

CP No. 8/S.233/2017-18

FORM NO. CAA.12

[Pursuant to section 233 and rule 25(5)]

**Confirmation order of scheme of amalgamation of
M/s.Symega Flavours (India) Private Ltd., with M/S. Symega Savoury
Technology Limited**

Pursuant to the provisions of section 233, the Scheme of Amalgamation of M/s.Symega Flavours (India) Private Limited (Transferor company) with M/S. Symega Savoury Technology Limited (Transferee company) approved by their respective members and creditors as required under section 233(1) (b) and (d), is hereby confirmed and the Scheme shall be effective from the 1st Day of April, 2016.

A copy of the approved scheme is attached to this order.



(M.Chandanamuthu)
Regional Director (SR)

Date : 28.9.2017

Place : Chennai



SCHEME OF AMALGAMATION
BETWEEN
SYMEGA FLAVOURS (INDIA) PRIVATE LIMITED AND ITS MEMBERS
AND
SYMEGA SAVOURY TECHNOLOGY LIMITED AND ITS MEMBERS
And their respective creditors
UNDER SECTION 233 OF THE COMPANIES ACT, 2013
FOR AMALGAMATION OF
SYMEGA FLAVOURS (INDIA) PRIVATE LIMITED
WITH
SYMEGA SAVOURY TECHNOLOGY LIMITED

(A) PREAMBLE

Section 233 of the Companies Act, 2013 read with Rule 25 of the Companies (Compromises, Arrangements and Amalgamations) Rules 2016, inter alia, provide for a scheme of merger or amalgamation to be entered into between a holding company and its wholly-owned subsidiary company subject to the conditions mentioned in subsection (1) of section 233 of the Act.

In compliance with the requirements of section 233 of the Act and Rules made thereunder, this Scheme of Amalgamation ('Scheme') is presented under Section 233 and other applicable provisions of the Companies Act, 2013 for amalgamation of Symega Flavours (India) Private Limited ('SFPL' or 'the Transferor Company') with Symega Savoury Technology Limited ('SSTL' or 'the Transferee Company'). This Scheme also provides for also matters consequential or otherwise integrally connected therewith forming part of the Scheme.

(B) BACKGROUND

The Transferor is a wholly owned subsidiary of the Transferee Company.

As on 31st March, 2016, 49% of the issued, subscribed and paid up share capital of the Transferor Company was held by the Transferee Company and its nominees.

Subsequently and by 31st October 2016, the Transferee Company acquired the remaining 51 % of the issued, subscribed and paid up capital of the Transferor Company.

Thus, on and from 31st October 2016 and also as on date the entire issued, subscribed and paid up share capital of the Transferor Company is held by the Transferee Company along with its nominee(s) thereby making the Transferor Company wholly-owned subsidiary of the Transferee Company.

(C) RATIONALE AND BUSINESS OF THE COMPANIES

Both the companies are engaged in business relating to food processing. Thus, the Transferee Company as parent company would like to integrate and consolidate its subsidiary. The circumstances that have necessitated or justified the proposed scheme and its main benefits are inter-alia, summarized as under:

- (i) To achieve greater integration and greater financial strength and flexibility, maximize overall shareholder value and improve the competitive position of the combined entity



- (ii) To achieve cost savings from more focused operational efforts, rationalization, standardization and simplification of business process, productivity improvements and rationalization of administrative expenses.
- (iii) The consolidation of activities of the transferor company and the transferee company by way of an amalgamation will lead to operational synergies, greater productivity and economical operations for future growth of Transferee Company.
- (iv) Amalgamation will provide pooling of the managerial, technical and financial resources of the transferor Companies and transferee Company which will help in increasing the competitiveness of the transferee Company
- (v) The amalgamation will result in economy of scales, reduction in overheads including administrative, managerial and other expenditure, operational rationalization, organizational efficiency and optimal utilization of resources.
- (vi) Amalgamation will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company and Transferee Company.
- (vii) The increased asset base of the transferee Company would have better financial viability and clearer focus, which would be in the interest of all creditors, including the creditors of the Transferor Company, if any.
- (viii) The Banks, creditors and financial institutions, if any, are not adversely affected by the proposed amalgamation as their security is maintained.

THIS SCHEME OF AMALGAMATION DIVIDED INTO FOLLOWING PARTS

PART A: Definition and share capital

PART B: Transfer and Vesting of Undertaking of Transferor Company with the Transferee Company

PART C: Accounting Treatment

PART D: Dissolution and General Terms and Conditions

PART A – GENERAL

1. DEFINITIONS

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

- 1.1 "The Transferor Company" means "SYMEGA FLAVOURS (INDIA) PRIVATE Limited (SFPL), a company incorporated under the Companies Act, 1956, and having Registered Office is situated at 39/1799, Ajay Vihar, M.G.Road, Kochi-682 016".
- 1.2 "Transferee Company" means SYMEGA SAVOURY TECHNOLOGY Limited (SSTL), a company incorporated under the Indian Companies Act, 1956 and having registered office is situated at Synthite Taste Park, No XI, 312G, Pancode, Vadavucode, Kerala, PIN - 682310"
- 1.3 "Act" or "The said Act" means the Companies Act, 2013 as modified from time to time.
- 1.4 "The Appointed Date" means the date from which the scheme shall become operative viz., 1st April, 2016 and/or the Central Government



modify the Appointed date to such other date, then the same shall be the Appointed date.

- 1.5 "Central Government" means the Regional Director (Southern Region) in the Ministry of Corporate Affairs
- 1.6 "Registrar" means the Registrar of Companies, Kerala
- 1.7 "The Effective Date" means the date or last of the dates on which the certified copies of the Confirmation order(s) of the Central Government is filed with the Registrar by the Transferee and Transferor company,
- 1.8 "Undertaking" shall mean and include:
- (a) The whole of the undertaking of the Transferor Company, as a going concern including its business
 - (b) All the assets, properties, rights, titles and benefits, whether moveable or immovable, reserves, provisions, funds, licenses, registrations of the Transferor Company as on the Appointed Date.
 - (c) All the debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date (hereinafter referred to as "the said Liabilities").
 - (d) Without prejudice to the generality of sub-clause (a) above, the Undertakings of the Transferor Company shall include all the Transferor's reserves, movable and immovable properties, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments assets, including lease-hold rights, tenancy rights, industrial and other licenses, permits, registrations, authorizations, quota rights, trade marks, copy rights, patents, and other industrial and intellectual properties, import quotas, telephones, telex, computers, benefits of security arrangements, internet connections, facsimile and other communication facilities and equipment and installations and utilities, electricity, water and other service connections, benefit of agreements, contracts and arrangement, rights and benefits of all other interest, rights and powers of every kind, authorities, permits, allotments, approvals, consents, easements, and all right, title, interest, goodwill, deposits, reserves, advances, receivables, cash, bank balances, accounts and all other rights, subsidies, grants, tax credits (including but not limited to credits, in respect of income tax, sales tax, value added tax, turnover tax, service tax, etc.), software licenses, Domain/ Websites, benefits and advantages, nature and description whatsoever, privileges, liberties, in connection / related to transferor company and other claims and powers, of whatsoever nature and whosoever situated belonging to or in possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date.
- 1.9 "Scheme of Amalgamation", or "Scheme" or "The Scheme" or "This Scheme" means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the Central Government /Registrar /Liquidator or any other authority or person permitted to do so under the Act .



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

2. SHARE CAPITAL

- 2.1 The share capital of the Transferor Company as on 31st March 2016 was under:

Authorised Capital	Amount (Rs)
400000 equity shares of Rs 100- each	4,00,00,000
Total	4,00,00,000
Issued, subscribed and paid-up capital	Amount (Rs)
368640 equity shares of Rs 100/-each fully paid up	3,68,64,000

- 2.2 The share capital of the Transferee Company as on 31st March 2016 was under:

Authorised Capital	Amount (Rs)
10000000 equity shares of Rs 10 each	10,00,00,000
155000 6.5% Redeemable preference shares of Rs1000/- each	15,50,00,000
Total	25,50,00,000
Issued, subscribed and paid-up capital	Amount (Rs)
9858925 equity shares of Rs 10each fully paid up	9,85,89,250
155000 6.5% Redeemable Preference shares of Rs 1000 each fully paid up	15,50,00,000

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set in herein in its present form with any modification(s) approved or imposed or directed by the Central Government or any other appropriate authority shall be operative from the appointed date but shall become effective on the Effective Date

PART B

TRANSFER AND VESTING OF UNDERTAKING OF THE TRANSFEROR COMPANY WITH TRANSFEE COMPANY

4. TRANSFER AND VESTING OF UNDERTAKING

- 4.1 Subject to the provisions of this Scheme as specified hereafter and with effect from the Appointed Date, the entire business and undertaking(s) of the Transferor Company including all debts, liabilities, duties and obligations, including those arising on account of taxation laws and other allied laws, of the transferor company and also including, without limitation, all the movable and immovable properties and assets (whether tangible or not) of the transferor company comprising, among other things, furniture, fixtures, computers/ data processing, office equipment, testing equipment, electrical installations, telephones, telex, facsimile and other communications facilities and business licenses, permits, authorizations, approvals, lease, tenancy rights, permissions, incentives, if any, and all other right, patents, know-how, trademark, service mark, trade secret, or other intellectual property rights, propriety right, title, interest, contracts, consent, approvals and



right and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, under the provisions of Section 233 of the Act and pursuant to the orders of the Central Government confirming the scheme and without further act, instrument or deed, but subject to the charges affecting the same on the effective date, be transferred and /or deemed to be transferred to and vested in the Transferee Company so as to become properties, assets, rights, business and undertaking(s) of the Transferee Company.

4.2 (a) Notwithstanding what is stated in (a) above, it is expressly provided that such of the assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery of the same shall be so transferred by the Transferor Company to the Transferee Company with out any further act or execution of an instrument as on the Appointed Date. The plant and machinery of the Transferor Company, which are fastened to land and/or buildings continue to remain movable properties inter-alia because the said plant and machinery are fastened to land only with a view to have better enjoyment of the moveable properties

(b) For the purpose of the Scheme, the Undertaking of the Transferor Company shall include

- (i) all the properties of the Transferor Company as on the Appointed Date and,
- (ii) all the liabilities of the Transferor Company as on the Appointed Date.

(c) Without prejudice to the generality of sub-clause(a) hereof, the undertaking of the Transferor Company shall include all rights, privileges, powers and authorities and all property moveable or immovable, real or personal, corporeal or incorporeal, in possession or revision, present or contingent of whatever nature and wherever situate including leases and tenancy rights and including in particular all licenses and liberties, trademarks, patents and import quotas Company is entitled to and all debts, liabilities and duties of thee Transferor Company and all other obligations of whatsoever kind including liability for payment of gratuity, pension benefits, if any provident fund dues and compensation in the event of loss of office/employment.

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 Company 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 therefore after the amalgamation has become effective of otherwise.

4.3. With effect from the Appointed Date all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of account of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and-obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or any income earned from those assets.

4.4. With effect from the Appointed Date, all inter- party transactions between the Transferor Company and the Transferee Company shall be considered as intra party transactions for all purposes.

4.5. With effect from the Appointed Date, all 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, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall *ipso facto*, stand discharged and come to an



end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.

- 4.6 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and created by the Transferor Company after the appointed date, over the assets comprised in the undertaking or any other part thereof transferred to the Transferee Company by virtue of this Scheme and so far such securities, mortgages, charges, encumbrances, or liens secured or relate to the liabilities of the Transferor Companies, the same shall after effective date, continue to relate and attached to such assets or any part thereof to which they are related to or attached prior to the effective date and as are transferred to the Transferee Company, and such securities, mortgages, charges, encumbrances, or liens shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by any of the transferor company over its assets after the date of filing of the scheme without the prior written consent of the Board of directors of the Transferee company.
- 4.7. All the existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.
- 4.8. It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendments is required statutorily or by necessary implication.
- 4.9. With effect from the Appointed Date all statutory licenses, permissions, approvals, or consents, to carry on the operations of the Transferor Company shall stand vested in or transferred to the Transferee company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee company upon the vesting and transfer of the undertaking of the Transferor Company pursuant to this Scheme. The benefits of all statutory and regulatory permissions, factory licenses, environmental approvals, and consents, sales tax registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant to this Scheme.
- 4.10. The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with the Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income Tax Act, 1961

5. CONSIDERATION

- 5.1. The entire equity share capital of the Transferor Company is held by the Transferee Company and its nominees. In other words, the Transferor Company is the wholly owned subsidiary of the Transferee Company. Accordingly, pursuant to this amalgamation, no shares of the Transferee Company shall be allotted to the Transferor Company. Upon the Scheme becoming effective, the entire Issued, Subscribed and Paid-up share capital of the Transferor Company shall be cancelled and extinguished.



- 5.2. The investment in shares of the Transferor Company, appearing in the books of account of Transferee Company shall, without any further act or deed, stand cancelled.

6. LEGAL PROCEEDINGS

- 6.1. If any suit, appeal or other proceedings of whatever nature (hereinafter called "the proceedings") by or against the Transferor Company be pending as on the Appointed Date, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertakings of the Transferor Company or of anything contained in the Scheme, but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made. Provided, however that this Clause shall not apply to proceedings where the liability is of a personal nature and successor in interest or assignee is not liable to be proceeded against under the provisions of the applicable law.
- 6.2. In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company after the Appointed Date, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.

7. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 7.1. Subject to other provisions contained in the Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatever nature pertaining to the Transferor Company and to which Transferor company is a party and subsisting or having effect on 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 by or against the Transferee Company as fully and effectually as if, the Transferee Company had been a party thereto, instead of the Transferor Company, the Transferee Company had been a party thereto.
- 7.2. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novation's, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The Transferee Company shall be deemed to be authorized to execute any such deeds, writings, or conformations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.
- 7.3. For avoidance of doubt and without prejudice to the generality of the forgoing, it is clarified that upon the coming into effect the Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company

8. ISSUE OF SHARES BY THE TRANSFEE COMPANY

- 8 Upon the transfer of the Undertaking of the Transferor Company pursuant to Clause 1 hereof and the amalgamation becoming effective



in terms of the Scheme, the consideration in respect of such transfer shall subject to the provisions of the Scheme be satisfied by the Transferee Company as follows.

- (i) The Transferee Company, being a company holding 100% of the equity capital in the Transferor Company, shall (without further application) extinguish the shares held by in the Transferor Company by necessary adjustment in the General Reserve of the Transferee Company.
- (ii) No such allotment shall be made in respect of the Equity Shares of SFPL, which are held by the Transferee Company, and the same shall be dealt with in the manner in para 8.
- (iii) All mandates or other instructions in force at the close of business on the Effective/Transfer Date relating to the payment of dividends on the Equity Shares of the Transferor Company shall unless and until revoked be deemed to be valid and subsisting.

9. STAFF, WORKMEN AND OTHER EMPLOYEES OF TRANSFEROR COMPANY

9.1 On the Scheme taking effect as aforesaid, all employees of the Transferor Company who are in employment of the Transferor Company on the Effective Date, shall be deemed to have become the employees of the Transferee Company on the basis that their services have not been interrupted by the vesting of the Undertaking of the Transferor Company in the Transferee Company under the Scheme and on the same terms and conditions of service applicable to them on the Effective Date as aforesaid and their employment with the Transferor Company shall be on the following terms and conditions:

- (i) The terms and conditions of service applicable to the employees shall not be less favorable than those applicable to them on the Effective Date;
- (ii) The services of such employees shall not be treated as having been broken or interrupted for the purpose of provident fund or gratuity or otherwise and for all purpose will be reckoned from the date of their appointment with the Transferor Company; and
- (iii) The Transferee Company undertakes to continue to abide by the agreement / settlement if any entered into by the Transferor Company with any of its employees which are in force as on the Effective Date.

9.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company shall become trusts / funds of the Transferee Company for all purpose whatsoever relation to the administration or operation of such funds or in relation to the obligation to make contributions to the said fund or funds in accordance with provision thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all the rights, duties, powers and obligation of the Transferor Company in relation to such funds shall become those of the Transferee Company. The Trustees including Board of Directors of the Transferee Company shall be entitled to adopt such course in this regard as may be advised provided however that there shall no discontinuation or breakage of service of the employee of the Transferor Company.



10. PAYMENT OF TAX

- 10.1 All taxes paid or payable by the Transferor company in respect of the operations and/or the profits before the Effective Date under applicable Law, shall be on account of the Transferee Company and, in so far it relates to the tax payment (whether by way of deduction at source, advance tax or otherwise howsoever) by the Transferor Company in respect of the profits made from and after the Appointed Date, the same shall be deemed to be the tax paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

11. ENCUMBRANCES

1. The transfer and vesting of the assets comprised in the Transferor Company to and in the Transferee Company under Clause 4 of this Scheme shall be subject to the Encumbrances, if any affecting the same

2. All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to the Liabilities shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part of thereof to which they are related to attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that any of the assets of the Transferor Company have not been encumbered in respect of the Liabilities, such assets shall remain unencumbered and the existing encumbrance referred to above shall not be extended to and shall not operate over such assets. Further such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or Trustee or third party shall not affect the operation of the above.

3. The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

PART C

ACCOUNTING TREATMENT FOR THE AMALGAMATION IN THE BOOKS OF THE TRANSFEE COMPANY

12. ACCOUNTING TREATMENT

On the Scheme becoming effective, the Transferee Company shall follow the accounting prescribed under Indian Accounting Standard 103 and other Indian Accounting Standards, issued by the Institute of Chartered Accountants of India and notified by the Ministry of Company Affairs vide notification No GSR 111(E) dated February 16, 2015. The Transferor Company is currently a subsidiary of Transferee Company and accordingly accounting treatment prescribed for common control transactions under the above the Indian Accounting Standard shall be applicable.

13. AUTHORISED SHARE CAPITAL

- 13.1. subject to section 233 (11) of the Act, the Transferee Company shall file with the Registrar along with the Scheme registered, indicating the revised authorized share capital and pay the fee prescribed due on the revised capital. provided the fee, if any paid by the transferor company on its authorized capital prior to amalgamation with the Transferee company shall be set off against the fee payable by the Transferee company on its authorized capital enhanced by the amalgamation. Accordingly, as provided in section 233 (11) of the Act, upon the Scheme becoming effective, the authorized share capital of the



Transferor Company shall stand combined with the authorized share capital of the Transferee Company. Filing fees and stamp duty, if any, paid by the Transferor Company on its authorized capital, shall be deemed to have been so paid by the Transferee Company on the combined authorized Share Capital accordingly, the Transferee Company shall not be required to pay any fee / stamp for its increased authorized share capital.

- 13.2 Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified, and amended pursuant to Section 61,64 and other applicable provisions of the Act by deleting the existing Clauses and replacing it in the following:

"The Authorized Share Capital of the company is Rs 29,50,00,000 (Rupees Twenty-Nine Crores fifty lakh) divided into 1,40,00,0,00 (One crore Forty Lakhs) equity shares of Rs10/- (Rupees Ten) each and 1,55,000 (One lakhs Fifty Thousand) preference shares of Rs 1000/- to be increased or reduced in accordance with the relevant provisions of the Companies Act, 2013.

- 13.3. The approval of the scheme under sections 233 of the Act, shall be deemed to have the approval under section 13,14,61,64 and other applicable provisions of the Act and any other consents and approvals required in this regard.

14. TRANSACTIONS BETWEEN THE APPOINTED DATE AND EFFECTIVE DATE

With effect from the appointed date and upto the effective date:

- 14.1. The Transferor Company shall carry on and be deemed to carried on their businesses and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of their entire businesses and undertakings for and on account of and in trust for the Transferee company;
- 14.2. The Transferor Company shall carry on its business and activities in the ordinary course of business with reasonable diligence and business prudence;
- 14.3. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.
- 14.4 The Transferor Company shall not declare any dividend for the period commencing from and after April 1, 2016 without the written consent of the Transferee Company.
- 14.5 The profits/(losses) of the Transferor Company for the period beginning from the April 1, 2016 shall belong to and be the profits/(losses) of the Transferee Company and will be available to the Transferee Company for being used or disposed of in any manner, including declaration of dividend and the Transferor Company shall not issue or allot any Rights Shares or Bonus Shares out of its authorized or un-issued Share Capital for the time being.
- 14.6 All taxes (including, without limitation, income tax , wealth tax , sales taxes, excise duty , customs duty , service tax , VAT, etc.) paid or payable by the Transferor company in respect of operations and /or the profit/ loss of the Transferor company before appointed date, shall be on account of the Transferor company and insofar as it relates to the tax payment (including without limitation, income tax, minimum alternative tax, dividend distribution tax wealth tax, sales tax excise duty , customs duty , service tax vat etc.) whether by way of deduction at source , advance tax or otherwise howsoever by the transferor company in respect of profit or activities or operation of the Transferor Company with effect from the appointed date , the same shall be



deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

- 14.7 Any refund under the Tax laws due to the Transferor Company consequent to the assessment made on transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed date shall also belong to and be received by the Transferee company. The Transferee Company is expressly permitted to file income tax returns, sales tax / value added tax returns, service tax returns and other tax returns and to claim refunds / credits, pursuant to provisions of this Scheme. The Transferee company shall be entitled to such tax benefits including but not limited to brought forward losses, MAT paid under section 115J/115JB of the Income tax Act, 1961 and right to claim credit therefore in accordance with the provisions of Section 115JAA of the Income Tax Act, 1961, including the benefit of brought forward losses or depreciation as admissible under the provisions of the Income tax Act, 1961 including section 72A to the extent applicable to the Transferor Company from the taxable profit of the Transferee Company with effect from the appointed date. The Transferee Company shall continue to enjoy the tax benefits / concessions provided to the Transferor Company through notifications/ circulars issued by the concerned authorities.

15. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under clause 4 above and the continuance of proceedings by or against the Transferor Company under clause 6 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that Transferee Company accepts and adopts all acts, deeds, and things done and executed by Transferor company in respect thereto as done and executed on behalf of itself.

PART D

DISSOLUTION OF THE TRANSFEROR COMPANY AND THE GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME

16. DISSOLUTION OF TRANSFEROR COMPANY WITHOUT WINDING UP

On the Scheme coming into effect, the Transferor Company shall, without any further act or deed, stand dissolved without winding up in accordance with the provisions of section 233 (8) the Act and the Rules made thereunder.

17. APPLICATION TO CENTRAL GOVERNMENT

The Transferor Company and Transferee Company shall with all reasonable dispatch make Applications/petitions to the Registrar /Liquidator and Central Government and comply with the provisions of section 233 of the Companies Act, 2013 for confirming this Scheme of Amalgamation as provided therein.

18. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

- 18.1 The Transferor company (by its Board of Directors) and the Transferee Company (by its Board of Directors) in their full and absolute discretion may assent to any modification(s) or amendment(s) in this Scheme which the Registrar /Liquidator /Shareholders or such other appropriate authority and /or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for setting any question or doubt or difficulty that may arise for implementing and / or carrying out the scheme. Further, the transferor company (by its Board of Directors), the Transferee Company (by its Board of Directors) and after the dissolution of the Transferor Company, the Transferee Company (by its Board of Directors) be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this scheme and to



resolve any doubts, difficulties or questions whether by reason of any orders of the Central Government or such other appropriate authority or of any directive or orders of any other authorities or otherwise however arising out of, under or by virtue of this scheme and / or any matters concerning or connected therewith.

- 18.2. The Board of Directors of the Transferor Company hereby authorize the Board of Directors of the Transferee Company to give assent to any modification(s) or amendment(s) in the Scheme which may be considered necessary or desirable for any reason whatsoever and without prejudice to the generality of the foregoing, any modification to the Scheme involving withdrawal of any reason whatsoever, the implementation of the scheme shall not get adversely affected as a result of acceptance of any such modification by the Board of Directors of the Transferee Company and the Board of Directors of the Transferor Company be and is hereby authorized by the Board of Directors of the Transferor Company to take such steps and to do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions howsoever arising out of, under or by virtue of this Scheme and / or any matters concerning or connected therewith.

19. CONDITIONALITY OF SCHEME

- 19.1 The Scheme is conditional upon and subject to compliance with the requirements and provisions of sub-clauses (a) (b) (c) and (d) of section 233 (1) and other applicable provisions of the Companies Act, 2013 and rules made thereunder
- 19.2. The Scheme although to come into operation from the Appointed Date, shall not become effective till the date on which necessary certified / authenticated copies of confirmation orders made by the Central Government under sections 233 of the Act is duly filed with the Registrar of Companies Kerala.

20. REVOCATION AND SEVERABILITY

- 20.1. In the event of any said sanctions and approvals referred to in Clause 16 and 17 above not being obtained and / or complied with and / or satisfied and / or this Scheme not being confirmed by the Central Government or such other appropriate authority and / or order or orders not being passed as aforesaid before 30th June, 2017 or such other date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitation in exercise of their powers through and by their respective delegate(s), the Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Transferor Companies and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability, or obligations which has been arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each Company shall bear its own cost unless otherwise mutually agreed. Further, the Board of Directors of the Transferor Company and the Transferee Company are entitled to revoke, cancel and declare the Scheme of no effect if such Board of Directors are of the view that the coming into effect of the scheme in terms of the provisions of this Scheme or filing of the drawn-up orders with any authority could have adverse implication on all/any of the company



- 20.2. If any part of the scheme hereof is invalid , ruled illegal by any competent authority , or enforceable under present or future laws, 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 par shall cause the 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.
- 20.3. The Scheme may be withdrawn by the Board of Directors of the Transferor Company and Transferee Company only by mutual consent and only if such Boards of Directors jointly agree that the coming into effect of the Scheme could have adverse implication on both the Transferor Company and Transferee Company.

21. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company.



**Regional Director (SR),
Ministry of Corporate Affairs,
Chennai.**