

SCHEME OF AMALGAMATION
IN THE MATTER OF COMPANIES ACT OF 1956
AND
IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN
SPG MULTI TRADE PRIVATE LIMITED
AND
ARCHANA HITECH CONSULTANTS LIMITED
AND
VANDANA HITECH SYSTEMS LIMITED
WITH
GANON TRADING AND FINANCE COMPANY LIMITED
AND THEIR RESPECTIVE MEMBERS AND CREDITORS
UNDER SECTION 391 TO 394 OF COMPANIES ACT 1956

PART I

1 GENERAL

This Scheme of Amalgamation (hereinafter referred to as the “**Scheme**”), inter-alia provides for the amalgamation of SPG Multi Trade Private Limited, Archana Hitech Consultants Limited and Vandana Hitech Systems Limited with Ganon Trading and Finance Company Limited resulting into;

- 1.1 Modification of object;
- 1.2 Increase of capital; and
- 1.3 Consolidation of finance.

The Scheme is made pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956.

2. DEFINITIONS

In this Scheme including its recitals, unless repugnant to the meaning or context thereof, the following expressions shall have the meanings given below:

- a. **“Act”** means the Companies Act, 1956 and rules made thereunder and shall include any statutory modifications, amendments thereto or re-enactment thereof for the time being in force;
- b. **“Appointed Date”** means April 1, 2012 or such other date as the High Court may direct;
- c. **“Board”** or **“Board of Directors”** means the board of directors of the Transferor Companies or the Transferee Company, as the case may be, and shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors;
- d. **“BSE”** shall have the meaning as ascribed to it in para 4 of this Scheme.
- e. **“Effective Date”** means the last of the following dates or such other dates as the High Court may direct, namely:
 - i. the date on which certified copies of the orders of the High Court under Section 394 of the Act are filed with the ROC (as defined hereinafter), or
 - ii. the date on which last of the consents, approvals, sanctions and/or orders as are hereinafter referred to in sub clause (h) of clause 19 of this Scheme have been obtained.

Any reference in this Scheme to the date of the “coming into effect of the Scheme” or “upon Scheme becoming effective” or “with effect from the Effective Date” shall mean the Effective Date;

- f. **“High Court”** means the Hon’ble Bombay High Court having jurisdiction in respect of the Transferor Companies and the Transferee Company and shall include National Company Law Tribunal or any other appropriate forum or

- authority empowered to approve the Scheme as per the law for the time being in force;
- g. **“IT Act”** means the Income Tax Act, 1961 and rules made there under and shall include any statutory modification, amendment or re-enactment thereof for the time being in force.
- h. **“ROC”** means the Registrar of Companies, Mumbai;
- i. **“Record Date”** means such date following the Effective Date as may be fixed by the Board of Directors of the Transferee Company in respect of allotment/issuance of shares to the Members pursuant to clause 14 of this Scheme.
- j. **“Scheme”** means this Scheme of Amalgamation of the First Transferor Company, the Second Transferor Company and the Third Transferor Company with the Transferee Company in its present form, with or without any amendment or modifications, as approved by the High Court;
- k. **“The Transferor Companies”** means the First Transferor Company, the Second Transferor Company and the Third Transferor Company herein collectively referred to and shall include the reference of which may be applicable to one and/or all the Transferor Companies, as may be required by the context.
- l. **“The First Transferor Company” or “SPG”** means SPG Multi Trade Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Prabha Co-op. Hsg Soc. Ltd., Flat No. 10, 2nd Floor, R.B. Mehta Marg, Ghatkopar (East), Mumbai 400 077, India.
- m. **“The Second Transferor Company” or “Archana”** means Archana Hitech Consultants Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at G-1504, Ajmera Royal Classic, Andheri Link Road, Andheri (W), Mumbai 400 053, India.
- n. **“The Third Transferor Company” or “Vandana”** means Vandana Hitech Systems Limited, a company incorporated under the provisions of the Companies

Act, 1956 and having its registered office at G-1504, Ajmera Royal Classic, Andheri Link Road, Andheri (W), Mumbai 400 053, India.

- o. **“The Transferee Company” or “Ganon”** means Ganon Trading and Finance Company Limited, a listed public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at G-2, Ground Floor, Prabha CHS, R.B. Mehta Marg, Near Canara Bank ,Ghatkopar (East), Mumbai 400 077.

- p. **"Undertaking of the Transferor Companies"** shall mean and include the whole of assets, properties, liabilities and the undertaking(s) and entire business(s) of First Transferor Company, the Second Transferor Company and the Third Transferor Company and specifically include without limitation, the following:
 - i All the assets or properties whether movable or immovable, whether tangible or intangible, whether corporeal or incorporeal, whether leasehold or freehold, fixed assets, lands, buildings, offices, including rights, titles, interests and covenants in connection with the lands, buildings, offices, easements and privileges, if any of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies, tenancy rights, ground rents, lease, capital work-in-progress, office equipments, computers, furniture and fixtures, motor vehicles, transformers, preliminary expenses, pre-operative expenses, current assets, bank balances, cash in hand, investments of all kinds, bills, credits, loans and advances, earnest money deposit, deposit with any government/quasi government/local or any other authority or body or any company or other person, hire purchase contracts, licensing arrangements, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, memorandum of understanding, (including the agreements to be executed

and for which an advance has already been received), engagements, arrangements of all kinds, benefits of all agreements and all other interests, rights to use telephones, telexes, facsimile connections and installations, e-mail, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds (“**Assets**”).

- ii All secured and unsecured debts, liabilities including contingent liabilities or any other advances received, whether disclosed or undisclosed, duties, taxes and obligations (“**Liabilities**”).
- iii All the licenses, permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, and other benefits or privileges, if any, enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued, which may accrue to the Transferor Companies (“**Licenses**”).
- iv All patents, trademarks, copyrights, or any kind of intellectual property rights, if any, whether or not registered with the authorities concerned or applications submitted at any time on or before the Effective Date or being used by the Transferor Companies, including any licensing arrangements for usage of any kind of intellectual property rights (“**IPRs**”).
- v All records, files, papers, information, computer programs, manuals, data, catalogue, quotations, sales advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical form or electronic form of the Transferor Companies as on the Appointed Date.
- vi All staff, workmen, and employees engaged in the Transferor Companies.

3. INTERPRETATION

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

4. PURPOSE AND BENEFITS OF THE SCHEME OF AMALGAMATION:

First Transferor Company is a private limited company incorporated under the Act. The main business of the First Transferor Company amongst others is in Multi Trading activities in agri commodities. The First Transferor Company is presently setting up overseas subsidiaries to carry on business more efficiently and economically. The shareholders of the First Transferor Company, will be issued shares in the Transferee Company in lieu of their shareholding in the First Transferor Company.

The Second Transferor Company is an unlisted public limited company incorporated under the Act. The company is in a business of dealing in computer systems and allied activities including but not limited to computers, micro processors, electric and electrical apparatuses, software, equipments, gadgets etc. The shareholders of the Second Transferor Company, will be issued shares in the Transferee Company in lieu of their shareholding in the Second Transferor Company.

The Third Transferor Company is an unlisted public limited company incorporated under the Act. The company is in a business of dealing in computer systems and allied activities including but not limited to computers, micro processors, electric and electrical apparatuses, software, equipments, gadgets etc. The shareholders of the Third Transferor Company, will be issued shares in the

Transferee Company in lieu of their shareholding in the Third Transferor Company.

Transferee Company is a public limited company incorporated under the Act. The shares of the Transferee Company are presently listed on the Bombay Stock Exchange (“BSE”). The Transferee Company is engaged in the business of;

- a. dealers, general order suppliers, contractors, importers, exporters, merchants, stockiest, buyers, sellers, growers, agents, brokers, commission agents and dealers in cotton, jute, tea, coffee, rubber, oil grains pulses, seeds, vegetable products, cotton goods, jute goods, textiles, garments, yarn, synthetic goods, fibrous materials, mill stores coal, chemicals, fertilisers, building materials, office appliances, Domestic appliances furnitures, Decorative items, gift items, steel utensils, plastic goods, rubber items, pulp, paper engineering goods, electrical items, electronics items and cast iron items.

- b. financing industrial or other enterprises and to make loans, give guarantee and provided securities to any other company whether promoted by this company or not. To finance the industrial or other enterprises by way of lending and advancing money, machinery, land, building shed or such other things as may be required by such enterprises, either with or without security and upon such terms and conditions as the Company may think fit and to guarantee or become surities for the performance of any agreement or contract entered into by any such enterprises with any financial institution, banks or other parties for obtaining finance whether for its long terms capital, working capital, or for any deferred payment finance

The circumstances that have necessitated or justified the proposed Scheme and its main benefits are *inter alia*, summarized as under:

- a. To achieve synergistic integration and consolidation of the businesses presently being carried on by the First Transferor Company, the Second Transferor Company and the Third Transferor Company and the Transferee

Company, which shall be beneficial to the shareholders, creditors and employees of such companies and to the interests of the public at large, as such amalgamation would create greater synergies between the businesses of all the companies and would enable them to have access to better financial resources as well as increase the managerial efficiencies, while effectively pooling the technical, distribution and marketing skills of each other.

- b. Enhancement of net worth of the combined business to capitalise on future growth potential.
- c. To achieve strengthened leadership in the industry, in terms of the consolidated asset base, consolidated revenues of the combined entity.
- d. This Scheme of Amalgamation would result in merger and thus consolidation of business of First Transferor Company, Second Transferor Company and Third Transferor Company in one entity i.e. into Transferee Company. The Transferee Company being a Listed Company all the shareholders of the merged entity will be benefited by result of the amalgamation of Business and availability of trading platform.
- e. Amalgamation of the First Transferor Company, Second Transferor Company and Third Transferor Company with the Transferee Company will also provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, the merger will enable optimal utilization of existing resources and provide an opportunity to fully leverage strong assets, capabilities, experience, expertise and infrastructure of both the companies.
- f. The management of the Transferee Company has been recently taken over and the new management wants to expand its business horizon. The foregoing scheme is one of the strategic vehicles adopted by them. The New promoter also wants to at least maintain their stake holding prior to the merger.
- g. The Transferee Company would also have a larger net worth base, and greater borrowing capacity, which would provide it a competitive edge over the others, especially in view of the increasing competition due to liberalization and globalization, which will be beneficial in more than one ways to First

Transferor Company, Second Transferor Company and Third Transferor Company and the Transferee Company and their shareholders.

- h. The Amalgamation is in accordance with the Section 2(IB) of the Income Tax Act, 1961 and the Transferor Company as well as the Transferee Company will be able to avail of the benefits available under the Income tax Act, 1961 and any other provisions applicable and available under the Indian laws.
- i. Upon the scheme being effective, the promoter of the transferee company shall continue to be the promoters of the Transferee Company. The promoters of First Transferor Company, Second Transferor Company and Third Transferor Company shall no longer be the promoters of the Transferee Company.

Accordingly, with a view to integrate the business synergies and reap the benefit of consolidation through focused management, the Board of Directors of Transferor Companies and the Transferee Company thought it appropriate to amalgamate the Transferor Companies with the Transferee Company.

PART II

5. SHARE CAPITAL

- a. The position of the authorized, issued, subscribed and paid up capital of the First Transferor Company, Second Transferor Company, Third Transferor Company and the Transferee Company as on March 31, 2012 is as follows:

Name of the Company	Authorized Share Capital	Issued Subscribed and Paid Up Capital
SPG Multi Trade Private Limited	Rs.2,00,00,000/- (Rupees Two Crore only), divided into 20,00,000 (Twenty Lakhs) equity shares of Rs. 10/- (Rupees Ten) each.	Rs.2,00,00,000/- (Rupees Two Crore only), divided into 20,00,000 (Twenty Lakhs) equity shares of Rs. 10/- (Rupees Ten) each.

Archana Hitech Consultants Limited	Rs.20,00,00,000/- (Rupees Twenty Crore only), divided into 2,00,00,000 (Two Crore) equity shares of Rs. 10/- (Rupees Ten) each.	Rs.18,32,40,000/- (Rupees Eighteen Crore Thirty Two Lakhs Forty Thousand only), divided into 1,83,24,000 (One Crore Eighty Three Lakhs Twenty Four Thousand) equity shares of Rs. 10/- (Rupees Ten) each.
Vandana Hitech Systems Limited	Rs.14,00,00,000/- (Rupees Fourteen Crore only), divided into 1,40,00,000 (One Crore Forty Lakhs) equity shares of Rs. 10/- (Rupees Ten) each.	Rs.12,45,13,400/- (Rupees Twelve Crore Fourty Five Lakhs Thirteen Thousand Four Hundred only), divided into 1,24,51,340 (One Crore Twenty Four Lakhs Fifty One Thousand Three Hundred and Fourty) equity shares of Rs. 10/- (Rupees Ten) each.
Ganon Trading and Finance Company Limited	Rs.40,00,000/- (Rupees Fourty Lakhs Only) divided into 4,00,000 (Four lakhs) equity shares of Rs. 10/- (Rupees Ten) each.	Rs.30,10,000/- (Rupees Thirty Lakhs Ten Thousand Only), divided into 3,10,000 (Three Lakhs Ten Thousand) equity shares of Rs. 10/- (Rupees Ten) each.

- b. Subsequent to the Balance Sheet as on March 31, 2012 there has been no change in the share capital of the First Transferor Company, Second Transferor Company and the Third Transferor Company.
- c. Subsequent to the Balance Sheet as on March 31, 2012, the authorised equity share capital of the Transferee Company was increased to Rs.10,00,00,000/- (Rupees Ten Crore only). Subsequently, the Transferee Company had conducted a Bonus Issue of shares under which it issued 90,30,000 equity shares of Rs.10/- each. Post aforementioned increase in authorized capital and bonus issue of shares, the capital of the Transferee Company as on date is as under;

Name of the Company	Authorized Share Capital	Issued Subscribed and Paid Up Capital
Ganon Trading and Finance Company Limited	Rs.10,00,00,000/- (Rupees Ten Crore Only) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- (Rupees Ten) each.	Rs.9,33,10,000/- (Rupees Nine Crore Thirty Three Lakhs Ten Thousand only), divided into 93,31,000 (Ninety Three Lakhs Thirty One Thousand) equity shares of Rs. 10/- (Rupees Ten) each.

PART III

6. TRANSFER AND VESTING OF UNDERTAKINGS OF THE TRANSFEROR COMPANIES

Upon the Scheme becoming effective and with effect from the Appointed Date:

- a. All the Assets relating to and comprised in the Undertaking(s) of the Transferor Companies shall stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company as a going concern pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the assets and undertakings of the Transferee Company.
- b. Without prejudice to the generality of the foregoing, it is expressly provided that in respect of such of the Assets of the Transferor Companies that are moveable in nature and/or are otherwise capable of transfer by manual or constructive delivery and/or endorsement and delivery, or novation, the same shall be deemed to have been so transferred by the Transferor Companies and shall become the property of the Transferee Company in pursuance of the provisions of Sections 391 to 394 of the Act, without any further act, instrument, deed, matter or thing.

- c. Without prejudice to clause 6(a) and 6(b), all lands, buildings, offices and other Assets that are immovable in nature, including rights, titles, interests and covenants in connection with such Assets, easements and privileges, if any of whatsoever nature, held by the Transferor Companies, and any documents of right, title or interest in relation thereto shall vest in and transferred to and/or be deemed to vest in and transferred to the Transferee Company and shall belong to the Transferee Company. With effect from the Effective Date, the Transferee Company shall be liable for ground rent and municipal taxes, if any, in relation such of the Assets. Upon the Scheme becoming effective, the title to such of the Assets shall be mutated and transferred by appropriate authorities, in accordance with terms hereof, in favour of the Transferee Company.
- d. Without prejudice to clause 6(a), 6(b) and 6(c) motor vehicles, if any, of any nature whatsoever comprised in or relatable to the Transferor Companies as the case may be, shall vest in the Transferee Company and appropriate governmental and registration authorities shall mutate and register the said vehicles in the name of the Transferee Company as if the vehicles had originally been registered in the name of the Transferee Company.
- e. All the Licenses and all rights and benefits pursuant thereto which have accrued or which may accrue to the Transferor Companies shall, pursuant to the provisions of Sections 391 to 394 of the Act, without any further act, instrument, deed, matter or thing be and stand transferred to and vested in and / or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become effective and enforceable on the same terms and conditions to the extent permissible under law and shall be duly and appropriately mutated or endorsed by the authorities concerned therewith in favour of the Transferee Company.
- f. All IPRs whether or not registered with the authorities concerned or applications submitted at any time on or before the Effective Date by the Transferor Companies shall without any further act, instrument, deed, matter, or thing be

deemed to have been transferred to and vested in the name of the Transferee Company in pursuance of the provisions of the Sections 391 to 394 of the Act. The Transferee Company, wherever required, shall after the Scheme becoming effective file the relevant intimation with the concerned statutory authority(ies) who shall take them on record pursuant to the Scheme becoming effective.

- g. All the Liabilities relating to and comprised in the Undertakings of the Transferor Companies of every kind, nature and description whatsoever or howsoever arising, raised or incurred or utilized for their business activities and operations, outstanding on the Effective Date, shall stand transferred to and vested in or deemed to be transferred to or vested in the Transferee Company under the provisions of Sections 391 to 394 of the Act, without any further act, instrument, deed, matter or thing so as to become the liabilities of the Transferee Company.

Provided that in so far as the Assets of the Transferor Companies are concerned, the security or charge over the Assets or any part thereof, relating to any Liabilities of the Transferor Companies, shall, without any further act, instrument, deed, matter or thing continue to relate to such Assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any of the assets of the Transferee Company or any part thereof, save to the extent warranted by the terms of the existing security arrangements to which the Transferor Companies and the Transferee Company are party, and consistent with the joint obligations assumed by them under such arrangement or otherwise agreed by the Board of the Transferee Company.

- h. All items as detailed under sub-clause (v) of clause 2(o) above in relation to the Transferor Companies shall stand transferred to or vested in the Transferee Company, without any further act or deed done by the Transferor Companies or the Transferee Company.
- i. With respect to the employees of the Transferor Companies referred to in sub-clause (vi) of clause 2(o):

- a. All the employees in the service of the Transferor Companies immediately preceding the Effective Date shall become employees of the Transferee Company on the basis that:
- their services shall be deemed to have been continuous and not have been interrupted by reasons of the said transfer.
 - the terms and conditions of service applicable to employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer.
- b. It is expressly provided that as far as the provident fund, gratuity scheme, superannuation scheme or any other special scheme(s) or fund(s) created or existing, if any, for the benefit of the employees of the Transferor Companies are concerned, upon the coming into effect of this Scheme, the Transferee Company shall stand substituted for the concerned the Transferor Company for all purposes whatsoever, related to the administration or operation of such schemes and intent that all the rights, duties, powers and obligation of the Transferor Companies in relation to such schemes shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Companies will be treated as having been continuous for the purpose of the aforesaid schemes.
- c. The Transferee Company will file the relevant intimations with the statutory authorities concerned who shall take the same on record and endorse the name of the Transferee Company in place of the Transferor Companies.
- j. Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations, if any, of the Transferor Companies shall stand transferred by the order of the High Court to the Transferee Company, the Transferee Company shall file the relevant intimations,

applications, disclosures, etc. for the record of the statutory authorities so that the same can be taken on their records, upon the Scheme becoming effective.

- k. The Transferee Company, at any time after the coming into effect of this Scheme, may execute deeds of confirmation in favor of any party to any contract or arrangement or memorandum of understanding, to which the Transferor Companies are a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Companies to carry out or perform all such formalities or compliance, referred to above on the part of the Transferor Companies to be carried out or performed.

7. INTER PARTY TRANSACTIONS

Without prejudice to the above provisions, with effect from the Appointed Date, all inter party transactions including but not limited to:

- a. Any shares issued by the Transferor Companies to the Transferee Company and/or vice versa and/or inter-se between the Transferor Companies;
- b. Any advances made by the Transferor Companies to the Transferee Company and/or vice versa and/or inter-se between the Transferor Companies as share application money;
- c. Any loans, advances, and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, which are due or outstanding or which may at any time in future become due inter-se between the Transferor Companies and/or between any of the Transferor Companies and the Transferee Company; and
- d. Any agreements/ memorandum of understanding, executed inter-se between the

Transferor Companies and/or or between any of the Transferor Companies and the Transferee Company.

shall stand cancelled as on the Effective Date, and shall be of no effect and the respective Transferor Companies and the Transferee Company shall have no further obligation outstanding in that behalf.

8. TAXES

- a. All taxes, duties, cess payable by the Transferor Companies including all or any refunds/credit/claim pertaining to the period prior to the Appointed Date shall be treated as a liability or refunds/credit/claim, as the case may be, of the Transferee Company.
- b. Without prejudice to the aforesaid, the tax deducted at source (“**TDS**”)/advance tax, if any, paid by the Transferor Companies under the IT Act or any other statute in respect of income of the Transferor Companies assessable for the period commencing from Appointed Date shall be deemed to be the tax deducted from/advance tax paid by the Transferee Company and credit for such TDS/advance tax shall be allowed to the Transferee Company notwithstanding that certificates or challans for TDS/advance tax are in the name of the Transferor Companies and not in the name of the Transferee Company. The Transferee Company shall, after the Scheme becomes effective, be entitled to revise the income tax returns, if any, filed by it or the Transferor Companies in respect of the period from 1-4-2011 till ending 31.3.2012 or thereafter, notwithstanding that the time prescribed for such revision may have elapsed.
- c. TDS, if any, deducted by the Transferee Company under the IT Act or any other statute for the time being in force, in respect of the payments made by the Transferee Company to the Transferor Companies on account of inter-se transactions, assessable for the period commencing from Appointed Date shall be deemed to be the advance tax paid by the Transferee Company and credit for such advance tax shall be allowed to the Transferee Company notwithstanding that

certificates or challans for advance tax being in the name of the Transferor Companies and not in the name of the Transferee Company.

- d. The income tax, if any, paid by the Transferor Companies on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of the Transferee Company. The Transferee Company shall, after the Effective Date, be entitled to file the relevant returns with the authorities concerned for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Companies for any year, if so necessitated or consequent to this Scheme, notwithstanding that the time prescribed for such revision may have elapsed.
- e. All deductions available or benefits accruing or which would have been otherwise available to the Transferor Companies in future under the provisions of the IT Act or any other applicable laws in respect of the capital expenditure incurred by the Transferor Companies upto the Effective Date shall be available to the Transferee Company as if the said expenditure has been incurred for and on behalf of the Transferee Company.
- f. The wealth tax, if any, paid by the Transferor Companies in respect of the valuation date under the Wealth Tax Act, 1957, on or after the Appointed Date shall be deemed to have been paid by the Transferee Company. The Transferee Company shall, after the Scheme becomes effective, be entitled to file the wealth tax return for the relevant valuation date notwithstanding that the time prescribed for filing such returns may have lapsed. Further the Transferee Company shall, after the Scheme becoming effective, be entitled to revise the wealth tax returns if any, filed by the Transferor Companies for any year if so necessitated or consequent to this Scheme; notwithstanding that the time prescribed for such revision may have elapsed.

- g. Similarly, any other taxes including but not limited to service tax, value added tax, sales tax, if any, paid by the Transferor Companies on or after the Appointed Date, in respect of the period after such date shall be deemed to have been paid by or for the benefit of the Transferee Company. The Transferee Company shall, after the Effective Date, be entitled to file the relevant returns with the concerned authorities concerned for the period after the Appointed Date, notwithstanding that the time prescribed for filing such return may have elapsed. Further the Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Companies for any year, if so necessitated or consequent to this Scheme notwithstanding that the time prescribed for such revision may have elapsed.
- h. Without prejudice to generality of the aforesaid, any concessional or statutory forms under the laws of the (central or state) sales tax or value added tax, or local levies issued or received by the Transferor Companies, if any, in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to the Transferor Companies.
- i. The Transferee Company shall file the relevant intimations, if required, for the record of the statutory authorities who shall take them on file. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Companies in order to carry out or perform all such formalities or compliances referred to above on part of the Transferor Companies.

9. SAVING OF CONCLUDED TRANSACTION

- a. Where any of the liabilities and obligations, if any, of any of the Transferor Companies, as on the Appointed Date, to be transferred to the Transferee Company have been discharged by the respective Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

- b. Without prejudice to anything mentioned above or anything contained in this Scheme, the transfer and vesting of the Assets and the Liabilities of the Transferor Companies as per this Scheme shall not affect any transactions or proceedings already concluded by the concerned Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things made, done and executed by the concerned Transferor Company as acts, deeds, matters and things made, done and executed by or on behalf of the Transferee Company.
- c. All Liabilities, incurred or undertaken by the Transferor Companies after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become liabilities of the Transferee Company.

10. CONDUCT OF BUSINESS AFTER APPOINTED DATE

With effect from the Appointed Date up to and including the Effective Date:

- a. the Transferor Companies shall carry on and shall be deemed to have carried on all their business activities and shall hold and stand possessed of and shall be deemed to have held and stood possessed of all the Assets for and on account of, and in trust for, the Transferee Company;
- b. The Transferor Companies shall carry on its business and activities with reasonable diligence and business prudence.

- c. All profits or incomes accruing or arising to the Transferor Companies or expenditure, or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies on and after the Appointed Date shall, for all purposes, be treated and be deemed to accrue as the profits or incomes or expenditure or losses of the Transferee Company, as the case may be.

11. LEGAL PROCEEDINGS

- a. Upon the coming into effect of this Scheme, all suits, actions and legal proceedings, if any, by or against any of the Transferor Companies pending and/or arising on or before the Effective Date, shall not abate, be discontinued or in anyway be prejudicially affected by this amalgamation or by anything contained in this Scheme, but the said suits, appeals or other legal proceedings shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and/or arising by or against the Transferee Company.
- b. The Transferee Company undertakes to have all legal or other proceedings initiated by or against any of the Transferor Companies referred to in sub-clause (a) of clause 12 above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

12. CONTRACTS DEEDS AND INSTRUMENTS

- a. Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances, if any, in favour of any of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature to which any of the Transferor Companies is a party or to the benefit of which any of the Transferor Companies may be eligible, and which are subsisting or having effect immediately on or before the Effective Date, shall be 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 effectually as if, instead of the respective Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto. The Transferee Company shall, wherever necessary, enter into and/or issue and/or execute deeds, writings or confirmations, or novations in order to give formal effect to the provisions of this clause.

- b. 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, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Companies to carry out or perform all such formalities or compliances required for the purposes referred to above on behalf of the concerned Transferor Company.

13. CONSIDERATION

- a. Upon Scheme becoming effective and without any further application, act or deed, the Transferee Company, in consideration of the transfer and vesting of the Assets and Liabilities of the First Transferor Company, Second Transferor Company and Third Transferor Company in the Transferee Company, shall issue and allot equity shares to the extent indicated below, to the members of the First Transferor Company, Second Transferor Company and Third Transferor Company (“**Members**”), holding fully paid up equity shares and whose names appear in the Register of Members of the First Transferor Company, Second Transferor Company and Third Transferor Company respectively, as on the Record Date fixed in respect of the First Transferor Company, Second Transferor Company and Third Transferor Company or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of each of the First Transferor Company,

Second Transferor Company and Third Transferor Company as detailed hereinafter.

CONSIDERATION		
First Company	Transferor	19 fully paid up equity shares of the Transferee Company of Rs.10/- each for every 1 equity share of Rs.10 /- each held in the First Transferor Company.
Second Company	Transferor	1 fully paid up equity share of the Transferee Company of Rs.10 /- each for every 1 equity share of Rs.10 /- each held in the Second Transferor Company.
Third Company	Transferor	1 fully paid up equity share of the Transferee Company of Rs.10 /- each for every 1 equity share of Rs.10 /- each held in the Third Transferor Company.

- b. The shareholders to whom equity shares are to be issued by the Transferee Company (hereinafter referred to as “**New Equity Shares**”) pursuant to Clause 13 (a) above shall be issued in dematerialized form. However, shareholders shall have an option to receive the certificate(s) of shares or receive credit in their demat accounts. Those, who wish to receive their equity shares in dematerialized form, shall provide all details relating to their account with depository participant, to the Transferee Company. In case no response is received, the Transferee Company shall issue the shares in the form in which the shares were held as on the Record Date by the concerned shareholder.
- c. Equity shares to be allotted by the Transferee Company as hereinabove shall be hereinafter referred to as “**New Equity Shares**”. The New Equity Shares, unless otherwise requested by the Members to be issued in physical form, shall be credited in the demat account of the Members of the Transferor Companies provided that the Member shall be required to have an account with a depository

participant and shall provide details thereof and such other confirmations as may be required.

(The ratio, mentioned herein above, in which the New Equity Shares of the Transferee Company are to be allotted to the equity shareholders of the First Transferor Company, Second Transferor Company and Third Transferor Company by the Transferee Company is hereinafter referred to as the "**Share Exchange Ratio**").

- d. Any fraction arising pursuant to the Share Exchange Ratio for allotment of New Equity Shares to the equity shareholders of the First Transferor Company, Second Transferor Company and Third Transferor Company, in terms of the provisions of sub clause (a) of clause 13 above shall be rounded off to nearest one equity share.
- e. The New Equity Shares to be issued in terms hereof shall be subject to the Memorandum and Articles of Association of the Transferee Company.
- f. Upon the New Equity Shares in the Transferee Company being issued and allotted by the Transferee Company to the Members, the equity shares of the First Transferor Company, Second Transferor Company and Third Transferor Company held by the Members in the First Transferor Company, Second Transferor Company and Third Transferor Company respectively shall automatically stand cancelled. Consequently, the share certificates representing such equity shares in the First Transferor Company, Second Transferor Company and Third Transferor Company shall automatically stand cancelled and invalid.
- g. The New Equity Shares of the Transferee Company to be issued and allotted to the Members shall rank, for dividend, voting rights and for all other benefits and in all other respects, pari passu with the existing equity shares of the Transferee Company with effect from the date of allotment of New Equity Shares.
- h. The approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be due compliance of the provision of Section 81 (1A) and other relevant and applicable provision of the Act for the issue and allotment of Equity

Shares by Transferee Company to the shareholder of the First Transferor Company, the Second Transferor Company and the Third Transferor Company, as provided in this Scheme.

- i. In the event that the Transferee Company restructures its Equity Share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio shall be adjusted accordingly to take into account the effect of any such corporate actions.

14. AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEEE COMPANY:

14.1 OBJECTS CLAUSE:

Upon the Scheme becoming effective, the object clause of the Memorandum of Association of the Transferee Company shall stand amended / altered by replacing the following objects i.e. Clause III (A) (1) of the Memorandum of Association of the Transferee Company and approval by the shareholders to the Scheme shall be deemed to be their consent to the alteration of the Memorandum of Association pursuant to Section 17 and other applicable provisions, if any, of the Act:

“(1). To carry on the business of trading, marketing, export, import, purchase, sell, distribute, deal in all types of multiple products such as textile, timber, farm products, spices, pulses, wines, distilleries, breweries, gems and jeweler, diamonds, gold ornaments, silver, utensils, precious stones, crops, minerals, raw materials, manufactured products, goods & ware, plant and machinery, tools & equipments artificial fibers, garments, apparel, limitation jeweler, handicrafts, chemicals foods and beverages, dry fruits, canned provisions, cottage industries, ware, cotton waste, tea, minerals and ores, ferrous and non-ferrous metals, meat products, coffee, tobacco and tobacco products, spices, shoes and leather goods, leathers, hides, automobiles, trucks, coaches, carriages, diesel engines, pumps,

agricultural implements, electrical motors, transformers, switchgears and accessories, hardware, furniture's, electrical appliances, electronic components, electrical equipments, electronic instrument, spares, computer system, computer spares, computer software, software applications, software packages, paper and paper product machinery and machine tools, dyes, chemicals, colours, paints, varnishes, books and stationery items, glassware pottery, table scientific instruments, spectacles, framers, glasses, lenses, binoculars, telescope and their parts, spare parts, synthetic products, rubber, handicrafts, tires, cords, tubes, type writers, refrigerators, office steel furniture, equipment appliances, engineering goods, plastics, animal products, sport goods, fish and fish products, cashew kametre, feeding stuffs, raw cotton ginning pressing factory, oil mill, spinning mill, refinery, Edible oil, Soya oil, palm oil, biofuel, petrochemicals, petroleum products, ethanol, ratified spirit, scrap, heavy melting scrap, building material, sentry wears, cement, iron rods, toys.”

14.3 CAPITAL CLAUSE:

Upon the scheme becoming effective, the Authorised Share Capital of the First Transferor Company which is Rs.2,00,00,000/- (Rupees Two Crore only), consisting of 20,00,000 (Twenty Lakhs) equity shares of Rs. 10/- (Rupees Ten Only) each, the Second Transferor Company which is Rs.20,00,00,000/- (Rupees Twenty Crore only), consisting of 2,00,00,000 (Two Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each and the Third Transferor Company which is Rs.14,00,00,000/- (Rupees Fourteen Crore only), consisting of 1,40,00,000 (One Crore Fourty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each shall stand transferred to the Transferee Company without any further act, instrument or deed and without payment of any fees, stamp duty etc.

Further, upon Scheme coming into effect the Transferee Company shall further increase its Authorised Capital by 34,00,00,000/- (Rupees Thirty Four Crores only) and approval of the shareholders to the Scheme shall be deemed to be

sufficient for the purposes of effecting this further increase in Authorised Capital by the Transferee Company and no further resolution(s) under Section 16, Section 31, Section 94 or any other applicable provisions of the Act, would be required to be separately passed and requisite stamp duty shall be paid upon increase in aforesaid authorized capital by the Transferee Company.

Clause V of the Memorandum of Association and Article 5 of the Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and approval of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 16, Section 31, Section 94 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on its authorised share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the authorised share capital so increased except for further increase in authorised capital by Rs.34,00,00,000/- (Rupees Thirty Four Crore only) in addition to the combined authorized capital. Accordingly, Clause V of the Memorandum of Association of the Transferee Company shall on the Effective Date stand substituted to read as follows:

“V. The Authorised Share Capital of the Company is Rs.80,00,00,000/- (Rupees Eighty Crore only) divided into 8,00,00,000 (Eight Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each with powers to classify or reclassify, increase or reduce the same, from time to time, in accordance with the regulations of the Company and the legislative provisions, for the time being in force, in this behalf and with the power to divide the share capital for the time being into several classes and to attach thereto respectively any preferential, qualified, differential, convertible or special

rights, privileges or conditions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with these presents and the Articles of Association.”

Article 5 of the Articles of Association of the Transferee Company shall, on the Effective Date, also stand substituted to read as follows:

“5 The authorized share capital of the Company is Rs.80,00,00,000/- (Rupees Eighty Crore only) divided into 8,00,00,000 (Eight Crore) equity shares of Rs. 10/- (Rupees Ten Only) each with power to increase or reduce 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 determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company.”

14.4 Under the accepted principle of Single Window Clearance, it is hereby provided that the aforesaid alterations viz. Change in the Object Clause and Capital Clause, referred above, shall become operative on the scheme being effective by virtue of the fact that the Shareholders of the Transferee Company, while approving the scheme as a whole, have also resolved and accorded the relevant consents as required respectively under Section 16, 17, 21, 31,94 and 97 of the Companies Act, 1956 or any other provisions of the Act and shall not be required to pass separate resolutions as required under the Act.

15. ACCOUNTING TREATMENT

Upon the Scheme being effective, the Transferee Company shall account for amalgamation / merger in its books as specified hereunder:

a. All the Assets and the Liabilities recorded in the books of the Transferor

- Companies shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their carrying amount as appearing in the books of the Transferor Companies.
- b. An amount equal to the balance lying in the “Profit and Loss Account” as appearing in the balance sheet of the Transferor Companies shall be taken over by the Transferee Company and included in the balance of its profit and loss account.
 - c. As on the Appointed Date, and subject to any corrections and adjustments as may, in the opinion of the Board of the Transferee Company be required, the reserves (if any) of the Transferor Companies will be merged with those of the Transferee Company in the same form as appeared in the financial statements of the Transferor Companies.
 - d. Further, in case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the impact on account of change in the accounting policy to achieve uniformity on account of amalgamation will be quantified and adjusted in the revenue reserve(s) to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistency in the accounting policy.
 - e. The excess / shortage, if any, of the aggregate value of the Assets reduced by the aggregate value of the Liabilities and the profit and loss account over the aggregate value of the New Equity Shares issued and allotted under the Scheme by the Transferee Company to the Members, and reserves of the Transferor Companies after adjustment of inter-se loans and investments, if any, pursuant to the Scheme, recorded by the Transferee Company upon their transfer to and vesting in the Transferee Company under the Scheme shall be adjusted in reserves

16. COMPLIANCES

- a. The Transferee Company will make an application for approval, if applicable, or filings to Foreign Investment Promotion Board / RBI /authorized dealer or other appropriate authorities, for their approval under the provisions of the Foreign

Exchange Management Act, 1999 for the issue and allotment of equity shares in the Transferee Company to the non-resident equity shareholders of the Transferor Companies in accordance with the provisions of the Scheme.

- b. All the New Equity Shares so issued and allotted by the Transferee Company shall be listed and/or admitted to trading on BSE. BSE shall list the New Equity Shares, the issuance of which shall be considered as due compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the extent applicable and other applicable provisions of law. The Transferee Company will enter into such arrangements and give such confirmations and/or undertakings and/or file such necessary applications, as may be necessary in accordance with applicable laws or regulations for complying with formalities required by BSE/Securities and Exchange Board of India under Listing Agreement and/or under such other acts, rules, regulations, guidelines, as may be applicable.
- c. The approval to this Scheme under Sections 391 to 394 of the Act, by the shareholders and/or creditors of the Transferor Companies and Transferee Company shall be deemed to have the approval of the shareholders and/or creditors, as the case may be, under the applicable provisions of the Act, including but not limited to Sections 13, 16, 31, 81(1A), 94 of the Act.
- d. The amalgamation of the Transferor Companies shall be as a going concern to the Transferee Company in accordance with Section 2(1B) of the IT Act. Further, this Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as provided in the Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the IT Act, at a later date for any other reason whatsoever, the relevant provisions of the IT Act shall prevail and the Scheme shall stand modified to the extent deemed necessary to comply with the IT Act. Such modifications, however, shall not affect the other parts of the Scheme.

17. DIVIDEND

- a. With effect from the date of filing of this Scheme with the High Court and up to and including the Effective Date, the Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period after the Appointed Date and prior to the Effective Date.
- b. Until the coming into effect of this Scheme, the shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends.
- c. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any shareholder of any of the Transferor Companies and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Companies and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Companies and the Transferee Company, respectively.

PART IV

18. GENERAL TERMS AND CONDITIONS:

Upon the coming into effect of this Scheme:

- a. The resolutions, if any, of the Transferor Companies, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable law for the time being in force, then the said limits shall be added and shall constitute the aggregate of the said limits in the

Transferee Company.

- b. The borrowing limits of the Transferee Company in terms of Section 293(1) (d) of the Act, shall without further act or deed stand enhanced by an amount being the aggregate Liabilities, if any, of the Transferor Companies which are being transferred to the Transferee Company pursuant to this Scheme and the Transferee Company will not be required to pass any fresh resolution(s) in this regard.
- c. With effect from the Effective Date and until such time the names of the bank accounts of the Transferor Companies are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies, in so far as may be necessary.
- d. The Transferor Companies and the Transferee Company shall, make all applications/petitions under Sections 391 to 394 and other applicable provisions of the Act to the High Court for sanctioning of this Scheme and for dissolution of the Transferor Companies without winding up under the provisions of law, and obtain all approvals as may be required under law.
- e. The Transferor Companies and the Transferee Company (acting through their respective Boards) may assent from time to time on behalf of all persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations which either the Boards of the Transferor Companies and the Transferee Company deem fit, and/or which the High Court and/or any other authorities under law may deem fit to approve of or impose and which the Transferor Companies and the Transferee Company may in their discretion deem fit and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or to review the position relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under law) for bringing this Scheme into effect.

- f. The Transferor Companies and the Transferee Company shall have the discretion to withdraw their application/petition from the Hon'ble High Court, if any, onerous terms or other terms not acceptable to them are introduced in the Scheme whether at the meetings of shareholders/creditors or at the time of sanction of the Scheme or as otherwise deem fit by the Board of the Transferor Companies and/or the Transferee Company. They shall also be at liberty to render the Scheme ineffective by not filing the certified copies of the order sanctioning the Scheme with ROC. However, the necessary intimation may be filed by the Transferor Companies and the Transferee Company with Hon'ble High Court of their decision not to file the Scheme and make it effective.
- g. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Board of the Transferor Companies and Transferee Company may give and are authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.
- h. This Scheme is conditional upon and subject to:
- i. the consents by the requisite majority of the shareholders and creditors of the Transferor Companies and Transferee Company to the Scheme, if required and the requisite orders of the Hon'ble High Court sanctioning the Scheme in exercise of the powers vested in it under the Act;
 - ii. such other sanctions and approvals including sanctions of any government or regulatory authority as may be required by law in respect of the Scheme; and
 - iii. the certified copies of the High Court order being filed with ROC by the Transferor Companies and the Transferee Company.

- i. In the event this Scheme fails to take effect then it shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each of the Transferor Companies and the Transferee Company shall bear its own costs or as may be mutually agreed.
- j. If any part of this Scheme hereof is ruled illegal or invalid by, or is not sanctioned by the Hon'ble High Court, or is unenforceable under present or future laws, or which otherwise is considered unnecessary, undesirable or inappropriate at any stage by the Board of Directors of the Transferor Companies and the Transferee Company, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.
- k. Upon the Scheme becoming effective, the Transferor Companies shall stand dissolved without winding up.
- l. Subject to sub-clause (i) of clause 19 above all costs, charges and expenses, including any taxes and duties in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Companies in pursuance of this Scheme shall be borne and paid by the Transferee Company.