

FUTURE MARKET NETWORKS

catalysing consumption

FUTURE MARKET NETWORKS LIMITED

(Formerly known as Agre Developers Limited)

Regd Office: Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road,
Jogeshwari (E), Mumbai 400060.

COURT CONVENED MEETING OF THE SHAREHOLDERS OF FUTURE MARKET NETWORKS LIMITED

Day	:	Tuesday
Date	:	August 14, 2012
Time	:	4.00 p.m. or soon after the conclusion of earlier court convened shareholders meeting of the Company.
Venue	:	Sunville Banquets, 9, Dr. Annie Besent Road, Worli, Mumbai - 400018.

CONTENTS

	Page nos.
Notice of Court Convened Meeting of the Shareholders of Future Market Networks Limited	3
Explanatory Statement under Section 173(2) read with Section 393 of the Companies Act, 1956	4
The Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956	11
Form of Proxy	21
Attendance Slip	23

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 509 OF 2012**

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956

AND

In the matter of Future Market Networks Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060.

AND

In the matter of the Scheme of Amalgamation between KB Mall Management Company Limited ("KBMMCL" or "Transferor Company") with Future Market Networks Limited ("FMNL" or "Transferee Company") and their respective shareholders and creditors.

FUTURE MARKET NETWORKS LIMITED,

a Company incorporated under the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060.

.....Applicant Company

NOTICE CONVENING THE MEETING OF THE SHAREHOLDERS

To,

The Equity Shareholders,
Future Market Networks Limited, the Applicant Company.

TAKE NOTICE that by an Order made on 6th July, 2012, in the above Company Summons for Direction No. 509 of 2012 the Hon'ble High Court of Judicature at Bombay has directed that a Meeting of the shareholders of Future Market Networks Limited, the Applicant Company, be convened and held at Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018, on Tuesday, 14th day of August, 2012 at 4.00 p.m. or soon after the conclusion of earlier court convened shareholders meeting of the Applicant company, to consider and if thought fit, to pass, with or without modification(s), the following resolutions under Section 391 of the Companies Act, 1956 for approval of Amalgamation embodied in the proposed Scheme of Amalgamation between KB Mall Management Company Limited ("KBMMCL" or "Transferor Company") and Future Market Networks Limited (FMNL or Transferee Company) and their respective shareholders and creditors.

"RESOLVED THAT the Scheme of Amalgamation between KB Mall Management Company Limited ("KBMMCL" or "Transferor Company") and Future Market Networks Limited, the Applicant Company/ Transferee Company, be and is hereby approved".

"RESOLVED FURTHER THAT Mr. Sumit Dabriwala, Managing Director, Ms. Naina Hegde, Chief Financial Officer and Mr. Anil Cherian, Company Secretary of the Company be and are hereby authorized, severally:

- to sign all applications, petitions, papers, documents etc., for and on behalf of the Company as required under the provisions of the Companies Act, 1956, for the purpose of obtaining the approval of the Court or any other appropriate authority;
- to do all such acts, deeds and things as may be necessary or required for the aforesaid purpose;
- to carry out such modifications/ directions as may be ordered by the Hon'ble High Court of Judicature at Bombay."

TAKE FURTHER NOTICE that in pursuance of the said Order, and as directed therein, a meeting of the Shareholders of Future Market Networks Limited, the Applicant Company, will be held at Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018, on Tuesday, 14th day of August, 2012 at 4.00 p.m. or soon after the conclusion of earlier court convened shareholders meeting of the Applicant Company, at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said Meeting in person/ authorized representative or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the Registered office of the Applicant Company at Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060 not later than 48 hours before the said meeting.

The Hon'ble High Court has appointed Mr. Anil Bajjal, Chairman of the Applicant Company or failing him, Mr. Sumit Dabriwala, Managing Director of the Applicant Company and failing him, Mr. Rajesh Kalyani, Director of the Applicant Company to be the Chairman of the said Meeting.

A copy of the Scheme of Amalgamation, the Statement under Section 393 of the Companies Act, 1956, the Attendance Slip and Form of Proxy are enclosed herewith.

Dated this 9th day of July, 2012.

Registered Office:
Knowledge House, Shyam Nagar,
Off Jogeshwari – Vikhroli Link Road,
Jogeshwari (East), Mumbai – 400060.

sd/-
Anil Bajjal
Chairman appointed for the Meeting

- Note: (a) All alterations made in the Form of Proxy should be initialed.
- (b) Only registered shareholders of the Applicant Company may attend and vote (either in person or by proxy or by Authorised Representative under Section 187 of the Companies Act, 1956) at the Members meeting. The representative of a body corporate which is a registered Member of the Applicant Company may attend and vote at the Members meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorising such representative to attend and vote at the Members meeting is deposited at the registered office of the Applicant Company not later than 48 hours before the meeting.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
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AND

In the matter of the Scheme of Amalgamation between KB Mall Management Company Limited ("KBMMCL" or "Transferor Company") with Future Market Networks Limited ("FMNL" or "Transferee Company") and their respective shareholders and creditors.

FUTURE MARKET NETWORKS LIMITED,

a Company incorporated under the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060.

}Applicant Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. Pursuant to an order, dated 6th July, 2012, passed by the High Court of Judicature at Bombay in the Company Summons for Direction No. 509 of 2012 referred to herein above, a Meeting of the Shareholders of Future Market Networks Limited, the Applicant Company, is being convened at Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018, on Tuesday, 14th day of August, 2012 at 4.00 p.m. or soon after the conclusion of earlier court convened shareholders meeting of the Applicant company, the Applicant Company, for the purpose of considering, and if thought fit, approving, with or without modification, the Amalgamation embodied in the Scheme of Amalgamation between KB Mall Management Company Limited ("KBMMCL" or "Transferor Company") with Future Market Networks Limited ("FMNL" or "Transferee Company") and their respective shareholders and creditors.
2. A copy of the Scheme setting out the terms and conditions of the proposed Amalgamation duly approved by the Board of Directors of the Transferor Company and the Applicant Company at their respective meetings held on 30th March, 2012 is enclosed with this Explanatory Statement. The definitions contained in the said Scheme will apply to this Explanatory Statement also.
3. **BACKGROUND OF THE COMPANIES**

A. About the Applicant Company

- a. The Applicant Company is a listed Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060 ("Transferee Company"). The Applicant Company was originally incorporated under the name and style of 'Future Mall Management Limited' on March 10, 2008. Subsequently, the name was changed to Agre Developers Limited on October 4, 2010 and to Future Market Networks Limited on February 6, 2012.
- b. Pursuant to a scheme of arrangement (Scheme of Demerger) sanctioned by the Hon'ble High Court vide order dated August 24, 2010, with effect from April 1, 2010, the Mall Management Undertaking and the Project Management Undertaking of Pantaloon Retail (India) Limited (PRIL) were transferred and vested with the Transferee Company.
- c. Further, pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court of Bombay vide order dated January 20, 2012, with effect from April 1, 2011, Future Realtors India Private Limited, AIGL Holding & Investments Private Limited and Prudent Vintrade Private Limited were merged into the Transferee Company.
- d. The Authorized, Issued, Subscribed and Paid-up share capital of the Applicant Company as on 31st March, 2011 is as under:-

Authorized Share Capital	
2,00,00,000 equity shares of Rs. 10/- each	20,00,00,000
Issued Capital	
1,11,71,536 equity shares of Rs. 10/- each	11,17,15,360
Subscribed and Paid-up Share Capital	
1,11,70,966 equity shares of Rs. 10/- each	11,17,09,660

Note: 570 Equity shares of the Company are kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in the demerged entity in the Scheme of Demerger which are currently held in abeyance.

Further, the share capital structure of the Transferee Company stands revised, pursuant to the approval of the scheme of amalgamation as mentioned in clause 3(A)(c) above by the Hon'ble High Court. The revised share capital of the Transferee Company is as under:

Authorized Share Capital	
8,02,10,000 equity shares of Rs. 10/- each	80,21,00,000
5000 preference shares of Rs. 100/- each	5,00,000
Total	80,26,00,000
Issued Capital	
5,58,54,976 equity shares of Rs. 10/- each	55,85,49,760
Subscribed and Paid-up Share Capital	
5,58,54,406 equity shares of Rs. 10/- each	55,85,44,060

Note: 570 Equity shares of the Company are kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in the demerged entity in the Scheme of demerger which are currently held in abeyance.

- e. The Applicant Company is engaged in the business of maintaining, operating, managing malls and commercial complexes, immovable properties and related activities pursuant to its objects as mentioned in its Memorandum of Association.
 - f. The objects of the Applicant Company are set out in its Memorandum of Association. The main objects and the objects incidental or ancillary to the attainment of the main objects of the Applicant are, inter alia, as follows:
 1. To carry on the business in India or elsewhere of maintaining, operating, managing malls, shopping centres, real estate, immovable properties of all nature and description including shopping malls, commercial complexes, shopping plazas, cinema halls, theatres, departmental stores, hypermarkets, shops, business, houses, offices, residential estates, hotels, motels, resorts, homes, organizations, exhibition centres, conference centres, boarding and lodging houses, clubs, dressing rooms, and places of amusement and recreation, sports, entertainment and all other real estate and properties of every kind and sort.
 2. To act as advisors, consultants, service providers, service contractor or sub-contractor, suppliers, administrator, licensor, designer, controller to render various mall management services for enhancing value, increasing of footfalls and ambience of the malls, shoppers plazas, shopping centres, departmental stores and such other above named properties and to undertake the business of providing turnkey solutions including development and execution of the retail outlet design of real estate of every kind and sort, including identification of the project or properties, negotiations, space planning, structure design, interior and exterior design, project administration, design and engineering services, procurement of equipments and controlling schedule and quality thereof and to provide other requisite infrastructure facilities to make the malls, shoppers plazas, shopping centres, departmental stores and such other real estate of every kind operational including but not limited to procurement of power, hiring/contracting security services, housing keeping facilities, catering services, engineering services, communication facilities and other day to day facilities of running malls either on its own or in partnership with others.
 - 2A. To carry on the business in India or elsewhere of builders, contractors, erectors, constructors of buildings of all nature being residential, industrial, institutional or commercial, townships, holiday resorts, hotels, motels, shopping malls and preparing plans for building sites, constructing reconstructing, erecting, altering, improving, enlarging, developing, decorating, furnishing and maintaining of structures, flats, houses, factories, commercial buildings, garages, warehouses, buildings for all purposes and conveniences and to purchase for development, investment or for resale lands, houses, building, structures and other properties of any tenure and any interest therein and purchase, sell and deal in free-hold and lease-hold land and to make advances upon security of lands, houses, structures and other property or any interest therein and generally to purchase, sell, lease, hire, exchange or otherwise deal in land and house property and other property whether real or personal and to run the same into account as may seem expedient.
 3. To amalgamate, or enter into partnership or into any arrangement for sharing profit, union of interest, co-operation, joint venture, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorized to carry on or engage in or to purchase from such company its business as a going concern and/or its assets. Including but not limited to necessary licenses, permits and other rights of such company.
 4. To take or otherwise, acquire and hold, re-sale, dispose off shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as to directly or indirectly benefit the Company.
- B. About the Transferor Company**
- a. KBMMCL is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Knowledge House, Off. Shyam Nagar, Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060 ("Transferor Company"). The Transferor Company was incorporated under the name and style of KB Mail Management Company Limited on May 14, 2004.
 - b. The Authorized, Issued, Subscribed and Paid-up share capital of the Transferor Company as on 31st March, 2011 is as under:-

AUTHORISED:

1,00,00,000 equity shares of Rs. 10/- each

Rs. 10,00,00,000/-

ISSUED, SUBSCRIBED & PAID-UP:

48,60,000 equity shares of Rs. 10/- each

Rs. 4,86,00,000/-

- c. The objects of the Transferor Company are set out in its Memorandum of Association. The main objects and the objects incidental or ancillary to the attainment of the main objects of the Transferor Company are, inter alia, as follows:
 1. To carry on trade or business in India or elsewhere as managers & maintainers of mall, contractors, building, land and estate agents, land developers, surveyors, architects, civil engineers, decorators, house owners and house sellers, water proofing contractors and to acquire flats and offices and retail spaces and to sell them, lease or sublet them and to acquire land or buildings on leasehold or freehold and construct on land, residential, commercial, or industrial buildings and sell the same on ownership or on lease or on conducting or on subletting or to transfers building to societies, companies or any other person and to undertake and execute civil, mechanical, electrical and structural works contracts and subcontracts in all their respective branches.
 2. To enter into contracts, agreements and arrangements with any other person, firm, company, body, body corporate or statutory body, on behalf of the Company, and of the objects for which the Company is established.
 3. To apply for, purchase or otherwise acquire any patent, patent rights, copyrights, trade marks, formulae, license, lease, concessions, manufacturing process, knowhow, designs, patterns conferring any exclusive or limited right to use any secret or other information as to any invention which may seem capable of being use for any of the purposes of the company or the acquisition of which may directly or indirectly benefit the company and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property, rights or information so acquired and to pay for any rights or properties so acquired by the Company.
 4. To amalgamate and enter into any arrangement of profits, entering into partnerships, joint ventures, union of interests, co-operations, reciprocal concessions with and/or to acquire and undertake the whole or any part of the business properties and liabilities of any person or company carrying on the same business or transaction which the company authorized to carry on or engage in or proposing to carry on any business which the Company is authorized to carry on.
 5. To enter into any arrangement with any Government or authority whether municipal, local or otherwise or any person, that may seem conducive to the company's objects or any of them and to obtain from such Government or authority any rights, privileges and concessions which the company may think it desirable to obtain; and to carry out, exercise and comply with any such arrangement, rights, privileges and concessions.
 6. To establish or promote or concur in establishing or promoting a company or a companies having similar objects and to place or guarantee the placing of, underwrite, subscribe, for or otherwise acquire all or any part of the shares, debentures or other securities of any such company.
4. The Amalgamation of KBMMCL with the Applicant Company will be effected through a Scheme of Amalgamation (hereinafter referred to as "Scheme") under Sections 391 to 394 of the Companies Act, 1956 (hereinafter referred to as the "said Act").
5. Both KBMMCL and FMNL are in a sound financial position. Copies of the Audited Accounts of FMNL and KBMMCL for the period 31st March 2011 and 31st March 2012 are available for the inspection of members at the registered office of the Applicant Company.
6. **BENEFITS OF THE SCHEME**

The amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses and would enable them to avail of the financial resources as well as the managerial, technical, distribution and marketing resources of each other in the interest of maximising shareholder and stakeholder value. The proposed amalgamation will be beneficial to the Companies in the following manner:

- (a) Effectively, since the Transferor Company is anyway a wholly owned subsidiary of the Transferee Company, the proposed merger is only technically merging the legal personalities of the two, as effectively, the economic entity is already a single unit.
 - (b) The amalgamation in accordance with this Scheme will result in integration of the operations of the Transferee Company and the operational costs will be considerably reduced. The Transferee Company will be able to operate more economically and effectively resulting in better turnover and profits.
 - (c) Synergy of operations could be achieved and common facilities such as manpower, office space and other infrastructure could be better utilized and duplication of facilities could be avoided resulting in optimum use of facilities to the advantage of the Transferee Company.
 - (d) There will be better operational synergy in terms of procurement benefits, access to marketing networks/ customers, reduction of administrative work etc. and fund raising capabilities and opportunities of the Transferee Company will be comfortably enhanced, resulting into cost efficiency coupled with greater financial flexibility.
 - (e) Improved organizational capability and leadership arising from the pooling of human capital having diversified skills, talent and vast experience.
 - (f) Due to all the reasons stated above, the Transferee Company will be able to ensure better turnover and profits and would ultimately contribute substantially to the future business expansion and will be able to exploit the market to the fullest possible extent.
7. The salient features of the Scheme are as follows:
 - A. "Appointed Date" means January 1, 2012.
 - B. The Scheme is conditional and is subject to the Scheme being agreed to by the respective requisite majority of the members (either by way of a meeting or a letter of consent from the shareholders, where applicable) of the Transferor Company and the Transferee Company and the creditors under Section 391 of the Act.

C. Transfer of Undertaking:

With effect from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertaking as on the Appointed Date shall, pursuant to the provisions of Section 394 and all other applicable provisions of the Act, without any further act, deed, instrument, matter or thing, be and shall transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company, as a going concern, so as to become the Undertaking of Transferee Company but subject nevertheless to all charges, liens, mortgages, *lis pendens*, if any, then affecting the same or part thereof on the Appointed Date and the Transferor Company shall be deemed to have amalgamated with the Transferee Company.

The name of the Transferee Company immediately after amalgamation shall remain unchanged by virtue of this Scheme.

D. Transfer Subject to Charges:

The transfer/ vesting as aforesaid shall be subject to charges, hypothecation and mortgages, if any and as may be subsisting, over or in respect of the Undertaking or any part thereof on the Appointed Date. Provided however that, any reference in any security documents or arrangements to which the Transferee Company is party to the assets of Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, to the secured creditors of Transferor Company, shall be construed as reference only to the assets pertaining to the Undertaking as are vested in Transferee Company by virtue of this arrangement, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend to any of the assets or to any of the other units or divisions of Transferee Company, unless specifically agreed to by Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of Transferee Company, if any;

E. Transfer of Movables:

The assets of the Transferor Company movable in nature or are otherwise capable of transfer by manual delivery or by enforcement and/or delivery, along with such other documents as may be necessary to the end and intent that the property therein transfers upon such transfer become the property, estate, assets, rights, title, interest and authorities of the Transferee Company in pursuance of Section 394 of the said Act;

F. Transfer of Liabilities:

Pursuant to the transfer of Undertaking as above, and subject to the provisions in the Scheme in relation to the mode of transfer and vesting, all debts, liabilities, duties and obligations of the Undertaking of Transferor Company, shall also be and stand transferred or deemed to be transferred, without further act, instrument, deed, matter or thing to Transferee Company, pursuant to the provisions of Section 394 of the Act so as to become as and from the Appointed Date, the debts, duties, liabilities and obligations of Transferee Company. Further that for the purpose of giving effect to the provisions of this Clause, 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, duties and obligation have arisen. The Scheme shall not in any manner affect the rights and interests of the creditors of the Transferor Company or be deemed to be prejudicial to their interests and in particular the statutory creditors of the Transferor Company shall continue to enjoy and hold charge upon their respective securities and properties. Transferee Company may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation, in favor of any of the creditors of the Transferor Company or in any other party to any contract or arrangement to which Transferor Company or Transferee Company is a party to, or any writings as may be necessary to be executed in order to give formal effect to the above provisions;

G. Transfer of Authorized Capital:

Upon the Scheme becoming effective, without any further act or deed, the authorized capital of the Transferor Company as on the Appointed Date shall stand merged with the authorized capital of the Transferee Company and the Transferee Company shall not be liable to pay any fees or other levy on such increase of authorized capital.

H. Transfer of Profits and Reserves:

With effect from the Appointed Date, all profits, reserves, income accruing to or losses and expenditure (including payment of penalty, damages or such litigation) arising or incurred by the Undertaking of Transferor Company shall for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of Transferee Company.

I. Transfer of Contracts:

Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments, of whatsoever nature and pertaining to the Undertaking of Transferor Company to which Transferor Company is a party, subsisting or having effect immediately on the Appointed Date shall be in full force and effect against or in favor of Transferee Company as the case may be and may be enforced as fully and effective as if, instead of Transferor Company, Transferee Company had been a party thereto. Transferee Company shall enter into and/or issue and/or execute deeds, writings, or confirmations or enter into any tripartite arrangements, confirmations or novations, to which Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of Transferor Company and to implement or carry out all the formalities required on the part of Transferor Company to give effect to the provisions of this Scheme.

J. Transfer of Legal Proceedings:

All legal proceedings of whatsoever nature by or against Transferor Company pending on the Appointed Date and relating to the Undertaking of Transferor Company (including property, rights, powers, liabilities, obligations and duties) shall be continued and/or enforced until the Effective Date as desired by Transferee Company and as and from the Effective Date shall be continued and enforced by or against Transferee Company in the manner and to same extent as would or might have been continued and enforced by or against Transferee Company.

K. Place of Vesting:

The vesting of the Undertaking shall by virtue of the provisions of this Scheme and the effect of the provisions of Section 394 of the said Act, take place at the registered office of Transferee Company.

L. Workmen and Employees:

i. Takeover of all the employees:

Transferee Company will take over all the permanent staff, workmen and other employees in the service of Transferor Company and exclusively engaged in Transferor Company immediately preceding the Effective Date, and they shall become the staff, workmen and employees of Transferee Company from the Effective Date;

ii. Service of Employees to be continued uninterruptedly:

The benefits relating to gratuity, provident fund and superannuation fund as per the rules of Transferee Company shall become applicable to those staff, workmen and employees of Transferor Company from the Effective Date that are taken over by Transferee Company. For all other purposes the service of employees of Transferor Company shall be regarded as continuous without any break or interruption of service by reason of the transfer of the Transferor Company to Transferee Company;

iii. Terms and Conditions of service shall be the same:

The terms and conditions of service applicable to such employees on the Effective Date will not in any way be less favourable to them than those applicable to them immediately before the Effective Date. The position, rank and designation of the employees would however, be decided by the Board of Transferee Company which shall also have a right to exercise an option, if warranted to transfer such employees to any unit of Transferee Company as may be deemed to be necessary from time to time.

M. Consideration:

Upon the Scheme becoming operative, as the Transferor Company is a wholly owned subsidiary of the Transferee Company, no shares are required to be issued to the shareholders of the Transferor Company by the Transferee Company in consideration of the transfer and vesting of the Transferor Company in terms of this Scheme.

8. No investigation proceedings have been instituted or are pending under Sections 235 and 250A of the Companies Act, 1956 in respect of the Applicant Company/ Transferee Company.
9. The rights and interests of the members and creditors of the Transferor Company will not be prejudicially affected by the Scheme.
10. In the event of the Scheme failing to take effect finally, the Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Parties or their shareholders or creditors or employees or any other person.
11. The Transferor Company is a wholly owned subsidiary of the Transferee Company, no shares are required to be issued to the shareholders of the Transferor Company by the Transferee Company in consideration of the transfer and vesting of the Transferor Company in terms of this Scheme. The pre and post Scheme (expected) shareholding pattern of FMNL, the Applicant Company, based on the shareholding pattern as on 6th July, 2012 is as under:

		Pre Amalgamation		Post Amalgamation	
		No. of Shares	%	No. of Shares	%
(A)	Shareholding of Promoter and Promoter Group				
1	Indian				
(a)	Individuals / Hindu Undivided Family	541	0.00	541	0.00
(b)	Central Government / State Government(s)	-	-	-	-
(c)	Bodies Corporate	3,83,86,159	68.73	3,83,86,159	68.73
(d)	Financial Institutions / Banks	-	-	-	-
(e)	Any Others (Specify)	-	-	-	-
	Sub-Total (A)(1)	3,83,86,700	68.73	3,83,86,700	68.73
2	Foreign				
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-
(b)	Bodies Corporate	-	-	-	-
(c)	Institutions	-	-	-	-
(d)	Any Others (Specify)	-	-	-	-
	Sub Total (A)(2)	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	3,83,86,700	68.73	3,83,86,700	68.73

		Pre Amalgamation		Post Amalgamation	
		No. of Shares	%	No. of Shares	%
(B)	Public Shareholding				
1	Institutions				
(a)	Mutual Funds/UTI	12,743	0.02	12,743	0.02
(b)	Financial Institutions / Banks	2,61,202	0.47	2,61,202	0.47
(c)	Central Government / State Government(s)	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-
(e)	Insurance Companies	3,47,421	0.62	3,47,421	0.62
(f)	Foreign Institutional Investors	2,27,811	0.41	2,27,811	0.41
(g)	Foreign Venture Capital Investors	-	-	-	-
(h)	Qualified Foreign Investors	-	-	-	-
(i)	Any Other (Specify)	-	-	-	-
	Sub-Total (B)(1)	8,49,177	1.52	8,49,177	1.52
2	Non-Institutions				
(a)	Bodies Corporate	13,948,662	24.97	13,948,662	24.97
(b)	Individuals				
	(i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	14,29,532	2.56	14,29,532	2.56
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5,96,378	1.07	5,96,378	1.07
(c)	Qualified Foreign Investors	-	-	-	-
(d)	Any Other (Specify)				
	(i) Non Resident Indians (Repat)	17,589	0.03	17,589	0.03
	(ii) Non Resident Indians (Non-Repat)	5,779	0.01	5,779	0.01
	(iii) Foreign Companies	-	-	-	-
	(iv) Clearing Member	23,611	0.04	23,611	0.04
	(v) Directors / Relatives	804	0.00	804	0.00
	(vi) Trust	5,96,174	1.07	5,96,178	1.07
	(vii) HUF	-	-	-	-
	Sub-Total (B)(2)	1,66,18,529	29.75	1,66,18,529	29.75
	Total (A) + (B)	5,58,54,406	100.00	55,85,44,06	100.00
	Shares held by Custodians and against which Depository Receipts have been issued				
	(i) Promoter and Promoter Group	-	-	-	-
	(ii) Public	-	-	-	-
	Sub-Total (C1)+(C2)	-	-	-	-
	Grand Total (A) + (B) + (C)	5,58,54,406	100.00	55,85,44,06	100.00

12. The Directors of the Applicant and the Transferor Companies may be deemed to be interested in the Scheme only to the extent of the shares and directorship held by them in the Applicant or the Transferor Companies, as the case may be.
- (a) The extent of the shareholding of Directors of FMNL in FMNL and KBMMCL either singly or jointly or as nominee as on 6th July, 2012 is as under:
- Mr. Sumit Dabriwala, Managing Director of FMNL holds 804 equity shares of Rs. 10/- each of FMNL. None of the other Directors of FMNL hold any shares in the Companies under the Scheme of Amalgamation.
- (b) The extent of the shareholding of Directors of KBMMCL in FMNL and KBMMCL either singly or jointly or as nominee as on 6th July, 2012 is as under:
- Mr. Pawan Agarwal, Director of KBMMCL holds 1 equity share of Rs. 10/- in KBMMCL jointly with FMNL, the holding company of KBMMCL. Mr. Vivek Biyani and Mr. Gopikishan Biyani, Directors of KBMMCL holds 50 equity shares each of FMNL. None of the other Directors of KBMMCL hold any shares in the Companies under the Scheme of Amalgamation.
13. The company is not required to obtain a fairness opinion in terms of clause 24 (h) of the Listing Agreement as the valuation of shares is not required since the Transferor Company is a wholly owned subsidiary of the Applicant Company.
14. The Scheme is conditional upon and subject to:
- a) The Scheme being approved by the requisite majorities in number and value of the members and/or such other classes of persons of Companies under the Scheme of Amalgamation as may be directed by the Hon'ble High Court of Bombay or any other competent authority, as may be applicable.
- b) The Scheme being sanctioned by the Hon'ble High Court of Bombay in terms of the applicable provisions of the Companies Act, 1956.

- c) Certified copies of the orders of the Hon'ble High Court sanctioning the Scheme being filed with Registrar of Companies, Maharashtra at Mumbai by the Companies under the Scheme of Amalgamation.

The features set out above being only the salient features of the Scheme of Amalgamation; the members are requested to read the entire text of the Scheme of Amalgamation annexed hereto to get fully acquainted with the provisions thereof.

15. Inspection of the following documents may be had at the registered office of Future Market Network Limited on any working day (except Saturdays, Sundays and public holidays) prior to the date of meeting between 10:00 a.m. and 2:00 p.m.:
- (a) Order, dated 6th July, 2012, of the Hon'ble High Court of Judicature at Bombay passed in Company Summons for Direction No. 509 of 2012 directing the convening of the Meeting of the Shareholders of FMNL.
 - (b) Scheme of Amalgamation.
 - (c) Memorandum and Articles of Association of FMNL and KBMMCL.
 - (d) Audited Balance Sheet and Profit and Loss Account of FMNL for the year ended 31st March, 2011 and 31st March, 2012.
 - (e) Audited Balance Sheet and Profit and Loss Account of KBMMCL for the year ended 31st March, 2011 and 31st March, 2012.
 - (f) No Objection Certificates received from Bombay Stock Exchange Limited and National Stock Exchange of India Limited in terms of Clause 24(f) of the Listing Agreements with Stock Exchanges vide their letters dated 4th May, 2012 and 2nd May, 2012 respectively.

This statement may be treated as an Explanatory Statement under Section 393 of the Companies Act, 1956.

A copy of the Scheme of Amalgamation, Explanatory Statement and form of proxy may be obtained from the Registered Office of the Applicant Company.

Dated this 9th day of July, 2012.

Registered Office:

Knowledge House, Shyam Nagar,
Off Jogeshwari – Vikhroli Link Road,
Jogeshwari (East), Mumbai – 400060.

sd/-
Anil Bajjal
Chairman appointed for the Meeting

Note: All alterations made in the Form of Proxy should be initialed.

SCHEME OF AMALGAMATION
UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956
BETWEEN
FUTURE MARKET NETWORKS LIMITED
(Transferee Company)
AND
KB MALL MANAGEMENT COMPANY LIMITED
(Transferor Company)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PART I: PREAMBLE

- 1.1. This Scheme of Amalgamation is presented under sections 391 to 394 of the Company Act, 1956 ("the Act") for amalgamation of KB Mall Management Company Limited (KBMMCL) with Future Market Networks Limited (FMNL).
- 1.2. FMNL is a listed Company incorporated under the provisions of the Act having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060 ("Transferee Company"). The Transferee Company was originally incorporated under the name and style of 'Future Mall Management Limited' on March 10, 2008. Subsequently, the name was changed to Agre Developers Limited on October 4, 2010 and to Future Market Networks Limited on February 6, 2012.
- 1.3. The Transferee Company is, *inter alia*, authorised to and is primarily engaged in the business of maintaining, operating, managing malls, shopping centres, real estate, immovable properties of all nature and description including shopping malls, commercial complexes, shopping plazas, cinema halls, theatres, departmental stores, hypermarkets, shops, business houses, offices, residential estates, hotels, motels, resorts, homes, organizations, exhibition centres, conference centres, boarding and lodging houses, clubs, dressing rooms and places of amusement and recreation, sports, entertainment and all other real estate and properties of every kind. Further, the Transferee Company is, *inter alia*, authorised to act as advisors, consultants, service providers to render various mall management services for enhancing value, increasing of footfalls and ambience of the malls, shoppers plazas, shopping centres, departmental stores etc. and to undertake the business of providing turnkey solutions. The Transferee Company is also authorised to carry on the business of builders, contractors, erectors, constructors of buildings of all nature being residential, industrial, institutional or commercial, townships, holiday resorts, hotels, motels and shopping malls amongst others.
- 1.4. KBMMCL is a company incorporated under the provisions of the Act having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060 ("Transferor Company"). The Transferor Company was incorporated under the name and style of KB Mall Management Company Limited on May 14, 2004.
- 1.5. The Transferor Company is, *inter alia*, authorised to and is primarily engaged in the business of administration, management, consultancy and maintain the mall in India or abroad by designing and construction of the mall by acquiring the land or building on lease or freehold or any commercial Industrial or residential building and also to carry on business as contractors, builders and land developers of mall and to act as surveyors, architects, civil engineers, decorators, water proofing contractors for mall.
- 1.6. Pursuant to a scheme of arrangement sanctioned by the Hon'ble High Court *vide* order dated August 24, 2010, with effect from April 1, 2010, the Mall Management Undertaking (as defined below) and the Project Management Undertaking (as defined below) of Pantaloon Retail (India) Limited (PRIL) was transferred to the Transferee Company.
- 1.7. Further, pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court *vide* order dated January 20, 2012, with effect from April 1, 2011, Future Realtors India Private Limited, AIGL Holding & Investments Private Limited and Prudent Vintrade Private Limited were merged into the Transferee Company.
- 1.8. This Scheme of Amalgamation (hereinafter referred to as the "Scheme") provides for the amalgamation of the Transferor Company with the Transferee Company and the consequent treatment of assets and liabilities of respective Company in the manner provided for in the Scheme.
- 1.9. The Transferor Company is a wholly owned subsidiary of the Transferee Company in terms of the Act. The entire paid up equity capital of the Transferor Company was earlier held by Future Realtors India Private Limited and its nominees which got transferred in the name of the Transferee Company, by virtue of the scheme of arrangement referred to in para 1.7 above. Hence, the Transferee Company currently holds 100% of the paid up equity capital of the Transferor Company in its name and jointly with its nominees. The arrangement will enable the business of the combined entity to be carried more conveniently and advantageously with a larger asset base with greater capacity to conduct such business on more favourable terms. As such, the amalgamation will also enable the undertaking of the Transferor Company and the Transferee Company to be combined, run and managed more economically and efficiently and their combined resources to be utilized and employed in the business of the combined entity more advantageously and optimally. The Scheme will have beneficial results for the said companies, their respective shareholders and creditors and all concerned.

- 1.10. The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme would therefore enable the Companies to realise the substantial benefits of greater synergies between their businesses and would enable them to avail of the financial resources as well as the managerial, technical, distribution and marketing resources of each other in the interest of maximising shareholder and stakeholder value. The proposed amalgamation will be beneficial to the Companies in the following manner:
- 1.10.1. Effectively, since the Transferor Company is anyway a wholly owned subsidiary of the Transferee Company, the proposed merger is only technically merging the legal personalities of the two, as effectively, the economic entity is already a single unit.
- 1.10.2. The amalgamation in accordance with this Scheme will result in integration of the operations of the Transferee Company and the operational costs will be considerably reduced. The Transferee Company will be able to operate more economically and effectively resulting in better turnover and profits.
- 1.10.3. Synergy of operations could be achieved and common facilities such as manpower, office space and other infrastructure could be better utilized and duplication of facilities could be avoided resulting in optimum use of facilities to the advantage of the Transferee Company.
- 1.10.4. There will be better operational synergy in terms of procurement benefits, access to marketing networks/ customers, reduction of administrative work etc. and fund raising capabilities and opportunities of the Transferee Company will be comfortably enhanced, resulting into cost efficiency coupled with greater financial flexibility.
- 1.10.5. Improved organizational capability and leadership arising from the pooling of human capital having diversified skills, talent and vast experience.
- 1.10.6. Due to all the reasons stated above, the Transferee Company will be able to ensure better turnover and profits and would ultimately contribute substantially to the future business expansion and will be able to exploit the market to the fullest possible extent.
- 1.11. The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date (as defined herein below).
- 1.12. The Scheme is divided into the following parts:
- (a) Part I Preamble;
 - (b) Part II, which contains the definitions;
 - (b) Part III, which deals with the share capital of the Transferee Company and the Transferor Company;
 - (c) Part IV, which deals with the amalgamation of the Transferor Company with the Transferee Company; and
 - (d) Part V, which deals with reorganisation of share capital; matters relating to accounts etc.;
 - (e) Part VI, which deals with the dissolution of the Transferor Company; and
 - (f) Part VII, which deals with the general terms and conditions that would be applicable to the Scheme.
- The Scheme also provides for various other matters consequential or otherwise integrally connected herewith.
- 1.13. The amalgamation hereunder will be effected under the provisions of Sections 391 to 394 of the Act and in accordance with section 2(1B) of the Income Tax Act, 1961.

PART II: DEFINITIONS

2. Definitions

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- (a) "**Act**" means the Company Act, 1956, the rules and regulations made there under and will include any statutory modifications, re-enactments and/or amendments thereof.
- (b) "**Appointed Date**" means January 1, 2012 or such other date as the Hon'ble High Court may direct.
- (c) "**Board of Directors**" in relation to the Transferor Company and/or the Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- (d) "**Clause**" means a clause in this Scheme.
- (e) "**Effective Date**" shall mean the date on which the certified copy of the order of the Hon'ble High Court sanctioning the Scheme is filed with the Registrar of Companies, Mumbai.
- (f) "**Equity Shares**" means the equity shares of the Transferee Company.
- (g) "**Governmental Authority**" means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India.
- (h) "**High Court**" means the Hon'ble High Court of Judicature at Bombay.
- (i) "**Mall Management Undertaking**" means the business of providing service for enhancing value of the mall, increasing foot falls and ambience of the mall and other management of malls for day to day running of malls.

- (j) **"Part"** means a part of this Scheme.
- (k) **"Party"** means a party to this Scheme and **"Parties"** shall be construed accordingly.
- (l) **"Project Management Undertaking"** means the business of providing turnkey solutions and encompasses development and execution of the retail outlet design and related assets.
- (m) **"Scheme"** shall mean this scheme of amalgamation, in its present form or with any modification(s) as approved or imposed by the Hon'ble High Court.
- (n) **"Shareholders"** with reference to the Transferor or Transferee Company shall mean persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories as on the Appointed Date.
- (o) **"Transferor Company"** means KB Mall Management Company Limited having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060.
- (p) **"Transferee Company"** means Future Market Networks Limited having its registered office at 'Knowledge House', Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060.
- (q) **"Undertaking of Transferor Company"** or **"Undertaking"** shall include (without limitation) its entire business and:
- (i) any and all its assets, whether movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, including continuing rights, title and interests in connection with the land and the buildings thereon, whether leasehold or otherwise, plant and machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;
 - (ii) any and all investments (including shares and other securities), income by whatever name called, loans and advances, including accrued interest thereon;
 - (iii) any and all permits, quotas, rights, entitlements, industrial and other licenses, approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, sales tax credits, income tax credits, applications for trade names, trademarks, service marks, copyrights, privileges and benefits of all contracts, agreements, applications and all other rights including lease rights, licenses and registrations, powers and facilities of every kind and description whatsoever, pertaining to the Transferor Company;
 - (iv) any and all debts, liabilities, contingent liabilities, duties and obligations, present or future, whether secured or unsecured, of the Transferor Company;
 - (v) all contracts including but not restricted to Leave & Licence Agreements, Term Sheets, Lease Deeds, Memorandum of Understandings, business/asset purchase agreements, memoranda of agreement, memoranda of agreed points, letters of agreed points, arrangements, undertakings whether written or otherwise, lease rights, deeds, bonds, other agreements, applications and instruments of whatsoever nature to which the Transferor Company is a party and having effect immediately before the Effective Date, shall remain in full force and effect in favour of and/ or against the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto;
 - (vi) any and all employees, who are on the pay roll of the Transferor Company, including those engaged at their respective offices and branches, at their current terms and conditions;
 - (vii) any pending suit/appeal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against any of the Transferor Company, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of the Transferor Company or because of the provisions contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, if this Scheme had not been made;
 - (viii) all the tax liabilities under the Income Tax Act, 1961, Customs Act, 1962, Central Sales Tax Act, 1956, Central Excise Act, 1944, service tax laws, state sales tax laws, state value added tax laws and other applicable laws/ regulations dealing with taxes / duties / levies ("Tax Laws") allocable or related to the business of the Transferor Company shall be transferred to the Transferee Company; and
 - (ix) any refunds/ credits/ claims under the Tax Laws due to the Transferor Company (including but not limited to advance tax, self assessment tax, regular assessment tax and service tax credits) shall also belong to and be availed of or received by the Transferee Company.
 - (x) all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, in relation to their operations, shall upon the Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever, including minimum alternate tax credit entitlement, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive scheme and/or policies; and

- (xi) Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorizations, shall stand vested by the order of sanction of the Hon'ble Court of Bombay in the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning courts.
- (xii) all necessary records, files, papers, computer programmes, websites, domain names, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form in connection with or relating to the Transferor Company;
- (xiii) any and all advance monies, earnest monies and/or security deposits, payment against warrants or other entitlements, in connection with or relating to the Transferor Company;
- (r) Without prejudice to the generality of above the foregoing mentioned hereinabove, the term "Undertaking of Transferor Company" shall include the entire business which is being carried out under the name and style of the Transferor Company as the case may be, and shall include the advantages of whatsoever nature, agreements, allotments, approvals, arrangements, authorizations, benefits, capital work-in-progress, concessions, rights and assets, industrial and intellectual property rights of any nature whatsoever and licenses in respect thereof, intangibles, investments, leasehold rights, liberties, patents, permits, powers of every kind, nature and description whatsoever, privileges, provision funds, quota rights, registration, reserves, and all properties, movable and immovable, real, corporeal or incorporeal, wheresoever situated, right to use and avail of telephones, telexes, facsimile, connections, installations and other communication facilities and equipments, tenancy rights, titles, trademarks, trade names, all other utilities held by Transferor Company or to which Transferor Company is entitled to on the Appointed Date and cash and bank balances, all earnest moneys and/or deposits including security deposits paid by Transferor Company and all other interest wheresoever situated, belonging to or in the ownership, power or possession of or in the control of or vested in or granted in favor of or enjoyed by or arising to Transferor Company.

Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" shall mean the Effective Date.

The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996 and other applicable laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

PART III: SHARE CAPITAL

3. Share Capital of the Parties

3.1. Transferee Company

The share capital of the Transferee Company, as on March 31, 2011, is as under:

Authorized Share Capital	
2,00,00,000 equity shares of Rs. 10/- each	20,00,00,000
Issued Capital	
1,11,71,536 equity shares of Rs. 10/- each	11,17,15,360
Subscribed and Paid-up Share Capital	
1,11,70,966 equity shares of Rs. 10/- each	11,17,09,660

Note: 570 Equity shares of the Company are kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in the demerged entity in the Scheme of Demerger which are currently held in abeyance.

Further, the share capital of the Transferee Company stands revised, subsequent to the approval of the amalgamation scheme as mentioned in para 1.7 above by the Hon'ble High Court. The revised share capital of the Transferee Company is as under:

Authorized Share Capital	
8,02,10,000 equity shares of Rs. 10/- each	80,21,00,000
5000 preference shares of Rs. 100/- each	5,00,000
Total	80,26,00,000
Issued Capital	
5,58,54,976 equity shares of Rs. 10/- each	55,85,49,760
Subscribed and Paid-up Share Capital	
5,58,54,406 equity shares of Rs. 10/- each	55,85,44,060

Note: 570 Equity shares of the Company are kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in the demerged entity in the Scheme of Demerger which are currently held in abeyance.

3.2. Transferor Company

The share capital of the Transferor Company, as on December 31, 2011, is as under:

Authorised Share Capital	
1,00,00,000 equity share of Rs 10/- each	10,00,00,000
Issued, Subscribed and Paid-up Capital	
48,60,000 equity shares of Rs. 10/- each	4,86,00,000

Note: The beneficial holding of all of the above shares are with the Transferee Company.

PART IV: AMALGAMATION

4. With effect from the Appointed Date and upon this Scheme becoming effective, and subject to the provisions of this Scheme, the Transferor Company shall, pursuant to Section 394(2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, title and interests and authorities of the Transferee Company.

Without prejudice to the generality of the above, with effect from the Appointed Date and upon this Scheme becoming effective, the Transferor Company shall be merged and transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

4.1. Transfer of Undertaking:

With effect from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertaking as on the Appointed Date shall, pursuant to the provisions of Section 394 and all other applicable provisions of the Act, without any further act, deed, instrument, matter or thing, be and shall transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company, as a going concern, so as to become the Undertaking of Transferee Company but subject nevertheless to all charges, liens, mortgages, *lis pendens*, if any, then affecting the same or part thereof on the Appointed Date and the Transferor Company shall be deemed to have amalgamated with the Transferee Company.

The name of the Transferee Company immediately after amalgamation shall remain unchanged by virtue of this Scheme.

4.2. Transfer Subject to Charges:

The transfer/ vesting as aforesaid shall be subject to charges, hypothecation and mortgages, if any and as may be subsisting, over or in respect of the Undertaking or any part thereof on the Appointed Date. Provided however that, any reference in any security documents or arrangements to which the Transferee Company is party to the assets of Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, to the secured creditors of Transferor Company, shall be construed as reference only to the assets pertaining to the Undertaking as are vested in Transferee Company by virtue of this arrangement, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend to any of the assets or to any of the other units or divisions of Transferee Company, unless specifically agreed to by Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of Transferee Company, if any;

4.3. Transfer of Movables:

The assets of the Transferor Company movable in nature or are otherwise capable of transfer by manual delivery or by enforcement and/or delivery, along with such other documents as may be necessary to the end and intent that the property therein transfers upon such transfer become the property, estate, assets, rights, title, interest and authorities of the Transferee Company in pursuance of Section 394 of the said Act;

4.4. Transfer of Liabilities:

Pursuant to the transfer of Undertaking as above, and subject to the provisions in the Scheme in relation to the mode of transfer and vesting, all debts, liabilities, duties and obligations of the Undertaking of Transferor Company, shall also be and stand transferred or deemed to be transferred, without further act, instrument, deed, matter or thing to Transferee Company, pursuant to the provisions of Section 394 of the Act so as to become as and from the Appointed Date, the debts, duties, liabilities and obligations of Transferee Company. Further that for the purpose of giving effect to the provisions of this Clause, 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, duties and obligation have arisen. The Scheme shall not in any manner affect the rights and interests of the creditors of the Transferor Company or be deemed to be prejudicial to their interests and in particular the statutory creditors of the Transferor Company shall continue to enjoy and hold charge upon their respective securities and properties. Transferee Company may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation, in favor of any of the creditors of the Transferor Company or in any other party to any contract or arrangement to which Transferor Company or Transferee Company is a party to, or any writings as may be necessary to be executed in order to give formal effect to the above provisions;

4.5. Transfer of Authorised Capital:

Upon the Scheme becoming effective, without any further act or deed, the authorized capital of the Transferor Company as on the Appointed Date shall stand merged with the authorised capital of the Transferee Company and the Transferee Company shall not be liable to pay any fees or other levy on such increase of authorized capital.

4.6. Transfer of Profits and Reserves:

With effect from the Appointed Date, all profits, reserves, income accruing to or losses and expenditure (including payment of penalty, damages or such litigation) arising or incurred by the Undertaking of Transferor Company shall for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of Transferee Company.

4.7. Transfer of Contracts:

Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments, of whatsoever nature and pertaining to the Undertaking of Transferor Company to which Transferor Company is a party, subsisting or having effect immediately on the Appointed Date shall be in full force and effect against or in favor of Transferee Company as the case may be and may be enforced as fully and effective as if, instead of Transferor Company, Transferee Company had been a party thereto. Transferee Company shall enter into and/or issue and/or execute deeds, writings, or confirmations or enter into any tripartite arrangements, confirmations or novations, to which Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of Transferor Company and to implement or carry out all the formalities required on the part of Transferor Company to give effect to the provisions of this Scheme

4.8. Transfer of Legal Proceedings:

All legal proceedings of whatsoever nature by or against Transferor Company pending on the Appointed Date and relating to the Undertaking of Transferor Company (including property, rights, powers, liabilities, obligations and duties) shall be continued and/or enforced until the Effective Date as desired by Transferee Company and as and from the Effective Date shall be continued and enforced by or against Transferee Company in the manner and to same extent as would or might have been continued and enforced by or against Transferor Company.

4.9. Place of Vesting:

The vesting of the Undertaking shall by virtue of the provisions of this Scheme and the effect of the provisions of Section 394 of the said Act, take place at the registered office of Transferee Company.

4.10. Workmen And Employees

4.10.1. Takeover of all the employees:

Transferee Company will take over all the permanent staff, workmen and other employees in the service of Transferor Company and exclusively engaged in Transferor Company immediately preceding the Effective Date, and they shall become the staff, workmen and employees of Transferee Company from the Effective Date;

4.10.2. Service of Employees to be continued uninterruptedly:

The benefits relating to gratuity, provident fund and superannuation fund as per the rules of Transferee Company shall become applicable to those staff, workmen and employees of Transferor Company from the Effective Date that are taken over by Transferee Company. For all other purposes the service of employees of Transferor Company shall be regarded as continuous without any break or interruption of service by reason of the transfer of the Transferor Company to Transferee Company.

4.10.3. Terms and Conditions of service shall be the same:

The terms and conditions of service applicable to such employees on the Effective Date will not in any way be less favourable to them than those applicable to them immediately before the Effective Date. The position, rank and designation of the employees would however, be decided by the Board of Transferee Company which shall also have a right to exercise an option, if warranted to transfer such employees to any unit of Transferee Company as may be deemed to be necessary from time to time.

4.10.4. Transaction Between Appointed Date And Effective Date

a) Operative Date of the Scheme:

The Scheme though effective from the Appointed Date, shall be operative from the Effective Date;

b) Assets and Liabilities:

All the assets and liabilities resulting from the operations of the Undertaking of Transferor Company from the Appointed Date onwards also shall stand transferred to and vested in Transferee Company on the Effective Date;

c) Profits and Losses:

With effect from the Appointed Date and upto the Effective Date all the profits or incomes accruing or arising to the Undertaking of Transferor Company or expenditure or losses arising or incurred by the Undertaking shall for all purposes be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of Transferee Company;

d) Transactions and Proceedings:

The transfer of property and liabilities and continuance of proceedings under this Scheme shall not affect any transactions or proceedings already concluded by Transferor Company in the ordinary course of business 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 lawfully done and executed by Transferor Company to the same extent as if done and executed by Transferee Company on its own behalf;

e) **Debts and Obligations:**

It is clarified that all debts, liabilities, duties and obligations of Transferor Company as on the Appointed Date whether provided for or not in the books of accounts of Transferor Company and all other liabilities which may accrue or arise after the Appointed Date till the Effective Date to the end and intent that Transferee Company accepts and adopts all acts, deeds and things lawfully done and executed by Transferor Company to the same extent as if done and executed by Transferee Company on its own behalf;

f) **Conduct of Business:**

With effect from the Appointed Date, Transferor Company:

- i. Shall be deemed to have held and stood possessed of and shall hold and stand possessed of the entire Undertaking for and on account of and for the benefit of and in trust for Transferee Company; and
- ii. Shall carry on and be deemed to be carrying on all businesses and activities relating to the Undertaking for and on account of and for the benefit of and in trust for Transferee Company.

g) **Transferor Company to carry on its Business with Diligence:**

With effect from the Appointed Date, Transferor Company has carried on and hereafter undertakes to carry on its business with reasonable diligence and utmost business prudence. From the date of the acceptance of this Scheme by the respective Board of Transferor Company and Transferee Company, Transferor Company shall not alienate, charge, encumber, mortgage or otherwise deal with the Undertaking including any of the said assets or any part thereof, without the prior written consent of Transferee Company, save and except in the ordinary course of business, or pursuant to any pre-existing obligation undertaken by Transferor Company prior to the Appointed Date;

h) **No changes in the terms and conditions of the employment of Transferor Company Employees:**

From the date of acceptance of the Scheme by the respective Boards of Transferor Company and Transferee Company, the Transferor Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business;

i) **Enforcement of Legal Proceedings:**

All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitration, execution proceedings, revisions, writ petitions, if any) by or against Transferor Company shall not abate, be discontinued or be in any way prejudicially affected by reasons of this Scheme or the transfer of the Undertaking of Transferor Company or of anything contained in this Scheme, but the said proceedings, shall till the Effective Date be continued, prosecuted and enforced by or against Transferor Company as if this scheme had not been made and thereafter be continued, prosecuted and enforced by or against Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted, enforced by or against Transferor Company if this Scheme had not been made. Transferee Company shall take steps to have the abovementioned proceedings continued in its name;

j) **Enforcement of Contracts:**

Subject to the other provisions of this Scheme, all lawful agreements, arrangement, bonds, contracts, deeds and other instruments of whatsoever nature relating to the Undertaking of Transferor Company and to which Transferor Company is a party to or to the benefit of which it may be eligible and which are subsisting or operative or having effect, shall till the Effective Date, be in full force and effect and may be enforced as fully and effectual, as if the Scheme had not been made and thereafter, shall be in full force and effect against or in favor of Transferee Company, as the case may be, and may be enforced as fully and effectual as if, instead of Transferor Company, Transferee Company had been a party or beneficiary thereto, subject to such changes and variations in the terms, conditions and provisions thereof as may be mutually agreed to between Transferee Company and other parties thereto. Transferee Company shall enter and/ or issue and/ or execute deeds, writings or confirmations or enter into any arrangement, confirmations or novations in order to give formal effect to the provisions of this Clause, if so required or if it becomes necessary.

k) **Payment of Dividends:**

Transferor Company and Transferee Company shall be entitled to declare and pay dividends to their respective shareholders prior to the Effective Date. Transferor Company and Transferee Company shall be entitled to declare dividend only out of disposable profit earned by the respective companies during the relevant financial year and shall not transfer any amount from the reserves for the purposes of payment of dividend. The dividend shall be declared by Transferor Company and/ or Transferee Company only by mutual agreement between the Board of Directors of the companies. It is clarified that the aforesaid provisions in relation to declaration of dividends are enabling provisions only and shall not be deemed to confer any right on the members of Transferor Company or Transferee Company to demand or claim or be entitled to any dividend which subject to any provisions of the said Act, shall be entirely in the discretion of the Board of Directors and the approval of shareholders of the respective companies;

l) **Rights of Shareholders:**

The holders of shares of Transferor Company and Transferee Company shall, save as otherwise provided under this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends from the respective companies of which they are members till the Effective Date.

- 4.11. For the purpose of giving effect to the amalgamation order passed under sections 391 to 394 of the Act (and other applicable provisions) in respect of this Scheme by the Hon'ble High Court, the Transferee Company shall, at any time pursuant to the orders on this Scheme, be entitled to get the recordal of change in the legal right(s) upon the amalgamation of the Transferor Company, in accordance with the provisions of Sections 391 to 394 of the Act. The Transferee Company shall be authorized to execute any pleadings, applications, forms, etc., as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.
- 4.12. Upon this Scheme becoming effective, the Transferee Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Transferor Company, pertaining to the period subsequent to the Appointed Date, in order to give effect to the foregoing provisions.
- 4.13. The Transferee Company is commercially solvent and their respective undertaking(s) can fully take care and honor its creditors, if any, and all liabilities, therefore by virtue of amalgamation of the Transferor Company with the Transferee Company, the creditors, if any, of the Transferor Company shall not be affected in any manner whatsoever.
- 4.14. Further, the Transferee Company has a substantial capital and operation base and therefore upon the amalgamation of the Transferor Company with the Transferee Company, the creditors, if any, of the respective Transferor Company also shall not be affected in any manner whatsoever.

**PART V: REORGANISATION OF SHARE CAPITAL;
MATTERS RELATING TO ACCOUNTS ETC**

- 5.1. The provisions of this Part shall operate notwithstanding anything to the contrary in any other instrument, standard, regulation, deed or writing.
- 5.2. Upon the Scheme becoming operative, as the Transferor Company is a wholly owned subsidiary of the Transferee Company, no shares are required to be issued to the shareholders of the Transferor Company by the Transferee Company in consideration of the transfer and vesting of the Transferor Company in terms of this Scheme.
- 5.3. The following treatment should be given in the books of accounts of Transferee Company on merger of Transferor Company with Transferee Company:
 - 5.3.1. **Recording of Assets and Liabilities:**
Upon the coming into effect of this Scheme, statement of account as on the date immediately preceding the Appointed Date shall be drawn up on the basis of the books of the accounts of the Transferor Company, as audited by the auditors, in respect of the assets and liabilities of the Transferor Company to be transferred to the Transferee Company pursuant to this Scheme in its books of accounts. Such statement of account shall be drawn up considering the book value of the assets and liabilities of the Transferor Company.

The Paid-up Share Capital of the Transferor Company held by the Transferee Company in its own name or in the name of its nominees, shall be deemed to be consideration for the transfer.

The accounting treatment will be in compliance with the Accounting Standard 14 laid down by the Institute of Chartered Accountants of India.
 - 5.3.2. **Treatment of difference in accounting policy:**
In case any differences in any accounting policy between the Transferor Company and Transferee Company, the impact of the same till the merger will be quantified and adjusted in the General Reserve of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
 - 5.3.3. **Procedure to deal with Balances as between Transferor Company and Transferee Company:**
To the extent that there are inter-company loans, deposits, balances or debenture holding as between the Transferor Company and Transferee Company, the obligation in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets and liabilities as the case may be. For the removal of doubt, it is clarified that in view of the above, there would be no accrual of interest or other charges in respect of any such inter-company loan, deposit or balances, with effect from the Appointed Date.

PART VI: DISSOLUTION OF THE TRANSFEROR COMPANY

6. Upon the Scheme coming into effect, with effect from the Appointed Date, the Transferor Company shall stand dissolved without being wound up by the order of the Hon'ble High Court.

PART VII: GENERAL TERMS AND CONDITIONS

- 7.1. In the event of there being any pending share transfers with respect to any application lodged for transfer by any Shareholder of the Transferor Company, the Board of Directors or any committee thereof of the Transferee Company shall be empowered in appropriate cases even subsequent to the Appointed Date, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Appointed Date in order to remove any difficulties arising to the transferor or the transferee of the share(s) in the Transferor Company.

- 7.2. For the avoidance of doubt it is hereby clarified that nothing in this Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the respective Record Date for the purpose of dividend and the Shareholders of the Transferor Company shall not be entitled to dividends, if any, declared by the Transferee Company prior to the Effective Date. On and from the date of filing this Scheme with the High Court and until the Effective Date, the Transferor Company shall declare dividend only after prior consultation with the Transferee Company.
- 7.3. Until the coming into effect of this Scheme, the holders of equity shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing rights under their respective articles of association.
- 7.4. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Boards of Directors of the Transferor Company and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company and the Transferee Company, respectively.
- 7.5. Upon the Scheme coming into effect, with effect from the Appointed Date, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- 7.6. The balance sheet of the Transferee Company shall also be reconstructed in accordance with the terms of this Scheme.
- 7.7. **Application To Hon'ble High Court For Sanctioning Scheme**
Joint Application by Transferee and Transferor Company:
 Transferee Company and Transferor Company shall, jointly with all reasonable dispatch, make applications/petitions under applicable provisions of the said Act to the Hon'ble High Court at Bombay for sanctioning of this Scheme and for appropriate Orders under the applicable provisions of the Act for carrying this Scheme into effect;
 It is hereby clarified that submissions of the Scheme to the Court and to any authorities for their respective approvals is without prejudice to all rights, interest, titles and defenses that Transferor Company and Transferee Company has or may have under or pursuant to all applicable laws.
- 7.8. **Scheme conditional and is subject to:**
- 7.8.1. being agreed to by the respective requisite majority of the members (either by way of a meeting or a letter of consent from the shareholders, where applicable) (on behalf of Transferor Company and the Transferee Company respectively) and the creditors under Section 391 of the Act.
- 7.8.2. being sanctioned by the Hon'ble High Court and the requisite certified copies of the order of the Hon'ble High Court sanctioning this Scheme being filed with the Registrar of Company, Mumbai.
- 7.9. This Scheme shall become effective on such date when the certified copies of the order of the Hon'ble High Court sanctioning this Scheme are filed with the Registrar of Company, Mumbai. Such date shall be known as the "Effective Date".
- 4.10. In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Parties or their shareholders or creditors or employees or any other person.
- 7.11. In case any doubt or difference or issue shall arise between the Parties hereto or any of their Shareholders, creditors, employees and/or persons entitled to or claiming any right to any shares in the Transferor Company or Transferee Company as to the construction thereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred to the Transferee Company or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to arbitration. The arbitration proceedings shall be conducted in accordance with the Arbitration and Conciliation Act, 1996 and the award passed by the arbitrators shall be final and binding on all concerned.
- 7.12. In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Company and their respective shareholders and creditors and the terms and conditions of this Scheme, the latter shall prevail.
- 7.13. If any part of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable 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 part shall cause this Scheme to become materially adverse to any Party, in which case the Parties shall attempt to bring about a modification in the Scheme, as will best preserve for the Parties the benefits and obligations of the Scheme.
- 7.14. **Modifications To The Scheme**
- 7.15. **Scheme subject to Modifications:**
 The Scheme shall be subject to such modifications as the Hon'ble High Court while sanctioning the same may direct and which the Board of the Transferor Company and the Transferee Company may consent and agree to;

7.16. Modifications and Amendments to Scheme:

The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors) either by themselves or through a Committee appointed by them in this behalf, may in their full and absolute discretion, make and/or assent to any alteration, or modification to this Scheme, including but not limited to those which the Hon'ble High Court and/or any other authority may deem fit to approve or propose;

7.17. Withdrawal of Scheme:

In the event that any conditions proposed by the Hon'ble High Court are found unacceptable for any reason whatsoever by Transferor Company or by Transferee Company, then Transferor Company and/or Transferee Company shall be entitled to withdraw the Scheme in which even no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them.

7.18. Effect Of Non Fulfillment Of Any Obligation:

In the event of non-fulfillment of any or all the obligations under the Scheme, by either Transferor Company or Transferee Company, the non performance of which will put the other company under any obligation, then such defaulting company will indemnify all costs/interest, etc. to the other company, subject to a specific provision if any to the contrary under the Scheme.

7.19. Costs And Expenses:

All costs, charges, taxes, including duties, levies, fees and all other expenses, if any, arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and incidental thereto shall be borne by the Transferee Company.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 509 OF 2012**

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956

AND

In the matter of Future Market Networks Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060.

AND

In the matter of the Scheme of Amalgamation between KB Mall Management Company Limited ("KBMMCL" or "Transferor Company") with Future Market Networks Limited ("FMNL" or "Transferee Company") and their respective shareholders and creditors.

FUTURE MARKET NETWORKS LIMITED,

a Company incorporated under the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060.

.....Applicant Company

FORM OF PROXY

I/We, the undersigned, being the Shareholder(s) of Future Market Networks Limited the above Applicant do hereby appoint _____ of _____ and failing him/ her _____ of _____ as my /our Proxy, to act for me/ us at the Court Convened Meeting of the Shareholders of the Applicant to be held at Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018, on Tuesday, 14th day of August, 2012 at 4.00 p.m. or soon after the conclusion of the 4th Annual General Meeting of Future Market Networks Limited, the Applicant Company, for the purpose of considering, and if thought fit, approving, with or without modification, the Amalgamation embodied in the Scheme of Amalgamation between KB Mall Management Company Limited and Future Market Networks Limited, the Applicant Company and at such Meeting and any adjournment/ adjournments thereof to vote, for me/ us and in my/ our name _____ (here, if 'for', insert "for", if 'against', insert "against", and in the latter case, strike out the words 'with or without modification(s)' below after 'Scheme of Amalgamation) the said Scheme of Amalgamation either with or without modification(s) as my proxy may approve.

(Strike out what is not necessary)

Folio No:

DP ID No

No. of Shares held : _____

Dated this.....day of.....2012.

Name:.....

Address:.....

Affix Re. 1
Revenue
Stamp

Signature across the stamp

NOTES:

1. PROXY TO BE DEPOSITED AT THE REGISTERED OFFICE OF THE APPLICANT, NOT LATER THAT FOURTY EIGHT HOURS BEFORE THE MEETING.
2. In case of multiple proxies, proxy later in time shall be accepted.
3. The signature of the Shareholder should be as per the specimen lodged with the Company
4. All alterations in the proxy form should be initialed.

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FUTURE MARKET NETWORKS LIMITED

Registered office:
Knowledge house, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road,
Jogeshwari (East), Mumbai – 400 060.

ATTENDANCE SLIP
(To be handed over at the entrance of the venue of the Meeting)

SHAREHOLDERS MEETING

Name and address of the attending Shareholder (In Block Letters)

.....
.....

Folio No: _____ DP ID No. _____

No. of Shares held: _____

Name of Proxy (In Block letters, to be filled in by the Proxy attending instead of Shareholder)

.....

I hereby record my presence at the Meeting of the Shareholders of the Applicant Company, convened pursuant to the Order dated 6th July, 2012, of the Hon'ble High Court of Bombay at Sunville Banquets, 9, Dr. Annie Besent Road, Worli, Mumbai - 400018, on Tuesday, 14th day of August, 2012 at 4.00 p.m. or soon after the conclusion of earlier court convened shareholders meeting of the Company.

Name of the Member /Proxy/ Representative

.....

Signature of the Member / Proxy / Representative _____

Signed on this _____ day of _____ 2012

Notes:

The proxy form must be deposited so as to reach the Registered Office of the Applicant Company not less than FORTYEIGHT HOURS BEFORE THE TIME OF THE MEETING.

Members / Proxies/ Representatives are requested to bring this slip with them. Duplicate slips will not be issued at the entrance of the venue of the Meeting.

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting hall.

Shareholders /Proxies are requested to bring with them a copy of the Scheme of Amalgamation while attending the Meeting.

BOOK POST

If undelivered, please return to:

FUTURE MARKET NETWORKS LIMITED
Future Group Office,
SOBO Central Mall, 4th Floor,
28, Pt. Madan Mohan Malviya Road,
Near Haji Ali, Tardeo, Mumbai - 400 034.

FUTURE MARKET NETWORKS

retaining consumption

FUTURE MARKET NETWORKS LIMITED

(Company Form of Agriculture Limited)

High Street, Knowledge House, Blyth Road, CE, ...
Loughswilly (E), March 1999

COURT ORDERED MEETING OF THE SHAREHOLDERS OF FUTURE MARKET NETWORKS LIMITED

By	...
Date	August 14, 2012
Time	11:00
Place	Dr. Annie Sargent Road, ... Loughswilly, Co. Donegal

CONTENTS

	Page nos.
Notice of Court Convened Meeting of the Shareholders of Future Market Networks Limited	3
Explanatory Statement under Section 173(2) read with Section 393 of the Companies Act, 1956	4
The Scheme of Amalgamation under Sections 391 to 394 including Sections 100 to 104 read with section 78 of the Companies Act, 1956	11
Form of Proxy	21
Attendance Slip	23

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 510 OF 2012**

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 and Sections 100 to 104 read with Section 78 of the Companies Act, 1956

AND

In the matter of Future Market Networks Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060.

AND

In the matter of the Scheme of Amalgamation between Agre Properties & Services Limited ("APSL" or "Transferor Company") with Future Market Networks Limited ("FMNL" or "Transferee Company") and their respective shareholders and creditors.

FUTURE MARKET NETWORKS LIMITED,

a Company incorporated under the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060.

.....Applicant Company

NOTICE CONVENING THE MEETING OF THE SHAREHOLDERS

To,

The Equity Shareholders,
Future Market Networks Limited, the Applicant Company,

TAKE NOTICE that by an Order made on 6th July, 2012, in the Company Summons for Direction No. 510 of 2012, the Hon'ble High Court of Judicature at Bombay has directed that a Meeting of the shareholders of Future Market Networks Limited, the Applicant Company, be convened and held at Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018, on Tuesday, 14th day of August, 2012 at 3.00 p.m. to consider and if thought fit, to pass, with or without modification(s), the following resolutions under Section 391 of the Companies Act, 1956 for approval of Amalgamation embodied in the proposed Scheme of Amalgamation between Agre Properties & Services Limited ("APSL" or "Transferor Company") and Future Market Networks Limited (FMNL or Transferee Company) and their respective shareholders and creditors.

"RESOLVED THAT the Scheme of Amalgamation between Agre Properties & Services Limited ("APSL" or "Transferor Company") and Future Market Networks Limited, (the "Applicant Company"/ "Transferee Company"), be and is hereby approved".

"RESOLVED FURTHER THAT Mr. Sumit Dabirwala, Managing Director, Ms. Naina Hegde, Chief Financial Officer and Mr. Anil Cherian, Company Secretary of the Company be and are hereby authorized, severally:

- to sign all applications, petitions, papers, documents etc., for and on behalf of the Company as required under the provisions of the Companies Act, 1956, for the purpose of obtaining the approval of the Court or any other appropriate authority;
- to do all such acts, deeds and things as may be necessary or required for the aforesaid purpose;
- to carry out such modifications/ directions as may be ordered by the Hon'ble High Court of Judicature at Bombay."

TAKE FURTHER NOTICE that in pursuance of the said Order, and as directed therein, a meeting of the Shareholders of Future Market Networks Limited, the Applicant Company, will be held at Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018, on Tuesday, 14th day of August, 2012 at 3.00 p.m. at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said Meeting in person/ authorized representative or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the Registered office of the Applicant Company at Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060 not later than 48 hours before the said meeting.

The Hon'ble High Court has appointed Mr. Anil Bajjal, Chairman of the Applicant Company or failing him, Mr. Sumit Dabirwala, Managing Director of the Applicant Company and failing him, Mr. Rajesh Kaiyani, Director of the Applicant Company to be the Chairman of the said Meeting.

A copy of the Scheme of Amalgamation, the Statement under Section 393 of the Companies Act, 1956, the Attendance Slip and Form of Proxy are enclosed herewith.

Dated this 9th day of July, 2012.

Registered Office:
Knowledge House, Shyam Nagar,
Off Jogeshwari – Vikhroli Link Road,
Jogeshwari (East), Mumbai – 400060.

sd/
Anil Bajjal
Chairman appointed for the Meeting

Note: (a) All alterations made in the Form of Proxy should be initialed.

- (b) Only registered shareholders of the Applicant Company may attend and vote (either in person or by proxy or by proxy or by Authorised Representative under Section 187 of the Companies Act, 1956) at the Members meeting. The representative of a body corporate which is a registered Member of the Applicant Company may attend and vote at the Members meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorising such representative to attend and vote at the Members meeting is deposited at the registered office of the Applicant Company not later than 48 hours before the meeting.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 510 OF 2012**

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 and Sections 100 to 104 read with Section 78 of the Companies Act, 1956

AND

In the matter of Future Market Networks Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060.

AND

In the matter of the Scheme of Amalgamation between Agre Properties & Services Limited ("APSL" or "Transferor Company") with Future Market Networks Limited ("FMNL" or "Transferee Company") and their respective shareholders and creditors.

FUTURE MARKET NETWORKS LIMITED,

a Company incorporated under the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060.

.....Applicant Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. Pursuant to an order, dated 6th July, 2012, passed by the High Court of Judicature at Bombay in the Company Summons for Direction No. 510 of 2012 referred to herein above, a Meeting of the Shareholders of Future Market Networks Limited, the Applicant Company, is being convened at Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018, on Tuesday, 14th day of August, 2012 at 3.00 p.m. for the purpose of considering, and if thought fit, approving, with or without modification, the Amalgamation embodied in the Scheme of Amalgamation between Agre Properties & Services Limited ("APSL" or "Transferor Company") with Future Market Networks Limited ("FMNL" or "Transferee Company") and their respective shareholders and creditors.
2. A copy of the Scheme setting out the terms and conditions of the proposed Amalgamation duly approved by the Board of Directors of the Transferor Company and the Applicant Company at their respective meetings held on 7th February, 2012 is enclosed with this Explanatory Statement. The definitions contained in the said Scheme will apply to this Explanatory Statement also.

3. BACKGROUND OF THE COMPANIES

A. About the Applicant Company

- a. The Applicant Company is a listed Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060 ("Transferee Company"). The Applicant Company was originally incorporated under the name and style of 'Future Mall Management Limited' on March 10, 2008. Subsequently, the name was changed to Agre Developers Limited on October 4, 2010 and to Future Market Networks Limited on February 6, 2012.
- b. Pursuant to a scheme of arrangement (Scheme of Demerger) sanctioned by the Hon'ble High Court vide order dated August 24, 2010, with effect from April 1, 2010, the Mall Management Undertaking and the Project Management Undertaking of Pantaloon Retail (India) Limited (PRIL) were transferred and vested with the Transferee Company and the Mall Asset Management Undertaking and the Food Services Undertaking of PRIL were transferred and vested with the Transferor Company.
- c. Further, pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court of Bombay vide order dated January 20, 2012, with effect from April 1, 2011, Future Realtors India Private Limited, AIGL Holding & Investments Private Limited and Prudent Vintrade Private Limited were merged into the Transferee Company.
- d. The Authorized, Issued, Subscribed and Paid-up share capital of the Applicant Company as on 31st March, 2011 is as under:-

Authorized Share Capital	
2,00,00,000 equity shares of Rs. 10/- each	20,00,00,000
Issued Capital	
1,11,71,536 equity shares of Rs. 10/- each	11,17,15,360
Subscribed and Paid-up Share Capital	
1,11,70,966 equity shares of Rs. 10/- each	11,17,09,660

Note: 570 Equity shares of the Company are kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in the demerged entity in the Scheme of demerger which are currently held in abeyance.

Further, the share capital structure of the Transferee Company stands revised, pursuant to the approval of the scheme of amalgamation as mentioned in clause 3.(A)(c) above by the Hon'ble High Court. The revised share capital of the Transferee Company is as under:

Authorized Share Capital	
8,02,10,000 equity shares of Rs. 10/- each	80,21,00,000
5000 preference shares of Rs. 100/- each	5,00,000
Total	80,26,00,000
Issued Capital	
5,58,54,976 equity shares of Rs. 10/- each	55,85,49,760
Subscribed and Paid-up Share Capital	
5,58,54,406 equity shares of Rs. 10/- each	55,85,44,060

Note: 570 Equity shares of the Company are kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in the demerged entity in the Scheme of demerger which are currently held in abeyance.

- e. The Applicant Company is engaged in the business of maintaining, operating, managing malls and commercial complexes, immovable properties and related activities pursuant to its objects as mentioned in its Memorandum of Association.
 - f. The objects of the Applicant Company are set out in its Memorandum of Association. The main objects and the objects incidental or ancillary to the attainment of the main objects of the Applicant are, inter alia, as follows:
 1. To carry on the business in India or elsewhere of maintaining, operating, managing malls, shopping centres, real estate, immovable properties of all nature and description including shopping malls, commercial complexes, shopping plazas, cinema halls, theatres, departmental stores, hypermarkets, shops, business, houses, offices, residential estates, hotels, motels, resorts, homes, organizations, exhibition centres, conference centres, boarding and lodging houses, clubs, dressing rooms, and places of amusement and recreation, sports, entertainment and all other real estate and properties of every kind and sort.
 2. To act as advisors, consultants, service providers, service contractor or sub-contractor, suppliers, administrator, licensor, designer, controller to render various mall management services for enhancing value, increasing of footfalls and ambience of the malls, shoppers plazas, shopping centres, departmental stores and such other above named properties and to undertake the business of providing turnkey solutions including development and execution of the retail outlet design of real estate of every kind and sort, including identification of the project or properties, negotiations, space planning, structure design, interior and exterior design, project administration, design and engineering services, procurement of equipments and controlling schedule and quality thereof and to provide other requisite infrastructure facilities to make the malls, shoppers plazas, shopping centres, departmental stores and such other real estate of every kind operational including but not limited to procurement of power, hiring/contracting security services, housing keeping facilities, catering services, engineering services, communication facilities and other day to day facilities of running malls either on its own or in partnership with others.
 - 2A. To carry on the business in India or elsewhere of builders, contractors, erectors, constructors of buildings of all nature being residential, industrial, institutional or commercial, townships, holiday resorts, hotels, motels, shopping malls and preparing plans for building sites, constructing reconstructing, erecting, altering, improving, enlarging, developing, decorating, furnishing and maintaining of structures, flats, houses, factories, commercial buildings, garages, warehouses, buildings for all purposes and conveniences and to purchase for development, investment or for resale lands, houses, building, structures and other properties of any tenure and any interest therein and purchase, sell and deal in free-hold and lease-hold land and to make advances upon security of lands, houses, structures and other property or any interest therein and generally to purchase, sell, lease, hire, exchange or otherwise deal in land and house property and other property whether real or personal and to run the same into account as may seem expedient.
 3. To amalgamate, or enter into partnership or into any arrangement for sharing profit, union of interest, co-operation, joint venture, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorized to carry on or engage in or to purchase from such company its business as a going concern and/or its assets. Including but not limited to necessary licenses, permits and other rights of such company.
 4. To take or otherwise, acquire and hold, re-sale, dispose off shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as to directly or indirectly benefit the Company.
- B. About the Transferor Company**
- a. APSL is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Knowledge House, Off. Shyam Nagar, Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060 ("Transferor Company"). The Transferor Company was incorporated under the name and style of 'Future Hypermarket Limited' on March 10, 2008. Subsequently, the name was changed to Future Value retail Limited on 9th May 2008, to Future Merchandising Limited on 28th April 2009 and to Agre Properties & Services Limited on 28th October 2010.

- b. Pursuant to a scheme of arrangement (Scheme of Demerger) sanctioned by the Hon'ble High Court vide order dated August 24, 2010, with effect from April 1, 2010, the Mall Management Undertaking and the Project Management Undertaking of Pantaloon Retail (India) Limited (PRIL) were transferred and vested with the Transferee Company and the Mall Asset Management Undertaking and the Food Services Undertaking of PRIL were transferred and vested with the Transferor Company.
- c. The Authorized, Issued, Subscribed and Paid-up share capital of the Transferor Company as on 31st March, 2011 is as under:-

Authorized Share Capital	
50,000 equity shares of Rs. 10/- each	5,00,000
Issued, Subscribed and Paid-up Share Capital	
50,000 equity shares of Rs. 10/- each	5,00,000

- d. The objects of the Transferor Company are set out in its Memorandum of Association. The main objects and the objects incidental or ancillary to the attainment of the main objects of the Transferor Company are, inter alia, as follows:
1. To carry on the business in India or elsewhere of maintaining, operating, managing malls, shopping centers, real estate, immovable properties, of all nature and descriptions including shopping malls, commercial complexes, shopping plazas, cinema halls, theaters, departmental stores, hypermarkets, shops, business, houses, offices, residential estates, hotels, motels, resorts, homes, organizations, exhibition centres, conference centers, boarding and lodging houses, clubs, dressing rooms, and places of amusement and recreations, sports, entertainment and all other real estates and properties of every kind and sort including construction and development thereof in any manner and under any type of arrangement and also engage in food services of every kind and manner to be provided at various real estate and properties managed/operated by the company or elsewhere.
 2. To act as advisors, strategic planners, consultants, service providers, service contractors or subcontractors suppliers, administrator, licensor, designer, controller to render various mall asset management services to manage shopping centre assets for enhancing value, increasing of footfalls and ambience of the malls, shoppers plazas, shopping centers, departmental stores and such other above named properties and to undertake the business of providing turnkey solutions including development and execution of the retail outlet design of real estate of every kind and sort, including identification of the project of properties, negotiations, financial planning, property management including space planning, structure design, interior and exterior design, project administration, design and engineering services, procurement of equipments and controlling schedules and quality thereof and to provide other requisite infrastructure facilities to make the malls, shoppers plazas, departmental stores and such other real estate of every kind operational including not limited to procurement of power, hiring/contracting security services, housekeeping facilities, catering services, engineering services, communication facilities and other day to day facilities of running malls on its own or in partnership with others.
 3. To establish and maintain commercial websites for display of products, commodities, goods and services available for consideration, to appoint various agencies or representative, franchisees, brokers, depots or distributors in India or abroad for sale, purchase, exchange, dealing various products, commodities or services for any one or more objects of the company and to regulate and discontinue the same in part or whole.
 4. To procure, develop, import, lease, obtain in lease, develop and deal computer software, articles, equipments, technology, process, intellectual property rights and things of all kinds capable of being used or which can conveniently be dealt in by the company in connection with any of its objects.
 5. To amalgamate, to enter into partnership or into any arrangement for sharing profit, union of interest, cooperation, joint venture, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in or about to carry on or engage in business or transaction which this company authorised to carry on or engage in or to purchase from such company its business as a going concern and/or its assets including but not limited to necessary licenses, permits and other rights of such company.
 6. To take or otherwise, acquire and hold, resale, dispose of shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as to directly or indirectly benefit the company.
4. The Amalgamation of APSL with the Applicant Company will be effected through a Scheme of Amalgamation (hereinafter referred to as "Scheme") under Sections 391 to 394 including Sections 100 to 104 read with Section 78 of the Companies Act, 1956 (hereinafter referred to as the "said Act").
5. Both APSL and FMNL are in a sound financial position. Copies of the Audited Accounts of FMNL and APSL for the period 31st March 2011 and 31st March 2012 are available for the inspection of members at the registered office of the Applicant Company.
6. **BENEFITS OF THE SCHEME**

The amalgamation of APSL with the Applicant Company in accordance with the said Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses and would enable them to avail of the financial resources as well as the managerial, technical, distribution and marketing resources of each other in the interest of maximising shareholder and stakeholder value. The proposed amalgamation will be beneficial to the Companies in the following manner:

- (a) Effectively, since the APSL is anyway a wholly owned subsidiary of the Applicant Company, the proposed merger is only technically merging the legal personalities of the two, as effectively, the economic entity is already a single unit.

- (b) The amalgamation in accordance with this Scheme will result in integration of the operations of the Applicant Company and the operational costs will be considerably reduced. The Applicant Company will be able to operate more economically and effectively resulting in better turnover and profits.
 - (c) Synergy of operations could be achieved and common facilities such as manpower, office space and other infrastructure could be better utilized and duplication of facilities could be avoided resulting in optimum use of facilities to the advantage of the Applicant Company.
 - (d) There will be better operational synergy in terms of procurement benefits, access to marketing networks/ customers, reduction of administrative work etc. and fund raising capabilities and opportunities of the Applicant Company will be comfortably enhanced, resulting into cost efficiency coupled with greater financial flexibility.
 - (e) Improved organizational capability and leadership arising from the pooling of human capital having diversified skills, talent and vast experience.
 - (f) Due to all the reasons stated above, the Applicant Company will be able to ensure better turnover and profits and would ultimately contribute substantially to the future business expansion and will be able to exploit the market to the fullest possible extent.
7. The salient features of the Scheme are as follows:
- A. **“Appointed Date”** means April 1, 2011.
 - B. The Scheme is conditional and is subject to the Scheme being agreed to by the respective requisite majority of the members (either by way of a meeting or a letter of consent from the shareholders, where applicable) of the Transferor Company and the Transferee Company and the creditors under Section 391 of the Act.
 - C. **Transfer of Undertaking:**
With effect from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertaking as on the Appointed Date shall, pursuant to the provisions of Section 394 and all other applicable provisions of the Act, without any further act, deed, instrument, matter or thing, be and shall transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company, as a going concern, so as to become the Undertaking of Transferee Company but subject nevertheless to all charges, liens, mortgages, lispendens, if any, then affecting the same or part thereof on the Appointed Date and the Transferor Company shall be deemed to have amalgamated with the Transferee Company.
 - D. **Transfer Subject to Charges:**
The transfer/ vesting as aforesaid shall be subject to charges, hypothecation and mortgages, if any and as may be subsisting, over or in respect of the Undertaking or any part thereof on the Appointed Date. Provided however that, any reference in any security documents or arrangements to which the Transferee Company is party to the assets of Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, to the secured creditors of Transferor Company, shall be construed as reference only to the assets pertaining to the Undertaking as are vested in Transferee Company by virtue of this arrangement, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend to any of the assets or to any of the other units or divisions of Transferee Company, unless specifically agreed to by Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of Transferee Company, if any;
 - E. **Transfer of Movables:**
The assets of the Transferor Company movable in nature or are otherwise capable of transfer by manual delivery or by enforcement and/or delivery, along with such other documents as may be necessary to the end and intent that the property therein transfers upon such transfer become the property, estate, assets, rights, title, interest and authorities of the Transferee Company in pursuance of Section 394 of the said Act;
 - F. **Transfer of Liabilities:**
Pursuant to the transfer of Undertakings as above, and subject to the provisions in the Scheme in relation to the mode of transfer and vesting, all debts, liabilities, duties and obligations of the Undertaking of Transferor Company, shall also be and stand transferred or deemed to be transferred, without further act, instrument, deed, matter or thing to Transferee Company, pursuant to the provisions of Section 394 of the Act so as to become as and from the Appointed Date, the debts, duties, liabilities and obligations of Transferee Company. Further that for the purpose of giving effect to the provisions of this Clause, 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, duties and obligation have arisen. The Scheme shall not in any manner affect the rights and interests of the creditors of the Transferor Company or be deemed to be prejudicial to their interests and in particular the statutory creditors of the Transferor Company shall continue to enjoy and hold charge upon their respective securities and properties. Transferee Company may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation, in favor of any of the creditors of the Transferor Company or in any other party to any contract or arrangement to which Transferor Company or Transferee Company is a party to, or any writings as may be necessary to be executed in order to give formal effect to the above provisions;
 - G. **Transfer of Authorised Capital:**
Upon the Scheme becoming effective, without any further act or deed, the authorized capital of the Transferor Company as on the Appointed Date shall stand merged with the authorised capital of the Transferee Company and the Transferee Company shall not be liable to pay any fees or other levy on such increase of authorized capital.

H. Transfer of Profits and Reserves:

With effect from the Appointed Date, all profits, reserves, income accruing to or losses and expenditure (including payment of penalty, damages or such litigation) arising or incurred by the Undertaking of Transferor Company shall for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of Transferee Company.

I. Transfer of Contracts:

Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments, of whatsoever nature and pertaining to the Undertaking of Transferor Company to which Transferor Company is a party, subsisting or having effect immediately on the Appointed Date shall be in full force and effect against or in favor of Transferee Company as the case may be and may be enforced as fully and effective as if, instead of Transferor Company, Transferee Company had been a party thereto. Transferee Company shall enter into and/or issue and/or execute deeds, writings, or confirmations or enter into any tripartite arrangements, confirmations or novations, to which Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of Transferor Company and to implement or carry out all the formalities required on the part of Transferor Company to give effect to the provisions of this Scheme

J. Transfer of Legal Proceedings:

All legal proceedings of whatsoever nature by or against Transferor Company pending on the Appointed Date and relating to the Undertaking of Transferor Company (including property, rights, powers, liabilities, obligations and duties) shall be continued and/or enforced until the Effective Date as desired by Transferee Company and as and from the Effective Date shall be continued and enforced by or against Transferee Company in the manner and to same extent as would or might have been continued and enforced by or against Transferee Company.

K. Place of Vesting:

The vesting of the Undertakings shall by virtue of the provisions of this Scheme and the effect of the provisions of Section 394 of the said Act, take place at the registered office of Transferee Company.

L. Workmen and Employees:

i. Takeover of all the employees:

Transferee Company will take over all the permanent staff, workmen and other employees in the service of Transferor Company and exclusively engaged in Transferor Company immediately preceding the Effective Date, and they shall become the staff, workmen and employees of Transferee Company from the Effective Date;

ii. Service of Employees to be continued uninterruptedly:

The benefits relating to gratuity, provident fund and superannuation fund as per the rules of Transferee Company shall become applicable to those staff, workmen and employees of Transferor Company from the Effective Date that are taken over by Transferee Company. For all other purposes the service of employees of Transferor Company shall be regarded as continuous without any break or interruption of service by reason of the transfer of the Transferor Company to Transferee Company;

iii. Terms and Conditions of service shall be the same:

The terms and conditions of service applicable to such employees on the Effective Date will not in any way be less favourable to them than those applicable to them immediately before the Effective Date. The position, rank and designation of the employees would however, be decided by the Board of Transferee Company which shall also have a right to exercise an option, if warranted to transfer such employees to any unit of Transferee Company as may be deemed to be necessary from time to time.

M. Consideration:

Upon the Scheme becoming operative, as the Transferor Company is a wholly owned subsidiary of the Transferee Company, no shares are required to be issued to the shareholders of the Transferor Company by the Transferee Company in consideration of the transfer and vesting of the Transferor Company in terms of this Scheme.

8. No investigation proceedings have been instituted or are pending under Sections 235 and 250A of the Companies Act, 1956 in respect of the Applicant Company/ Transferee Company.
9. The rights and interests of the members and creditors of the Transferor Company will not be prejudicially affected by the Scheme.
10. In the event of the Scheme failing to take effect finally, the Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Parties or their shareholders or creditors or employees or any other person.

11. The Transferor Company is a wholly owned subsidiary of the Transferee Company, no shares are required to be issued to the shareholders of the Transferor Company by the Transferee Company in consideration of the transfer and vesting of the Transferor Company in terms of this Scheme. The pre and post Amalgamation (expected) shareholding pattern of FMNL, the Applicant Company, based on the shareholding pattern as on 6th July, 2012 is and will be as under:

		Pre Amalgamation		Post Amalgamation	
		No. of Shares	%	No. of Shares	%
(A)	Shareholding of Promoter and Promoter Group				
1	Indian				
(a)	Individuals / Hindu Undivided Family	541	0.00	541	0.00
(b)	Central Government / State Government(s)	-	-	-	-
(c)	Bodies Corporate	3,83,86,159	68.73	3,83,86,159	68.73
(d)	Financial Institutions / Banks	-	-	-	-
(e)	Any Others (Specify)	-	-	-	-
	Sub-Total (A)(1)	3,83,86,700	68.73	3,83,86,700	68.73
2	Foreign				
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-
(b)	Bodies Corporate	-	-	-	-
(c)	Institutions	-	-	-	-
(d)	Any Others (Specify)	-	-	-	-
	Sub Total (A)(2)	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	3,83,86,700	68.73	3,83,86,700	68.73
(B)	Public Shareholding				
1	Institutions				
(a)	Mutual Funds/UTI	12,743	0.02	12,743	0.02
(b)	Financial Institutions / Banks	2,61,202	0.47	2,61,202	0.47
(c)	Central Government / State Government(s)	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-
(e)	Insurance Companies	3,47,421	0.62	3,47,421	0.62
(f)	Foreign Institutional Investors	2,27,811	0.41	2,27,811	0.41
(g)	Foreign Venture Capital Investors	-	-	-	-
(h)	Qualified Foreign Investors	-	-	-	-
(i)	Any Other (Specify)	-	-	-	-
	Sub-Total (B)(1)	8,49,177	1.52	8,49,177	1.52
2	Non-Institutions				
(a)	Bodies Corporate	13,948,662	24.97	13,948,662	24.97
(b)	Individuals				
	(i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	14,29,532	2.56	14,29,532	2.56
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5,96,378	1.07	5,96,378	1.07
(c)	Qualified Foreign Investors	-	-	-	-
(d)	Any Other (Specify)				
	(i) Non Resident Indians (Repat)	17,589	0.03	17,589	0.03
	(ii) Non Resident Indians (Non-Repat)	5,779	0.01	5,779	0.01
	(iii) Foreign Companies	-	-	-	-
	(iv) Clearing Member	23,611	0.04	23,611	0.04
	(v) Directors / Relatives	804	0.00	804	0.00
	(vi) Trust	5,96,174	1.07	5,96,178	1.07
	(vii) HUF	-	-	-	-
	Sub-Total (B)(2)	1,66,18,529	29.75	1,66,18,529	29.75
	Total (A) + (B)	5,58,54,406	100.00	55,85,44,06	100.00
	Shares held by Custodians and against which Depository Receipts have been issued				
	(i) Promoter and Promoter Group	-	-	-	-
	(ii) Public	-	-	-	-
	Sub-Total (C1)+(C2)	-	-	-	-
	Grand Total (A) + (B) + (C)	5,58,54,406	100.00	55,85,44,06	100.00

12. The Directors of the Applicant and the Transferor Company may be deemed to be interested in the Scheme only to the extent of the shares and directorship held by them in the Applicant or the Transferor Company, as the case may be.

- (a) The extent of the shareholding of Directors of FMNL in FMNL and APSL either singly or jointly or as nominee as on 6th July, 2012 is as under:

Mr. Rajesh Kalyani, Director of FMNL holds 1 equity share of Rs. 10/- in APSL jointly with FMNL, the holding company of APSL. Mr. Sumit Dabhiwala, Managing Director of FMNL holds 804 equity shares of Rs. 10/- each of FMNL. None of the other Directors of FMNL hold any shares in the Companies under the Scheme of Amalgamation.

- (b) The extent of the shareholding of Directors of APSL in FMNL and APSL either singly or jointly or as nominee as on 6th July, 2012 is as under:

None of the Directors of APSL hold any shares in the Companies under the Scheme of Amalgamation.

13. The company is not required to obtain a fairness opinion in terms of clause 24 (h) of the Listing Agreement as the valuation of shares is not required since the Transferor Company is a wholly owned subsidiary of the Applicant Company.

14. The Scheme is conditional upon and subject to:

- a) The Scheme being approved by the requisite majorities in number and value of the members and/or such other classes of persons of Companies under the Scheme of Amalgamation as may be directed by the Hon'ble High Court of Bombay or any other competent authority, as may be applicable.
- b) The Scheme being sanctioned by the Hon'ble High Court of Bombay in terms of the applicable provisions of the Companies Act, 1956.
- c) Certified copies of the orders of the Hon'ble High Court sanctioning the Scheme being filed with Registrar of Companies, Maharashtra at Mumbai by the Companies under the Scheme of Amalgamation.

The features set out above being only the salient features of the Scheme of Amalgamation; the members are requested to read the entire text of the Scheme of Amalgamation annexed hereto to get fully acquainted with the provisions thereof.

15. Inspection of the following documents may be had at the registered office of Future Market Network Limited on any working day (except Saturdays, Sundays and public holidays) prior to the date of meeting between 11:00 a.m. and 2:00 p.m.:

- (a) Order, dated 6th July, 2012, of the Hon'ble High Court of Judicature at Bombay passed in Company Summons for Direction No. 510 of 2012 directing the convening of the Meeting of the Shareholders of FMNL.
- (b) Scheme of Amalgamation.
- (c) Memorandum and Articles of Association of FMNL and APSL.
- (d) Audited Balance Sheet and Profit and Loss Account of FMNL for the year ended 31st March, 2011 and 31st March, 2012.
- (e) Audited Balance Sheet and Profit and Loss Account of APSL for the year ended 31st March, 2011 and 31st March, 2012.
- (f) No Objection Certificates received from Bombay Stock Exchange Limited and National Stock Exchange of India Limited in terms of Clause 24(f) of the Listing Agreements with Stock Exchanges vide their letters dated 4th May, 2012 and 2nd May, 2012 respectively.

This statement may be treated as an Explanatory Statement under Section 393 of the Companies Act, 1956.

A copy of the Scheme of Amalgamation, Explanatory Statement and form of proxy may be obtained from the Registered Office of the Applicant Company.

Dated this 9th day of July, 2012.

Registered Office:

Knowledge House, Shyam Nagar,
Off Jogeshwari – Vikhroli Link Road,
Jogeshwari (East), Mumbai – 400060.

sd/-
Anil Bajjal
Chairman appointed for the Meeting

Note: All alterations made in the Form of Proxy should be initialed.

SCHEME OF AMALGAMATION
UNDER SECTIONS 391 TO 394, INCLUDING SECTIONS 100 TO 104 READ WITH SECTION 78 OF
THE COMPANIES ACT, 1956
BETWEEN
FUTURE MARKET NETWORKS LIMITED
(Transferee Company)
AND
AGRE PROPERTIES & SERVICES LIMITED
(Transferor Company)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PART I: PREAMBLE

- 1.1. This Scheme of Amalgamation is presented under sections 391 to 394, including sections 100 to 104 read with section 78 and other applicable provisions of the Companies Act, 1956 ("the Act") for amalgamation of Agre Properties & Services Limited (APSL) with Future Market Networks Limited (FMNL).
- 1.2. FMNL is a listed Company incorporated under the provisions of the Act having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060 ("Transferee Company"). The Transferee Company was originally incorporated under the name and style of 'Future Mall Management Limited' on March 10, 2008. Subsequently, the name was changed to Agre Developers Limited on October 4, 2010 and to Future Market Networks Limited on February 6, 2012.
- 1.3. The Transferee Company is, *inter alia*, authorised to and is primarily engaged in the business of maintaining, operating, managing malls, shopping centres, real estate, immovable properties of all nature and description including shopping malls, commercial complexes, shopping plazas, cinema halls, theatres, departmental stores, hypermarkets, shops, business, houses, offices, residential estates, hotels, motels, resorts, homes, organizations, exhibition centres, conference centres, boarding and lodging houses, clubs, dressing rooms and places of amusement and recreation, sports, entertainment and all other real estate and properties of every kind. Further, the Transferee Company is, *inter alia*, authorised to act as advisors, consultants, service providers to render various mall management services for enhancing value, increasing of footfalls and ambience of the malls, shoppers plazas, shopping centres, departmental stores etc. and to undertake the business of providing turnkey solutions. The Transferee Company is also authorised to carry on the business of builders, contractors, erectors, constructors of buildings of all nature being residential, industrial, institutional or commercial, townships, holiday resorts, hotels, motels and shopping malls amongst others.
- 1.4. APSL is a company incorporated under the provisions of the Act having its registered office at Knowledge House, Shyam Nagar Off., Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060 ("Transferor Company"). The Transferor Company was incorporated under the name and style of 'Future Hypermarket Limited' on March 10, 2008. Subsequently, the name was changed to Future Value retail Limited on 9th May 2008, to Future Merchandising Limited on 28th April 2009 and to Agre Properties & Services Limited on 28th October 2010.
- 1.5. The Transferor Company is, *inter alia*, authorised to and is primarily engaged in the business of maintaining, operating, managing malls, shopping centres, real estate, immovable properties of all nature and description including shopping malls, commercial complexes, shopping plazas, cinema halls, theatres, departmental stores, hypermarkets, shops, business, houses, offices, residential estates, hotels, motels, resorts, homes, organizations, exhibition centres, conference centres, boarding and lodging houses, clubs, dressing rooms, and places of amusement and recreation, sports, entertainment and all other real estate and properties of every kind and sort including construction and development thereof in any manner and under any type of arrangement and also engage in food services of every kind and manner to be provided at various real estate and properties managed/operated by the Company or elsewhere. Further, the Transferor Company is, *inter alia*, authorized to act as advisors, strategic planners, consultants, service providers, service contractor or sub-contractor, suppliers, administrator, licensor, designer, controller to render various mall asset management services to manage shopping centre assets for enhancing value, increasing of footfalls and ambience of the malls, shoppers plazas, shopping centres, departmental stores and such other above named properties and to undertake the business of providing turnkey solutions including development and execution of the retail outlet design of real estate of every kind and sort, including identification of the project or properties, negotiations, financial planning, property management including space planning, structure design, interior and exterior design, project administration, design and engineering services, procurement of equipments and controlling schedule and quality thereof and to provide other requisite infrastructure facilities to make the malls, shoppers plazas, shopping centres, departmental stores and such other real estate of every kind operational including but not limited to procurement of power, hiring/contracting security services, housing keeping facilities, catering services, engineering services, communication facilities and other day to day facilities of running malls either on its own or in partnership with others.
- 1.6. Pursuant to a scheme of arrangement sanctioned by the Hon'ble High Court *vide* order dated August 24, 2010, with effect from April 1, 2010, the Mall Management Undertaking and the Project Management Undertaking of Pantaloon Retail (India) Limited (PRIL) were transferred to the Transferee Company and the Mall Asset Management Undertaking and the Food Services Undertaking of PRIL were transferred to the Transferor Company.

- 1.7. Further, pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court *vide* order dated January 20, 2012, with effect from April 1, 2011, Future Realtors India Private Limited, AIGL Holding & Investments Private Limited and Prudent Vintrade Private Limited were merged into the Transferee Company.
- 1.8. This Scheme of Amalgamation (hereinafter referred to as the "**Scheme**") provides for the amalgamation of the Transferor Company with the Transferee Company and the consequent treatment of assets and liabilities of respective Company in the manner provided for in the Scheme. The Scheme also provides for recognition of the assets and liabilities of the Transferor Company at fair values and any Expenses (*as defined herein below*) arising on recognition of the assets and liabilities at fair value to be adjusted against the Securities Premium of the Transferee Company, for reasons discussed herein. In view of the utilization of the Securities Premium of the Transferee Company to meet the adjustment of Expenses arising on the recognition of the assets and liabilities of the Transferor Company at fair values, the Scheme also envisages a composite application in terms of section 100 to 104 read with section 78 of the Companies Act.
- 1.9. The Transferor Company is a wholly owned subsidiary of the Transferee Company in terms of the Act. The Transferee Company currently holds 100% of the paid up equity capital of the Transferor Company in its name and jointly with its nominees. The arrangement will enable the business of the combined entity to be carried more conveniently and advantageously with a larger asset base with greater capacity to conduct such business on more favourable terms. As such, the amalgamation will also enable the undertaking of the Transferor Company and the Transferee Company to be combined, run and managed more economically and efficiently and their combined resources to be utilized and employed in the business of the combined entity more advantageously and optimally. The Scheme will have beneficial results for the said companies, their respective shareholders and all concerned.
- 1.10. The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme would therefore enable the Companies to realise the substantial benefits of greater synergies between their businesses and would enable them to avail of the financial resources as well as the managerial, technical, distribution and marketing resources of each other in the interest of maximising shareholder and stakeholder value. The proposed amalgamation will be beneficial to the Companies in the following manner:
 - 1.10.1. Effectively, since the Transferor Company is anyway a wholly owned subsidiary of the Transferee Company, the proposed merger is only technically merging the legal personalities of the two, as effectively, the economic entity is already a single unit.
 - 1.10.2. The amalgamation in accordance with this Scheme will result in integration of the operations of the Transferee Company and the operational costs will be considerably reduced. The Transferee Company will be able to operate more economically and effectively resulting in better turnover and profits.
 - 1.10.3. Synergy of operations could be achieved and common facilities such as manpower, office space and other infrastructure could be better utilized and duplication of facilities could be avoided resulting in optimum use of facilities to the advantage of the Transferee Company.
 - 1.10.4. There will be better operational synergy in terms of procurement benefits, access to marketing networks/ customers, reduction of administrative work etc. and fund raising capabilities and opportunities of the Transferee Company will be comfortably enhanced, resulting into cost efficiency coupled with greater financial flexibility.
 - 1.10.5. Improved organizational capability and leadership arising from the pooling of human capital having diversified skills, talent and vast experience.
 - 1.10.6. Due to all the reasons stated above, the Transferee Company will be able to ensure better turnover and profits and would ultimately contribute substantially to the future business expansion and will be able to exploit the market to the fullest possible extent.
- 1.11. The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date (*as defined herein below*).
- 1.12. The Scheme is divided into the following parts:
 - (a) Part I Preamble;
 - (b) Part II, which contains the definitions;
 - (b) Part III, which deals with the share capital of the Transferee Company and the Transferor Company;
 - (c) Part IV, which deals with the amalgamation of the Transferor Company with the Transferee Company; and
 - (d) Part V, which deals with reorganisation of share capital; matters relating to accounts etc.;
 - (e) Part VI, which deals with the dissolution of the Transferor Company; and
 - (f) Part VII, which deals with the general terms and conditions that would be applicable to the Scheme.

The Scheme also provides for various other matters consequential or otherwise integrally connected herewith.
- 1.13. The amalgamation hereunder will be effected under the provisions of Sections 391 to 394 of the Act and in accordance with section 2(1B) of the Income Tax Act, 1961.

PART II: DEFINITIONS

2. Definitions

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- (a) "**Act**" means the Company Act, 1956, the rules and regulations made there under and will include any statutory modifications, re-enactments and/or amendments thereof.

- (b) **"Appointed Date"** means April 1, 2011 or such other date as the Hon'ble High Court may direct.
- (c) **"Board of Directors"** in relation to the Transferor Company and/or the Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- (d) **"Clause"** means a clause in this Scheme.
- (e) **"Effective Date"** shall mean the date on which the certified copy of the order of the Hon'ble High Court of Bombay sanctioning the Scheme is filed with the Registrar of Companies, Mumbai.
- (f) **"Equity Shares"** means the equity shares of the Transferee Company.
- (g) **"Expenses"** means and without limiting the generality of the foregoing, includes inter-alia the following items accounted for in pursuant of this Scheme:
- (i) Impairment, amortization and / or write off of goodwill and other intangible assets, if any, arising on preparation of consolidated accounts of the Transferee Company;
 - (ii) Impairment of assets / investments / intangibles in the Financial Statements of the Transferor Company;
 - (iii) Diminution in the value of investments in subsidiary companies in the Financial Statements of the Transferee Company and / or any of its subsidiaries;
 - (iv) Any write off, provision or impairment of debtors, loans or advances, considered bad or doubtful, to the extent the same is considered for write off;
 - (v) Increase in the liabilities of the Transferor Company on account of statutory dues with Government authorities, of any nature;
 - (vi) Any taxes, including service tax, pertaining to the Transferor Company, pertaining to the period before the Appointed Date, whether such tax is settled before or after that date, to the extent a liability or provision for the same is not recognised in the financial statements of the Transferor Company as on 31st March 2011;
 - (vii) Any change in the fair value of assets or liabilities of the Transferor Company between the Appointed Date and the Effective Date.
- (h) **"Food Services Undertaking"** means the business of managing food court in the various malls.
- (i) **"Governmental Authority"** means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India.
- (j) **"High Court"** means the Hon'ble High Court of Judicature at Bombay.
- (k) **"Mall Asset Management Undertaking"** means the business of management of mall related assets.
- (l) **"Mall Management Undertaking"** means the business of providing service for enhancing value of the mall, increasing foot falls and ambience of the mall and other management of malls for day to day running of malls.
- (m) **"Part"** means a part of this Scheme.
- (n) **"Party"** means a party to this Scheme and **"Parties"** shall be construed accordingly.
- (o) **"Project Management Undertaking"** means the business of providing turnkey solutions and encompasses development and execution of the retail outlet design and related assets.
- (p) **"Scheme"** shall mean this scheme of amalgamation, in its present form or with any modification(s) as approved or imposed by the Hon'ble High Court.
- (q) **"Shareholders"** with reference to the Transferor or Transferee Company shall mean persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories as on the Appointed Date.
- (r) **"Transferor Company"** means Agre Properties & Services Limited having its registered office at Knowledge House, Off. Shyam Nagar, Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060
- (s) **"Transferee Company"** means Future Market Networks Limited having its registered office at 'Knowledge House', Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060.
- (t) **"Undertaking of Transferor Company"** or **"Undertaking"** shall include (without limitation) its entire business and:
- (i) any and all its assets, whether movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, including continuing rights, title and interests in connection with the land and the buildings thereon, whether leasehold or otherwise, plant and machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;
 - (ii) any and all investments (including shares and other securities), income by whatever name called, loans and advances, including accrued interest thereon;
 - (iii) any and all permits, quotas, rights, entitlements, industrial and other licenses, approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, sales tax credits, income tax credits, applications for trade names, trademarks, service marks, copyrights, privileges and benefits of all contracts, agreements, applications

and all other rights including lease rights, licenses and registrations, powers and facilities of every kind and description whatsoever, pertaining to the Transferor Company;

- (iv) any and all debts, liabilities, contingent liabilities, duties and obligations, present or future, whether secured or unsecured, of the Transferor Company;
- (v) all contracts including but not restricted to Leave & Licence Agreements, Term Sheets, Lease Deeds, Memorandum of Understandings, business/asset purchase agreements, memoranda of agreement, memoranda of agreed points, letters of agreed points, arrangements, undertakings whether written or otherwise, lease rights, deeds, bonds, other agreements, applications and instruments of whatsoever nature to which the Transferor Company is a party and having effect immediately before the Effective Date, shall remain in full force and effect in favour of and/ or against the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto;
- (vi) any and all employees, who are on the pay roll of the Transferor Company, including those engaged at their respective offices and branches, at their current terms and conditions;
- (vii) any pending suit/appeal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of the Transferor Company or because of the provisions contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, if this Scheme had not been made;
- (viii) all the tax liabilities under the Income Tax Act, 1961, Customs Act, 1962, Central Sales Tax Act, 1956, Central Excise Act, 1944, service tax laws, state sales tax laws, state value added tax laws and other applicable laws/ regulations dealing with taxes / duties / levies ("Tax Laws") allocable or related to the business of the Transferor Company shall be transferred to the Transferee Company; and
- (ix) any refunds/ credits/ claims under the Tax Laws due to any of the Transferor Company (including but not limited to advance tax, self assessment tax, regular assessment tax and service tax credits) shall also belong to and be availed of or received by the Transferee Company.
- (x) all the benefits under the various incentive schemes and policies that the Transferor Company entitled to, in relation to its operations, shall upon the Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever, including minimum alternate tax credit entitlement, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive scheme and/or policies; and
- (xi) Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorizations, shall stand vested by the order of sanction of the Hon'ble Court of Bombay in the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning courts.
- (xii) all necessary records, files, papers, computer programmes, websites, domain names, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form in connection with or relating to the Transferor Company;
- (xiii) any and all advance monies, earnest monies and/or security deposits, payment against warrants or other entitlements, in connection with or relating to the Transferor Company;
- (u) Without prejudice to the generality of above the foregoing mentioned hereinabove, the term "Undertaking of Transferor Company" shall include the entire business which is being carried out under the name and style of the Transferor Company as the case may be, and shall include the advantages of whatsoever nature, agreements, allotments, approvals, arrangements, authorizations, benefits, capital work-in-progress, concessions, rights and assets, industrial and intellectual property rights of any nature whatsoever and licenses in respect thereof, intangibles, investments, leasehold rights, liberties, patents, permits, powers of every kind, nature and description whatsoever, privileges, provision funds, quota rights, registration, reserves, and all properties, movable and immovable, real, corporeal or incorporeal, wheresoever situated, right to use and avail of telephones, telexes, facsimile, connections, installations and other communication facilities and equipments, tenancy rights, titles, trademarks, trade names, all other utilities held by Transferor Company or to which Transferor Company is entitled to on the Appointed Date and cash and bank balances, all earnest moneys and/or deposits including security deposits paid by Transferor Company and all other interest wheresoever situated, belonging to or in the ownership, power or possession of or in the control of or vested in or granted in favor of or enjoyed by or arising to Transferor Company.

Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" shall mean the Effective Date.

The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996 and other applicable laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

PART III: SHARE CAPITAL

3. Share Capital of the Parties

3.1. Transferee Company

The share capital of the Transferee Company, as on March 31, 2011, is as under:

Authorized Share Capital	
2,00,00,000 equity shares of Rs. 10/- each	20,00,00,000
Issued Capital	
1,11,71,536 equity shares of Rs. 10/- each	11,17,15,360
Subscribed and Paid-up Share Capital	
1,11,70,966 equity shares of Rs. 10/- each	11,17,09,660

Note: 570 Equity shares of the Company are kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in the demerged entity in the Scheme of Demerger which are currently held in abeyance.

Further, the share capital of the Transferee Company stands revised, subsequent to the approval of the amalgamation scheme as mentioned in para 1.7 above by the Hon'ble High Court. The revised share capital of the Transferee Company is as under:

Authorized Share Capital	
8,02,10,000 equity shares of Rs. 10/- each	80,21,00,000
5000 preference shares of Rs. 100/- each	5,00,000
Total	80,26,00,000
Issued Capital	
5,58,54,976 equity shares of Rs. 10/- each	55,85,49,760
Subscribed and Paid-up Share Capital	
5,58,54,406 equity shares of Rs. 10/- each	55,85,44,060

Note: 570 Equity shares of the Company are kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in the demerged entity in the Scheme of Demerger which are currently held in abeyance.

3.2. Transferor Company

The share capital of the Transferor Company, as on March 31, 2011, is as under:

Authorized Share Capital	
50,000 equity shares of Rs. 10/- each	5,00,000
Issued, Subscribed and Paid-up Share Capital	
50,000 equity shares of Rs. 10/- each	5,00,000

Note: The beneficial holding of all of the above shares are with the Transferee Company.

PART IV: AMALGAMATION

4. With effect from the Appointed Date and upon this Scheme becoming effective, and subject to the provisions of this Scheme, the Transferor Company shall, pursuant to Section 394(2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, title and interests and authorities of the Transferee Company.

Without prejudice to the generality of the above, with effect from the Appointed Date and upon this Scheme becoming effective, the Transferor Company shall be merged and transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

4.1. Transfer of Undertaking:

With effect from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertaking as on the Appointed Date shall, pursuant to the provisions of Section 394 and all other applicable provisions of the Act, without any further act, deed, instrument, matter or thing, be and shall transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company, as a going concern, so as to become the Undertaking of Transferee Company but subject nevertheless to all charges, liens, mortgages, *lis pendens*, if any, then affecting the same or part thereof on the Appointed Date and the Transferor Company shall be deemed to have amalgamated with the Transferee Company.

The name of the Transferee Company immediately after amalgamation shall remain unchanged by virtue of this Scheme.

4.2. Transfer Subject to Charges:

The transfer/ vesting as aforesaid shall be subject to charges, hypothecation and mortgages, if any and as may be subsisting, over or in respect of the Undertaking or any part thereof on the Appointed Date. Provided however that, any reference in any

security documents or arrangements to which the Transferee Company is party to the assets of Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, to the secured creditors of Transferor Company, shall be construed as reference only to the assets pertaining to the Undertaking as are vested in Transferee Company by virtue of this arrangement, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend to any of the assets or to any of the other units or divisions of Transferee Company, unless specifically agreed to by Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of Transferee Company, if any;

4.3. Transfer of Movables:

The assets of the Transferor Company movable in nature or are otherwise capable of transfer by manual delivery or by enforcement and/or delivery, along with such other documents as may be necessary to the end and intent that the property therein transfers upon such transfer become the property, estate, assets, rights, title, interest and authorities of the Transferee Company in pursuance of Section 394 of the said Act;

4.4. Transfer of Liabilities:

Pursuant to the transfer of Undertaking as above, and subject to the provisions in the Scheme in relation to the mode of transfer and vesting, all debts, liabilities, duties and obligations of the Undertaking of Transferor Company, shall also be and stand transferred or deemed to be transferred, without further act, instrument, deed, matter or thing to Transferee Company, pursuant to the provisions of Section 394 of the Act so as to become as and from the Appointed Date, the debts, duties, liabilities and obligations of Transferee Company. Further that for the purpose of giving effect to the provisions of this Clause, 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, duties and obligation have arisen. The Scheme shall not in any manner affect the rights and interests of the creditors of the Transferor Company or be deemed to be prejudicial to their interests and in particular the statutory creditors of the Transferor Company shall continue to enjoy and hold charge upon their respective securities and properties. Transferee Company may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation, in favor of any of the creditors of the Transferor Company or in any other party to any contract or arrangement to which Transferor Company or Transferee Company is a party to, or any writings as may be necessary to be executed in order to give formal effect to the above provisions;

4.5. Transfer of Authorised Capital:

Upon the Scheme becoming effective, without any further act or deed, the authorized capital of the Transferor Company as on the Appointed Date shall stand merged with the authorised capital of the Transferee Company and the Transferee Company shall not be liable to pay any fees or other levy on such increase of authorized capital.

4.6. Transfer of Profits and Reserves:

With effect from the Appointed Date, all profits, reserves, income accruing to or losses and expenditure (including payment of penalty, damages or such litigation) arising or incurred by the Undertaking of Transferor Company shall for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of Transferee Company.

4.7. Transfer of Contracts:

Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments, of whatsoever nature and pertaining to the Undertaking of Transferor Company to which Transferor Company is a party, subsisting or having effect immediately on the Appointed Date shall be in full force and effect against or in favor of Transferee Company as the case may be and may be enforced as fully and effective as if, instead of Transferor Company, Transferee Company had been a party thereto. Transferee Company shall enter into and/or issue and/or execute deeds, writings, or confirmations or enter into any tripartite arrangements, confirmations or novations, to which Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of Transferor Company and to implement or carry out all the formalities required on the part of Transferor Company to give effect to the provisions of this Scheme

4.8. Transfer of Legal Proceedings:

All legal proceedings of whatsoever nature by or against Transferor Company pending on the Appointed Date and relating to the Undertaking of Transferor Company (including property, rights, powers, liabilities, obligations and duties) shall be continued and/or enforced until the Effective Date as desired by Transferee Company and as and from the Effective Date shall be continued and enforced by or against Transferee Company in the manner and to same extent as would or might have been continued and enforced by or against Transferee Company.

4.9. Place of Vesting:

The vesting of the Undertakings shall by virtue of the provisions of this Scheme and the effect of the provisions of Section 394 of the said Act, take place at the registered office of Transferee Company.

4.10. Workmen And Employees

4.10.1. Takeover of all the employees:

Transferee Company will take over all the permanent staff, workmen and other employees in the service of Transferor Company and exclusively engaged in Transferor Company immediately preceding the Effective Date, and they shall become the staff, workmen and employees of Transferee Company from the Effective Date;

4.10.2. **Service of Employees to be continued uninterruptedly:**

The benefits relating to gratuity, provident fund and superannuation fund as per the rules of Transferee Company shall become applicable to those staff, workmen and employees of Transferor Company from the Effective Date that are taken over by Transferee Company. For all other purposes the service of employees of Transferor Company shall be regarded as continuous without any break or interruption of service by reason of the transfer of the Transferor Company to Transferee Company;

4.10.3. **Terms and Conditions of service shall be the same:**

The terms and conditions of service applicable to such employees on the Effective Date will not in any way be less favourable to them than those applicable to them immediately before the Effective Date. The position, rank and designation of the employees would however, be decided by the Board of Transferee Company which shall also have a right to exercise an option, if warranted to transfer such employees to any unit of Transferee Company as may be deemed to be necessary from time to time.

4.10.4. **Transaction Between Appointed Date And Effective Date**

a) **Operative Date of the Scheme:**

The Scheme though effective from the Appointed Date, shall be operative from the Effective Date;

b) **Assets and Liabilities:**

All the assets and liabilities resulting from the operations of the Undertaking of Transferor Company from the Appointed Date onwards also shall stand transferred to and vested in Transferee Company on the Effective Date;

c) **Profits and Losses:**

With effect from the Appointed Date and upto the Effective Date all the profits or incomes accruing or arising to the Undertaking of Transferor Company or expenditure or losses arising or incurred by the Undertaking shall for all purposes be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of Transferee Company; Provided that the effect of bringing the value of the assets and liabilities of the Transferor Company at its fair value pursuant to this merger shall be given in the books of the Transferee Company by adjusting the arising Expenses against the Securities Premium of the Transferee Company.

d) **Transactions and Proceedings:**

The transfer of property and liabilities and continuance of proceedings under this Scheme shall not affect any transactions or proceedings already concluded by Transferor Company in the ordinary course of business 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 lawfully done and executed by Transferor Company to the same extent as if done and executed by Transferee Company on its own behalf;

e) **Debts and Obligations:**

It is clarified that all debts, liabilities, duties and obligations of Transferor Company as on the Appointed Date whether provided for or not in the books of accounts of Transferor Company and all other liabilities which may accrue or arise after the Appointed Date till the Effective Date to the end and intent that Transferee Company accepts and adopts all acts, deeds and things lawfully done and executed by Transferor Company to the same extent as if done and executed by Transferee Company on its own behalf;

f) **Conduct of Business:**

With effect from the Appointed Date, Transferor Company:

- i. Shall be deemed to have held and stood possessed of and shall hold and stand possessed of the entire Undertaking for and on account of and for the benefit of and in trust for Transferee Company; and
- ii. Shall carry on and be deemed to be carrying on all businesses and activities relating to the Undertaking for and on account of and for the benefit of and in trust for Transferee Company.

g) **Transferor Company to carry on its Business with Diligence:**

With effect from the Appointed Date, Transferor Company has carried on and hereafter undertakes to carry on its business with reasonable diligence and utmost business prudence. From the date of the acceptance of this Scheme by the respective Board of Transferor Company and Transferee Company, Transferor Company shall not alienate, charge, encumber, mortgage or otherwise deal with the Undertaking including any of the said assets or any part thereof, without the prior written consent of Transferee Company, save and except in the ordinary course of business, or pursuant to any pre-existing obligation undertaken by Transferor Company prior to the Appointed Date;

h) **No changes in the terms and conditions of the employment of Transferor Company Employees:**

From the date of acceptance of the Scheme by the respective Boards of Transferor Company and Transferee Company, the Transferor Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business;

i) **Enforcement of Legal Proceedings:**

All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitration, execution proceedings, revisions, writ petitions, if any) by or against Transferor Company shall not abate, be discontinued or be in any way

prejudicially affected by reasons of this Scheme or the transfer of the Undertaking of Transferor Company or of anything contained in this Scheme, but the said proceedings, shall till the Effective Date be continued, prosecuted and enforced by or against Transferor Company as if this scheme had not been made and thereafter be continued, prosecuted and enforced by or against Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted, enforced by or against Transferor Company if this Scheme had not been made. Transferee Company shall take steps to have the abovementioned proceedings continued in its name;

j) Enforcement of Contracts:

Subject to the other provisions of this Scheme, all lawful agreements, arrangement, bonds, contracts, deeds and other instruments of whatsoever nature relating to the Undertaking of Transferor Company and to which Transferor Company is a party to or to the benefit of which it may be eligible and which are subsisting or operative or having effect, shall till the Effective Date, be in full force and effect and may be enforced as fully and effectual, as if the Scheme had not been made and thereafter, shall be in full force and effect against or in favor of Transferee Company, as the case may be, and may be enforced as fully and effectual as if, instead of Transferor Company, Transferee Company had been a party or beneficiary thereto, subject to such changes and variations in the terms, conditions and provisions thereof as may be mutually agreed to between Transferee Company and other parties thereto. Transferee Company shall enter and/ or issue and/ or execute deeds, writings or confirmations or enter into any arrangement, confirmations or novations in order to give formal effect to the provisions of this Clause, if so required or if it becomes necessary.

k) Payment of Dividends:

Transferor Company and Transferee Company shall be entitled to declare and pay dividends to their respective shareholders prior to the Effective Date. Transferor Company and Transferee Company shall be entitled to declare dividend only out of disposable profit earned by the respective companies during the relevant financial year and shall not transfer any amount from the reserves for the purposes of payment of dividend. The dividend shall be declared by Transferor Company and/ or Transferee Company only by mutual agreement between the Board of Directors of the companies. It is clarified that the aforesaid provisions in relation to declaration of dividends are enabling provisions only and shall not be deemed to confer any right on the members of Transferor Company or Transferee Company to demand or claim or be entitled to any dividend which subject to any provisions of the said Act, shall be entirely in the discretion of the Board of Directors and the approval of shareholders of the respective companies;

l) Rights of Shareholders:

The holders of shares of Transferor Company and Transferee Company shall, save as otherwise provided under this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends from the respective companies of which they are members till the Effective Date.

- 4.11. For the purpose of giving effect to the amalgamation order passed under sections 391 to 394 of the Act including sections 100 to 104 read with section 78 and other applicable provisions in respect of this Scheme by the Hon'ble High Court, the Transferee Company shall, at any time pursuant to the orders on this Scheme, be entitled to get the recordal of change in the legal right(s) upon the amalgamation of the Transferor Company, in accordance with the provisions of sections 391 to 394 including sections 100 to 104 read with section 78 of the Act. The Transferee Company shall be authorized to execute any pleadings, applications, forms, etc., as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.
- 4.12. In as much as the Scheme provides for the effect of bringing the value of assets and liabilities of the Transferor Company at its fair value in the books of the Transferee Company and the Expenses arising due to the same to be adjusted against the Securities Premium outstanding in the books of the Transferee Company, this Scheme envisages a composite application to the Hon'ble High court in terms of sections 100 to 104 read with section 78 and other application provisions of the Act.
- 4.13. Upon this Scheme becoming effective, the Transferee Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Transferor Company, pertaining to the period subsequent to the Appointed Date, in order to give effect to the foregoing provisions.
- 4.14. The Transferee Company is commercially solvent and their respective undertaking(s) can fully take care and honor its creditors, if any, and all liabilities, therefore by virtue of amalgamation of the Transferor Company with the Transferee Company, the creditors, if any, of the Transferor Company shall not be affected in any manner whatsoever.
- 4.15. Further, the Transferee Company has a substantial capital and operation base and therefore upon the amalgamation of the Transferor Company with the Transferee Company, the creditors, if any, of the Transferor Company also shall not be affected in any manner whatsoever.

PART V: REORGANISATION OF SHARE CAPITAL; MATTERS RELATING TO ACCOUNTS ETC

- 5.1. The provisions of this Part shall operate notwithstanding anything to the contrary in any other instrument, standard, regulation, deed or writing.
- 5.2. Upon the Scheme becoming operative, as the Transferor Company is a wholly owned subsidiary of the Transferee Company, no shares are required to be issued to the shareholders of the Transferor Company by the Transferee Company in consideration of the transfer and vesting of the Transferor Company in terms of this Scheme.
- 5.3. The following treatment should be given in the books of accounts of Transferee Company on merger of Transferor Company with Transferee Company:

5.3.1. Recording of Assets and Liabilities:

- (a) Upon the coming into effect of this Scheme, statements of account as on the date immediately preceding the Appointed Date shall be drawn up on the basis of the books of the accounts of the Transferor Company, as audited by the auditors, in respect of the assets and liabilities of the Transferor Company to be transferred to the Transferee Company pursuant to this Scheme in its books of accounts. Such statements of account shall be drawn up considering the fair value of the assets and liabilities of the Transferor Company and for this purpose, the fair value of the assets shall be taken as per the valuation certified by an independent valuer.
- (b) The deferred tax liability as appearing in the books of the Transferor Company shall appear in the same manner and under the same classification in books of the Transferee Company.
- (c) The difference between the assets and liabilities of the Transferor Company as so fair valued after considering the liabilities on account of taxes, so incorporated in the books of accounts of the Transferee Company shall be treated as Expense as defined in clause 2 (g) of this Scheme and shall be adjusted with the Securities Premium of the Transferee Company.
- (d) In order to better reflect the net impact of the present Scheme, the Scheme provides for adjustment of the Expenses against the Securities Premium outstanding in the books of the Transferee Company.
- (e) The Paid-up Share Capital of the Transferor Company held by the Transferee Company in its own name or in the name of its nominees, shall be deemed to be consideration for the transfer.
- (f) The Transferee Company shall account for the amalgamation of the Transferor Company as per the Accounting Standard 14 laid down by the Institute of Chartered Accountants of India.

5.3.2. Treatment of difference in accounting policy:

In case any differences in any accounting policy between the Transferor Company and Transferee Company, the impact of the same till the merger will be quantified and adjusted in the General Reserve of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

5.3.3. Procedure to deal with Balances as between Transferor Company and Transferee Company:

To the extent that there are inter-company loans, deposits, balances or debenture holding as between the Transferor Company and Transferee Company, the obligation in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets and liabilities as the case may be. For the removal of doubt, it is clarified that in view of the above, there would be no accrual of interest or other charges in respect of any such inter-company loan, deposit or balances, with effect from the Appointed Date.

PART VI: DISSOLUTION OF THE TRANSFEROR COMPANY

6. Upon the Scheme coming into effect, with effect from the Appointed Date, the Transferor Company shall stand dissolved without being wound up by the order of the Hon'ble High Court.

PART VII: GENERAL TERMS AND CONDITIONS

- 7.1. In the event of there being any pending share transfers with respect to any application lodged for transfer by any Shareholder of the Transferor Company, the Board of Directors or any committee thereof of the Transferee Company shall be empowered in appropriate cases even subsequent to the Appointed Date, to effectuate such a transfer in the respective Transferor Company as if such changes in registered holder were operative as on the Appointed Date in order to remove any difficulties arising to the transferor or the transferee of the share(s) in the relevant Transferor Company.
- 7.2. For the avoidance of doubt it is hereby clarified that nothing in this Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the respective Record Date for the purpose of dividend and the Shareholders of the Transferor Company shall not be entitled to dividends, if any, declared by the Transferee Company prior to the Effective Date. On and from the date of filing this Scheme with the Hon'ble High Court and until the Effective Date, the Transferor Company shall declare dividend only after prior consultation with the Transferee Company.
- 7.3. Until the coming into effect of this Scheme, the holders of equity shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing rights under their respective articles of association.
- 7.4. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the respective Transferor Company and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the respective Transferor Company and the Transferee Company, respectively.
- 7.5. Upon the Scheme coming into effect, with effect from the Appointed Date, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- 7.6. The revised balance sheet of the Transferee Company shall also be reconstructed in accordance with the terms of this Scheme.

7.7. Application To Hon'ble High Court For Sanctioning Scheme

Joint Application by Transferee and Transferor Company:

Transferee Company and Transferor Company shall, jointly with all reasonable dispatch, make applications/petitions under applicable provisions of the said Act to the Hon'ble High Court of Bombay for sanctioning of this Scheme and for appropriate Orders under the applicable provisions of the Act for carrying this Scheme into effect;

It is hereby clarified that submissions of the Scheme to the Court and to any authorities for their respective approvals is without prejudice to all rights, interest, titles and defenses that Transferor Company and Transferee Company has or may have under or pursuant to all applicable laws.

7.8. Scheme conditional and is subject to:

7.8.1. The Scheme being agreed to by the respective requisite majority of the members (either by way of a meeting or a letter of consent from the shareholders, where applicable) (on behalf of Transferor Company and the Transferee Company respectively) and the creditors under Section 391 of the Act.

7.8.2. The Scheme being sanctioned by the Hon'ble High Court and the requisite certified copies of the order of the Hon'ble High Court sanctioning this Scheme being filed with the Registrar of Company, Mumbai.

7.9. This Scheme shall become effective on such date when the certified copies of the order of the Hon'ble High Court sanctioning this Scheme are filed with the Registrar of Company, Mumbai. Such date shall be known as the "Effective Date".

7.10. In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Parties or their shareholders or creditors or employees or any other person.

7.11. In case any doubt or difference or issue shall arise between the Parties hereto or any of their Shareholders, creditors, employees and/or persons entitled to or claiming any right to any shares in the Transferor Company or Transferee Company as to the construction thereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred to the Transferee Company or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to arbitration. The arbitration proceedings shall be conducted in accordance with the Arbitration and Conciliation Act, 1996 and the award passed by the arbitrators shall be final and binding on all concerned.

7.12. In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Company and their respective shareholders and creditors and the terms and conditions of this Scheme, the latter shall prevail.

7.13. If any part of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable 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 part shall cause this Scheme to become materially adverse to any Party, in which case the Parties shall attempt to bring about a modification in the Scheme, as will best preserve for the Parties the benefits and obligations of the Scheme.

7.14. Modifications To The Scheme

7.14.1. Scheme subject to Modifications:

The Scheme shall be subject to such modifications as the Court while sanctioning the same may direct and which the Board of Transferor Company and Transferee Company may consent and agree to;

7.14.2. Modifications and Amendments to Scheme:

The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors) either by themselves or through a Committee appointed by them in this behalf, may in their full and absolute discretion, make and/or assent to any alteration, or modification to this Scheme, including but not limited to those which the Court and/or any other authority may deem fit to approve or propose;

7.14.3. Withdrawal of Scheme:

In the event that any conditions proposed by the Court are found unacceptable for any reason whatsoever by Transferor Company or by Transferee Company, then Transferor Company and/or Transferee Company shall be entitled to withdraw the Scheme in which even no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them.

7.15. Effect Of Non Fulfillment Of Any Obligation:

In the event of non-fulfillment of any or all the obligations under the Scheme, by either Transferor Company or Transferee Company, the non performance of which will put the other company under any obligation, then such defaulting company will indemnify all costs/interest, etc. to the other company, subject to a specific provision if any to the contrary under the Scheme.

7.16. Costs And Expenses:

All costs, charges, taxes, including duties, levies, fees and all other expenses, if any, arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and incidental thereto shall be borne by the Transferee Company.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 510 OF 2012**

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 and Sections 100 to 104 read with Section 78 of the Companies Act, 1956

AND

In the matter of Future Market Networks Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060.

AND

In the matter of the Scheme of Amalgamation between Agre Properties & Services Limited ("APSL" or "Transferor Company") with Future Market Networks Limited ("FMNL" or "Transferee Company") and their respective shareholders and creditors.

FUTURE MARKET NETWORKS LIMITED,
a Company incorporated under the Companies Act, 1956 and having its
registered office at Knowledge House, Shyam Nagar, Off Jogeshwari –
Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060.

}Applicant Company

FORM OF PROXY

I/We, the undersigned, being the Shareholder(s) of Future Market Networks Limited the above Applicant do hereby appoint _____ of _____ and failing him/ her _____ of _____ as my /our Proxy, to act for me/ us at the Court Convened Meeting of the Shareholders of the Applicant to be held at Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018, on Tuesday, 14th day of August, 2012 at 3.00 p.m. for the purpose of considering, and if thought fit, approving, with or without modification, the Amalgamation embodied in the Scheme of Amalgamation between Agre Properties & Services Limited and Future Market Networks Limited, the Applicant Company and at such Meeting and any adjournment/ adjournments thereof to vote, for me/ us and in my/ our name _____ (here, if 'for', insert "for", if 'against', insert "against", and in the latter case, strike out the words 'with or without modification(s)' below after 'Scheme of Amalgamation) the said Scheme of Amalgamation either with or without modification(s) as my proxy may approve.

(Strike out what is not necessary)

Folio No:

DP ID No

No. of Shares held

Dated this.....day of.....2012.

Name:.....

Address:.....

.....

Affix Re. 1 Revenue Stamp

Signature across the stamp

NOTES:

1. PROXY TO BE DEPOSITED AT THE REGISTERED OFFICE OF THE APPLICANT, NOT LATER THAT FOURTY EIGHT HOURS BEFORE THE MEETING
2. In case of multiple proxies, proxy later in time shall be accepted.
3. The signature of the Shareholder should be as per the specimen lodged with the Company
4. All alterations in the proxy form should be initialed.

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FUTURE MARKET NETWORKS LIMITED

Registered office:
Knowledge house, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road,
Jogeshwari (East), Mumbai – 400060.

ATTENDANCE SLIP

(To be handed over at the entrance of the venue of the Meeting)

SHAREHOLDERS MEETING

Name and address of the attending Shareholder (in Block Letters)

.....
.....

Folio No: _____ DP ID No. _____

No. of Shares held: _____

Name of Proxy (in Block letters, to be filed in by the Proxy attending instead of Shareholder)

.....

I hereby record my presence at the Meeting of the Shareholders of the Applicant Company, convened pursuant to the Order dated 6th July, 2012, of the Hon'ble High Court of Bombay at Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018, on Tuesday, 14th day of August, 2012 at 3.00 p.m.

Name of the Member /Proxy/ Representative

.....

Signature of the Member / Proxy / Representative _____

Signed on this _____ day of _____ 2012

Notes:

The proxy form must be deposited so as to reach the Registered Office of the Applicant Company not less than FORTYEIGHT HOURS BEFORE THE TIME OF THE MEETING.

Members / Proxies/ Representatives are requested to bring this slip with them. Duplicate slips will not be issued at the entrance of the venue of the Meeting.

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting hall.

Shareholders /Proxies are requested to bring with them a copy of the Scheme of Amalgamation while attending the Meeting.

BOOK POST

If undelivered, please return to:

FUTURE MARKET NETWORKS LIMITED
Future Group Office,
SOBO Central Mall, 4th Floor,
28, Pt. Madan Mohan Malviya Road,
Near Haji Ali, Tardeo, Mumbai - 400 034.