



OMKAR
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OMKAR SPECIALITY CHEMICALS LIMITED

Regd. & Corporate Office : B-34, M.I.D.C., Badlapur (East), Thane - 421 503, Maharashtra, India

Tel. : +91 (0251) 2697340, 2690651, Fax : +91 (0251) 2697347, 2691572

Email : info@omkarchemicals.com Web. : www.omkarchemicals.com

CIN : L24110MH2005PLC151589

Ref.: OSCL/SE/2017-18/013

Date: April 28, 2017

To,

Corporate Services Department BSE LIMITED P.J. Towers, 1 st Floor, Dalal Street, Mumbai – 400001. BSE Code: 533317	Corporate Services Department NATIONAL STOCK EXCHANGE OF INDIA LIMITED Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051. NSE Symbol: OMKARCHEM
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Dear Sir / Madam,

Re: Update on Composite Scheme of Arrangement between Omkar Speciality Chemicals Limited and Lasa Laboratory Private Limited and Urdhwa Chemicals Company Private Limited and Rishichem Research Limited and Desh Chemicals Private Limited and Lasa Supergenerics Limited and their respective Shareholders and Creditors.

Further to our letter dated April 13, 2017, this is to inform you that today i.e. on April 28, 2017, the Company has received the certified copy of the order of the Hon'ble National Company Law Tribunal, Mumbai Bench sanctioning the Scheme of Arrangement enclosing for your reference.

The said order will be filed with the Registrar of Companies within the prescribed timeline. The Company will also submit the requisite documents to the stock exchanges as per SEBI Circular No. – CIR/ CFD/ CMD/ 16/ 2015 dated November 30, 2015 in due course.

This is for your record and reference.

Thanking you,

Yours sincerely,

For **OMKAR SPECIALITY CHEMICALS LIMITED**

Sunny Pagare
for **SUNNY PAGARE**

COMPANY SECRETARY AND COMPLIANCE OFFICER

Encl: As above.



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENCH, at MUMBAI

COMPANY SCHEME PETITION NO. 5 OF 2017

(HIGH COURT TRANSFERRED PETITION)

CONNECTED WITH

HIGH COURT COMPANY SUMMONS FOR DIRECTION NO. 697 OF 2016

**OMKAR SPECIALITY CHEMICALS LIMITED....Transferee / Demerged
Company**

AND

COMPANY SCHEME PETITION NO. 6 OF 2017

(HIGH COURT TRANSFERRED PETITION)

CONNECTED WITH

HIGH COURT COMPANY SUMMONS FOR DIRECTION NO. 698 OF 2016

LASA LABORATORY PRIVATE LIMITED.....Transferor Company No.1

AND

COMPANY SCHEME PETITION NO. 7 OF 2017

(HIGH COURT TRANSFERRED PETITION)

CONNECTED WITH

HIGH COURT COMPANY SUMMONS FOR DIRECTION NO. 699 OF 2016

URDHWA CHEMICALS COMPANY PRIVATE LIMITED.....Transferor

Company No.2

AND

COMPANY SCHEME PETITION NO. 8 OF 2017

(HIGH COURT TRANSFERRED PETITION)

CONNECTED WITH

HIGH COURT COMPANY SUMMONS FOR DIRECTION NO. 700 OF 2016

RISHICHEM RESEARCH LIMITED.....Transferor Company No. 3

AND

COMPANY SCHEME PETITION NO. 9 OF 2017

(HIGH COURT TRANSFERRED PETITION)

CONNECTED WITH

HIGH COURT COMPANY SUMMONS FOR DIRECTION NO. 701 OF 2016



DESH CHEMICALS PRIVATE LIMITED.....Transferor Company No. 4

AND

COMPANY SCHEME PETITION NO. 10 OF 2017

(HIGH COURT TRANSFERRED PETITION)

CONNECTED WITH

HIGH COURT COMPANY SUMMONS FOR DIRECTION NO. 702 OF 2016

LASA SUPERGENERICS LIMITED.....Resulting Company

In the matter of the Companies Act, 2013 (18 of 2013);

AND

In the matter of Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013

AND

In the matter of Sections 391 to 394 read with applicable provisions of the Companies Act, 1956 as amended and other relevant provisions of the Companies Act, 2013;

AND

In the matter of the Composite Scheme of Arrangement between Omkar Speciality Chemicals Limited and Lasa Laboratory Private Limited and Urdhwa Chemicals Company Private Limited and Rishichem Research Limited and Desh Chemicals Private Limited and Lasa Supergenerics Limited and their respective shareholders and creditors

Called for Hearing

Mr. Rahul R. Mahajan a/w Mr. Ajit Singh Tawar a/w Mr. Amit Surve, i/b M/s. Fortitude Law Associates, Advocates for the Petitioner Companies.

Mr. Shadab Peerzade, advocate for MIQ Logistics India Private Limited, the objector.

Mr. Ragunath Pola, Deputy Registrar of Companies present.

Mr. S. Ramakantha, Joint Director from the office of Regional Director.



Coram: M.K. Shrawat, Member (Judicial)

V. Nallasenapathy, Member (Technical)

Date : 13th April 2017

1. Heard the learned counsel for the Petitioner Companies and the objector.
2. The Counsel for the objector submits that the objector has already preferred a Winding-up Petition before the Hon'ble High Court, Bombay and the same was transferred to this bench and the Counsel has complied with necessary forms in compliance with the Insolvency and Bankruptcy Code.
3. The objector namely MIQ Logistics India Private Limited is opposing Scheme of Arrangement on the ground that the Transferee / Demerged Company has not paid their alleged dues. The Counsel submits that alleged invoice containing the alleged amount is disputed for want of clarity and was never considered by the Transferee / Demerged Company in its books of accounts therefore for the alleged amount the objector is not the creditor of the Transferee / Demerged Company. The Counsel for the Petitioners further submits that the objector does not meet the mandatory minimum threshold prescribed by law as a sine que non for a creditor to raise objection to a Company Scheme Petition. As per the latest Audited financial statement for the year ending as on March 31, 2016 which reflects that total outstanding dues of the Transferee / Demerged Company to the tune of Rs. 100 Crores approx. therefore 5% of the total outstanding debt of the Transferee / Demerged Company is Rs. 5 Crores approx. He further points out that the alleged amount claimed by the objector from the Transferee / Demerged Company is Rs. 36 lacs approx. i.e. 0.356% which is less than 5% of the total outstanding debt of the Transferee / Demerged Company and therefore has no locus standi to file objection. The Counsel for the Petitioner Companies further submits that the networth of the Transferee Company after the scheme is given effect to would be to the tune of Rs. 90 Crores approx. The Counsel for the Petitioners lastly stated that invoices which were raised by the objector after the alleged invoice have been paid in full and as on date there are no dues pending except for the disputed invoice the payment of which is subject to outcome of the Insolvency Petition as preferred by the objector. In view of the above facts, this Bench, is of the firm view that the objection raised by the objector will not stand in the way of sanctioning the scheme.
4. The sanction of the Tribunal is sought under Sections 230 and 232 of the Companies Act, 2013, to the Composite Scheme of Arrangement between Omkar Speciality Chemicals Limited and Lasa Laboratory Private Limited and Urdhwa Chemicals Company Private Limited and Rishichem Research Limited



and Desh Chemicals Private Limited and Lasa Supergenerics Limited and their respective shareholders and creditors.

5. Learned Counsel for the Petitioner Companies states that the Transferor Company No. 1 is primarily engaged in the business of anthelmintics /veterinary API, the Transferor Company No. 2 is engaged in the business of anthelmintics /veterinary API, the Transferor Company No. 3 is engaged in the business of manufacturing and producing chemicals and bio-chemicals etc., the Transferor Company No. 4 is engaged in manufacturing and producing chemicals of all kinds, the Transferee / Demerged Company is engaged in the business of manufacture and sale of specialty chemicals and intermediates for chemical and allied industries and the Resulting Company is engaged in the business of manufacturing, producing, processing, preparing, treating, disinfecting, dealing, etc. of various chemicals.
6. The rationale for the scheme is that the Transferor Companies are wholly owned subsidiaries of the Transferee / Demerged Company the merger of transferor companies would result into simplification of corporate structure by reducing the number of legal entities and reorganization of the legal entities in the group structure; significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the transferor companies; elimination of duplication in administrative costs and multiple record-keeping, thus resulting in cost savings; and concentrated effort and focus by the senior management to grow the business by eliminating duplicative communication and burdensome coordination efforts across multiple entities and the Transferee Company / Demerged Company has two businesses with divergent business profile, growth potential, riskrewards, regulatory and capital requirements and are largely independent of each other therefore demerger of the Veterinary API undertaking of the Transferee / Demerged Company will help in achieving operational efficiencies.
7. The Petitioner Companies have approved the said Scheme of Arrangement by passing the Board Resolution which are annexed to the respective Company Scheme Petitions filed by the Petitioner Companies.

Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per directions of the Hon'ble National Company Law Tribunal Mumbai bench and has filed



necessary affidavits of compliance with the National Company Law Tribunal Mumbai bench. Moreover, the Petitioner Companies through its Counsel undertakes to comply with all statutory requirements if any, as required under the Companies Act, 1956 / 2013 and the Rules made there under whichever is applicable. The said undertaking given by the Petitioner Companies is accepted.

9. The Official Liquidator has filed his report dated 25th February, 2017 in the Transferred Company Scheme Petition No. 6 of 2017 to Transferred Company Scheme Petition No. 9 of 2017 stating therein that the affairs of the Transferor Companies have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved.
10. The Regional Director ('RD') has filed a Report dated 12th day of April, 2017 stating therein, that the Tribunal may take this report on record and pass such other order or orders as deemed fit and proper in the facts and circumstances of the case post considering the observations made at Sr. No. IV (1) to (8) mentioned in his report.

In paragraphs IV (1) to (8), of the said Report it is stated that:-

1. *The tax implication if any arising out of the scheme is subject to final decision of Income Tax Authorities. The approval of the scheme by this Hon'ble Court may not deter the Income Tax Authority to scrutinize the tax return filed by the Transferee Company after giving effect to the Scheme. The decisions of the Income Tax Authority is binding on the Petitioner Company.*
2. *The Petitioners have produced the proof of serving notice to the Income Tax Authority dated 30.01.2017 and 31.01.2017. This Directorate also issued reminder letter to the Income Tax Authority dated 06.04.2017*
3. *Directorate received letter no. ACIT/15/(2)(1)/Amalgamation/Lasa/2016-17 dated 23.02.2017 from the office of Assistant Commissioner of the Income Tax Circle 15(2)(1), Mumbai inter alia mentioned at paragraph 6 that "the right of the Income Tax Department to ascertain /assess correct income in correct hand as per the provisions of the Income Tax Act, especially with respect to the period involving Appointed Date and Effective Date may be kept reserved. It is therefore requested that the above declaration may be incorporated while filing the report with the Hon'ble NCLT".*
4. *No Objection Certificate of BSE and NSE has been received vide letter no. DSC/AMA/ND/24(f)/410/16-17 dated, 06.06.2016 and vide letter no. NSE/LIST/75113 dated, 02.06.2016 respectively.*

Wherein it is inter-alia mentioned company to ensure that all the additional information submitted by the company after filing the scheme with the stock exchange will be displayed from the date of receipt of this letter on the website of the listed company and further the company has to comply with various provisions of the circular mentioned in the letters.



In this regard it is submitted that Petitioner Company has to undertake to comply with the directions of SEBI.

5. *Petitioner in clause 23 of the Scheme has inter alia mentioned that the position, rank and designation, terms and conditions of the employees would be decided by the Board of Directors or any committee / sub-committee or person(s) so authorised by the Board of OSCL.*

In this regard the Petitioner has to protect the interest of the employees of the transferor companies and the demerged company.

6. *Petitioner in clause 28 of the scheme inter alia has mentioned that upon the scheme becoming effective, without any further act, the resulting company shall be renamed as Lasa Laboratories Limited.*

In this regard the Petitioner Company has to comply with the provisions of the Companies Act with regard to change of name.

7. *Petitioner in clause 19 & 20 on Accounting Treatment it is inter-alia mentioned that, the excess of book value of the assets transferred over the book value of the liabilities of the Veterinary API Undertaking, shall be debited proportionately to all reserves and surpluses (including the securities premium account) of the demerged company. Further it is mentioned that the Board of Directors of the Resulting Company is authorised to account for any of this balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed accounting standards notified by the National Advisory Committee on Accounting Standards and applicable generally accepted accounting principles.*

In this regard the Petitioner Company has to undertake to comply with the accounting standards.

8. *Income Tax Department vide its letter dated 06.02.2017, 28.02.2017 and 23.02.2017 in respect of Urdhwa Chemicals Company Private Limited, Lasa Supergenerics Limited, Omkar Speciality Chemicals Limited and Lasa Laboratory Private limited inter alia mentioned that the right of the Income Tax department shall assess correct income in correct hands as per the provisions of Income Tax Act with respect to the period involving Appointed date and Effective date may be kept reserved and requested the office to incorporate this declaration in the Report.*

11. As far as the observations made in paragraph IV (1) & (2) of the RD Report is concerned, Petitioner Companies through its Counsel undertake to comply with all applicable provisions of the Income Tax Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.

12. As far as the observations made in paragraph IV (3) of the RD Report is concerned, the Learned Counsel for the Petitioner Companies submits that the sanction of the scheme by the Tribunal will not hinder the right of the Income Tax Department to ascertain / assess correct income in correct hands as per provisions of the Income Tax Act, especially with respect to the period involving appointed date and effective date.



13. As far as the observations made in paragraph IV (4) of the RD Report is concerned, the Learned Counsel for the Petitioner Companies submits that the Petitioner Companies undertakes to comply with the conditions as mentioned under the respective NOC of NSE and BSE as well as SEBI Act and relevant rules, regulations, circulars as applicable.
14. As far as the observations made in paragraph IV (5) of the RD Report is concerned, the Learned Counsel submits that the Transferee Company and Resulting Company undertakes that the services of the employees transferred to Transferee Company after merger and to Resulting Company after demerger shall be treated as continuous without any interruption or break in their services including any benefits currently available to such employees.
15. As far as the observations made in paragraph IV (6) of the RD Report is concerned, the Resulting Company through its Counsel submit that the Resulting Company undertakes to comply with the applicable provisions of the Companies Act, 2013 and the rules made thereunder for the change of name.
16. As far as the observations made in paragraph IV (7) of the RD Report is concerned, the Learned Counsel for the Resulting Company submits that the Resulting Company undertakes to comply with the relevant Accounting Standard as prescribed under Section 133 of the Companies Act, 2013.
17. As far as the observations made in paragraph IV (8) of the RD Report is concerned, the Learned Counsel for the Petitioner Companies submits that the sanction of the scheme by the Tribunal will not hinder the right of the Income Tax Department to ascertain / assess correct income in correct hands as per provisions of the Income Tax Act, especially with respect to the period involving appointed date and effective date.
18. The observations made by the Regional Director have been explained by the Petitioner Companies in paragraphs 11 to 17 above. The clarifications and undertakings given by the Petitioner Companies are hereby accepted.
19. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
20. Since all the requisite statutory compliances including obtaining certificate from statutory auditors in terms of section 133 of the Companies Act 2013 have been



- fulfilled, the Company Scheme Petitions No. 5 to 10 of 2017 filed by the Petitioner Companies are made absolute in terms of prayer clause (a) & (b) of the respective Petitions.
21. Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme of Arrangement with the concerned Registrar of Companies, electronically, along with E-Form INC-28, in addition to the physical copy within 30 days from the date of issuance of the order by the Registry.
 22. The Transferee Company to lodge certified copy of this order and the Scheme duly certified by the Deputy Director, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the order.
 23. The Petitioner Companies to pay cost of Rs. 25,000/- each to the Regional Director, Western Region, Mumbai.
 24. Costs to be paid within four weeks from the date of receipt of order.
 25. All authorities concerned to act on a certified copy of this order along with Scheme duly certified by the Deputy Director, National Company Law Tribunal, Mumbai Bench.
 26. Any person interested shall be at liberty to apply to the Tribunal in the above matter for any direction that may be necessary.

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V. NALLASENAPATHY
Member (Technical)

sd-

M. K. SHRAWAT
Member (Technical)



Certified True Copy

Date of Application 26.04.2017

Number of Pages 8

Fee Paid Rs. 40

Applicant called for collection copy on 27.04.2017

Copy prepared on 27.04.2017

Copy Issued on 27.04.2017


Deputy Director

National Company Law Tribunal, Mumbai Bench

**COMPOSITE SCHEME OF ARRANGEMENT
BETWEEN
OMKAR SPECIALITY CHEMICALS LIMITED
AND
LASA LABORATORY PRIVATE LIMITED
AND
URDHWA CHEMICALS COMPANY PRIVATE LIMITED
AND
RISHICHEM RESEARCH LIMITED
AND
DESH CHEMICALS PRIVATE LIMITED
AND
LASA SUPERGENERICS LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
(UNDER SECTION 391 TO 394 READ WITH APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 1956 (TO THE EXTENT APPLICABLE, PROVISIONS OF THE
COMPANIES ACT, 2013)**

This Composite Scheme of Arrangement provides for:

- a) the merger of Lasa Laboratory Private Limited (Company Registration Number: 114317 and having Corporate Identification Number: U24297MH1998PTC114317) incorporated on 02/04/1998 under the provisions of Companies Act, 1956, Urdhwa Chemicals Company Private Limited (Company Registration Number: 040668 and having Corporate Identification Number: U24100MH1986PTC040668) incorporated on 20/08/1986 under the provisions of Companies Act, 1956, Rishichem Research Limited (Company Registration Number: 088969 and having Corporate Identification Number: U24110MH1995PLC088969) incorporated on 30/05/1995 under the provisions of Companies Act, 1956 and Desh Chemicals Private Limited (Company Registration Number: 031424 and having Corporate Identification Number: U24111MH1983PTC031424) incorporated on 25/11/1983 under the provisions of Companies Act, 1956 with Omkar Speciality Chemicals Limited (Company Registration Number: 151589 and having Corporate Identification Number: L24110MH2005PLC151589) incorporated on 24/02/2005 under the provisions of Companies Act, 1956; and
- b) the demerger of the Veterinary API Undertaking of Omkar Speciality Chemicals Limited into Lasa Supergenerics Limited (Company Registration Number: 274202 and having



Corporate Identification Number: U24233MH2016PLC274202)incorporated on March 11, 2016 under the provisions of Companies Act, 2013;

under the provisions of the Companies Act, 1956, pursuant to Sections 391 to 394 and other applicable provisions, if any, of the Companies Act 1956 (to the extent applicable provisions of the Companies Act, 2013).

PREAMBLE

Description of Companies:

- A) **OMKAR SPECIALITY CHEMICALS LIMITED:** Omkar Speciality Chemicals Limited ("OSCL") is a listed company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at B-34, M.I.D.C., Badlapur (East), Thane - 421503. OSCL was originally constituted as a Private Limited company on 24/02/2005 and was subsequently converted on 18/03/2010 as a Public Limited Company. OSCL was formed with the main object:

To carry on the business of manufacturing, processing; formulating, producing, refining, fermenting, converting, distilling, purifying, blending, buying, importing, stocking, supplying, selling, distributing, trading, exporting and dealing in all kinds and varieties of chemicals of various specifications, purities, nature including speciality chemicals, organic and inorganic chemicals and compounds thereof, bio-chemicals, petro-chemicals, insecticides, cleaning chemicals, chemical compounds, laboratory chemicals, scientific chemicals, agricultural chemicals, preservative chemicals, industrial chemicals, heavy chemicals, pharmaceutical chemicals, fine chemicals, photographic chemicals, water purification chemicals and all or any of the by-product resulted there from, whether used presently or to be invented in future, for industrial, medical, pharmaceutical, agricultural, domestic, household, waste treatment purposes.

OSCL is engaged in the business of manufacture and sale of Specialty Chemicals and Intermediates for Chemical and Allied Industries. The details of the Authorised, Issued, Subscribed and Paid-up share capital of OSCL are set out in the Scheme. The Equity Shares of OSCL are listed on National Stock Exchange of India Limited ('NSE') & BSE Limited ('BSE').

- B) **LASA LABORATORY PRIVATE LIMITED:** Lasa Laboratory Private Limited ("Lasa") is an unlisted company incorporated under the provisions of the Companies Act, 1956 on April 2, 1998 under the name Ubiquitous Drugs And Pharmaceuticals Private Limited and having its Registered Office at F-9, M.I.D.C., Badlapur (East), Thane - 421503. Lasa was formed with the main object:



To carry on in India and elsewhere the business to manufacture, produce, process, prepare, treat, disinfect, compound, formulate, mix, concentrate, pack, repack, refine, add, remove, pure, preserve, grade, freeze, distillate, boil, sterilize, improve, extract, buy, sell, resale, import, export, barter, transport, store, forward, distribute, dispose, develop, research, discover, manipulate, market, supply or to otherwise deal in all types, descriptions, specification, strength and application of chemicals and their by-products, pharmaceuticals, drugs, intermediates, fine chemicals regents, laboratory grade chemicals, dye stuffs, enzymes, sanitary napkins, derivatives, formulations, compound industrial and other preparations.

Lasa is engaged in the business of anthelmintics /veterinary API. The details of the Authorised, Issued, Subscribed and Paid-up share capital of Lasa are set out in the Scheme. Lasa is a Wholly Owned Subsidiary of Omkar Speciality Chemicals Limited.

- C) **URDHWA CHEMICALS COMPANY PRIVATE LIMITED:** Urdhwa Chemicals Company Private Limited ("Urdhwa") is an unlisted company incorporated under the provisions of the Companies Act, 1956 on August 20, 1986 and having its Registered Office at B-34, M.I.D.C., Badlapur (East), Thane - 421503. Urdhwa was formed with the main object:

To carry on the business as manufacturers, producers, sellers, importers/exporters and/or Dealers in all classes of Dyes, Dyes Intermediates, Chemicals and auxiliary chemicals for Textile, Rayon, Silk, Wool, Leather and any other Industries or purpose, Speciality Dyes and Chemicals for pesticides, paper, leather, oil, cosmetics, paints or any other industries or purpose and/or the auxiliary materials required for the manufacture of the said products.

Urdhwa is engaged in the business of anthelmintics /veterinary API. The details of the Authorised, Issued, Subscribed and Paid-up share capital of Urdhwa are set out in the Scheme. Urdhwa is a wholly owned subsidiary of Omkar Speciality Chemicals Limited.

- D) **RISHICHEM RESEARCH LIMITED:** Rishichem Research Limited ("Rishichem") is an unlisted company incorporated under the provisions of the Companies Act, 1956 on May 30, 1995 under the name Rishichem Research Private Limited and was subsequently converted on July 13, 2010 as a Public Limited Company and having its Registered Office at W 83 C, M.I.D.C., Badlapur (East), Thane - 421503. Rishichem was formed with the main object:



To carry on the business of manufacturing, processing, formulating producing, fermenting, distilling, making, supplying, stocking, blending, buying, selling, improving, refining, converting, importing, exporting, distributing and dealing in resins and chemicals, oxalate, oxalic acid, acids, aerated waters, aromatics, antibiotics, beverages, bio-chemicals, bleaching and bleaching powder, chemicals, auxiliaries and intermediates, insecticides, cleaning chemicals, chemical compounds, antifoaming agents, anticaking agent, antistripping agent, antisetting agent, surface active agents, scientific chemicals, agricultural chemicals, petro-chemicals, preservative chemicals, industrial chemicals, heavy chemicals, organic and inorganic chemicals and compounds thereof, pharmaceutical chemicals, paint removers, pesticides, sanitary chemicals, fine, chemicals, gum, photographic chemicals, water purification chemicals.

The details of the Authorised, Issued, Subscribed and Paid-up share capital of Rishichem are set out in the Scheme. Rishichem is a wholly owned subsidiary of Omkar Speciality Chemicals Limited.

- E) **DESH CHEMICALS PRIVATE LIMITED:** Desh Chemicals Private Limited ("Desh") is an unlisted company incorporated under the provisions of the Companies Act, 1956 on November 25, 1983 and having its Registered Office at B-34, M.I.D.C., Badlapur (East), Thane - 421503. Desh was formed with the main object:

To prepare, produce, manufacture chemicals of all sorts and nature and deal in, sell and/or dispose them off in any manner.

The details of the Authorised, Issued, Subscribed and Paid-up share capital of Desh are set out in the Scheme. Desh is a wholly owned subsidiary of Omkar Speciality Chemicals Limited.

- F) **LASA SUPERGENERICS LIMITED:** Lasa Supergenerics Limited ('Lasa Supergenerics') is an unlisted company incorporated under the provisions of the Companies Act, 2013 on March 11, 2016 and having its registered office at F-9, M.I.D.C., Badlapur (East), Thane - 421503, Maharashtra. Lasa Supergenerics is incorporated with the main object:

To carry on in India and elsewhere the business to manufacture, produce, process, prepare, treat, disinfect, compound, formulate, mix, concentrate, pack, repack, refine, add, remove, purify, preserve, grade, freeze, distillate, boil, sterilize, improve, extract, buy, sell, wholesale / resale, trade, import, export, barter, transport, store, forward, distribute, dispose, develop, research, discover, manipulate, market, supply, concessions, or to otherwise



deal as chemists, analytical chemists, research chemists, druggists, industrial consultant, for all types, descriptions, specifications, strengths and applications of chemicals including and without limitation to fine chemicals, organic and inorganic chemicals and their by-products, pharmaceuticals, drugs, intermediates, fine chemicals reagents, laboratory grade chemicals, dye stuffs, dyes and colours, enzymes, sanitary napkins, derivatives, formulations, plastics, pesticides, pigments, varnishes, paints, alcohols, agro-chemicals, petrochemicals, compound industrial and other preparations and also undertaking on a job-work basis the manufacturing and processing of all kinds of chemicals, drugs, intermediates, pharmaceuticals, fine chemicals, reagents, laboratory grade chemicals and to provide consultancy services, contract research which shall include working as preparation of feasibility studies, working out of process details and equipment specification, plant erection and commencement of new project on turn-key basis and to apply for, register, renew licenses, patents, patent rights, brevet d'invention, trademarks, designs.

The details of the authorised, issued, subscribed and paid-up share capital of Lasa Supergenerics are set out in the Scheme. Lasa Supergenerics is a wholly owned subsidiary of Omkar Speciality Chemicals Limited.

This Composite Scheme of Amalgamation and Arrangement ("Scheme") (more particularly described hereinafter) is presented pursuant to Section 391-394 and other applicable provisions, if any of the Companies Act, 1956 and the Companies Act, 2013.

RATIONALE AND PURPOSE OF THE SCHEME

All the Companies are part of the Omkar Group ('the Group'). It is proposed to:

- a) merge Lasa Laboratory Private Limited, Urdhwa Chemicals Company Private Limited, Rishichem Research Limited and Desh Chemicals Private Limited with Omkar Speciality Chemicals Limited;
- b) demerge Veterinary API Undertaking of Omkar Speciality Chemicals Limited to Lasa Supergenerics Limited

Rationale for merger of Lasa Laboratory Private Limited, Urdhwa Chemicals Company Private Limited, Rishichem Research Limited and Desh Chemicals Private Limited with Omkar Speciality Chemicals Limited:

- i) Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure;



- ii) Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by Lasa Laboratory Private Limited, Urdhwa Chemicals Company Private Limited, Rishichem Research Limited and Desh Chemicals Private Limited;
- iii) Elimination of duplication in administrative costs and multiple record-keeping, thus resulting in cost savings; and
- iv) Concentrated effort and focus by the senior management to grow the business by eliminating duplicative communication and burdensome coordination efforts across multiple entities.

Rationale for demerger of Veterinary API undertaking of Omkar Speciality Chemicals Limited into Lasa Supergenerics Limited:

OSCL basically has two businesses with divergent business profile, growth potential, risk-rewards, regulatory and capital requirements and are largely independent of each other. With a primary intention of achieving operational efficiencies, it has been decided by the management of OSCL to demerge the Veterinary API undertaking into Lasa Supergenerics Limited.

In consideration of the above mentioned business rationale and related benefits, this Scheme between Lasa Laboratory Private Limited, Urdhwa Chemical Company Private Limited, Rishichem Research Limited, Desh Chemicals Private Limited, Lasa Supergenerics Limited and Omkar Speciality Chemicals Limited is being proposed in accordance with the terms set out hereunder.

OVERVIEW

Upon the merger of Lasa, Urdhwa, Rishichem, Desh into OSCL, pursuant to this Scheme becoming effective on the Effective Date, OSCL will not issue and allot any equity shares to the shareholders of the respective Transferor Companies as these companies are wholly owned subsidiaries of OSCL.

Upon the demerger of the Veterinary API Undertaking into Lasa Supergenerics Limited ('Resulting Company'), pursuant to this Scheme becoming effective on the Effective Date, the Resulting Company will issue equity shares to the shareholders of OSCL as of the Record Date (as defined below), in accordance with the Demerger Share Entitlement Ratio (as defined below) approved by the Board of Directors of each of the Resulting Company and the OSCL as set out in this Scheme. As a consequence, the Resulting Company shall cease to be a wholly owned subsidiary of OSCL as its post demerger shareholding in the Resulting Company shall reduced to approximately 10% (Ten Percent).



The Residual Undertaking (as more particularly defined below), after the demerger of the Veterinary API Undertaking shall be retained, managed and operated by Omkar Speciality Chemicals Limited.

After the effectiveness of the Scheme, the listing of the securities of Lasa Supergenerics Limited with the NSE and the BSE (where the OSCL's shares are originally listed) will be undertaken.

The Scheme is divided into the following parts:

1. **PART A** which deals with definitions and share capital;
2. **PART B** which deals with merger of Lasa Laboratory Private Limited, Urdhwa Chemical Company Private Limited, Rishichem Research Limited and Desh Chemicals Private Limited into Omkar Speciality Chemicals Limited;
3. **PART C** which deals with demerger of Veterinary API undertaking of Omkar Speciality Chemicals Limited into Lasa Supergenerics Limited;
4. **PART D** which deals with Other Significant Clauses applicable and sets forth certain additional arrangements that form a part of this Scheme.

PART A – DEFINITION AND SHARE CAPITAL

1. DEFINITIONS

In this scheme, unless repugnant to the meaning or context thereof, the following expression shall have the meaning mentioned herein below:

- 1.1. **"Act" or "the Act"** means the Companies Act, 1956 and the Companies Act, 2013, as applicable, and rules and regulations made thereunder and shall include any statutory modifications, amendments or re-enactment thereof for the time being in force. It is being clarified that as on the date of approval of this Scheme by the Board of Directors of the Transferor Companies, the Transferee / Demerged Company and the Resulting Company, Section 391 to 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. Accordingly, references in this Scheme to particular provisions of the Act are reference to the particular provisions of the Companies Act, 1956. Upon such provisions standing reenacted by enforcement of provisions of the Companies Act, 2013, such reference shall, unless a different intention appears, be construed as reference to the provisions so re-enacted.
- 1.2. **"Applicable Law(s)"** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate



Authority including any modification or re-enactment thereof for the time being in force.

- 1.3. **"Appointed Date"** more particularly for PART B (merger of Lasa Laboratory Private Limited, Urdhwa Chemical Company Private Limited, Rishichem Research Limited and Dsh Chemicals Private Limited into Omkar Speciality Chemicals Limited) means **April 1, 2015** and for PART C (demerger of Veterinary API undertaking of Omkar Speciality Chemicals Limited into Lasa Supergenerics Limited) means **April 2, 2015** or such other date as may be fixed or approved by the Hon'ble High Court of Judicature at Bombay or National Company Law Tribunal or any other appropriate authority.
- 1.4. **"Appropriate Authority"** means any governmental, statutory, regulatory, departmental or public body or authority of the Relevant Jurisdiction, including Securities and Exchange Board of India; Stock Exchanges; Registrar of Companies, Mumbai and the Hon'ble High Court of Judicature at Bombay.
- 1.5. **"Demerged Undertaking"** shall mean the business and undertaking of Demerged Company relating to its Veterinary API operations as a going concern and shall include (without limitation) the following:
- (a) All the assets and properties as on the Appointed Date in the Resulting Company (hereinafter referred to as "the said assets") pertaining to the Demerged Undertaking;
 - (b) All the debts, liabilities, duties and obligations including contingent liabilities pertaining to the Demerged Undertaking;
 - (c) Without prejudice to the generality of above, the Demerged Undertaking shall include rights over land, buildings, the movable properties covering plant and machinery, equipment, furniture, fixtures, vehicles, leasehold assets and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, bank balance, investments but other than those forming part of Remaining Undertaking, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, licenses, contracts, agreements, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, leasehold rights, sub-letting tenancy rights, with or without the consent of the landlord as may be required, goodwill, other intangibles, permits, authorisations, trademarks, trade names, labels, brands, patents, patent rights, copyrights, designs, and other industrial and intellectual properties and rights of any nature whatsoever including labels, designs, know-how, domain names, or any applications for the above, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephones, telex, facsimile and other communication facilities, connections,



installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits of all agreements, arrangements, deposits, advances, recoverables and receivables, whether from government, semi-government, local authorities or any other person including customers, contractors or other counter parties, etc., all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions permissions, and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax etc., unutilised deposits or credits, benefits under the VAT/ Sales Tax law, VAT/ sales tax set off, unutilised deposits or credits, benefits of any unutilised MODVAT/CENVAT/Service tax credits, etc.) and wheresoever situate, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Demerged Undertaking;

- (d) all permanent employees engaged in or in relation to the Demerged Undertaking as on the Effective Date;
- (e) all records, files, papers, engineering and process information, computer programs, computer softwares, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customers pricing information and other records, whether in physical form or electronic form in connection with or relating to the Demerged Undertaking.

Explanation A: Whether any particular asset or employee should be included as asset or employee of the Demerged Undertaking or otherwise shall be decided mutually by the Board of Directors or any committee thereof of Demerged Company and Resulting Company;

Explanation B: For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Undertaking of OSCL shall comprise the liabilities, borrowings, debts and loans as agreed between Demerged Company and Resulting Company which will cover:

- (a) The liabilities, which arise out of the activities or operations of Demerged Undertaking
- (b) Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Demerged Undertaking

Liabilities other than those referred to in sub-clauses (a) and (b) above and not directly relatable to the Remaining Undertaking of OSCL, being the amounts of general or multipurpose borrowings of OSCL shall be allocated to the Demerged Undertaking of OSCL in the same proportion which the value of the assets



transferred under this sub-clause bears to the total value of the assets of Demerged Company immediately before giving effect to this Scheme. The parties shall mutually agree upon the identification of the liabilities to be transferred to Resulting Company as liabilities pertaining to the Demerged Undertaking.

Any question that may arise as to whether a specified liability pertains or does not pertain to the Demerged Undertaking of Demerged Company or whether it arises out of the activities or operations of Demerged Undertaking of Demerged Company shall be decided by mutual agreement between the Board of Directors or any Committee thereof of Demerged Company and Resulting Company.

- 1.6. "**Desh**" means Desh Chemicals Private Limited, a company incorporated under the Act and having its registered office at B-34, M.I.D.C., Badlapur(East), Thane - 421503.
- 1.7. "**Effective Date**" means last of the dates on which the conditions specified in Clause 26 of the Scheme are fulfilled with respect to a particular Part of the Scheme.

References in this Scheme to the date of "**coming into effect of this Scheme**" or "**upon the Scheme being effective**" shall mean the Effective Date.

- 1.8. "**High Court**" or "**Court**" means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal ('NCLT'), if and when applicable or such other forum or Appropriate Authority as may be vested with any of the powers of a High Court under the Act.
- 1.9. "**Lasa**" means Lasa Laboratory Private Limited, a company incorporated under the Act and having its registered office at F-9, M.I.D.C., Badlapur (East), Thane - 421503.
- 1.10. "**Lasa Supergenerics or the Resulting Company**" means Lasa Supergenerics Limited, a company incorporated under the Act and having its registered office at F-9, M.I.D.C., Badlapur (East), Thane - 421503 .
- 1.11. "**OSCL**" or "**Transferee Company**" for Part B and "**Transferor Company**" for Part D of the Scheme or "**Demerged Company**" for Part C of the Scheme means Omkar Speciality Chemicals Limited, a company incorporated under the Act and having its registered office at B-34, M.I.D.C., Badlapur (East), Thane - 421503.
- 1.12. "**Rishichem**" means Rishichem Research Limited, a company incorporated under the Act and having its registered office at W 83 C, M.I.D.C., Badlapur (East), Thane - 421503



- 1.13. **"Record Date"** means such date to be mutually fixed by the Board of Directors of Resulting Company in consultation with the Board of Directors of Demerged Company after the sanction of this scheme by the High Court or such other competent authority as is empowered to sanction the scheme, to determine the members of Demerged Company to whom equity shares of Resulting Company will be allotted pursuant to Part C of this scheme.
- 1.14. **"Remaining / Residual Undertaking"** means all business and undertaking of the Demerged Company other than the Demerged Undertaking.
- 1.15. **"Scheme" or "the Scheme" or "this Scheme"** means this Composite Scheme of Amalgamation and Arrangement in its present form or with any modification(s) / amendment(s), if any, as approved or imposed or directed by the High Court or any other Appropriate Authority sanctioning this Scheme.
- 1.16. **"Transferor Company" or "Transferor Companies"** means Desh, Lasa, Rishichem and Urdhwa for the purpose of Part B and Desh, Lasa, Rishichem Urdhwa and OSCL all of them collectively for the purpose of Part D, as the case may be.
- 1.17. **"Urdhwa"** means Urdhwa Chemicals Company Private Limited, a company incorporated under the Act and having its registered office at B-34, M.I.D.C., Badlapur (East), Thane - 421503
- 1.18. **"Undertaking(s)"** in relation to the Transferor, as the context may require, shall mean whole of the undertaking(s) and business of the Transferor as a going concern, including (without limitation):
- a) All the businesses, properties, assets and liabilities of whatsoever kind and wheresoever situated as on the Appointed Date;
 - b) Without prejudice to the generality of the foregoing clause, Undertaking(s) shall include all rights, powers, authorities, privileges, liberties and all properties and assets whether movable or immovable, tangible or intangible, current or noncurrent, freehold or leasehold, real or corporeal, in possession or reversion, present or contingent of whatsoever nature and wheresoever situated including, without limited to plant and machinery, office equipment's, inventories, furniture and fixtures, capital work in progress, power lines, railway sidings, depots, contingent rights or benefits, benefit of any deposits, financial assets, leases and hire purchase contracts, leasehold rights, sub-letting tenancy rights, with or without the consent of the landlord as may be required by law, assignments and grants in respect thereof, operating agreements, investment of all kinds (including investment in shares, scrips, stocks, bonds, debenture stock, units, mutual funds), sundry debtors, cash and



bank balances, loans and advances, amount receivable from ESOP trust, leasehold improvements, accrued interest, vehicles, appliances, computers, software, accessories, registrations, lease, claims, allotments, approvals, consents, letters of intent, registrations, licences with any regulatory authority, credits, titles, interest, import quotas and other quota rights, right of user, right of way to lay pipelines, municipal permissions or powers of every kind, nature and description whatsoever in connection and all other permissions, rights (including rights under any contracts, government contracts, memorandum of understanding, etc.), entitlements, copyrights, patents, trademarks, trade names, domain names and other industrial designs, trade secrets, or intellectual property rights of any nature and all other interest, and advances and or moneys paid or received, all statutory licences, and / or permissions to carry on the operations, deferred tax benefits and any other direct / indirect tax benefits, privileges, liberties, easements, advantages, benefits, exemptions, permissions, and approvals of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor, all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests together with all present and future liabilities (including contingent liabilities), all the provisions including provision for tax, benefits of tax relief including the Income tax Act, 1961 such as credit for advance tax, taxes deducted at source, MAT, unutilised deposits or credits, benefits under the VAT / sales tax law, sales tax credit, unutilized deposits or credits, benefits of any unutilized MODVAT / CENVAT / service tax credits, etc, all deposits and balances with Government, Semi Government, Local and other authorities and bodies, customers and other persons, earnest moneys and / or security deposits paid or received, all necessary books, records, files, papers, records of standard operating procedures, computer programmes along with their licences, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form, all earnest monies and / or deposits, all permanent and / or temporary employees; and

- c) All liabilities, including, without being limited to, secured and unsecured debts (whether in Indian rupees or Foreign currency), sundry creditors, advances / deposits from customer, deferred revenues, duties and obligation and provisions of every kind, nature and description of whatsoever and howsoever arising, raised, incurred or utilized.



In this Part, unless the context otherwise requires:

- the words denoting the singular shall include the plural and vice versa;
- headings and bold typefaces are only for convenience and shall be ignored for the purpose of interpretation;
- references to the word "include" or "including" shall be construed without limitation;
- a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- reference to a document includes an amendment or supplement to, or replacement or novation of, that document; and
- word(s) and expression(s) which are used in this Scheme and not defined in part, shall, unless repugnant or contrary to the context or meaning hereof, and as the context may require, have the same meaning ascribed to them under the Act or the Securities Contracts (Regulations) Act, 1956 or Depositories Act, 1996 or other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. SHARE CAPITAL

2.1. Share Capital of Lasa as at March 31, 2015 was as follows:

Share Capital	Amount in Rs.
Authorised Share Capital	
32,50,000 Equity shares of Rs. 10/- each	3,25,00,000
27,50,000 10% Non-cumulative Redeemable Preference Shares of Rs. 10/- each	2,75,00,000
Total	6,00,00,000
Issued, Subscribed and paid up Capital	
32,10,000 equity shares of Rs. 10/- each	3,21,00,000
27,40,000 10% Non-cumulative Redeemable Preference Shares of Rs. 10/- each	2,74,00,000
Total	5,95,00,000

As on the date of filing of this Scheme, all the equity shares are held by OSCL, the Transferee Company. Further there has been no change in the share capital of Lasa subsequent to above.

2.2. Share Capital of Urdhwa as at March 31, 2015 was as follows:

Share Capital	Amount in Rs.
Authorised Share Capital	
3,55,000 Equity shares of Rs 100/- each	3,55,00,000
Total	3,55,00,000
Issued, Subscribed and paid up Capital	



3,54,440 Equity shares of Rs 100/- each fully paid up	3,54,44,000
Total	3,54,44,000

As on the date of filing of this Scheme, all the equity shares are held by OSCL, the Transferee Company. Further there has been no change in the share capital of Urdhwa subsequent to above.

2.3. Share Capital of OSCL as at March 31, 2015 was as follows:

Share Capital	Amount in Rs.
Authorised Share Capital	
3,50,00,000 Equity shares of Rs 10/- each	35,00,00,000
Total	35,00,00,000
Issued, Subscribed and paid up Capital	
2,05,78,004 Equity shares of Rs 10/- each fully paid up	20,57,80,040
Total	20,57,80,040

There has been no change in the share capital structure of OSCL subsequent to above.

2.4. Share Capital of Rishichem as at March 31, 2015 was as follows:

Share Capital	Amount in Rs.
Authorised Share Capital	
1,00,000 Equity shares of Rs 10/- each	10,00,000
Total	10,00,000
Issued, Subscribed and paid up Capital	
54,000 Equity shares of Rs 10/- each fully paid up	5,40,000
Total	5,40,000

As on the date of filing of this Scheme, all the equity shares are held by OSCL, the Transferee Company. Further there has been no change in the share capital of Rishichem subsequent to above.

2.5. Share Capital of Desh as at March 31, 2015 was as follows:

Share Capital	Amount in Rs.
Authorised Share Capital	
5,000 Equity shares of Rs 100/- each	5,00,000
Total	5,00,000
Issued, Subscribed and paid up Capital	
4,950 Equity shares of Rs 100/- each fully paid up	4,95,000
Total	4,95,000



As on the date of filing of this Scheme, all the equity shares are held by OSCL, the Transferee Company. Further there has been no change in the share capital of Desh subsequent to above.

2.6. Share Capital of Lasa Supergenerics as at March 22, 2016 was as follows:

Share Capital	Amount in Rs.
Authorised Share Capital 3,50,00,000 Equity shares of Rs 10/- each	35,00,00,000
Total	35,00,00,000
Issued, Subscribed and paid up Capital 50,000* Equity shares of Rs 10/- each fully paid up	5,00,000
Total	5,00,000

*22,36,445 Equity shares of Rs 10/- each will be issued to OSCL before the effective date.

As on the date of filing of this Scheme, all the equity shares are held by OSCL (the Transferee Company). Further there has been no change in the share capital of Lasa Supergenerics subsequent to above.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or NCLT or any other Appropriate Authority shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART B — MERGER OF LASA, URDHWA, DESH AND RISHICHEM WITH OSCL

4. TRANSFER AND VESTING OF UNDERTAKINGS

4.1. With effect from the Appointed Date and upon the Scheme becoming effective, and subject to the provisions of this scheme, in relation to the mode of transfer and vesting, the whole of Undertakings shall, pursuant to the provisions contained in Section 394(2) and all other applicable provisions, if any, of the Act and without any further act, instrument, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in OSCL so as to become Undertakings of OSCL by virtue of and in the manner provided in this scheme.

Further, the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any term(s) or provision(s) of the Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, 1961 shall prevail and the Scheme shall stand



modified to the extent necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modifications will, however, not affect the other clauses of the Scheme.

- 4.2. All assets, estate, rights, title, interest, etc. acquired by Lasa, Urdhwa, Desh and Rishichem after the Appointed Date and prior to the Effective Date for operation of Lasa, Urdhwa, Desh and Rishichem or pertaining to or relating to Lasa, Urdhwa, Desh and Rishichem shall also stand transferred to and vested in OSCL upon the coming into effect of this Scheme. The transfer and vesting of assets, estate, rights, title, interest, etc. will be treated as an acquisition of assets and liabilities i.e. acquisition of business of Lasa, Urdhwa, Desh and Rishichem on and from the Appointed Date.
- 4.3. All assets of Lasa, Urdhwa, Desh and Rishichem, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery, novation and / or endorsement and delivery or by operation of law, pursuant to order of the Court, shall be vested in OSCL. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of OSCL.
- 4.4. In respect of such of the assets of Lasa, Urdhwa, Desh and Rishichem other than those referred to in clause 4.3 above including investment in shares, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, deposits, if any, with Government, semi-Government, local and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in OSCL and/or be deemed to be transferred to and vested in OSCL on the Appointed Date pursuant to the provisions of Section 394 of the Act upon effectiveness of the Scheme. OSCL shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.
- 4.5. All immovable properties of Lasa, Urdhwa, Desh and Rishichem, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of Lasa, Urdhwa, Desh and Rishichem, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in OSCL, by operation of law pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. Such assets shall stand vested in OSCL and shall be deemed to be and become the property as an integral part of OSCL by operation of law. OSCL shall upon the order of the Court sanctioning the Scheme and upon this Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties.



Upon this Scheme becoming effective and upon payment of applicable stamp duty, the title to such properties shall be deemed to have been mutated and recognised as that of OSCL and the mere filing thereof with the appropriate Registrar or Sub-Registrar or with the relevant Government agencies shall suffice as record of continuing titles with OSCL and shall be constituted as a deemed mutation and substitution thereof. OSCL shall subsequent to scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of Lasa, Urdhwa, Desh and Rishichem in any leasehold properties shall, pursuant to Section 394(2) of the Act and the provisions of this Scheme, without any further act, instrument or deed, be vested in or be deemed to have been vested in OSCL.

- 4.6. Upon the Scheme coming into effect and with effect from the Appointed Date, all debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of Lasa, Urdhwa, Desh and Rishichem shall, pursuant to the provisions of Section 394(2) and other applicable provisions 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, OSCL, so as to become on and from the Appointed Date, the debts, liabilities (including contingent liabilities), duties and obligations of OSCL on the same terms and conditions as were applicable to Lasa, Urdhwa, Desh and Rishichem, and further that it shall not be necessary to obtain the consent of any person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this clause.
- 4.7. Any statutory licences, authorizations, statutory rights, permissions, approvals, tax registrations, service tax, provident fund, ESI, Reserve Bank of India, or other registrations, no objection certificates, or any consents to carry on the operations of Lasa, Urdhwa, Desh and Rishichem shall stand transferred to and vested in OSCL without any further act or deed and shall be appropriately mutated / facilitated by the statutory authorities concerned therewith in favour of OSCL so as to empower and facilitate the continuation of the operations of OSCL. In so far as the various incentives, service tax benefits, subsidies (including applications for subsidies), rehabilitation Schemes, grants, special status, rights, and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by Lasa, Urdhwa, Desh and Rishichem are concerned, the same shall, without any further act or deed, vest with and be available to OSCL on the same terms and conditions as are available to Lasa, Urdhwa, Desh and Rishichem.
- 4.8. All registrations, licences, trademarks, copyrights, domain names, applications for copyrights, trade-names and trademarks, etc. pertaining to Lasa, Urdhwa, Desh and Rishichem, if any, shall stand vested in OSCL without any further act, instrument or



deed (unless filed only for statistical record with any appropriate authority or Registrar), upon the sanction of the Scheme and upon this Scheme becoming effective.

- 4.9. All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, etc) payable by or refundable to Lasa, Urdhwa, Desh and Rishichem with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc as the case may be, of OSCL, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, etc, as would have been available to Lasa, Urdhwa, Desh and Rishichem, shall pursuant to this Scheme becoming effective, be available to OSCL.
- 4.10. Any third party or authority required to give effect to any provisions of this Scheme, shall take on record the order of the Court sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of OSCL as successor in interest, pursuant to the sanction of this Scheme by the Court, and upon this Scheme becoming effective. For this purpose, OSCL shall file certified copies of such High Court order and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.
- 4.11. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour of Lasa, Urdhwa, Desh and Rishichem in relation to Undertakings shall stand transferred to OSCL, as if the same were originally given by, issued to or executed in favour of OSCL, and OSCL shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to OSCL.
- 4.12. Benefits of any and all corporate approvals as may have already been taken by Lasa, Urdhwa, Desh and Rishichem, whether being in the nature of compliances or otherwise, including without limitation, approvals under Sections 81(1A), 293(1)(a), 293(1)(d), 295, 297 and 372A, etc, of the Act, read with the rules and regulations made there under, shall stand transferred to and vested in OSCL and the said corporate



approvals and compliances shall, upon this Scheme becoming effective, be deemed to have been taken/complied with by OSCL.

4.13. Upon this Scheme becoming effective, the secured creditors of Lasa, Urdhwa, Desh and Rishichem and/or other security holders having charge over the properties of Lasa, Urdhwa, Desh and Rishichem shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of Lasa, Urdhwa, Desh and Rishichem, as existed immediately prior to the effectiveness of this Scheme, and the secured creditors of OSCL and/or other security holders having charge over the properties of OSCL shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of OSCL, as existed immediately prior to the scheme becoming effective. It is hereby clarified that pursuant to amalgamation, the secured creditors of Lasa, Urdhwa, Desh and Rishichem and/or other security holders having charge over the properties of Lasa, Urdhwa, Desh and Rishichem shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of OSCL and vice versa, and hence such assets of Lasa, Urdhwa, Desh and Rishichem and OSCL, as the case may be, which are not currently encumbered, shall remain free and shall remain available for creation of any security thereon in future in relation to any current or future indebtedness of OSCL.

4.14. OSCL shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which Lasa, Urdhwa, Desh and Rishichem have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. OSCL shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of Lasa, Urdhwa, Desh and Rishichem and to carry out or perform all such formalities or compliances referred to above on the part of Lasa, Urdhwa, Desh and Rishichem.

4.15. It is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contracts, deeds, bonds, agreements, Schemes, arrangements, or other instrument of whatsoever nature which Lasa, Urdhwa, Desh and Rishichem owns or to which Lasa, Urdhwa, Desh and Rishichem are party to and which cannot be transferred to OSCL for any reason whatsoever, OSCL shall hold such assets, contracts, deeds, bonds, agreements, Schemes, arrangements, or other instrument of whatsoever nature in Trust for the benefit of OSCL in terms of this Scheme, till such time as the transfer is affected.



5. TAXATION MATTERS

- 5.1. It is expressly clarified that upon the Scheme becoming effective, all taxes payable by Lasa, Urdhwa, Desh and Rishichem on and after the Appointed Date shall be treated as the tax liability of OSCL. Similarly, all credits for taxes including but not limited to tax deduction at source of Lasa, Urdhwa, Desh and Rishichem shall be treated as credits for taxes of OSCL.
- 5.2. All taxes of any nature, duties, cess or any other like payment or deductions made by Lasa, Urdhwa, Desh and Rishichem to any statutory authorities such as income tax, sales tax, service tax, CENVAT, etc. or any tax deduction or collection at source, relating to the period after the Appointed Date but up to the Effective Date shall be deemed to have been on account of or paid on behalf of OSCL and the relevant authorities shall be bound to transfer to the account of and give credit for the same to OSCL upon the sanction of the Scheme and upon relevant proof and documents being provided to the said authorities.
- 5.3. Upon this Scheme becoming effective, OSCL is also expressly permitted to revise its income tax, withholding tax, service tax, sales tax, value added tax and any other statutory returns and filings under the tax laws, notwithstanding that the period of filing / revising such return may have lapsed and period to claim refund / advance tax and withholding tax credit, etc. also elapsed pursuant to the provisions of this Scheme. OSCL shall be entitled to refund and / or set-off all amounts paid by Lasa, Urdhwa, Desh and Rishichem under income taxes, value added tax, service tax, excise duty or any other tax etc. or any other disputed amount under appeal, if any, upon this Scheme becoming effective.

6. ALTERATION TO MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF TRANSFEREE COMPANY

- 6.1. Consolidation of Authorised Share Capital of Lasa, Urdhwa, Desh and Rishichem
 - 6.1.1. The authorised share capital of Lasa, Urdhwa, Desh and Rishichem as specified in clause 2.1, clause 2.2, clause 2.5 and clause 2.4 aggregating to Rs. 9,70,00,000/- consisting of 33,50,000 Equity shares of Rs. 10/- each respectively, 3,60,000 Equity Shares of Rs. 100/- each and 27,50,000 Preference shares of Rs. 10/- each shall stand transferred to and combined with the authorised share capital of OSCL and shall be re-classified without any further act or deed. The filing fees and stamp duty already paid by Lasa, Urdhwa, Desh and Rishichem on its authorised share capital shall be deemed to have been so paid by OSCL on the combined authorised share capital and



accordingly, OSCL shall not be required to pay any fees / stamp duty on the authorised share capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase and re-classification in the authorised share capital of OSCL under Section 94 of the Companies Act, 1956 (Corresponding notified Section 61 of the Companies Act, 2013) and other applicable provisions of the Act. Accordingly, upon sanction of this Scheme and from the date of this Scheme becoming effective, the authorised share capital of OSCL shall automatically stand increased without any further act, instrument or deed on the part of OSCL including payment of stamp duty and payment of fees payable to Registrar of Companies.

6.1.2. Accordingly, Clause V of the Memorandum of Association of OSCL relating to authorised share capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 16, 31, 94, (Corresponding notified section 13, 14 and 61 of the Companies Act, 2013) and Section 394 of the Act and other applicable provisions of the Act, as the case may be.

6.1.3. Under the accepted principle of Single Window Clearance, it is hereby provided that the aforesaid alteration viz. change in the Capital Clause, referred above, shall become operative upon the Scheme becoming effective by virtue of the fact that the Shareholders of OSCL, while approving the scheme as a whole, have also resolved and accorded the relevant consents as required respectively under Section 16, 31, 94 (Corresponding notified section 13, 14 and 61 of the Companies Act, 2013) and Section 394 of the Act, or any other provisions of the Act, and there shall not be a requirement to pass separate resolutions as required under the Act.

7. CONSIDERATION

7.1. The entire equity share capital of Lasa, Urdhwa, Desh and Rishichem is held by OSCL. In other words Lasa, Urdhwa, Desh and Rishichem are wholly owned subsidiaries of OSCL. Accordingly, pursuant to this merger, no shares of OSCL shall be allotted in respect of its holding in Lasa, Urdhwa, Desh and Rishichem.

7.2. Upon the Scheme becoming effective, the entire share capital of Lasa, Urdhwa, Desh and Rishichem shall be cancelled and extinguished.

8. ACCOUNTING TREATMENT

On the Scheme becoming effective and with effect from the Appointed Date, OSCL shall account for the merger in its books as under:



- 8.1. OSCL shall account the merger of Lasa, Urdhwa, Desh and Rishichem as per the purchase method as set out in Accounting Standard 14 (AS 14) referred to in Section 210 and 211 of the Companies Act (Corresponding notified Section 129 and 133 of the Companies Act, 2013);
- 8.2. With effect from the Appointed Date, all the assets and liabilities appearing in the books of account of Lasa, Urdhwa, Desh and Rishichem shall be transferred and vested in OSCL and shall be recorded by OSCL at their respective fair values as may be decided by the Board of Directors of OSCL.
- 8.3. As on the Appointed Date, pursuant to the merger of Lasa, Urdhwa, Desh and Rishichem with OSCL, the intercompany balances and investments between OSCL and Lasa, Urdhwa, Desh and Rishichem, if any, appearing in the books of accounts of OSCL will stand cancelled.
- 8.4. The difference, being the fair value of assets over the fair value of liabilities transferred to OSCL pursuant to this Scheme, after making the adjustment as mentioned in Clause 8.3 above; after adjusting for revision in the value of assets and liabilities, appearing in the book of accounts of OSCL as considered appropriate by the Board of Directors of the OSCL; after providing for all the costs and expenses incurred as per Clause 30 of the Scheme as well as other costs, whether of the Transferor Companies or of the Transferee Company or of the Resulting Company, incidental with the finalization of this Scheme and to put it into operation of the said Scheme, shall be credited to the Capital Reserve or debited to Share Premium Account as the case may be.
- 8.5. In addition, OSCL shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any other accounting standards.

9. DISSOLUTION OF LASA, URDHWA, DESH AND RISHICHEM

Upon the scheme being effective, Lasa, Urdhwa, Desh and Rishichem shall stand dissolved without being wound up pursuant to the provisions of Section 394 of the Act.

PART C - DEMERGER OF VETERINARY API UNDERTAKING AND TRANSFER TO LASA SUPERGENERICS LIMITED

10. TRANSFER AND VESTING OF DEMERGED UNDERTAKING

With effect from the Appointed Date, the Demerged Undertaking of Demerged Company shall, in accordance with Section 2(19AA) of the Income-tax Act, 1961, stand



transferred to and vested in or deemed to be transferred to and vested in Resulting Company, as a going concern and in the following manner:

10.1. With effect from the Appointed Date and upon the Scheme becoming effective, the whole of Veterinary API Undertaking and its properties, shall pursuant to the provisions contained in Sections 391 to 394 and all other applicable provisions, if any, of the Act in accordance with the provisions contained herein and related provisions contained in various other taxation laws in force in India on the Appointed Date including without limitation in relation to service tax, customs duty, excise duty, CENVAT credit or Value Added Tax and without any further act, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in Resulting Company so as to vest in Resulting Company all rights, titles and interests pertaining to the Demerged Undertaking. In addition, for the avoidance of doubt, the Residual Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company

I. In respect of all such assets pertaining to the Demerged Undertaking that are movable in nature or incorporeal properties or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery, or by vesting and recordal including plants, machineries and equipments, pursuant to this Scheme, which are capable of being physically transferred including cash on hand, shall stand vested in and/or be deemed to be vested in the Resulting Company wherever located and shall become the property and an integral part of the Resulting Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly or shall be physically handed over by delivery to Resulting Company to the end and intent that the property therein passes to Resulting Company. Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Board of Directors or Committees thereof of Demerged Company and Resulting Company;

II. In respect of other assets pertaining to Demerged Undertaking including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, Demerged Company shall, on being so requested by Resulting Company, issue notices in such form as Resulting Company may specify stating that pursuant to this Scheme, the relevant debt, loan, advance, deposit or other asset, be paid or made good to, or be held on account of, Resulting Company as the person entitled thereto, to the



end and intent that the right of Demerged Company to receive, recover or realize the same, stands transferred to Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes. It is hereby clarified that investments and all the rights, title and interests if any, of the Demerged Undertaking in any leasehold properties shall, pursuant to Section 394(2) of the Companies Act, 1956 or the applicable provisions of the Companies Act, 2013 and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and/or be deemed to be demerged from the Demerged Company and transferred to and vested in the Resulting Company on the Appointed Date pursuant to the provisions of Section 394 of the Companies Act, 1956 or the applicable provisions of the Companies Act, 2013.;

III. In respect of such of the assets belonging to the Demerged Undertaking other than those referred to in sub-clauses (i) to (ii), the same shall be transferred to and vested in and/or be deemed to be transferred to and vested in Resulting Company on the Appointed Date pursuant to the provisions of Section 394 of the Act.

10.2. With effect from the Appointed Date and upon the Scheme becoming effective, all debts (including rupee and foreign currency loans, time and demand liabilities, borrowings, bills payable), liabilities including accrued interest thereon, contingent liabilities, duties and obligations of every kind, nature and description, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the of Demerged Company pertaining to the Demerged Undertaking under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to Resulting Company, so as to become from the Appointed Date the debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations of Resulting Company and 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 including accrued interest thereon, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

10.3. With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents held by Demerged Company required to carry on operations of the Demerged Undertaking shall stand vested in or transferred to Resulting Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Resulting Company and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses etc. shall vest in and become available to Resulting Company as if they were originally obtained by



Resulting Company. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by Demerged Company relating to the Demerged Undertaking, are concerned, the same shall vest with and be available to Resulting Company on the same terms and conditions as applicable to Demerged Company, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to Resulting Company.

- 10.4. The transfer and vesting of the Demerged Undertaking as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the properties and assets or any part thereof relating to the Demerged Undertaking to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of the Demerged Undertaking.

In so far as any securities, charges, hypothecation and mortgages over the assets comprised in the Demerged Undertaking are securities for liabilities of the Remaining Undertaking of the Demerged Company, the same shall not be affected or abated pursuant to the Scheme and the same shall continue to be effective.

Provided further that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the assets or any part thereof of Resulting Company shall continue with respect to such assets or any part thereof of Resulting Company and this Scheme shall not operate to enlarge such securities, charges, hypothecation or mortgages and shall not extend or be deemed to extend, to any of the assets of the Demerged Undertaking vested in Resulting Company, provided always that this Scheme shall not operate to enlarge the security of any loan, deposit or facility created by Demerged Company in relation to the Demerged Undertaking which shall vest in Resulting Company by virtue of the vesting of the Demerged Undertaking with Resulting Company and there shall not be any obligation to create any further or additional security therefore after the Scheme has become effective.

Provided further that all the loans, advances and other facilities sanctioned to Demerged Company in relation to the Demerged Undertaking by its bankers and financial institutions prior to the Appointed Date, which are partly drawn or utilized shall be deemed to be the loans and advances sanctioned to Resulting Company and the said loans and advances may be drawn and utilized either partly or fully by Demerged Company from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by Demerged Company in relation to the Demerged Undertaking (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and



other facilities made available to Resulting Company and all the obligations of Demerged Company in relation to the Demerged Undertaking under any loan agreement shall be construed and shall become the obligation of Resulting Company without any further act or deed on the part of Resulting Company.

- 10.5. It is clarified that if any assets, (estate, claims, rights, title, interest in, or authorities relating to such assets) or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever in relation to any of the Demerged Undertaking which Demerged Company owns or to which Demerged Company is a party and which cannot be transferred to Resulting Company or to its successor in business, for any reason whatsoever, Demerged Company shall hold such assets or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Resulting Company to which the Demerged Undertaking is being transferred in terms of this scheme, in so far as it is permissible so to do, till such time as the transfer is effected.

11. LEGAL PROCEEDINGS

- 11.1. All legal proceedings of whatsoever nature by or against Demerged Company pending and/or arising before the Effective Date and relating to the Demerged Undertaking, shall not be abated or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against Demerged Company, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against Demerged Company.
- 11.2. After the Effective Date, if any proceedings are taken against Demerged Company in respect of the matters referred to in the Clause 11.1 above, it shall defend the same at the cost of Resulting Company and Resulting Company shall reimburse and indemnify Demerged Company against all liabilities and obligations incurred by Demerged Company in respect thereof.
- 11.3. Resulting Company undertakes to have all respective legal or other proceedings initiated by or against Demerged Company referred to in Clause 11.1 and/or 11.2 above transferred into its name and to have the same continued, prosecuted and enforced by or against Resulting Company as the case may be, to the exclusion of Demerged Company.



12. LEGAL PROCEEDINGS CONTRACTS, DEEDS, ETC.

- 12.1. Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Demerged Undertaking, shall continue in full force and effect against or in favour of Resulting Company and may be enforced effectively by or against Resulting Company as fully and effectually as if, instead of Demerged Company, Resulting Company had been a party thereto.
- 12.2. Resulting Company, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Resulting Company shall, be deemed to be authorised to execute any such writings on behalf of Demerged Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of Demerged Company.

13. EMPLOYEES

- 13.1. Upon the coming into effect of this Scheme, all employees of Demerged Company engaged in or in relation to the Demerged Undertaking and who are in such employment as on the Effective Date shall become the employees of Resulting Company from Appointed Date or their respective joining date, whichever is later and, subject to the provisions of this Scheme, on terms and conditions not less favorable than those on which they are engaged by Demerged Company and without any interruption of or break in service as a result of the transfer of the Demerged Undertaking.
- 13.2. In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by Demerged Company for the employees related to the Demerged Undertaking (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which are for employees related to the Demerged Undertaking being transferred to Resulting Company, in terms of the Scheme shall be transferred to Resulting Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Funds shall, subject to the necessary



approvals and permissions and at the discretion of Resulting Company, either be continued as separate funds of Resulting Company for the benefit of the employees related to the Demerged Undertaking or be transferred to and merged with other similar funds of Resulting Company. In the event that Resulting Company does not have its own funds in respect of any of the above, Resulting Company may, subject to necessary approvals and permissions, continue to contribute to relevant funds of Demerged Company, until such time that Resulting Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the employees related to the Demerged Undertaking shall be transferred to the funds created by Resulting Company. Subject to the relevant laws, rules and regulations applicable to the Funds, the Board of Directors or any committee thereof of Demerged Company and Resulting Company may decide to continue to make the said contributions to the Funds of Demerged Company. It is clarified that the services of the employees of the Demerged Undertaking will be treated as having been continuous and not interrupted for the purpose of the said fund or funds.

- 13.3. Any question that may arise as to whether any employee belongs to or does not belong to the Demerged Undertaking shall be decided by the Board of Directors or Committee thereof of Demerged Company.

14. TAXATION MATTERS

- 14.1. Resulting Company will be the successors of Demerged Company vis-à-vis the Demerged Undertaking. Hence, it will be deemed that the benefit of any tax credits whether central, state or local, availed vis-a-vis the Demerged Undertaking and the obligations, if any, for payment of the taxes on any assets forming part of the Demerged Undertaking or their erection and / or installation, etc. shall be deemed to have been availed by Resulting Company or as the case may be deemed to be the obligations of Resulting Company. Consequently, and as the Scheme does not contemplate removal of any asset by Resulting Company from the premises in which it is installed, no reversal of any tax credit needs to be made or is required to be made by Demerged Company.
- 14.2. With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess payable/receivable by Demerged Company relating to the Demerged Undertaking including all or any refunds/credit/claims relating thereto shall be treated as the asset/liability or refunds/credit/claims, as the case may be, of Resulting Company.
- 14.3. Demerged Company and Resulting Company are expressly permitted to revise their respective tax returns including tax deducted at source (TDS) certificates/ returns and



to claim refunds, advance tax credits, excise and service tax credits, set off, etc., on the basis of the accounts of the Demerged Undertaking of Demerged Company as vested with Resulting Company upon coming into effect of this Scheme, and its right to make such revisions in the related tax returns and related certificates, as applicable, and the right to claim refunds, adjustments, credits, set-offs, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved.

- 14.4. With effect from the Appointed Date and upon the Scheme becoming effective, the brought forward loss of Demerged Company relating to the Demerged Undertaking shall be carried forward to Resulting Company.

15. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets, properties and liabilities above and the continuance of proceedings by or against Resulting Company above shall not affect any transaction or proceedings already concluded in Demerged Company, in relation to the Demerged Undertaking on or after the Appointed Date till the Effective Date, to the end and intent that Resulting Company accepts and adopts all acts, deeds and things done and executed by Demerged Company, in relation to the Demerged Undertaking in respect thereto as done and executed on their behalf.

16. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

- 16.1. Demerged Company in respect of the Demerged Undertaking, shall carry on and be deemed to have been carrying on the business and activities and shall stand possessed of and hold all of its properties and assets for and on account of and in trust for Resulting Company. Demerged Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date;
- 16.2. With effect from the Appointed Date, all the profits or incomes or expenditure or losses accruing or arising to Demerged Company in respect of the Demerged Undertaking or expenditure or losses arising to or incurred by Demerged Company in respect of the Demerged Undertaking, shall for all purposes and intents be treated and be deemed to be accrued as the profits or incomes or expenditure or losses (as the case may be) of Resulting Company;
- 16.3. Demerged Company in respect of the Demerged Undertaking shall carry on the business and activities with reasonable diligence, business prudence and shall not without the prior written consent of Resulting Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose off the Demerged Undertaking or any



part thereof except in respect of activities in the ordinary course of business nor shall it undertake any new businesses within the Demerged Undertaking or substantial expansion of the Demerged Undertaking;

- 16.4. Demerged Company shall not vary the terms and conditions of service of the employees or conclude settlements with unions or employees, except in the ordinary course of business or consistent with past practices or pursuant to any pre-existing obligation, without the prior written consent of the Board of Directors of Resulting Company.

17. CONSIDERATION

- 17.1. Upon this Scheme becoming effective, Resulting Company shall without any further application or deed, issue and allot Shares, credited as fully paid-up, to the extent indicated below to the shareholders of Demerged Company, holding shares in Demerged Company and whose name appear in the Register of Members on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the respective Board of Directors in the following proportion:

One (1) Equity Share having face value of Rs. 10 each of the Resulting Company for every One (1) Equity Share having face value of Rs. 10 each of the Demerged Company, each Equity Share being fully paid-up

- 17.2. Upon this Scheme coming into effect and upon vesting of the Veterinary API Undertaking in the Resulting Company, the Demerged Company shall provide to the Resulting Company, the list of equity shareholders of the Demerged Company as on the Record Date, who are entitled to receive fully paid-up equity shares, in the Resulting Company in terms of this Scheme.

- 17.3. Upon this Scheme coming into effect, the shareholders of the Demerged Company as of the Record Date shall be entitled to receive equity shares of the Resulting Company as detailed in this Clause 17 of Part C of this Scheme.

- 17.4. Accordingly, the Resulting Company shall, without any further act or deed, issue and allot to the shareholders of the Demerged Company whose name is recorded in the register of members of the Demerged Company on the Record Date, Equity Shares of the Resulting Company in the ratio of One (1) Equity Share having face value of Rs. 10 each of the Resulting Company for every One (1) Equity Share having face value of Rs. 10 each of the Demerged Company, each Equity Share being fully paid-up (the "Demerger Share Entitlement Ratio").



- 17.5. The Transferor Company and the Transferee Company has engaged M/s J.P.J Associates, as the Chartered Accountants to provide a valuation report. In connection with such engagement, M/s J.P.J Associates, has issued a valuation report dated March 28, 2016.
- 17.6. The Transferor Company had engaged Saffron Capital Advisors Private Limited as the merchant bankers to provide a fairness opinion on the Demerger Share Entitlement Ratio adopted under the Scheme. In connection with such engagement, Saffron Capital Advisors Private Limited has issued a fairness opinion dated March 28, 2016.

18. SHARE ISSUE MECHANICS AND OTHER PROVISIONS

- 18.1. The Equity Shares to be issued and allotted by the Resulting Company in terms of Clause 17 of Part C of this Scheme shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Resulting Company and shall rank *pari passu* in all respects with the existing Equity Shares of the Resulting Company.
- 18.2. All Equity Shareholders of the Demerged Company holding Equity Shares in the Demerged Company in dematerialised form, as on the Record Date, shall be issued fresh Equity Shares in the Resulting Company in dematerialised form. All Equity Shareholders of the Demerged Company holding equity shares in the Demerged Company in physical form, as on the Record Date, shall be issued fresh equity shares in the Resulting Company in physical form.
- 18.3. All Certificates for the new shares held in physical form shall be sent by the Resulting Company to the shareholders of Demerged Company as on the Record Date at their respective registered addresses as appearing in the register of members of Demerged Company (or in the case of joint holders to the address of such joint holder whose name stands first in such register of members in respect of such joint holding) and the Resulting Company shall not be responsible for any loss in transmission.
- 18.4. For the purpose of the allotment of Equity Shares in the Resulting Company pursuant to Clause 17 above, in case any member's holding in the Demerged Company is such that the member becomes entitled to a fraction of an Equity Share of the Resulting Company, the Resulting Company shall not issue fractional shares to such members but shall consolidate such fractions and issue consolidated Equity Shares to separate trustees nominated respectively by the Resulting Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses



incurred) to the members respectively entitled to the same, in proportion to the respective fractional entitlements in the Resulting Company.

- 18.5. On the approval of the Scheme by the members of the Resulting Company pursuant to Section 391 of the Companies Act, 1956, it shall be deemed that the members have accorded their consent under Section 62(1)(a) of the Companies Act, 2013 or any other applicable provision of the Companies Act, 2013 as may be applicable. The Resulting Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including the Securities and Exchange Board of India and the NSE and the BSE, for the issue and allotment by the Resulting Company of Equity Shares of Resulting Company to the members of Demerged Company pursuant to the Scheme.
- 18.6. All Equity Shares of the Resulting Company issued in terms of this Scheme or otherwise shall, subject to the execution of the listing agreement and payment of the appropriate fees, be listed on the NSE and the BSE and on such other recognised stock exchange(s) in India, and/or admitted to trading if any, as may be decided by the Board of Directors of the Resulting Company.
- 18.7. In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors, or any Committee thereof, of the Demerged Company shall be empowered in appropriate cases, even subsequent to the Record Date, as the case may be, to effectuate such a transfer in the Demerged Company, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Demerged Company or Resulting Company, as the case may be, in respect of such shares.
- 18.8. Unless otherwise determined by the Board of Directors, or any Committee thereof, of the Demerged Company and the Board of Directors, or any Committee thereof, of the Resulting Company, allotment of shares in terms of this Scheme shall be completed within Forty five (45) days from the Effective Date.
- 18.9. Subject to any dispensation granted by the Securities and Exchange Board of India, the BSE and/or the NSE, the shares allotted pursuant to Clause 17 of the Scheme shall remain frozen in the depositories system until permission for listing/ trading is granted by the BSE and the NSE.
- 18.10. Resulting Company shall comply with the relevant and applicable rules and regulation including provision of FEMA to enable it to issue shares pursuant to this Scheme.



19. ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY

On the Scheme becoming effective and with effect from the Appointed Date, the Demerged Company shall account for demerger in its books as under:

- 19.1. The Demerged Company shall reduce the book value of assets (net of diminution/depreciation, if any) and liabilities relating to the Veterinary API Undertaking, transferred to the Resulting Company.
- 19.2. The excess of book value of the assets transferred (net of diminution/depreciation, if any) over the book value of the liabilities of the Veterinary API Undertaking transferred to the Resulting Company, shall be debited proportionately to all reserves and surpluses (including the securities premium account) of the Demerged Company.
- 19.3. The application and consequential reduction of the securities premium account, in accordance with Clause 19.2 above, shall be effected as an integral part of the Scheme and the order of the Company Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Companies Act, 1956 (or the relevant provisions of the Companies Act, 2013) confirming the reduction in the securities premium account of the Demerged Company. The proposed reduction does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital. The Demerged Company shall not be required to add the phrase "and reduced" as a suffix to the name.
- 19.4. The approval granted by the shareholders and creditors of the Demerged Company to this Scheme shall be deemed to be approval for the purposes of Sections 100-104 of the Companies Act, 1956. The Demerged Company shall not be obliged to call for a separate meeting of its shareholders/creditors for obtaining their approval sanctioning the reduction of securities premium account under this Scheme.

20. ACCOUNTING TREATMENT IN THE BOOKS OF RESULTING COMPANY

On the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company shall account for demerger in its books as under:

- 20.1. The Resulting Company shall record the assets and liabilities (the difference between the assets and liabilities hereinafter being referred to as the "**Net Assets**") vested in it pursuant to this Scheme, at the respective book values thereof, as appearing in the books of the Veterinary API Undertaking of the Demerged Company, at the close of business of the day immediately preceding the Appointed Date.



- 20.2. The Resulting Company shall credit to its share capital in its books of account, the aggregate face value of the new equity shares issued by it to the members of the Demerged Company pursuant to this Scheme.
- 20.3. The excess of the Net Assets over the face value of new equity shares allotted in accordance with the Scheme shall be credited to the respective reserves and surpluses (including the securities premium account), in the same proportion as debited in the books of the Demerged Company pursuant to Clause 19.2 above. All cost, charges, fees and taxes including duties (including stamp duty and/or transfer charges, if any, applicable in relation to the Scheme) shall be debited to opening reserves (other than securities premium account) of the Resulting Company.
- 20.4. In case the Resulting Company is required to follow accounting policies that are different from that of the Demerged Company for any regulatory reasons, the effect of the difference in the accounting policies between the Demerged Company and the Resulting Company, will be quantified and adjusted in the opening reserve (other than the securities premium account), to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy.
- 20.5. Notwithstanding the above, the Board of Directors of the Resulting Company is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed accounting standards notified by the National Advisory Committee on Accounting Standards and applicable generally accepted accounting principles.

21. REMAINING UNDERTAKING OF DEMERGED COMPANY

- 21.1. It is clarified that, the Remaining Undertaking of Demerged Company shall continue with Demerged Company as follows:
- (a) The Remaining Undertaking of Demerged Company and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be managed by Demerged Company.
- (b) All legal and other proceedings by or against Demerged Company under any statute, whether pending on the Appointed Date or which may be initiated in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Undertaking of Demerged Company (including those relating to any property, right, power, liability, obligation or duty, of Demerged Company in respect of the Remaining Undertaking of Demerged Company) shall be continued and enforced by or against Demerged Company.



- 21.2. With effect from the Appointed Date and including the Effective Date —
- (a) Demerged Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Undertaking of Demerged Company for and on its own behalf;
 - (b) All profit accruing to Demerged Company thereon or losses arising or incurred by it relating to the Remaining Undertaking of Demerged Company shall, for all purposes, be treated as the profit, or losses, as the case may be, of Demerged Company.

PART D — OTHER SIGNIFICANT CLAUSES

22. PROVISIONS APPLICABLE TO PART B OF THE SCHEME

22.1. LEGAL PROCEEDINGS

If any suit, appeal or other proceeding of whatsoever nature by or against Transferor Companies is pending, the same shall not be abated or be discontinued or be in any way prejudicially affected by reason of the transfer of Undertakings or anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced, as the case may be, by or against OSCL, in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against Transferor Companies, if this Scheme had not been made.

22.2. CONTRACT, DEEDS, ETC.

22.2.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, understandings whether written or oral and other instruments, if any, of whatsoever nature to which Transferor Companies are party or to the benefit of which Transferor Companies may be eligible and which are subsisting or having effect on the Effective Date, shall without any further act, instrument or deed, be in full force and effect against or in favour of OSCL, as the case may be, and may be enforced by or against OSCL, as fully and effectively as if, instead of Transferor Companies / Demerged Company, OSCL had been a party or beneficiary or obligee thereto.

22.2.2. Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Undertakings occurs by virtue of this Scheme itself, OSCL 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 favour of any party, to any



contract or arrangement to which Transferor Companies are parties, as may be necessary, to be executed in order to give formal effect to the above provisions. OSCL shall be deemed to be authorised to execute any such writings on behalf of Transferor Companies, and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of Transferor Companies.

22.3. EMPLOYEES

22.3.1. Upon the coming into effect of this Scheme,

22.3.1.1. All the employees of Lasa, Urdhwa, Desh and Rishichem as on the Effective Date shall stand transferred to OSCL without any interruption in service as a result of transfer of Undertakings of Lasa, Urdhwa, Desh and Rishichem to OSCL. The position, rank, and designation, terms and conditions (including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits) of the employees would be decided by the Board of Directors or any committee / sub-committee or person(s) so authorised by the Board of OSCL.

22.3.1.2. OSCL agrees that the services of all such employees (as mentioned in clause 22.3.1.1 above) with Lasa, Urdhwa, Desh and Rishichem prior to the transfer, as aforesaid, shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in Lasa, Urdhwa, Desh and Rishichem. It is clarified that the services of the staff, workmen and employees of Lasa, Urdhwa, Desh and Rishichem will be treated as having been continuous for the purpose of calculating statutory benefits, if any.

22.3.1.3. The existing provident fund, superannuation fund and gratuity fund, if any, of which the aforesaid employees of Lasa, Urdhwa, Desh and Rishichem, being transferred under clause 22.3.1.3 above to OSCL, are members or beneficiaries along with all accumulated contributions therein till the Effective Date, shall, with the approval of the concerned authorities, be transferred to and continued without any break. Accordingly, the provident fund, superannuation fund and gratuity fund dues, if any, of the



said employees of Lasa, Urdhwa, Desh and Rishichem would be continued to be deposited in the transferred provident fund, superannuation fund and gratuity fund account by OSCL. In case, necessary approvals are not received by the Effective Date and there is a delay, all such amounts shall continue to be administered by OSCL as trustee from the Effective Date till the date of actual transfer and, on receiving the approvals all the accumulated amounts till such date, shall be transferred to the respective funds of OSCL [suo moto].

22.4. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of Transferor Companies as per this Scheme and the continuance of the proceedings by or against the Transferee Company thereof shall not affect any transaction or proceedings already concluded by Transferor Companies on or before the Effective Date, to that end and intent that OSCL accepts and adopts all acts, deeds and things done and executed by Transferor Companies as acts deeds and things done and executed by and on behalf of OSCL, as the case may be.

22.5. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

22.5.1. With effect from the Appointed Date and up to and including the Effective Date, Transferor Companies shall be deemed to have been carrying on all business on account of and in trust for OSCL. All profits accruing to Transferor Companies or losses including tax losses, arising or incurred by Transferor Companies for the period commencing from the Appointed Date and up to and including the Effective Date shall, for all purposes, be treated as the profits or losses, as the case may be, of OSCL.

22.5.2. Transferor Companies hereby confirms that it has, and shall continue, upto the Effective Date, to preserve and carry on the business with diligence, prudence and that it will not, without the prior consultation with OSCL, alienate, charge or otherwise deal with or dispose off any Undertakings or any part thereof or recruit any new employees (in each case except in the ordinary course of business) or conclude settlements with unions or employees or undertake substantial expansion to the Undertakings, other than expansions which have already commenced prior to the Appointed Date.



22.6. DECLARATION OF DIVIDENDS

22.6.1. Transferor Companies shall be entitled to declare or pay dividend, whether interim or final, to their Equity Shareholders in respect of any accounting period prior to the Effective Date, but only consistent with past practice, or in the ordinary course. Any declaration or payment of dividend otherwise than as aforesaid, by Transferor Companies shall be subject to the prior approval of the Board of Directors of OSCL and in accordance with applicable laws.

22.6.2. For the avoidance of doubt, it is hereby clarified that nothing in this Scheme shall prevent OSCL from declaring and paying dividend, whether interim or final, to its Equity Shareholders as on the record date for the purpose of dividend and the shareholders of Transferor Companies shall not be entitled to dividend, if any, declared by OSCL prior to the Effective Date.

It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of Transferor Companies and / or OSCL to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors of Transferor Companies or OSCL, as the case may be, subject to such approvals of the shareholders, as may be required.

23. PROVISIONS APPLICABLE TO PART C OF THE SCHEME

23.1. Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred and become effective and operative only in the sequence and in the order mentioned hereunder:

- (a) the transfer of the Veterinary API Undertaking to the Resulting Company pursuant to Part-C of this Scheme; and
- (b) the issue and allotment of fully paid-up Equity Shares of the Resulting Company to the shareholders of the Demerged Company as of the Record Date.

23.2. COMPLIANCE WITH LAWS

23.2.1. Part C of this Scheme is presented and drawn up to comply with the provisions/requirements of Sections 391 to 394 of the Companies Act, 1956, for the purpose of demerger of the Veterinary API Undertaking to the Resulting Company.



23.2.2. Part C of this Scheme has been drawn up to comply with the conditions relating to "demerger" as specified under the tax laws, including Section 2(19AA) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of PART C of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Demerged Company and the Resulting Company, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

23.2.3. Upon the Scheme becoming effective, the Demerged Company and the Resulting Company are expressly permitted to revise their financial statements. The order of the Company Court sanctioning the Scheme shall be deemed to be an order of the National Company Law Tribunal permitting the Demerged Company and the Resulting Company to revise their financial statements and books of accounts and no further act shall be required to be undertaken by the Demerged Company and the Resulting Company.

23.3. CONSEQUENTIAL MATTERS RELATING TO TAX

23.3.1. Upon the Scheme coming into effect, notwithstanding anything to the contrary contained in the provisions of this Scheme, all accumulated tax loss, unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation, minimum alternate tax credit, if any, of the Veterinary API Undertaking as on the Appointed Date, respectively shall, for all purposes, be treated as accumulated tax losses, unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation and minimum alternate tax credits of the Resulting Company.

23.3.2. Upon the Scheme becoming effective, the Resulting Company shall be entitled to claim refunds or credits, including input tax credits, with respect to taxes paid by, for, or on behalf of, the Veterinary API Undertaking under applicable laws, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed.

23.3.3. Upon the Scheme becoming effective, any TDS certificates issued by the Demerged Company to, or for the benefit of, the Veterinary API Undertaking



under the Income Tax Act, 1961 with respect to the inter se transactions would be available to the Resulting Company to seek refund of from the tax authorities in compliance with law. Further, TDS deposited, TDS certificates issued or TDS returns filed by the Demerged Company pertaining to the Veterinary API Undertaking on transactions other than inter se transactions shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Resulting Company. Any TDS deducted by, or on behalf of, the Veterinary API Undertaking on inter se transactions will be treated as advance tax deposited by the Resulting Company.

- 23.3.4. The Resulting Company is also expressly permitted to claim refunds, credits, including restoration of input CENVAT credit, tax deduction in respect of nullifying of any transaction between or amongst the Veterinary API Undertaking and the Resulting Company.
- 23.3.5. The obligation for deduction of tax at source on any payment made by or to be made by the Demerged Company pertaining to the Veterinary API Undertaking under the Income Tax Act, 1961, service tax laws, central sales tax, state value added tax or other applicable laws and/or regulations dealing with taxes, duties or levies shall be deemed to have been made and duly complied with on behalf of the Resulting Company.
- 23.3.6. Upon the Scheme becoming effective, the Resulting Company is also expressly permitted to revise its income-tax returns, withholding tax returns, sales tax returns, excise & CENVAT returns, service tax returns, other tax returns, to obtain TDS certificates, including TDS certificates relating to transactions between or amongst the Veterinary API Undertaking and the Resulting Company and to claim refunds, advance tax and withholding tax credits, benefit of carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.
- 23.3.7. In accordance with the Cenvat Credit Rules framed under Central Excise Act, 1944, as are prevalent on the Effective Date, the unutilised credits relating to excise duties paid on inputs/capital goods/input services lying in the accounts of the Demerged Company pertaining to the Veterinary API Undertaking shall be permitted to be transferred to the credit of the Resulting Company, as if all such unutilised credits were lying to the account of the Resulting Company. The Resulting Company shall accordingly be entitled to set off all such unutilised credits against the excise duty/service tax payable by it. Without prejudice to the generality of the foregoing, all benefits, incentives, losses, credits (including without limitation income tax, tax on book profits, wealth tax, service tax, excise tax, custom duty and value added tax), to which the Veterinary API Undertaking



of the Demerged Company is entitled to in terms of applicable law, shall be available to and vest in the Resulting Company.

23.4. DIVIDENDS

23.4.1. The Demerged Company and the Resulting Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.

(a) The holders of the shares of the Demerged Company and the Resulting Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

(b) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Demerged Company and/or the Resulting Company to demand or claim any dividends which, subject to the provisions of the Companies Act, 2013, shall be entirely at the discretion of the respective Boards of Directors of the Demerged Company and the Resulting Company respectively and subject to the approval of the shareholders of the Demerged Company and the Resulting Company respectively.

23.5. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Veterinary API Undertaking in accordance with the provisions of this Scheme and the continuance of the legal proceedings by or against the Resulting Company shall not affect any transaction or proceedings already completed by the Demerged Company on or before the Appointed Date and the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

24. APPLICATIONS TO HIGH COURT

24.1. The Transferor Companies, Demerged Company and the Resulting Company shall, as may be required make necessary applications and/or petitions to the Company Court under Sections 391 to 394 of the Companies Act, 1956 and other provisions of the Companies (Court) Rules, 1959 along with the applicable provisions of the Companies Act, 2013 seeking orders for dispensing with or convening, holding and conducting of the meetings of members and/or creditors and for sanction of this



Scheme with such modification as may be approved by the Company Court and all matters ancillary or incidental thereto.

- 24.2. Upon this Scheme being approved by the requisite majority of the shareholders and creditors of the Transferor Companies, Demerged Company and the Resulting Company respectively (wherever required), the Transferor Companies, Demerged Company and the Resulting Company shall, with all reasonable dispatch, file respective petitions before the Company Court for sanction of this Scheme under Sections 391 to 394 of the Companies Act, 1956 and other provisions of the Companies (Court) Rules, 1959 along with applicable provisions of the Companies Act, 2013 and for such other order or orders, as the Company Court may deem fit for putting this Scheme into effect.
- 24.3. Upon this Scheme becoming effective, the shareholders of the Resulting Company shall be deemed to have also accorded their approval under all relevant provisions of the Companies Act, 1956 and the Companies Act, 2013 for giving effect to the provisions contained in this Scheme.

25. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

- 25.1. The Transferor Companies and the Resulting Company and the Demerged Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, may make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the High Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferor Companies and the Resulting Company and the Demerged Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. In case, post approval of the Scheme by the High Court, there is any confusion in interpreting any clause of this Scheme, or otherwise, Board of Directors of the Demerged Company will have complete power to take the most sensible interpretation so as to render the Scheme operational.
- 25.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Board of Directors of the Demerged Company may give and are hereby authorised to determine and give all such directions as are



necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

26. EFFECTIVENESS OF THE SCHEME

26.1. Subject to the provisions of this Scheme, this Scheme shall become effective on the later of the following dates (the "Effective Date"):

- (a) the Scheme being agreed to by the respective requisite majorities of the various classes of members and creditors (where applicable) of the Transferor Companies, Demerged Company and the Resulting Company as required under the Companies Act, 1956, the Companies Act, 2013 and the requisite orders of the Company Court being obtained;
- (b) Approval of the Scheme by the public shareholders of OSCL in accordance with the provisions of SEBI Circulars. Such approval will be obtained through resolution pass through postal ballot and e-voting and the Scheme shall be acted only if the votes casted by public shareholders in favor of the proposal are more than the number of votes casted by public shareholders against it;
- (c) receipt of such other sanctions and approvals including sanction of any Governmental authority (including the Securities and Exchange Board of India) or Stock Exchanges as may be required by law in respect of the Scheme being obtained; and
- (d) the certified copies of the court orders referred to in this Scheme being filed with the Registrar of Companies.

27. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

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

- (a) The Scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of the Transferor Companies, the Transferee Company or Demerged Company, and the Resulting Company as may be directed by the High Court;
- (b) Approval of the Scheme by the public shareholders of OSCL in accordance with the provisions of SEBI Circulars. Such approval will be obtained through resolution pass through postal ballot and e-voting and the Scheme shall be acted only if the



votes casted by public shareholders in favor of the proposal are more than the number of votes casted by public shareholders against it;

- (c) The sanction of the High Court under Sections 391 to 394 of the Companies Act, 1956 in favour of the Transferor Companies, the Transferee Company or Demerged Company and the Resulting Company under the said provisions and to the necessary Order under Section 394 of the said Act being obtained;
- (d) Approval of the Scheme, by the Stock Exchanges, pursuant to Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, between such Stock Exchanges;
- (e) Approval of the Scheme by SEBI in terms of SEBI Circulars ;
- (f) Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Mumbai at Maharashtra, by the Transferor Companies, the Transferee Company or Demerged Company and the Resulting Company as may be applicable.

27.2. Each Section of the Scheme shall be given effect as per the chronology in which it has been provided for in the Scheme. Each Section is independent of the other Section of the Scheme and is severable. The Scheme shall be effective upon sanction of the High Court. However, failure of any one part of one Section for lack of necessary approval from the shareholders / creditors / statutory regulatory authorities or for any other reason that the Board of Directors may deem fit then this shall not result in the whole Scheme failing. It shall be open to the concerned Board of Directors to consent to sever such part(s) of the Scheme and implement the rest of the Scheme with such modification.

28. CHANGE OF NAME

- 28.1 Upon the Scheme becoming effective, without any further act or deed, the Resulting Company shall be re-named as "Lasa Laboratories Limited".
- 28.2 The name of the Resulting Company wherever it occurs in the respective Memorandum and Articles of Association shall be substituted by the new name i.e. "Lasa Laboratories Limited".
- 28.3 It is further clarified that the Resulting Company shall not be required to pass any resolution under Section 13 and other applicable provisions, if any of the Companies



Act, 2013, for Change of Name of the Transferee Company as envisaged in clause 28.1 of this Scheme and that the members of the Transferor Company shall be deemed to have accorded their consent under various provisions of the Act and Rules made there under to the change of name in terms of this Scheme.

29. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the consents, approvals, permission, resolutions, agreements, sanctions or conditions enumerated in the Scheme not being obtained or complied, or for any other reason, this Scheme cannot be implemented, then the Board of Directors of the Transferor Companies, the Transferee Company or Resulting Company and Demerged Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

30. COSTS, CHARGES AND EXPENSES

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or High Court's order including this Scheme or in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme and all other expenses, if any (save as expressly otherwise agreed) shall be borne and paid by the Demerged Company.

31. MISCELLANEOUS

Till the event of this Scheme being effective, Lasa, Urdhwa, Rishichem, Desh and OSCL shall continue to hold their respective Annual General Meeting and other meetings in accordance with the relevant laws and shall continue to comply with all their statutory obligations in the same manner, as if this scheme does not exist.

Certified True Copy

Date of Application 26.04.2017

Number of Pages 25

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Copy Issued on 27.04.2017



Deputy Director
National Company Law Tribunal, Mumbai Bench





**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
BENCH, AT MUMBAI
COMPANY SCHEME PETITION NO. 5 OF 2017
(HIGH COURT TRANSFERRED PETITION)
CONNECTED WITH
HIGH COURT COMPANY SUMMONS FOR DIRECTION
NO. 697 OF 2016**

In the matter of the Companies Act, 2013 (18 of 2013);
AND

In the matter of Sections 230 to 232 of the Companies Act,
2013 and other relevant provisions of the Companies Act,
2013

AND

In the matter of Sections 391 to 394 read with applicable
provisions of the Companies Act, 1956 as amended and
other relevant provisions of the Companies Act, 2013;

AND

In the matter of the Composite Scheme of Arrangement
between Omkar Speciality Chemicals Limited and Lasa
Laboratory Private Limited and Urdhwa Chemicals
Company Private Limited and Rishichem Research
Limited and Desh Chemicals Private Limited and Lasa
Supergenerics Limited and their respective shareholders
and creditors

Omkar Speciality Chemicals Limited....Petitioner/
Transferee / Demerged Company



**CERTIFIED COPY OF THE ORDER DATED
APRIL 13, 2017 ALONG WITH THE COPY OF
THE SCHEME ANNEXED TO PETITION**

FORTITUDE LAW ASSOCIATES
Advocates for the Petitioner Company
B, 504, Prathamesh Towers,
Raghuvanshi Mills Compound,
Lower Parel, Mumbai 400013.