

Date: 15<sup>th</sup> June 2021

To,  
BSE Limited,  
Phiroze Jeejeeboy Towers  
Dalal Street, Mumbai - 400001  
BSE Scrip Code: 534675

To,  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai - 400051  
NSE Scrip Code: PROZONINTU

Subject: Intimation of Scheme of Amalgamation between two Subsidiary companies i.e., Royal Mall Private Limited ("Transferor Company/RMPL") with Prozone Developers & Realtors Private Limited, ("Transferee Company/PDRPL") came into effect wef 15<sup>th</sup> June 2021.

Dear Sir(s),

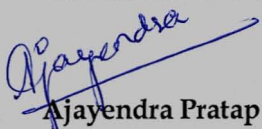
Further to our intimation dated 17<sup>th</sup> March 2021 regarding approval of Scheme of Amalgamation ("the Scheme") by National Company Law Tribunal (NCLT) between two Subsidiary companies i.e. amalgamation of RMPL with PDRPL, please be informed that PDRPL has submitted the certified copy of NCLT Order with the MCA today i.e. on 15<sup>th</sup> June 2021 along with e-form INC-28. Accordingly, the Scheme has become effective from 15<sup>th</sup> June 2021 and operational from 1<sup>st</sup> January 2020, being the Appointed Date as per the approved Scheme.

A copy of the order passed by Hon'ble NCLT, Mumbai Bench sanctioning the Scheme is attached herewith for your information and record.

Kindly take the same in your record and oblige.

Thanking you,

Yours truly,  
For Prozone Intu Properties Limited



Ajayendra Pratap Jain  
CS and Chief Compliance Officer

Encl: as above



Through Videoconference

IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT NO. I

CP (CAA)/1072/MB/2020  
Connected with  
CA (CAA)/1061/MB/2020

*In the matter of*

Sections 230-232 and other relevant provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamation) Rules, 2016;

*And*

*In the matter of*

Scheme of Amalgamation of Royal Mall Private Limited (the Amalgamating Company/the Transferor Company) with Prozone Developers & Realtors Private Limited (the Amalgamated Company/the Transferee Company) and their respective shareholders and creditors

ROYAL MALL PRIVATE LIMITED,  
Having its registered office at 105/106, Ground Floor,  
Dream Square, Dalia Industrial Estate,  
Off New Link Road, Andheri West  
Mumbai – 400 053.  
CIN: U45202MH2007PTC174144

... *Petitioner Company No.1*

PROZONE DEVELOPERS & REALTORS PRIVATE LIMITED,  
Having its registered office at 105/106, Ground Floor,  
Dream Square, Dalia Industrial Estate,  
Off New Link Road, Andheri West  
Mumbai – 400 053  
CIN: U70100MH2011PTC221037

... *Petitioner Company No.2*



NCLT, MUMBAI BENCH, COURT - I  
CP (CAA)/1072/MB/2020  
IN CA (CAA)/1061/MB/2020

Order dated: 17<sup>th</sup> March, 2021

Coram:

Hon'ble Janab Mohammed Ajmal, Member (Judicial)  
Hon'ble Shri V. Nallasenapathy, Member (Technical)

*Appearance:*

For the Petitioner(s): Mr. Ahmed M Chunawala, Advocate,  
i/b Rajesh Shah & Co, Advocates  
For the Regional Director: Ms. Rupa Sutar, Deputy Director, Office  
of the Regional Director, MCA (WR),  
Mumbai.

*Per: Janab Mohammed Ajmal, Member (Judicial)*

**ORDER**

1. The sanction of the Tribunal is sought under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the Act) and the Rules framed thereunder for the Scheme of Amalgamation (the Scheme) of Royal Mall Private Limited with Prozone Developers & Realtors Private Limited and their respective shareholders and creditors.
2. We have heard the learned counsel for the Petitioner Companies and the Deputy Director, WR, MCA, Mumbai. No objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petition to the Scheme.
3. The learned counsel for the Petitioner Companies submits that the Transferor Company is in the business of development, owning and operation of



entertainment center, shopping malls, townships, and other real estate developments. The Transferee Company is also engaged in the business of development, owning and operation of entertainment center, shopping malls, townships and other real estate developments.

4. The Petitioner Companies have approved the Scheme by passing the Board Resolutions at their respective board meetings held on July 29, 2020. The Appointed date fixed under the Scheme is 1<sup>st</sup> January, 2020.
5. The rationale mentioned in the Scheme is as under:
  - i. *As both the Amalgamating and the Amalgamated Companies are held by a single parent company, the proposed amalgamation will rationalize and optimize the group structure to ensure greater alignment with the businesses;*
  - ii. *Merged Entity will be able to generate / raise additional funds and diversify and expand into other profitable ventures with larger resources;*
  - iii. *It is expected that consolidation of entities will provide operational synergies which in turn will eliminate inefficiencies and will streamline corporate structure and cash flows;*
  - iv. *A single operating entity will result in better centralized management and cost efficiency.*
6. The learned counsel for the Petitioner Companies submits that the present Company Petition is filed in consonance with Sections 230 to 232 of the Act along with the Order dated 07.09.2020 passed in CA (CAA)/1061/MB/2020 by this Tribunal.



7. The learned counsel for the Petitioner Companies stated that the Petitioner Companies have complied with all requirements as per directions of the Tribunal and have filed necessary affidavits of compliance before the Tribunal. Moreover, the Petitioner Companies undertake to comply with all the statutory requirements, if any, as required under the Act, and the Rules made thereunder. The undertaking given by the Petitioners is accepted.
8. The Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai, has filed his Report dated 15<sup>th</sup> March, 2021 *inter-alia* stating therein the observations on the Scheme as stated in paragraph IV (a) to (d) of the Report. In response to the observations made by the Regional Director, the Petitioner Companies have given necessary clarifications and undertakings. The observations made by the Regional Director and the clarifications and undertakings given by the Petitioner Companies are summarized in the table below:

Sr. No. Para (IV)	RD Report/ Observations dated 15.03.2021	Response of the Petitioner Companies/ Rejoinder
(a)	<i>In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5(IND AS 8) etc.</i>	In so far as the observation made in paragraph IV (a) of the report of the Regional Director is concerned, the Second Petitioner Company undertakes that it shall pass applicable necessary accounting entries in connection with the AS-14 (IND AS-103) and comply with all other applicable Accounting Standards such AS-5 (IND AS-8) etc.



<p>(b)</p>	<p><i>As per Definition of the Scheme</i></p> <p><i>“Appointed Date” mean the opening of the business hours as on 1<sup>st</sup> January, 2020 or such other date as may be decided by the National Company Law Tribunal or any other appropriate authority as may be applicable;</i></p> <p><i>“Effective Date” shall mean the day on which the order passed by NCLT sanctioning the proposed Scheme after obtaining the relevant approval, is filed with the Registrar of Companies, Mumbai. Any reference in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” or “upon the scheme becoming effective” shall mean the Effective Date.</i></p> <p><i>Further, the Petitioners may be asked to comply with the requirements and clarified no. F.No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs</i></p>	<p>In so far as the observation made in paragraph IV (b) of the report of Regional Director is concerned, the Petitioner Companies submits that it will comply with the requirements and clarified vide circular no. F.No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>
<p>(c)</p>	<p><i>Petitioner Company to undertake to comply with section 232(3)(i) of Companies Act, 2013, where the transferor company is dissolved, the fee, if any, paid by the transferor company on its</i></p>	<p>In so far as the observation made in paragraph IV (c) of the report of Regional Director is concerned, the Petitioner Companies submits that the Scheme does provide for aggregation of the authorised share capital of the Transferor Company</p>





NCLT, MUMBAI BENCH, COURT - I  
CP (CAA)/1072/MB/2020  
IN CA (CAA)/1061/MB/2020

	<i>authorised capital shall be set-off against any fees payable by the transferee company on its authorised capital subsequent to the amalgamation and therefore, petitioners to affirm that they comply the provision of the section.</i>	with the Transferee Company in Clause 10 of the Scheme. Hence the provisions of section 232(3)(i) of Companies Act, 2013 is applicable and the Transferee Company undertakes to comply with the provisions of section 230(3)(i).
(d)	<i>As per o/o ROC, Mumbai Report dated 04.12.2020 has inter alia mentioned that there are no prosecution, no technical scrutiny, no inquiry, no inspection, no compliant are pending.</i>	
	<i>Further mentioned that:</i>	
	<i>1. The nomenclature of the Transferor Company is Amalgamating Company &amp; Transferee Company is Amalgamated Company.</i>	In so far as the observation made in paragraph IV (d) (1) of the Report of Regional Director is concerned, the Second Petitioner Company submits that it is the fact of the case.
	<i>2. The Transferor Company's authorized share capital and paid up equity share capital as per balance sheet as at 31.03.2019 is Rs.1,00,000/-. However as MCA Portal Master date the authorized capital is Rs.10,00,000/- and paid up share capital is Rs.1,00,000/- respectively, which is also mentioned in the scheme passed through resolution at the meeting of the board of directors held on 29.07.2020</i>	In so far as the observation made in paragraph IV (d) (2) of the Report of Regional Director is concerned, the Second Petitioner Company submits that the Authorised Share Capital of the Transferor Company has been increased from Rs.1,00,000/- to Rs.10,00,000/- vide ordinary resolution passed by the members at the Extra ordinary General Meeting held on 9 <sup>th</sup> March, 2020 i.e. subsequent to the Appointed Date and after the financials for the year ended 31.03.2019. Hence, there are no non-conformities for the same.
	<i>3. The authorized share capital was increased by Transferor Company vide EOGM dated</i>	<i>In so far as the observation made in paragraph IV (d) (3) of the Report of Regional Director is concerned, the</i>



	09.03.2020.	<i>Petitioner Companies states that the contents being matter of facts, do not require any comments.</i>
	<i>4. May be decided on its merit Hence Hon'ble Tribunal may consider the same and decide the matter on merit.</i>	In so far as the observation made in paragraph IV (d) (4) of the Report of Regional Director is concerned, the First Petitioner Company submits that no observation is in the matter.

9. The observations made by the Regional Director and clarifications & undertakings given by the Petitioner Companies have been verified and accepted.
10. The Official Liquidator has filed his report dated 22<sup>nd</sup> January 2021 *inter-alia*, stating therein that the affairs of the Transferor Company have been conducted in a proper manner not prejudicial to the interest of Shareholders of the Transferor Company.
11. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public interest.
12. Since all the requisite statutory compliances have been fulfilled, CP (CAA) 1072/MB/2020 is made absolute in terms of prayer in the Petition. Hence ordered.

ORDER

The Petition be and the same is allowed subject to the following:

- (i) The Scheme, with the Appointed Date fixed as 1<sup>st</sup> January, 2020 placed at Page Nos. 250 to 274 (Exhibit - K) of the





Company Petition is hereby sanctioned. It shall be binding on the Petitioner Companies and all concerned including their respective Shareholders, Secured Creditors and Unsecured Creditors/Trade Creditors and Employees.

- (ii) The Transferor Company be dissolved without being wound up.
- (iii) The Registrar of this Tribunal shall issue certified copy of this Order along with the Scheme forthwith. Petitioners are directed to file a copy of this Order along with a copy of the Scheme with the Registrar of Companies concerned, electronically in E-Form INC-28, within 30 days from the date of receipt of the Order from the Registry.
- (iv) The Petitioner Company shall lodge a copy of this Order and the Scheme duly authenticated by the Registrar of this Tribunal within 60 days from the date of receipt of the Order, with the Superintendent of Stamps concerned, for the purpose of adjudication of stamp duty, if any, payable.
- (v) The Petitioner Companies shall comply with the undertakings given by them.
- (vi) The Petitioner Companies shall, within 15 days of receipt of this order, issue newspaper publications with respect to approval of the Scheme, in the same newspapers in which previous publications were issued.
- (vii) The Petitioner Companies shall take all consequential and statutory steps required under the provisions of the Act in pursuance of the Scheme.



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- (viii) All concerned shall act on a copy of this Order along with the Scheme duly authenticated by the Registrar of this Tribunal.
- (ix) Any person interested in the above matter shall be at liberty to apply to the Tribunal for any direction that may be necessary.

Sd/-  
V. Nallasenapathy  
Member (Technical)

Sd/-  
Janab Mohammed Ajmal  
Member (Judicial)

Jenny DSouza - Steno

Certified True Copy  
Date of Application 17-03-2021  
Number of Pages 9  
Fee Paid Rs 45  
Applicant called for collection of copy on 03-06-2021  
Copy prepared on 03-06-2021  
Copy Issued on 03-06-2021

Joint Registrar  
National Company Law Tribunal Mumbai Bench



## SCHEME OF AMALGAMATION

BETWEEN

ROYAL MALL PRIVATE LIMITED (“AMALGAMATING COMPANY”)

AND

PROZONE DEVELOPERS & REALTORS PRIVATE LIMITED (“AMALGAMATED  
COMPANY”)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013

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### 1. PREAMBLE

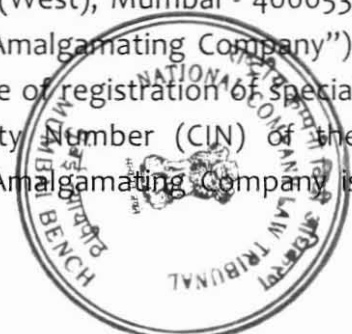
This Scheme of Amalgamation (the “Scheme”) is presented under Sections 230 to 232 of the Companies Act, 2013 (the “Act”) and other relevant provisions of the Act as applicable from time to time, for the amalgamation of Royal Mall Private Limited (“RMPL”) with Prozone Developers & Realtors Private Limited (“PDRPL”) with effect from the Appointed Date (hereinafter defined), and upon the occurrence of the Effective Date (hereinafter defined). In addition, this Scheme of Amalgamation also provides for various other matters consequential or otherwise integrally connected herewith.

The Scheme is divided into the following parts:

- a. **Part I** deals with Definitions, Interpretations and Share Capital;
- b. **Part II** deals with Amalgamation of Royal Mall Private Limited with Prozone Developers & Realtors Private Limited;
- c. **Part III** deals with dissolution of the Amalgamating Company, General Clauses, Terms and Conditions and other matters consequential and integrally connected thereto.

### 2. BACKGROUND AND DESCRIPTION OF COMPANIES

**Royal Mall Private Limited** is a company incorporated under the Companies Act, 1956 on 14<sup>th</sup> September 2007, and having its registered office at 105/106, Ground Floor, Dream Square, Dalia Industrial Estate, Off New Link Road, Andheri (West), Mumbai - 400053, Maharashtra, India (hereinafter referred to as “RMPL” & “Amalgamating Company”). RMPL had changed the object clause and obtained certificate of registration of special resolution dated 31<sup>st</sup> March, 2020. The Corporate Identity Number (CIN) of the Amalgamating Company is U45202MH2007PTC174144. The Amalgamating Company is



engaged in the business of development, owning and operation of entertainment center, shopping malls, townships and other real estate developments.

**Prozone Developers & Realtors Private Limited** is a company incorporated under the Companies Act, 1956 vide Certificate of Incorporation dated 18<sup>th</sup> August 2011 under the name and style “Prozone Capital Shopping Centres Private Limited”. Subsequently vide fresh Certificate of Incorporation dated 30<sup>th</sup> August, 2011 the Amalgamated Company was converted to a public company with name “Prozone Capital Shopping Centres Limited”. Vide fresh Certificate of Incorporation dated 28<sup>th</sup> September, 2011 the name of the company was changed to “Classique Creators Limited”. On 25<sup>th</sup> June 2013 the main object of “Classique Creators Limited” was modified and certificate of registration of special resolution was obtained 17<sup>th</sup> July 2013. Vide fresh Certificate of Incorporation dated 22<sup>nd</sup> March, 2016, Classique Creators Limited was again converted to private company with a name “Classique Creators Private Limited” (“CCPL”). On 22<sup>nd</sup> April 2016 the main object of CCPL was modified and certificate of registration of special resolution was obtained on 13<sup>th</sup> July 2016. Vide fresh Certificate of Incorporation dated 23<sup>rd</sup> July, 2016 the name of the CCPL was changed to “Prozone Developers & Realtors Private Limited” (“PDRPL”). PDRPL is having its registered office at 105/106, Ground Floor, Dream Square, Dalia Industrial Estate, Off New Link Road, Andheri (West), Mumbai-400053, Maharashtra, India (hereinafter referred to as “PDRPL” & “Amalgamated Company”). The Corporate Identity Number (CIN) of the Amalgamated Company is U70100MH2011PTC221037. The Amalgamated Company is also engaged in the business of development, owning and operation of entertainment center, shopping malls, townships and other real estate developments.

Both the Amalgamating Company & Amalgamated Company are wholly owned subsidiaries (WOS) of Prozone Intu Properties Limited, a company listed on BSE & NSE.

Amalgamated Company had issued Non-Convertible Debentures (NCDs) to the tune of Rs. 34 Crs. in FY 2016-17. These NCDs are listed on BSE. These listed NCDs are held by the Amalgamating Company as on the date of this Scheme.

### 3. RATIONALE & PURPOSE OF THE SCHEME

The Board of Directors of Amalgamating Company & Amalgamated Company are of the view that the Scheme is in the interest of the shareholders, creditors and employees on account of the following reasons:

- a. As both the Amalgamating and the Amalgamated Companies are held by a single parent company, the proposed amalgamation will rationalize and optimize the group structure to ensure greater alignment with the businesses;
- b. Merged Entity will be able to generate / raise additional funds and diversify and expand into other profitable ventures with larger resources;
- c. It is expected that consolidation of entities will provide operational synergies which in turn will eliminate inefficiencies and will streamline corporate structure and cash flows;
- d. A single operating entity will result in better centralized management and cost efficiency.

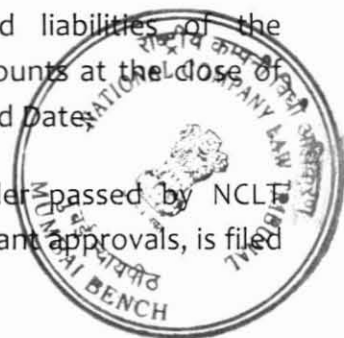


**PART I**  
**DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL**

**4. DEFINITIONS AND INTERPRETATIONS**

In this Scheme, unless repugnant to the meaning or context thereof, (i) terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme and (ii) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the following meanings:

- (i) **“Act” or “the Act”** shall mean the Companies Act, 2013 and Rules made thereunder as amended (including any statutory modification(s), re-enactment(s) or amendment(s) thereof), for the time being in force, which may relate or applicable;
- (ii) **“Amalgamating Company” or “Royal Mall”** means Royal Mall Private Limited, a company incorporated under the Companies Act, 1956 on 14<sup>th</sup> September 2007, and having its registered office at 105/106, Ground Floor, Dream Square, Dalia Industrial Estate, Off New Link Road, Andheri (West), Mumbai - 400053, Maharashtra, India. [CIN: U45202MH2007PTC174144];
- (iii) **“Amalgamated Company” or “Prozone Developers”** means Prozone Developers & Realtors Private Limited, a company incorporated under the Companies Act, 1956 on 18<sup>th</sup> August 2011, and having its registered office at 105/106, Ground Floor, Dream Square, Dalia Industrial Estate, Off New Link Road, Andheri (West), Mumbai - 400053, Maharashtra, India. [CIN: U70100MH2011PTC221037];
- (iv) **“Appointed Date”** shall mean the opening of the business hours as on 1<sup>st</sup> January 2020 or such other date as may be decided by the National Company Law Tribunal or any other appropriate authority as may be applicable;
- (v) **“Appropriate Authority”** means any government, statutory, regulatory, departmental or public body or authority of the Jurisdiction of Mumbai, including Registrar of Companies (RoC), Regional Director (RD), Official Liquidators (OL), National Company Law Tribunal (NCLT), National Company Law Appellate Tribunal (NCLAT), Income Tax Authority (ITA) and Bombay Stock Exchange etc;
- (vi) **“Board of Directors” or “Board”** in relation to Amalgamating Company and Amalgamated Company, as the case may be, shall mean the board of directors of such company and shall include a committee duly constituted and authorized for the purposes of matters pertaining to the Proposed Amalgamation, the Scheme and/or any other matter relating thereto;
- (vii) **“Book Value”** shall mean the value(s) of assets and liabilities of the Amalgamating Company, as appearing in its books of accounts at the close of business as on the day immediately preceding the Appointed Date;
- (viii) **“Effective Date”** shall mean the day on which the order passed by NCLT sanctioning the proposed Scheme after obtaining the relevant approvals, is filed



with the Registrar of Companies, Mumbai. Any references in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” or “upon the scheme becoming effective” shall mean the Effective Date;

- (ix) **“NCLT” or “Tribunal”** means the National Company Law Tribunal, Mumbai Bench as constituted and authorized as per the applicable provisions of the Company Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of Company under Section 230 to 232 of the Companies Act, 2013, if applicable;
- (x) **“IT Act”** shall mean the Income Tax Act, 1961, rules and regulations made thereunder and shall include any statutory modification, re-enactment or amendments thereof for the time being in force;
- (xi) **“ROC”** means the Registrar of Companies, Mumbai;
- (xii) **“BSE”** means the BSE Limited (formerly known as “Bombay Stock Exchange Limited”), Mumbai;
- (xiii) **“NSE”** means National Stock Exchange;
- (xiv) **“Scheme” or “The Scheme” or “This Scheme” or “Scheme of Amalgamation”** shall mean this Scheme of Amalgamation among the Amalgamating Company, Amalgamated Company and their respective shareholders & Creditors pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act for amalgamation of Royal Mall Private Limited with Prozone Developers & Realtors Private Limited;
- (xv) **“Undertaking”** means all the undertakings and entire business of the Amalgamating Company as a going concern, including, without limitation:
  - a. all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Amalgamating Company, whether situated in India or abroad, including, without limitation, all land, buildings and structures, offices, residential and other premises, capital work-in-progress, machines and equipment, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, stocks, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Amalgamating Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line





connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever 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 Amalgamating Company or in connection with or relating to the Amalgamating Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Amalgamating Company, whether in India or abroad;

- b. all permits, quotas, rights, entitlements, industrial and other licenses, bids, tenders, letters of intent, expressions of interest, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertaking for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Amalgamating Company;
- c. all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Amalgamating Company;
- d. all trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Amalgamating Company; and
- e. all the employees of the Amalgamating Company.

All terms and words 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 or any statutory modification or re-enactment thereof for the time being in force.

References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.

The headings herein shall not affect the construction of this Scheme.

In this Scheme, unless the context otherwise requires:

- a. references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- b. the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- c. words in the singular shall include the plural and vice versa; and

## 5. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT, unless otherwise specified in the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date.

## 6. SHARE CAPITAL

- 6.1 The Authorized, Issued, Subscribed and Paid-up share capital of the Amalgamating Company as on 31<sup>st</sup> December, 2019 is as under:

Particulars	Amount (in Rs.)
<b>Authorized Share Capital</b> 10,000 Equity Shares of Rs.10/- each.	1,00,000/-
<b>Total</b>	<b>1,00,000/-</b>
<b>Issued, Subscribed and Paid up Share Capital</b> 10,000 Equity Shares of Rs.10/- each.	1,00,000/-
<b>Total</b>	<b>1,00,000/-</b>

The Amalgamating Company is 100% subsidiary of Prozone Intu Properties Limited.

Subsequent, to the Appointed Date, the Authorized Share Capital of the Company was increased to Rs. 10,00,000/- consisting of 1,00,000 Equity Shares of the Transferor Company of Rs. 10/- each vide Extra- Ordinary General Meeting dated 9<sup>th</sup> March, 2020.

Subsequent, to the above date and till the date of filling the Scheme with the Tribunal, there has been no change in the issued, subscribed and paid-up capital of the Amalgamating Company.



6.2 The Authorized, Issued, Subscribed and Paid-up share capital of the Amalgamated Company as on 31<sup>st</sup> December, 2019 is as under:

Particulars	Amount (in Rs.)
<b>Authorized Share Capital</b>	
2,50,000 Equity Shares of Rs.2/- each.	5,00,000/-
<b>Total</b>	<b>5,00,000/-</b>
<b>Issued, Subscribed and Paid up Share Capital</b>	
2,50,000 Equity Shares of Rs.2/- each.	5,00,000/-
<b>Total</b>	<b>5,00,000/-</b>

The Amalgamated Company is 100% subsidiary of Prozone Intu Properties Limited.

Subsequent, to the above date and till the date of filling the Scheme with the Tribunal, there has been no change in the issued, subscribed and paid-up capital of the Amalgamated Company.

## PART II

### AMALGAMATION OF ROYAL MALL PRIVATE LIMITED WITH PROZONE DEVELOPERS & REALTORS PRIVATE LIMITED

#### 7. TRANSFER AND VESTING OF THE AMALGAMATING COMPANY

7.1 With effect from the Appointed Date and upon the Scheme becoming effective, Amalgamating Company shall stand amalgamated / merged with and be vested in Amalgamated Company and the entire business and whole of the Undertaking of Amalgamating Company shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the order of the NCLT or other Appropriate Authority, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and/ or deemed to be transferred to and vested in Amalgamated Company, as a going concern, so as to become the properties and liabilities of Amalgamated Company within the meaning of section 2(1B) of the Income Tax Act, 1961.

7.2 Without prejudice to the generality of the above said Clause:

7.2.1 With effect from the Appointed Date, all the assets, rights and properties of Amalgamating Company (whether movable or immovable, tangible or intangible) of whatsoever nature as defined in Undertaking, shall under the provisions of Sections 230 to 232 of the Act and pursuant to the order of the NCLT or any other Appropriate Authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred to and / or deemed to be transferred to and vested in Amalgamated Company, so as to become the properties and assets of Amalgamated Company.

7.2.2 With respect to such assets and properties of Amalgamating Company as on the Effective Date, as are movable in nature and are capable of transfer by physical



delivery or endorsement and delivery or novation and delivery, including cash in hand, the same shall be so transferred to Amalgamated Company and deemed to have been handed over by physical delivery or by endorsement and delivery or novation and delivery, as the case may be, to Amalgamated Company to the end and intent that the property and benefit therein passes to Amalgamated Company with effect from the Appointed Date.

- 7.2.3 In respect of the movable assets owned by Amalgamating Company as on the Effective Date, other than those mentioned in Clause 7.2.2 above, including actionable claims, sundry debtors, outstanding loans, advances, whether recoverable in cash or kind or for value to be received and deposits, if any, with the local and other authorities, body corporate(s), customers etc., Amalgamating Company shall, if so required by Amalgamated Company, and / or Amalgamated Company may, issue notices or intimations in such form as Amalgamated Company may deem fit and proper, stating that pursuant to the NCLT having sanctioned this Scheme, the debt, loan, advance or other asset, be paid or made good or held on account of Amalgamated Company, as the person entitled thereto, to the end and intent that the right of Amalgamating Company to recover or realize the same stands transferred to Amalgamated Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 7.2.4 With effect from the Appointed Date and upon the Scheme becoming effective, the immovable properties standing in the books of Amalgamating Company, if any, and any documents of title or rights and easements in relation thereto shall be vested in and transferred to and/or be deemed to have been vested in and transferred to Amalgamated Company without any further act, deed, matter or thing and shall belong to Amalgamated Company. The mutation of the title to the immovable properties shall be made and duly recorded by the Appropriate Authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of Amalgamated Company. Any inchoate title or possessory title of Amalgamating Company shall be deemed to be the title of Amalgamated Company.
- 7.2.5 All assets and liabilities of Amalgamating Company as on the Appointed Date, and all assets and properties which are acquired by Amalgamating Company on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of Amalgamated Company and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to be transferred to and vested in Amalgamated Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act, provided however that no onerous asset shall have been acquired by Amalgamating Company after the Appointed Date without the prior written consent of Amalgamated Company.
- 7.3 In relation to the assets, if any, belonging to the Amalgamating Company, which require separate documents of transfer, Amalgamating Company and Amalgamated Company will execute the necessary documents, as and when required.
- 7.4 With effect from the Appointed Date, all debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of Amalgamating



Company shall be transferred or be deemed to have been transferred to Amalgamated Company, to the extent they are outstanding on the Effective Date, without any further act, deed, matter or thing and the same shall be assumed by Amalgamated Company so as to become, on and from the Appointed Date, the liabilities and obligations of Amalgamated Company on same terms and conditions as were applicable to Amalgamating Company. Amalgamated Company shall undertake to meet, discharge and satisfy the same and further, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

- 7.5 The transfer and vesting of the undertaking of Amalgamating Company as aforesaid shall be subject to the existing securities, liens, charges and mortgages, if any, subsisting, over or in respect of the properties and assets or any part thereof of Amalgamating Company. Provided however that any reference in any security documents or arrangements (to which Amalgamating Company is a party) pertaining to the properties and assets of Amalgamating Company offered or agreed to be offered as security for any financial assistance or obligation, shall be construed as reference only to the assets pertaining to the undertaking of Amalgamating Company as are vested in Amalgamated Company by virtue of the aforesaid Clauses, to the end and intent that such security, liens, charge and mortgage shall not extend or be deemed to extend, to any of the other properties and assets of Amalgamating Company or any of the properties and assets of Amalgamated Company. Provided further that the securities, liens, charges and mortgages (if any subsisting) over and in respect of the properties and assets or any part thereof of Amalgamated Company shall continue with respect to such properties and assets or part thereof and this Scheme shall not operate to enlarge such securities, liens, charges or mortgages to the end and intent that such securities, liens, charges and mortgages shall not extend or be deemed to extend, to any of the properties and assets of Amalgamating Company vested in Amalgamated Company. Provided always that this Scheme shall not operate to enlarge such securities, liens, charges or mortgages for any financial assistance or obligation created by Amalgamating Company which shall vest in Amalgamated Company by virtue of amalgamation of Amalgamating Company with Amalgamated Company and Amalgamated Company shall not be obliged to create any further or additional security therefore after the amalgamation has become operative.
- 7.6 All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, interest, penalty etc.) payable by or refundable to Amalgamating Company, including all or any refunds or claims shall be treated as the tax liability or refunds/ claims, as the case may be, of Amalgamated Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, including carried forward losses such as business losses, capital losses, unabsorbed depreciation etc., as would have been available to Amalgamating Company, shall pursuant to the Scheme becoming effective, be available to Amalgamated Company. All and any credits or entitlements to set off taxes and duties such as CENVAT, Value Added Tax, Goods & Service Tax by whatever name called to the extent available to Amalgamating Company shall also be transferred to and vest in Amalgamated Company as if it were of Amalgamated Company.





7.7 Loans, advances and other obligations (including any guarantee, letter of credit, letter of comfort or any other instrument or arrangements 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 Amalgamating Company and Amalgamated Company, shall stand discharged with effect from Appointed Date and there shall be no liability in that behalf on either party.

## 8. CONSIDERATION

The entire issued, subscribed and paid-up share capital of the Amalgamating Company and Amalgamated Company is held by Prozone Intu Properties Limited and its nominees. Therefore, upon approval of the Scheme, even if no shares are issued to the shareholders of Amalgamating, the Scheme complies with the provisions of Section 2(1B) of the Income Tax Act, 1961. However, to avoid any other consequences:

8.1 Upon the Scheme becoming effective and in consideration for the transfer and vesting of Amalgamating Company into Amalgamated Company, Amalgamated Company shall, without any further application or deed, issue and allot 5(Five) fully paid-up Equity Share of Rs.2/- each of the Amalgamated Company credited as fully paid-up for all 10,000 (Ten Thousand) Equity Share of Rs.10/- each held by a single shareholder in Amalgamating Company, credited as fully paid up, to the single members of Amalgamating Company whose name appears in the Register of Members of Amalgamating Company as on the Effective Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title as the case may be.

8.2 Upon allotment of new equity pursuant to Clause 8.1 above, the shares or the share certificates of Amalgamating Company in relation to the shares held by its shareholders shall, without any further application, act, instrument or deed be deemed to have automatically cancelled and be of no effect on and from the Effective Date.

8.3 The equity shares to be issued and allotted as above shall be subject to the Memorandum and Articles of Association of Amalgamated Company and shall rank pari-passu in all respects with the existing equity shares of Amalgamated Company.

8.4 The approval of this Scheme by the shareholders of the Amalgamating Company & the Amalgamated Company under Sections 230 to 232 of the Companies Act, 2013 shall be deemed to have the approval under Sections 13, 14, 61 and other applicable provisions of the Companies Act, 2013 and any other consents and approvals required in this regard.

8.5 Approval of this Scheme by the shareholders of Amalgamated Company shall be deemed to be the due compliance with the provisions of Section 62 and Section 42 of the Companies Act, 2013 and the other relevant and applicable provisions of the Act for the issue and allotment of shares pursuant to Clause 8.1 by Amalgamated Company to Amalgamating Company's Equity Shareholder, as provided in this Scheme.



8.6 Upon approval of this Scheme by the Tribunal, and upon issuance of shares in terms of Clause 8.1 above, the paid-up share capital of the Amalgamating Company shall stand cancelled and extinguished to the extent required. Consequently, the stamp duty would be payable to the extent of market value per share of the shares issued of the Amalgamated Company. The investments in the shares of the Amalgamating Company, appearing in the books of accounts of Prozone Intu Properties Limited shall without any further act or deed, stand cancelled to the extent of balance shares of the Amalgamating Company.

## 9. ACCOUNTING TREATMENT

Upon approval of this Scheme by the Tribunal, with effect from the Appointed Date, since the Amalgamation involves entities which are ultimately controlled by the same parent before and after the Amalgamation, for the purpose of accounting and dealing with the value of assets and liabilities of the Amalgamating Companies, the Amalgamated Company shall account for the amalgamation in accordance with 'Pooling of Interest Method' laid down in Appendix C 'Business Combinations of entities under common control' of Ind AS - 103 'Business Combinations' notified under the provisions of the 2013 Act, read along with relevant rules framed thereunder and other applicable accounting standards.

- 9.1 The Amalgamated Company shall record the assets, liabilities and reserves relating to the Amalgamating Companies vested in it pursuant to this Scheme, at their respective carrying amounts.
- 9.2 The identity of the reserves of the Amalgamating Companies if any, shall be preserved and they shall appear in the financial statements of the Amalgamated Company in the same form and manner in which they appeared in the financial statements of the Amalgamated Company.
- 9.3 The amount of any inter-company balance / amounts between the Amalgamating Company and Amalgamated Company, appearing in the books of account of the Amalgamated Company, shall stand cancelled.
- 9.4 The amount of any inter-company investments e.g. listed NCDs, between the Amalgamating Company and Amalgamated Company shall stand cancelled and if pursuant to such cancellation, the balance in issued listed NCDs by PDRPL becomes zero, the Amalgamated Company shall comply with such -provisions of BSE for giving effect to delisting of such NCDs, as required.
- 9.5 The issued, subscribed and paid up share capital of the Amalgamating Company shall be cancelled and adjusted against the Capital Reserve account created upon the Scheme becoming effective.
- 9.6 In case of any difference between the assets and liabilities of the Amalgamating Company transferred to the Amalgamating Company upon amalgamation, such difference shall be recorded as the Capital Reserve Account in compliance with the applicable Indian Accounting Standards.
- 9.7 The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by the Tribunals or any other Governmental Authority shall be effective from the Appointed Date but shall be



operative from the Effective Date. However, if the Ind AS 103 require the amalgamation to be accounted with effect from a different date, then it would be accounted as per the requirements of Ind AS 103, for accounting purpose, to be compliant with the Indian accounting standards. For regulatory and tax purposes, amalgamation would have been deemed to be effective from the Appointed Date of this Scheme.

9.8 In case of any differences in accounting policies between the Amalgamating Company and the Amalgamated Company, the accounting policies followed by the Amalgamated Company shall prevail to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policies. The difference, if any, in the accounting policies between the Amalgamating Company and Amalgamated Company, shall be ascertained and the impact of the same will be quantified and adjusted in the retained earnings or another affected component of equity of the Amalgamated Company, as applicable, in accordance with the requirements of Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

#### 10. COMBINATION OF AUTHORIZED SHARE CAPITAL

10.1 The Authorized Share Capital of the Amalgamating Company as specified in clause 6.1 amounting to Rs. 10,00,000 divided into 1,00,000 Equity shares of Rs. 10/- each shall stand transferred to and combined with the Authorized Share Capital of the Amalgamated Company without any further act or deed. The filing fees and stamp duty already paid by Amalgamating Company on its Authorized Share Capital shall be deemed to have been so paid by Amalgamated Company on the combined Authorized Share Capital and accordingly, Amalgamated Company shall not be required to pay any fees / stamp duty on the Authorized Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase and re-classification in the Authorized Share Capital of the Amalgamated Company under Section 61 of the Act and other applicable provisions of the Act. Accordingly, upon sanction of this Scheme and from the date of this Scheme becoming effective, the Authorized Share Capital of the Amalgamated Company shall automatically stand increased without any further act, instrument or deed on the part of Amalgamated Company including payment of stamp duty and payment of fees payable to Registrar of Companies, by the Authorized Share Capital of the Amalgamating Company.

10.2 Clause V(a) of the Memorandum of Association of Amalgamated Company relating to Authorized Share Capital shall respectively, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 13, 14, 61 and Section 232 of the Act and other applicable provisions of the Act, as the case may be.

#### **Clause V of Memorandum of Association of PDRPL**

a. The Authorised Share Capital of the Company is Rs. 15,00,000/- (Rupees Fifteen Lakhs Only) divided into 7,50,000 (Seven Lakhs Fifty Thousand Only) equity shares of Rs. 2/- (Rupees Two Only) each with the rights, privileges and conditions attaching thereto as are provided by the regulation of the Company for the time being, with power to increase and reduce the capital for the time being in several classes and to attach thereto respectively such preferential, differed, qualified or special rights, privileges or





conditions as may be determined by or in accordance with the regulations of the company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the company.

### PART III

#### DISSOLUTION OF AMALGAMATING COMPANY, GENERAL CLAUSES, TERMS AND CONDITIONS AND OTHER MATTERS CONSEQUENTIAL AND INTEGRALLY CONNECTED THERETO

##### 11. DISSOLUTION OF THE AMALGAMATING COMPANY

On the scheme coming into effect, the Amalgamating company i.e Royal Mall Private Limited shall, without any further act or deed, stand dissolved without being wound up.

Even after the Scheme becoming effective, the Amalgamated Company shall be entitled to operate all bank accounts relating to Amalgamating Company and realize all monies and complete and enforce all pending contracts and transactions in the name of Amalgamating Company insofar as may be necessary until the transfer and vesting of rights and obligations of the Amalgamating Company to the Amalgamated Company under this scheme is formally effected by the parties concerned.

##### 12. STAFF, WORKMEN AND EMPLOYEES

On the Scheme becoming effective, all staff, workmen and employees of Amalgamating Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of Amalgamated Company with effect from the Appointed Date without any break, dis-continuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Amalgamated Company shall be the same as their existing terms of employment in Amalgamating Company on the Effective Date.

It is expressly provided that, on the Scheme becoming effective, Provident Fund, Gratuity Account, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of Amalgamating Company shall be transferred to and shall get consolidated with the corresponding funds or account of Amalgamated Company. Amalgamated Company shall have the obligation to make contributions to the said Fund or account or Funds or accounts in accordance with the provisions thereof or as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of Amalgamating Company in relation to such Fund or account or Funds or accounts shall become those of Amalgamated Company. It is clarified that the services of the staff, workmen and employees of Amalgamating Company will be treated as having been continuous for the purpose of the said Fund or account or Funds or accounts. Until such time that Amalgamated Company creates or arranges for its own funds or accounts, Amalgamated Company may, subject to necessary approvals and



permissions, if any, continue to make contributions pertaining to the employees of Amalgamating Company to the relevant fund or accounts of Amalgamating Company. Such contributions and other balances pertaining to the employees of Amalgamating Company shall be transferred to the funds or accounts created by Amalgamated Company on creation of relevant funds or arrangements or accounts by Amalgamated Company.

### 13. LEGAL PROCEEDINGS

All legal proceedings of whatsoever nature by or against Amalgamating Company, pending and/or arising on or after the Appointed Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in the Scheme but shall be continued and enforced by or against Amalgamated Company as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against Amalgamating Company.

Amalgamated Company undertakes to have all legal and/or other proceedings initiated by or against Amalgamating Company referred to in Clause above, transferred in its name and to have the same continued, prosecuted and enforced by or against Amalgamated Company, to the exclusion of Amalgamating Company.

### 14. IMPACT OF THE SCHEME ON CREDITORS / BANKS / FINANCIAL INSTITUTIONS

The Scheme shall not affect any of the Companies' creditors / banks / financial institutions. The Scheme does not provide any compromise or arrangement with the creditors and / or shareholders' except as provided in the Scheme. The securities if any provided by the Amalgamating and the Amalgamated Company for any borrowings, loan or debt would continue to remain the security attached to such borrowings, loan or debt.

### 15. CONTRACTS, DEEDS, OTHER INSTRUMENTS, APPROVALS, EXEMPTIONS ETC.

15.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements (including Lease Agreement & Leave and License Agreement), schemes, arrangements, insurance policies, indemnities, guarantees and other instruments of whatsoever nature in relation to Amalgamating Company, or to the benefit of which Amalgamating Company may be eligible, and which are subsisting or having effect on or immediately before the Effective Date, shall be in full force and effect, on or against or in favour of Amalgamated Company and may be enforced as fully and effectually as if, instead of Amalgamating Company, Amalgamated Company had been a party or beneficiary or obligee thereto.

15.2 Amalgamated Company shall be entitled to the benefit of all insurance policies which have been issued in respect of Amalgamating Company and the name of Amalgamated Company shall be substituted as "Insured" in the policies as if Amalgamated Company was initially a party.

15.3 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions, approvals, exemption schemes, or consents required to



carry on operations in Amalgamating Company, respectively, shall stand vested in or transferred to Amalgamated Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Amalgamated Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of Amalgamating Company shall vest in and become available to Amalgamated Company pursuant to the Scheme.

15.4 Amalgamated Company at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to Amalgamating Company to which Amalgamating Company is a party in order to give formal effect to the above provisions. Amalgamated Company shall, under the provisions of this Scheme, be deemed to be Authorized to execute any such writings on behalf of Amalgamating Company and to carry out or perform all such formalities or compliances, referred to above, on behalf of Amalgamating Company.

#### 16. **SAVING OF CONCLUDED TRANSACTIONS**

The transfer of properties and liabilities under Clause 7 above and the continuance of proceedings by or against Amalgamated Company under Clause 13 above shall not affect any transaction or proceedings already concluded by Amalgamating Company on or after the Appointed Date till the Effective Date, to the end and intent that Amalgamated Company accepts and adopts all acts, deeds and things done and executed by Amalgamating Company in respect thereto as done and executed on behalf of itself.

#### 17. **CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE**

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

17.1 Amalgamating Company shall undertake to preserve and carry on the business with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:

- a. If the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or
- b. If the same is expressly permitted by this Scheme; or
- c. If the prior written consent of the Board of Directors of Amalgamated Company has been obtained

17.2 Amalgamating Company shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest of Amalgamating Company for and on account of, and in trust for Amalgamated Company.

17.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes, if any, thereon), by Amalgamating Company, shall for all purposes, be treated as the profits or cash or losses, of Amalgamated Company.



17.4 All accretions and depletions to Amalgamating Company shall be for and on account of Amalgamated Company.

17.5 Any of the rights, powers, authorities, privileges attached, related or pertaining to or exercised by Amalgamating Company shall be deemed to have been exercised by Amalgamating Company for and on behalf of, and in trust for and as an agent of Amalgamated Company Similarly, any of the obligations, duties and commitments attached, related or pertaining to Amalgamating Company that have been undertaken or discharged by Amalgamating Company, shall be deemed to have been undertaken for and on behalf of and as an agent for Amalgamated Company.

As and from the Appointed Date and till the Effective Date:

17.5.1 All assets and properties of Amalgamating Company as on the date immediately preceding the Appointed Date, whether or not included in the books of Amalgamating Company and all assets and properties relating thereto, which are acquired by Amalgamating Company on or after the Appointed Date, in accordance with this Scheme, shall without any further act or deed be deemed to be the assets and properties of Amalgamated Company.

17.5.2 All reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the Appointed Date, whether or not provided in the books of Amalgamating Company, and all reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to Amalgamating Company, on or after the Appointed Date in accordance with this Scheme, shall be deemed to be the reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of Amalgamated Company.

## 18. COMPLIANCE WITH SECTION 2(1B) OF THE INCOME-TAX ACT, 1961

The provisions of this Scheme as they relate to the amalgamation of Amalgamating Company into and with Amalgamated Company have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

## 19. TREATMENT OF TAXES

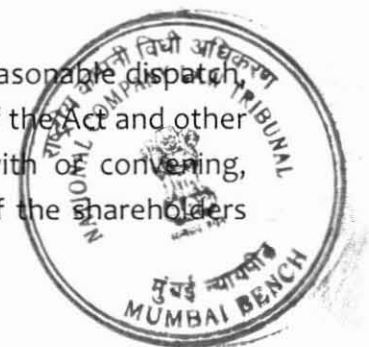




- 19.1 Any tax loss including unabsorbed depreciation or surplus in the provision for taxation/ duties/ levies account including but not limited to the advance tax, tax deducted at source by the customers and MAT credit, CENVAT credit, GST Input Tax Credit as on the date immediately preceding the Appointed Date will also be transferred to Amalgamated Company. Any refund under the Income Tax Act, 1961 or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of Amalgamating Company or due to Amalgamating Company, consequent to the assessment made in respect of Amalgamating Company, 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 Amalgamated Company.
- 19.2 The tax payments (including without limitation income tax, tax on distribution of dividends, service tax, excise duty, central sales tax, applicable state value added tax, GST etc.) whether by way of tax deducted at source by the customers, advance tax or otherwise howsoever, by Amalgamating Company after the Appointed Date, shall be deemed to be paid by Amalgamated Company and shall, in all proceedings, be dealt with accordingly. Notwithstanding the above, any tax deducted at source by either Amalgamating Company or Amalgamated Company on account of inter-company transactions between Amalgamated Company and Amalgamating Company post the Appointed Date, shall be deemed to be advance tax paid by Amalgamated Company and shall, in all proceedings, be dealt with accordingly.
- 19.3 Upon the Scheme becoming effective, with effect from the Appointed Date, Amalgamating Company and Amalgamated Company are expressly permitted to prepare and/or revise, as the case may be, their Financial Statements and returns along with the prescribed forms, fillings and annexure under the Income Tax Act, 1961, central sales tax, applicable state value added tax, service tax laws and other tax laws, GST, if required, to give effects to provisions of the Scheme.
- 19.4 All tax assessment proceedings/appeals of whatsoever nature by or against Amalgamating Company pending and/or arising at the Appointed Date and relating to Amalgamating Company shall be continued and/or enforced until the Effective Date as desired by Amalgamated Company. As and from the Effective Date, the tax proceedings/appeals shall be continued and enforced by or against Amalgamated Company in the same manner and to the same extent as would or might have been continued and enforced by or against Amalgamating Company. Further, the above mentioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of Amalgamating Company with Amalgamated Company or anything contained in the Scheme.
- 19.5 Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by Amalgamating Company shall be made or deemed to have been made and duly complied with by the Amalgamated Company.

## 20. APPLICATION TO THE NCLT

- 20.1 Amalgamating Company and Amalgamated Company shall, with all reasonable dispatch, make applications / petitions to the NCLT under Sections 230 to 232 of the Act and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the shareholders



and/or creditors of Amalgamating Company and Amalgamated Company as may be directed by the NCLT or such other appropriate authority.

- 20.2 On the Scheme being agreed to by the requisite majorities of the classes of the shareholders and/or creditors of Amalgamating Company and Amalgamated Company or such requirement being dispensed with as directed by NCLT or such other appropriate authority, Amalgamating Company and Amalgamated Company shall, with all reasonable dispatch, apply to the NCLT for sanctioning the Scheme of Amalgamation under Sections 230 to 232 of the Act, and for such other order or orders, as the said NCLT or such other appropriate authority may deem fit for carrying this Scheme into effect and for dissolution of Amalgamating Company without winding-up.

## 21. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

Amalgamating Company & Amalgamated Company, acting through its Board of Directors may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT and/or any other Appropriate Authority and/ or sue-moto subject to other necessary approvals as may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors). Amalgamating Company & Amalgamated Company, by its Board of Directors, be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. All modification / amendments in pursuant to this clause shall be subject to approval of NCLT.

Without prejudice to the generality of the foregoing, the Amalgamating Company and the Amalgamated Company by their respective Boards of Directors or such person or persons, as the respective Board of Directors may authorize, shall each be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority is unacceptable to the or as may otherwise be deemed expedient or necessary.

## 22. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- i. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of Amalgamating Company, as prescribed under the Act and as may be directed by the NCLT.
- ii. The sanction of this Scheme by the NCLT under Sections 230 to 232 and other applicable provisions, if any of the Act in favour of Amalgamating Company.
- iii. Certified or authenticated copy of the Order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies by Amalgamating Company.



- iv. The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.

**23. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

In the event of any of the said sanctions and approvals referred to in Clause 22 not being obtained and/or the Scheme not being sanctioned by the NCLT or such other Appropriate Authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.

The Scheme although will come into operation from the Appointed Date, as the case may be, but shall not become effective till the date on which all necessary certified copies of orders under Sections 230 to 232 of the Act are duly filed with the Registrar of Companies at Mumbai, Maharashtra.

**24. SETTLEMENT OF DIFFERENCE OR ISSUE THROUGH ARBITRATION**

If any doubt or differences or issues arise between the parties hereto or any of their shareholders, creditors, employees and any other party as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability vested under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to arbitration of a sole Arbitrator appointed by the consent of both the parties and shall be governed as per the Arbitration Act as in force.

**25. SEVERABILITY**

If any part of this Scheme is found invalid, unworkable for any reason whatsoever, ruled illegal by any court of competent jurisdiction or unenforceable under present or future laws, the same shall not, subject to the decision of the Amalgamating Company and the Amalgamated Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

**26. COSTS, CHARGES AND EXPENSES**

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 Amalgamating Company and the Amalgamated Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Amalgamated Company.





27. **FILING/ AMENDMENT OF RETURNS**

Both, the Amalgamating Company and the Amalgamated Company are expressly permitted to file/ revise their respective Income Tax, Goods and Service Tax and other statutory returns, consequent to the Scheme becoming effective, notwithstanding that the period for filing/revising such returns may have lapsed. The Companies are expressly permitted to amend tax deduction at source certificate and other statutory certificates, and shall have the right to claim refunds, advance tax credits, set offs and adjustments relating to their respective incomes/transactions from the Appointed Date.

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