passu* with the existing equity shares of Transferee Company in all respects.
- 12.5 Subject to the provisions of the Securities Contracts (Regulations) Act, 1956, the Securities and Exchange Board of India (SEBI) Act 1992 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the equity shares to be issued by the Transferee Company pursuant to the Scheme shall be listed at all the Stock exchanges where the existing equity shares of Transferee Company are listed. The Transferee Company shall take necessary steps for listing of these shares on these Stock Exchanges in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 12.6 In respect of the equity shares in the Transferor Companies already held in dematerialized form, the Equity Shares to be issued by the Transferee Company in lieu thereof shall also be issued in dematerialized form with the Equity Shares being credited to the existing depository accounts of the members of the Transferor Companies entitled thereto. Members of the Transferor Companies desirous of receiving the Equity Shares in the Transferee Company in dematerialized form should have their shareholding in the Transferor Companies dematerialized on or before the Record Date.
- 12.7 Pursuant to the Scheme, the shares of the Transferor Companies held by its equity shareholders (both in physical and dematerialized form), shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled. The said equity shares of Transferor Companies held in physical form shall be deemed to have been automatically cancelled without any requirement to surrender the certificates for shares held by the shareholders of the Transferor Companies.
- 12.8 The Equity Shares of the Transferee Company issued in terms of the Scheme shall, subject to applicable regulations, be listed and/or admitted to trading on the relevant stock exchange(s) where the existing Equity Shares of the Transferee Company are listed and/or admitted to trading.
- 12.9 Pursuant to provisions of Regulation 10(1)(d)(iii) of the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 which provides general exemption for acquisitions made pursuant to amalgamation, the requirement of making an open offer as envisaged in Regulations 3 and 4 would not be triggered by any of the shareholders of the Transferor Companies consequent to the aforementioned issue of shares in the Transferee Company.
- 12.10 The approval of this scheme by members of the Transferee Company shall be deemed to be due compliance with the applicable provisions of the Act including Section 62 of the Act, for the issue and allotment of equity shares by the Transferee Company to the members of the Transferor Companies as provided in the Scheme.

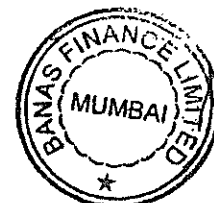
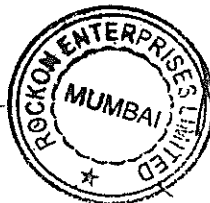
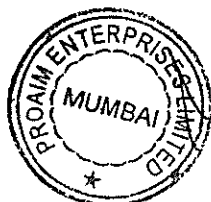


### 13. PROFITS, DIVIDENDS, BONUS / RIGHTS SHARES

- 13.1 With effect from the Appointed Date, the Transferor Companies shall not without the prior written consent of the Transferee Company, utilize the profits, if any, for declaring or paying of any dividend to its shareholders and shall also not utilize, adjust or claim adjustment of profits/reserves, as the case may be earned/ incurred or suffered after the Appointed Date.
- 13.2 The Transferor Companies shall not after the Appointed Date, issue or allot any further securities, by way of rights or bonus or otherwise without the prior written consent of the Board of Directors of the Transferee Company.

### 14. ACCOUNTING TREATMENT

- 14.1 The amalgamation shall be accounted for in the books of account of the Transferee Company according to the 'Pooling of Interests Method' of accounting as per the Accounting Standard (AS) 14, 'Accounting for Amalgamations' issued by the Institute of Chartered Accountants of India or as per IND AS 103, 'Business Combinations' notified under section 133 of the Companies Act, 2013.
- 14.2 The Transferee Company shall record all the assets and liabilities, including Reserves of the Transferor Companies vested in it pursuant to this Scheme, at their respective book values as appearing in the books of the Transferor Companies on the Appointed Date.
- 14.3 If at the time of amalgamation, the Transferor Companies and the Transferee Company have conflicting accounting policies, a uniform accounting policy shall be adopted by the Transferee Company following the amalgamation. The effect on the financial statements of any change in accounting policies shall be reported in accordance with applicable Accounting Standard 5, 'Prior Period and Extraordinary Items and changes in accounting policies'.
- 14.4 If there is a surplus arising as a result of the difference, if any, of the value of the assets over the value of the liabilities of the Transferor Companies, in accordance with this Scheme, the same shall be credited to the Capital Reserve Account of the Transferee Company and in the event of deficit, if any, the same shall be debited to the Goodwill Account of the Transferee Company.
- 14.5 In case of any differences in the accounting policies between the Transferor Companies and the Transferee Company, the impact of the same till the Appointed Date of amalgamation will be quantified and adjusted in the Free/General Reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflects the financial position on the basis of consistent accounting policies.
- 14.6 To the extent there are Inter Corporate loans or balances between the Transferor Companies inter-se and / or the Transferee Company, the obligation in respect thereof shall come to an end.
- 14.7 Inter-company balances, investments and any other transactions, if any, till the effective date will stand cancelled.



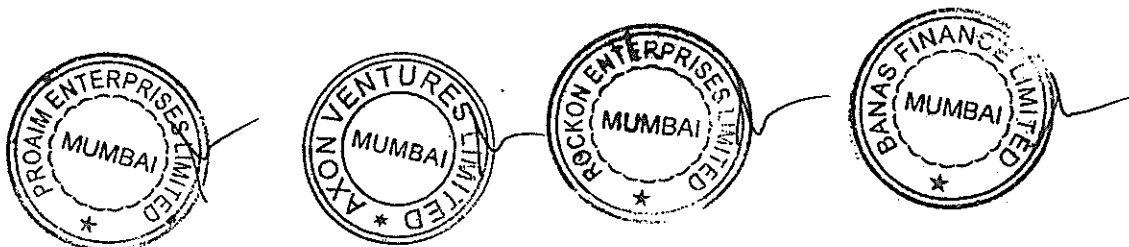
- 15.1 Upon sanction of this Scheme, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including therein the payment of applicable stamp duty and applicable fees payable to Registrar of Companies, by the authorised share capital of all the Transferor Companies aggregating to Rs. 51,30,00,000/- (Rupees Fifty One Crore Thirty Lakh Only) comprising of 5,13,00,000 (Five Crore Thirteen lakh) Equity Shares of Rs. 10/- each, and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 13, 14, 61 and 230 to 232 and applicable provisions of the Act, as the case may be and for this purpose the stamp duties and the fees paid on the authorised capital of the Transferor Companies shall be utilized and applied to the above referred increased authorized share capital of the Transferee Company and no payment of any extra stamp duty and/or fee shall be payable by the Transferee Company for increase in its authorised share capital to that extent.
- 15.2 Consequent upon the amalgamation, the authorized share capital of the Transferee Company will be as under:

Authorised Capital	Amount in Rs
5,13,00,000 Equity Shares of Rs. 10/- each	51,30,00,000
<b>Total</b>	<b>51,30,00,000</b>

It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

- 15.3 Clause V of the Memorandum of Association of the Transferee Company stands amended as follows:

“The Authorized Share Capital of Company is Rs. 51,30,00,000/- (Rupees Fifty One Crore Thirty Lakh Only) divided into 5,13,00,000 (Five Crore Thirteen Lakh) Equity Shares of Rs. 10/- each with power to increase & reduce or consolidate or sub-divided the capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determine by or accordance with the Article of Association of the company for the time being and to verify, modify or abrogate any such rights, privileges or condition in such manner as may for the time being be permitted by the Act or provided by the Articles of Association of the Company for the time being.”





## 16. DISSOLUTION OF THE TRANSFEROR COMPANIES

On the Scheme becoming effective, the Transferor Companies shall be dissolved without being wound up.

### PART - III

## GENERAL, TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

## 17. APPLICATIONS TO NATIONAL COMPANY LAW TRIBUNAL

The Transferor Companies and the Transferee Company hereto shall, with all reasonable dispatch, make respective applications to NCLT and or applicable authority under Sections 230 to 232 of the said Act for sanctioning the Scheme of Amalgamation and for dissolution of the Transferor Companies without winding up.

## 18. MODIFICATIONS/AMENDMENTS TO THE SCHEME

18.1 The Transferor Companies (by their respective Directors) and the Transferee Company (by its Directors) may assent to any modifications or amendments to the Scheme or agree to any terms and/or conditions which the Courts/tribunals and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect. All amendments/modifications to the Scheme shall be subject to approval of Tribunal.

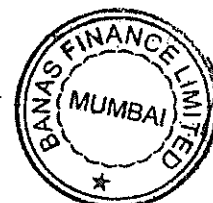
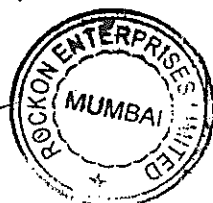
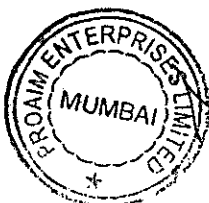
18.2 The Transferor Companies (by their respective Directors) and the Transferee Company (by its Directors) may assent to any modifications or amendments to the Scheme or agree to any terms and/or conditions which the Tribunal and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect. All amendments/modification to the Scheme shall be subject to approval of Tribunal.

18.3 For the purpose of giving effect to the Scheme or to any modification thereof, the Directors of the Transferee Company are hereby authorised to give such directions and/or to be take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

## 19. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

The Scheme is conditional on and subject to:

19.1 The approval to the Scheme by the requisite majorities of the members and creditors of the Transferor Companies and of the members and Secured and Unsecured creditors of the Transferee Company.



passed by the shareholders of the transferee company for any of the matters provided for or relating to the Scheme, as may be necessary or desirable, including approval to the issue and allotment of Equity Shares in the transferee company to the members of the transferor companies.

- 19.3 The sanction of the NCLT (Tribunal), Mumbai Bench under Sections 230 to 232 of the said Act, in favour of the transferor companies and the transferee company and to the necessary Order or Orders under the said Act, being obtained.
- 19.4 Any other sanction or approval of the appropriate authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the transferor companies and the transferee company being obtained and granted in respect of any of the matters for which such sanction or approval is required.
- 19.5 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

## 20. EFFECT OF NON RECEIPT OF APPROVALS/ SANCTIONS

In the event of any approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors of the transferee company and the transferor companies shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme not being sanctioned by the NCLT, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

## 21. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges, taxes including duties, levies and all other expenses of the transferor companies and the transferee company respectively in relation to or in connection with the Scheme and of carrying out and implementing/completing the terms and provisions of the Scheme and/or incidental to the completion of Amalgamation of the said undertakings of the transferor companies in pursuance of the Scheme shall be borne and paid solely by the transferee company.

