



# Laurel Organics Ltd.

Regd. Office/Works : Village Bhondsi, Tehsil Sohna, Distt. Gurugram (Haryana)  
Telephone : 91 (0124) 2979014, 2979015  
E-mail : laurelorganicslimited@gmail.com, Web : www.laurel.co.in  
CIN NO.: L24239HR1993PLC032120

10<sup>TH</sup> September, 2018

To  
**Department of Corporate Affairs- Listing**  
**BSE Limited**  
Phiroz JeeJeebhoy Towers,  
Dalal Street, Fort Mumbai-400001

Scrip Code: 530313 [LAURLOR]

**Sub: Intimation of Order of Hon'ble National Company Law Tribunal('NCLT'), Chandigarh Bench sanctioning the scheme of amalgamation of Kimia Biosciences Ltd. with Laurel Organics Limited under regulation 30 of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements, 2015**

Sir,

This is to inform your good Office that Hon'ble National Company Law Tribunal ('NCLT'), Chandigarh Bench has sanctioned the scheme of Arrangement for amalgamation of Kimia Biosciences Ltd.(Transferor Company) with Laurel Organics Limited(Transferee Company) vide its order dated 21.08.2018. Company has received the certified copy of the said order today i.e. 10.09.2018. We hereby annexed hereto the copy of order of Hon'ble NCLT Chandigarh Bench.

Kindly take the same on your record and oblige.

Thanking You,

Yours faithfully,

For **LAUREL ORGANICS LIMITED**

  
**Mr. SAMEER GOEL**  
**(Managing Director)**  
DIN: 00161786  
Place: New Delhi



**TODAY'S AGENDA-QUALITY**



**NATIONAL COMPANY LAW TRIBUNAL  
CHANDIGARH BENCH  
CORPORATE BHAWAN, PLOT NO. 4-B  
GROUND FLOOR, SECTOR 27-B, MADHYA MARG,  
CHANDIGARH-160019**

No.NCLT/Reg/FO/2018/...1808...

Date 26/9/18

**CP (CAA)No.17/Chd/Hry/2017**

To

1. **Kimia Biosciences Limited**  
having its registered office at  
Village Bhondsi, Tehsil Sohna,  
Gurgaon, Haryana – 122102,  
PAN: AAECK6555F

...Petitioner Company No.1/  
Transferor Company.

2. **Laurel Organics Limited**  
having its registered office at  
Village Bhondsi, Tehsil Sohna,  
Gurgaon, Haryana – 122102,  
PAN: AAACL2068E

...Petitioner Company No.2/  
Transferee Company

Please find enclosed herewith formal order as per Form No. CAA 7 of Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 containing the directions of the Hon'ble National Company Law Tribunal, Chandigarh Bench, Chandigarh for compliance.



(M.S.Gill)  
Desg. Registrar  
Designated Registrar  
National Company Law Tribunal  
Chandigarh Bench

CP (CAA)No.17/Chd/Hry/2017

**FORM No. CAA.7**

**(Pursuant to section 232 and rule 20)  
Before the National Company Law Tribunal,  
Chandigarh Bench, Chandigarh**

**CP (CAA)No.17/Chd/Hry/2017**

**Under Sections 230 - 232  
of the Companies Act, 2013.**

**In the matter of:**

- 1. Kimia Biosciences Limited**  
having its registered office at  
Village Bhondsi, Tehsil Sohna,  
Gurgaon, Haryana – 122102,  
PAN: AAECK6555F

...Petitioner Company No.1/  
Transferor Company

**AND**

- 2. Laurel Organics Limited**  
having its registered office at  
Village Bhondsi, Tehsil Sohna,  
Gurgaon, Haryana – 122102,  
PAN: AAACL2068E

...Petitioner Company No.2/  
Transferee Company

Upon the above petition coming up for hearing on 21st August, 2018 and upon reading the said petition, report submitted by and Registrar of Companies, NCT of Delhi & Haryana alongwith the report of Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi and Official Liquidator, report of Income Tax Department as well as report of Chairperson of the meetings compliance affidavit submitted by the Counsel for the petitioner companies and hearing learned counsel for the petitioner companies, Mr.M.S.Pachouri, Registrar of Companies, Punjab, Chandigarh and Himachal Pradesh representing the Official Liquidator as well as the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi and Mr.Yogesh Putney, Advocate representing the Income Tax Department, the National company Law Tribunal approved the 'scheme' of amalgamation with the clarification that this order should not be construed as an order in any way granting exemption from payment of any stamp duty, taxes or any other charges, if any, and payment in accordance with law or in respect of any

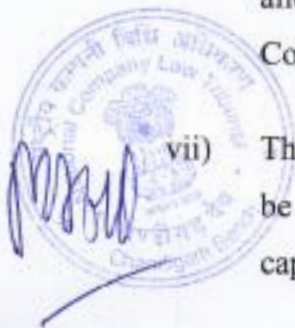
CP (CAA)No.17/Chd/Hry/2017



permission/compliance with any other requirement which may be specifically required under any law. With the sanction of the Scheme, all the equity shares held by the Transferee Company and its nominees in the Transferor company shall stand cancelled and the Transferor Company shall stand dissolved without undergoing the process of winding up.

**THIS TRIBUNAL DO FURTHER ORDER:**

- i) That all the property, rights and powers of the Transferor Company (P-1) stand transferred, without further act or deed, to the Transferee Company (P-2) and accordingly, the same shall pursuant to sections 230 to 232 of the Companies Act, 2013, be transferred to and vested in the Transferee Company for all the estate and interest of the Transferor Company but subject nevertheless to all charges now affecting the same; and
- ii) That all the liabilities and duties of the Transferor Company be transferred, without further act or deed, to the Transferee Company and accordingly the same shall pursuant to sections 230 to 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company; and
- iii) On amalgamation the name of the Transferee Company stand changed to "Kimia Biosciences Limited"; and
- iv) That all the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and
- v) That all the employees of the Transferor Company shall be transferred to the Transferee Company in terms of the 'Scheme'; and
- vi) That the equity shares held by the Transferor Company in Transferee Company shall stand extinguished and the Transferee Company do, without transfer application, allot to the existing members of the Transferor Company shares of Transferee Company to which they are entitled under the said Scheme of Amalgamation, and
- vii) That the fee, if any, paid by the Transferor Company on its authorized capital shall be set off against any fees payable by the Transferee Company on its authorized capital subsequent to the sanction of the 'Scheme'; and



- viii) That the Petitioner Companies do, within 30 days after the date of receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without undergoing the process of winding up. The concerned Registrar of Companies shall place all documents relating to the Transferor Company registered with him on the file relating to the Transferee Company and files relating to the said Transferor and Transferee Companies shall be consolidated accordingly, as the case may be; and
- ix) That the Transferee Company shall deposit an amount of ₹1,00,000/- (Rupees One lac only) with the Pay & Accounts Officer, Ministry of Corporate Affairs, in respect of the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi and ₹40,000/- (Rupees Forty thousand only) in favour of "The Company Law Tribunal Bar Association" Chandigarh within a period of five weeks from the date of receipt of certified copy of this order; and
- x) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

**Dated: 21.08.2018**  
**(By the Tribunal)**



  
**(M.S. Gill)**  
**Designated Registrar**  
**National Company Law Tribunal,**  
**Chandigarh Bench**

FREE OF COST COPY

#### **SCHEDULE**

**(attached as supplied by the Transferor Company)**



IN THE NATIONAL COMPANY LAW TRIBUNAL  
"CHANDIGARH BENCH, CHANDIGARH"

CP (CAA)No.17/Chd/Hry/2017

Under Sections 230-232  
of the Companies Act, 2013

IN THE MATTER OF:

**KIMIA BIOSCIENCES LIMITED**

having its registered office at  
Village Bhondsi, Tehsil Sohna,  
Gurgaon, Haryana – 122102,  
PAN: AAECK6555F

...Petitioner Company No.1/  
Transferor Company

And

**LAUREL ORGANICS LIMITED,**

having its registered office at  
Village Bhondsi, Tehsil Sohna,  
Gurgaon, Haryana – 122102,  
PAN: AAACL2068E

...Petitioner Company No.2/  
Transferee Company

Judgment delivered on: 08.2018

Coram: HON'BLE MR.JUSTICE R.P.NAGRATH, MEMBER (JUDICIAL)  
HON'BLE MR. PRADEEP R. SETHI, MEMBER (TECHNICAL)

For the Petitioners : Mr. Atul V. Sood, Advocate

For the Registrar of Companies,  
NCT, Delhi/Haryana,  
Regional Director,  
Northern Region, Ministry  
of Corporate Affairs and  
Official Liquidator

: Mr. M.S. Pachouri, Registrar of Companies  
Punjab, Chandigarh & Himachal Pradesh

For Income Tax Department : Mr. Yogesh Putney, Senior Standing Counsel

Per R.P. Nagrath, Member (Judicial)

CP (CAA)No.17/Chd/Hry/2017

### Judgment

This is a joint Second Motion Petition under Sections 230 to 232 of the Companies Act, 2013 (for short, the 'Act') filed by the petitioner-companies in terms of Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (for brevity, 'Rules') for the approval of Scheme of Arrangement (for short 'Scheme') of Kimia Biosciences Limited (Transferor Company) with Laurel Organics Limited (Transferee Company). The joint petition is maintainable in terms of Rule 3(2) of the Rules.

2. The petitioner-companies filed CA No. 30/2018 stating that there were some typographical errors that have occurred in Clause 1.2.1 of the 'Scheme' and also attached corrected copy of the 'Scheme' as Annexure P-3 duly supported by Board Resolution of the said companies. The said CA No. 30/2018 was allowed vide orders dated 6.3.2018. The amended petition was also filed accordingly.

3. The first motion application CA (CAA) No. 15/Chd/Hry/2017 for seeking sanction of the Scheme of Amalgamation between the Transferor and Transferee Companies was disposed of on 26.09.2017 with a direction to hold meetings of secured creditors and unsecured creditors of the Transferor Company and Equity Shareholders and Unsecured Creditors of Transferee Company. Rest of the meetings were dispensed with. The order passed in the first motion petition is at Annexure P-14. Reports of the Chairperson in respect of all the meetings of both the companies have been received which are attached as Annexure P-15 (colly).





4. The affidavit with regard to compliance of all the directions given in the order dated 26.09.2017 was filed by diary No.2638 dated 16.11.2017 by Mr. Sameer Goel, authorized representative of both the petitioner-companies along with newspaper publications in "Indian Express" (English, Delhi NCR Edition) and "Jansatta" (Hindi, Delhi NCR Edition) both dated 26.10.2017 and notices sent to the statutory authorities including Income Tax Department.

5. The Chairperson has reported that the secured creditors and unsecured creditors of the Transferor Company and Unsecured Creditors of Transferee Company have unanimously approved the Scheme. In respect of equity shareholders of Transferee Company, it is reported that the Scheme was approved by 99.69% of the voting share of the shareholders and only 0.31% of the shareholders present and voted dissented from the Scheme. Thereupon the instant petition was filed for approval of the Scheme in terms of Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules 2016. It may be mentioned that the revised report of the Chairperson of the meetings was also filed vide diary No.2885 dated 12.12.2018 to remove certain clerical mistakes due to intervening of the data regarding ballots of meetings of unsecured creditors of the two companies. It is reported that the Scheme of Amalgamation has been passed by the requisite majority.

6. The main objects, date of incorporation, paid-up share capital and rationale of the Scheme along with purpose and benefits of the Scheme were already discussed in detail in the first motion order dated 26.09.2017 passed by this Tribunal.

7. The Clause relating to interest of employees have been discussed while passing the order in first motion dated 26.09.2017





8. Annexure P-13 is attached as the certificate dated 8.9.16 of M/s A.K. Jalan & Associates, Chartered Accountants, the Auditors of Transferee Company and also a certificate dated 15.6.17 of M/s Charnalia Bhatia & Gandhi, Chartered Accountants, the statutory auditors of the Transferor Company, stating therein that the accounting treatment provided in the Scheme is in compliance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles.

9. The audited balance sheets dated 31.03.2017 of both the petitioners-companies have been annexed as Annexure P-6 & P-10 respectively.

10. As per the Scheme the appointed date is 01.04.2016 or such other date as may be approved by the Tribunal. The Scheme provides for the manner in respect of share exchange ratio for which valuation report was also filed. The Share Exchange Ratio under the Scheme has been determined in accordance with the Report on Valuation of Shares dated 02.08.2016 determining the share exchange ratio issued by M/s AARA & Company, Chartered Accountants, as per the settled principles of valuation attached as Annexure P-11 to the Petition. According to the Share Exchange Ratio, the Transferee Company shall issue 990 (Nine Hundred Ninety) Equity shares of face value of ₹ 1 (Rupee One) each and 590 (Five Hundred Ninety) Compulsory Convertible Preference Shares of ₹ 1 (Rupee One) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of ₹10/- (Rupee Ten) each held by them in Transferor Company pursuant to this Scheme of Amalgamation. The valuation report is also supported by the fairness opinion furnished by M/s Laurel Organics Limited (Annexure A-12).



11. While fixing the matter for hearing for 26.4.2018 by order dated 06.03.2018, the following directions were issued by this Tribunal: -

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....Notice of the hearing be issued to Central Government through Regional Director (Northern Region), Ministry of Corporate Affairs, Registrar of Companies, NCT of Delhi & Haryana, Official Liquidator, Commissioner of Income Tax within whose jurisdiction the petitioner-companies are assessed by mentioning PAN of the companies to SEBI, BSE and the other sectoral regulator(s), if any, asking them to file representation/objections, if any, with this Tribunal within 30 days of the receipt of such notice. Joint notice of hearing shall also be published by the petitioner-companies within a gap of 30 clear days before the date of hearing also stating that if any person has to file the representation/objection the same may be sent to the Tribunal before the date fixed with copy thereof to the respective company. The publication of notice be made in "Indian Express" (English, Delhi/NCR Edition) and "Jansatta" (Hindi, Delhi/NCR Edition). The petitioners shall send/publish these notices in the prescribed proforma immediately by Speed Post.

Notice to the Regional Director, Registrar of Companies, NCT of Delhi and Haryana and Official Liquidator is accepted by Mr. Deepankur Sharma, Advocate. The petitioner-companies shall file affidavit of service alongwith postal receipts and tracking reports and copies of the newspaper publications at least a week before the date fixed. The affidavit shall also contain the statement as to whether the petitioners have received any objections to the 'Scheme' from any quarter. It be further stated in the affidavit as to whether there is any other sectoral regulator(s) in respect of the petitioner-companies apart from the statutory authorities mentioned above and if there is any sectoral regulator(s) the notice be sent to the said sectoral regulator(s).

Mr. Deepankur Sharma, Advocate representing Central Government through Regional Director submits that the report of the Regional Director shall be filed today itself in the Registry. Let the needful be done during the course of the day and copy be supplied to the learned counsel for the petitioner. It is further submitted that report of the Official Liquidator shall be filed shortly. Let the same be filed within ten days with copy advance to the counsel for the petitioners.

The petitioners shall also file response/clarification by way of affidavit if there are adverse observations made by the Regional Director and the Official Liquidator before the date fixed.





*Office shall also make a report whether any objection to the 'Scheme' has been received in this Tribunal from any quarter pursuant to the publication of notice in the newspapers."*

12. The affidavit of compliance sworn off by Mr. Sameer Goel, authorized representative of both the companies was filed by diary No.1198 dated 18.04.2018 along with copies of the newspaper publications (Annexure 4 colly) and notice sent to the statutory authorities including Income Tax Department. Notice was also sent to the SEBI and BSE. The copies of these notices along with postal receipts and track receipts are at Annexure 1 (colly) and 2 (colly) of the affidavit dated 16.04.2018. The office has made a report that no objection to the Scheme has been received in this Tribunal from any quarter.

13. We have heard the learned counsel for the petitioners, Mr. M.S. Pachouri, Registrar of Companies, Punjab, Chandigarh and Himachal Pradesh for Registrar of Companies, NCT Delhi/Haryana, the Official Liquidator and for the Regional Director, Northern Region, Ministry of Corporate Affairs, Mr. Yogesh Putney, Senior Standing Counsel for the Income Tax Department and perused the records.

14. It was contended by the learned counsel for the petitioners that Transferor Company is a closely held company and management of both the companies is the same. The Official Liquidator filed his report dated 14.03.2018, the Regional Director, Mr. S.B. Gautam filed his report by way of affidavit dated 28.02.2018, the report of Registrar of Companies, NCT of Delhi and Haryana is dated 05.12.2017 and the report of the Income Tax Department is dated 18.5.2018.

15. It is also submitted that to give correct position of the Net Worth the Board of Directors of the Transferee Company have decided to write-off certain portion of accumulated past losses against 90% of its paid-up equity capital by



altering the face value of paid up equity share capital and authorized equity share capital from ₹10 (Rupees Ten) to ₹1 (Rupee One) and thereafter amalgamation of the transferor company with the transferee company. Upon such cancellation of the paid up equity share capital, the management has also found it appropriate to alter the face value of authorized equity share capital to ₹ 1 (Rupee One).

16. The Official Liquidator in his report stated that the Transferee Company was not performing well in the past and had incurred losses which are accumulated and standing in the Balance Sheet of the Company and hence the Equity Capital of the Company is not giving the true position of the Company's net worth. While entering in this Scheme of Arrangement, the management of Company found it appropriate to cancel certain part of the aforesaid accumulated losses by reducing the Equity Share Capital of the Company. Thus, in the benefit of the Transferee Company and the other Company being the part of this Scheme and their Shareholders and to give correct position of the net worth the Board of Directors of the Transferee Company have decided to write off certain portion of accumulated past losses against 90% of its paid up Equity Capital by altering the face value of paid up Equity Share Capital and Authorized Equity Share Capital from ₹10 (Rupees Ten) to ₹1 (Rupee One) and thereafter Amalgamation of the Transferor Company with the Transferee Company. Upon such cancellation of the paid up Equity Share Capital, the management has found it appropriate to alter the face value of Authorized Equity Share Capital to ₹1 (Rupee One) and therefore, pursuant to the Reorganization and Cancellation of aforesaid Paid Up Equity Share Capital, the Authorized Equity Share Capital would be revised to ₹7,38,50,000 (Rupees Seven Crores Thirty Eight Lacs and Fifty Thousand) divided into 7,38,50,000 (Seven Crore Thirty Eight Lacs and Fifty Thousand) Equity Shares of ₹1/- (Rupee One) each and the issued, subscribed and paid up





Equity Share Capital shall stand reduced to ₹73,85,000 (Rupees Seventy Three Lacs Eighty Five Thousand) divided into 73,85,000 (Rupees Seventy Three Lacs Eighty Five Thousand) Equity Shares of ₹1/- (Rupees One) each.

17. Mr.S.B.Gautam, Regional Director, Northern Region, Ministry of Corporate Affairs has filed his report with affidavit which is based on the factual report sent by the Registrar of Companies. There are no adverse remarks by the Regional Director except making two observations. One of the observation is that the Company may be directed to give an undertaking to pay stamp duty as may be applicable consequent upon the transfer of assets due to the amalgamation and the other observation is that the name of Transferee Company shall be replaced with the name of the Transferor Company.

18. The petitioner-companies filed reply to the report of the Regional Director by way of affidavit dated 02.06.2018 of Mr. Sameer Goel, Authorised Representative of the petitioner-companies stating therein that the Transferee Company will comply with the relevant provision of Companies Act, 2013 for change of name of the Company except that no approval of shareholders would be required again, as the same has already been approved by the shareholders in the meeting convened on 26.11.2017. The petitioner-companies also undertook to pay the stamp duty as may be required by law.

19. In the report of the Registrar of Companies it is stated that there are no proceedings pending against any of the petitioner- companies. Also, no inspection has been carried out against any of the companies. It is also reported by the petitioner companies that the concerned stock exchange viz. BSE vide letter dated 23.01.2017 has given no objection to the proposed Scheme of Arrangement and Amalgamation subject to certain terms and conditions.



20. In the Report of Income Tax Department dated 18.5.2018, Mr. Yogesh Putney, Senior Standing Counsel has stated that there is no outstanding demand against the Transferee Company. However, as the jurisdiction of the current case has been recently changed, therefore, the Income Tax Department has not been able to verify the physical Demand and Collection Register (DCR) for any demands which were created manually and not uploaded in the system electronically. It is also stated that the amalgamation will result in a scenario where the income of the Transferor Company will be set-off by losses of the Transferee Company thereby reducing overall tax liability and it needs to be judicially assessed if the amalgamation is done for the purpose of reducing tax liability only or for genuine business purposes. Letter dated 19.4.2018 received from the Assistant Commissioner of Income Tax is attached at page No.4 of the report of Income Tax Department.

21. In response to the above observations of Income Tax Department, learned counsel for the petitioner-companies filed affidavit dated 02.6.2018 of Mr. Sameer Goel, Authorised Representative of the petitioner-companies. The relevant submissions in the affidavit are reproduced as under:

- "(i) That in the year 2000, Transferee Company was declared a sick company under the provisions of Sick Industrial Companies (Special provisions) Act, 1985 and applied for revival with the Board for Financial and Industrial Reconstruction. In the year 2005, Transferee Company having the capacity of manufacture entered into an arrangement with Ranbaxy Laboratories Limited ("Ranbaxy") & J K Drugs and Pharma Limited for manufacturing the products on Job Work basis. Through this arrangement, Transferee Company became the ancillary unit of Ranbaxy and was able to survive. By effect of Transferee Company becoming ancillary unit of Ranbaxy, the proceedings pending before BIFR also came to an end. From such time till 2014, in a way, all the capacity of Transferee Company was in a form leased out to Ranbaxy and it was almost doing all its business from the orders received from Ranbaxy Only. While working on contract manufacturing basis, Transferee Company was able to survive





and meet its expenses. However, in year 2014, pursuant to merger of Ranbaxy with Sun Pharmaceutical Industries Limited and with no interest of erstwhile promoter of Transferee Company, business of Transferee Company came to standstill. Accordingly, Transferee Company generated further losses which kept increasing with time.

- (ii) Since the Transferor Company and Transferee Company are engaged in similar nature of business, the said companies discussed for the revival of Transferee Company.
- (iii) Based on the mutual discussions between the companies, it was decided that Transferor Company will take over the management & control of the Transferee Company in order to achieve synergies and gain a strong position in Pharma sector.
- (iv) Subsequently the Transferee Company was acquired by the Transferor Company, Kimia Biosciences Ltd in terms of SEBI Takeover provisions in the year 2015 and the new management is trying to revive and restructure the business of the Company. Further, in open offer documents it was also mentioned that as the reason of acquisition of shares and control of the Transferee Company (Target Company), the Transferor acquirer desires to continue the same line of business in which the Transferee Company (Target Company) is into presently.
- (v) With an ultimate objective to bring business in the Transferee Company and provide value to the shareholders, the new management has decided to Amalgamation of Kimia Biosciences Ltd (Transferor Company) with Laurel Organics Limited (Transferee Company). The Amalgamation of Transferor Company with the Transferee Company, much needed financial strength in terms of business and capital strength would be induced in the Company which in turn put the Transferee Company to path of revive and thus, survive.
- (vi) With this intent of revival and restructuring, the Scheme of Arrangement for Amalgamation has been framed and it will be also beneficial for the public shareholders of the Transferee Company."

22. It is stated in Para 48 of the petition that there are no proceedings pending inquiry or investigation in respect of the Transferor Company and Transferee Company under Section 201, 213, 214, 215, 261(3), 261(1), 216(4), 217, 219, 220 & Section 222 to 227 of the Companies Act, 2013.



23. In view of the above, there is no impediment in the sanction of the Scheme. The petition is allowed and the Scheme (Annexure P-3) is approved. While approving the Scheme as above, it is clarified that this order should not be construed as an order in any way granting exemption from payment of any stamp duty, taxes or any other charges, if any, and payment in accordance with law or in respect of any permission/compliance with any other requirement which may be specifically required under any law. With the sanction of the Scheme, all the equity shares held by the Transferee Company and its nominees in the Transferor company shall stand cancelled and the Transferor Company shall stand dissolved without undergoing the process of winding up.

**THIS TRIBUNAL DO FURTHER ORDER:**

- i. That all the property, rights and powers of the Transferor Company (P-1) stand transferred, without further act or deed, to the Transferee Company (P-2) and accordingly, the same shall pursuant to sections 230 to 232 of the Companies Act, 2013, be transferred to and vested in the Transferee Company for all the estate and interest of the Transferor Company but subject nevertheless to all charges now affecting the same; and
- ii. That all the liabilities and duties of the Transferor Company be transferred, without further act or deed, to the Transferee Company and accordingly the same shall pursuant to sections 230 to 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company; and
- iii. On amalgamation the name of the Transferee Company stand changed to "Kimia Biosciences Limited"; and





- iv. That all the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and
- v. That all the employees of the Transferor Company shall be transferred to the Transferee Company in terms of the 'Scheme'; and
- vi. That the equity shares held by the Transferor Company in Transferee Company shall stand extinguished and the Transferee Company do, without transfer application, allot to the existing members of the Transferor Company shares of Transferee Company to which they are entitled under the said Scheme of Amalgamation, and
- vii. That the fee, if any, paid by the Transferor Company on its authorized capital shall be set off against any fees payable by the Transferee Company on its authorized capital subsequent to the sanction of the 'Scheme'; and
- viii. That the Petitioner Companies do, within 30 days after the date of receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without undergoing the process of winding up. The concerned Registrar of Companies shall place all documents relating to the Transferor Company registered with him on the file relating to the Transferee Company and files relating to the said Transferor and Transferee Companies shall be consolidated accordingly, as the case may be; and
- ix. That the Transferee Company shall deposit an amount of ₹1,00,000/- (Rupees One lac only) with the Pay & Accounts Officer, Ministry of Corporate Affairs, in respect of the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi and ₹40,000/- (Rupees Forty



thousand only) in favour of "The Company Law Tribunal Bar Association" Chandigarh within a period of five weeks from the date of receipt of certified copy of this order; and

- x. That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

24. As per the above directions Form No. CAA-7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 formal orders be issued on the petitioners on filing of the Schedule of Property i.e. (i) freehold property of the Transferor-Company; and (ii) leasehold property of the Transferor-Company by way of affidavit of the Transferor Company.

(Pradeep R. Sethi)  
Member (Technical)

(Justice R.P. Nagrath)  
Member (Judicial)

August 21, 2018  
Anchal







# Kimia Biosciences Limited

(Formerly Kimia Biosciences Private Limited)

## ANNEXURE - 1

### Part - I

(Short description of freehold property of Kimia Biosciences Limited "Transferor Company" as on Appointed Date)

1.	Freehold Property	NIL
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### Part - II

(Short description of Leasehold property of Kimia Biosciences Limited "Transferor Company" as on Appointed Date)

1.	Leasehold Immovable Property	<p>(a) <u>Description of Property</u>: Industrial Plot No. G1-1210(A&amp;B), built on land area measuring 2006 Sq. Mtrs. or 2399.176 Sq. Yards. Situated at RHCO Industrial Area, Bhiwadi, Tehsil - Tijara, Distt. Alwar (Rajasthan).</p> <p>(b) <u>Gross Value of the property as on appointed date</u>: Rs. 18550032/-</p> <p>(c) <u>Any Addition to the property after appointed date till date</u>: Nil</p> <p>(d) <u>Type of Ownership</u>: Leasehold right.</p>
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*[Signature]*

Corp. Office : 974, Aggarwal Millenium Tower-II, Netaji Subhash Place, Pitampura, Delhi-110034 • Tel. : +91-11-47063600 • Fax : +91-11-47063601/02  
Email : kimia@kimiabiosciences.com • Website : www.kimiabiosciences.com  
Regd Office : Village Bhondsi, Tehsil Sohna, Distt. Gurgaon, Haryana - 122102  
Godown :- A-5/1, Mandir Achalla Samaipur, Delhi - 110042  
CIN No.: U24233HR2007PLC069240



# Kimia Biosciences Limited

(Formerly Kimia Biosciences Private Limited)

## Part – III

(Short description of all stock, shares, debentures and other charges in action of Kimia Biosciences Limited "Transferor Company" as on Appointed Date)

1.	Stocks	Nil
2.	Shares, Debentures and other charge in action	Nil
3.	Details of charges	<p>A. <u>Creation :</u> Charge Id: 10508642 Date of creation : 28/06/2014 Amount of Charge: Rs. 90000000/- Assets under charge: Book debts; Floating charge; Movable property (not being pledge); Fixed Deposits / Cash Deposits Details of charge Holder: i. Name: HDFC Bank Limited ii. Address: HDFC Bank Housesenapati Bapat Marglower Parel W Mumbai mh 400013 in.</p> <p><u>Modification :</u> Date of modification: 23/08/2017 Amount secured: Rs.120000000/-</p> <p>B. <u>Creation :</u> Charge Id: 100167783 Date of creation : 13/03/2018 Date of modification: NA Amount of Charge: 196500000/- Assets under charge: Corporate Guarantee Details of charge Holder: i. Name: HDFC BANK ii. Address: SME Branch, Vatika First India M.G Road, Gurgaon Haryana india- 122002.</p>



Corp. Office : 974, Aggarwal Millenium Tower-II, Netaji Subhash Place, Pitampura, Delhi-110034 • Tel. : +91-11-47063600 • Fax : +91-11-47063601/02  
Email : kimia@kimiabiosciences.com • Website : www.kimiabiosciences.com  
Regd Office : Village Bhondsi, Tehsil Sohna, Distt. Gurgaon, Haryana - 122102  
Godown :- A-5/1, Mandir Mohalla Samaipur, Delhi - 110042  
CIN No.:U24233HR2007PLC069240



4	<b>Details of Investment</b>	<p><u>Details of investment as on Appointed date:</u> Nil</p> <p><u>Details of addition/changes in investment after the appointed date till date:</u></p> <p>a. The company has acquired the entire promoter's shareholding of Laurel Organics Limited ("LOL") i.e. 3629500 equity shares (SPA shares) of Rs. 10 each representing 49.15% of the paid up share capital of the LOL during the FY 2016-2017.</p> <p>b. Company has also acquired the 98600 shares of Rs.10 each of LOL through takeover open offer under regulation 3(1) and 4 of the SEBI(substantial Acquisition of shares and takeovers) Regulations, 2011.</p>
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## 2. Bank Accounts Details:

Name of Bank & Branch	Type of Account	Account No.
HDFC BANK, NETAJI SUBHASH PLACE PITAMPURA DELHI	CURRENT	09352320001187



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20/5/18

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**Godown :-** A-5/1, Mandir Mohalla Samaipur, Delhi - 110042  
**CIN No.:** U24233HR2007PLC069240

93

SCHEME OF ARRANGEMENT  
AMONG  
KIMIA BIOSCIENCES LIMITED  
AND  
LAUREL ORGANICS LIMITED  
AND  
THEIR SHAREHOLDERS

FOR AMALGAMATION OF  
KIMIA BIOSCIENCES LIMITED  
WITH  
LAUREL ORGANICS LIMITED



*James Lal*



*James Lal*



**Parts of the Scheme:**

1. **Part I** -This part of Scheme contains general provisions applicable as used in this Scheme including definitions and capital structure of companies involved in amalgamation.
2. **Part II** -This part of Scheme contains the provisions relating to Re-organisation of Share Capital of Laurel Organics Limited, pursuant to the Scheme.
3. **Part III**- This part of scheme contains amalgamation i.e.transfer and vesting of undertakings of Kimia Biosciences Limited into Laurel Organics Limited;
4. **Part IV** - This part of scheme contains manner of issue of consideration against the present scheme of amalgamation including swap ratio and the accounting methodology adopted for the amalgamation.
5. **Part V** - This part of scheme contains miscellaneous provisions i.e. application/petition to Hon'ble High Court and conditionality of scheme.



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A handwritten signature in black ink, appearing to read "J. S. Jaiswal".



SCHEME OF ARRANGEMENT  
UNDER SECTIONS 391 & 394 OF THE COMPANIES ACT, 1956  
(OR ANY CORRESPONDING PROVISION OF THE COMPANIES ACT, 2013)  
AMONG  
KIMIA BIOSCIENCES LIMITED  
AND  
LAUREL ORGANICS LIMITED  
AND  
THEIR SHAREHOLDERS

[For Re- organization of Share Capital of LAUREL ORGANICS LIMITED and amalgamation of KIMIA BIOSCIENCES LIMITED with LAUREL ORGANICS LIMITED under Section 391 read with Section 394 of the Companies Act, 1956 (or any corresponding provisions of the Companies Act, 2013)]

PREAMBLE

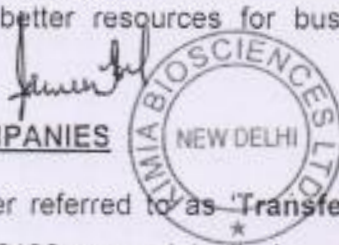
**A. AN OVERVIEW OF COMPOSITE SCHEME OF ARRANGEMENT**

The transferee company, i.e. Laurel Organics Limited, is a listed Company and was earlier engaged in the business of manufacturing of generic bulk drugs, however, the company from last several years is not carrying any such business activities and have been running into losses. The transferor company, i.e., Kimia Biosciences Limited, is engaged in the business of manufacturing and trading of pharmaceuticals products specifically bulk drugs. The Transferor Company through Share Purchase Agreement (SPA) had acquired 3,629,500 (Thirty Six Lacs Twenty Nine Thousand and Five Hundred) from the then Promoters of the Company and has given open offer in accordance with SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011, wherein it acquired 98,600 (Ninety Eight Thousand and Six Hundred) from its shareholders. The shares acquired through SPA have not been transferred in the names of the Transferor Company due to the General Order of SEBI dated 20th July, 2015. These shares would be transferred in the name of the Transferor Company on September 08, 2016. Pursuant to above, collectively, the holding of Transferor Company in the Transferee Company would become 50.48%. Also, pursuant to above open offer, the control of the transferee company had been duly changed.

This scheme of arrangement has been designed to internally reorganize the capital structure of the transferee company by cancelling its 90% of paid up equity share capital against certain portion of losses and amalgamation of the transferor company with the transferee company to strengthen the consolidated financials of the transferee company and create a larger and stronger entity, which will have better resources for business growth and expansion.

**B. BACKGROUND AND DESCRIPTION OF COMPANIES**

- LAUREL ORGANICS LIMITED** (herein after referred to as 'Transferee Company' or 'LOL'), bearing CIN L24239HR1993PLC032120 was originally incorporated under the name of "Dolphin Organics Limited" on 27<sup>th</sup> September, 1993 under the provisions of Companies Act, 1956 and had obtained certificate of commencement of business on 19<sup>th</sup> October 1993. The name of Company was changed to its present name Laurel Organics Limited and fresh certificate of incorporation dated 19<sup>th</sup> April 1995 was issued





by the RoC, NCT of Delhi & Haryana. The registered office of the Company is situated Village Bhondsi, Tehsil Sohna, Gurgaon, Haryana – 122102. The Equity Shares of the Company are Listed at BSE Limited and Ahmedabad Stock Exchange Limited. The shares of the Company were also listed on Delhi Stock Exchange Limited, Madras Stock Exchange Limited and Jaipur Stock Exchange Limited, however, the SEBI through its orders has derecognized these stock exchange(s) and has withdrawn their recognitions.

2. **KIMIA BIOSCIENCES LIMITED** (herein after referred to 'Transferor Company' or 'KBL'), bearing CIN U24233DL2007PTC167770 was originally incorporated under the name of "R. S. Pharma Plus Private Limited on 5th September 2007 under the provisions of Companies Act, 1956 and certificate of Incorporation was obtained from RoC, NCT of Delhi & Haryana. Subsequently the name of the company was changed to Kimia Biosciences Private Limited and a fresh certificate of incorporation was issued on 17<sup>th</sup> February 2012 by the RoC, NCT of Delhi & Haryana. Thereafter, the company got converted in public company and the name was changed to its present name Kimia Biosciences Limited and fresh certificate of incorporation was issued on 6<sup>th</sup> June, 2016 by the RoC, NCT of Delhi & Haryana. The registered office of the transferor company is presently situated at C-52, Rohit Kunj, Pitampura, Delhi – 110034, however, the company has already filed the application before Regional Director for shifting of its registered office to Village Bhondsi, Tehsil Sohna, Gurgaon, Haryana – 122102.

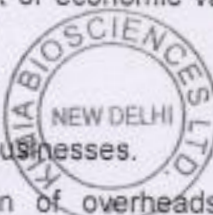
#### **C. THE SCHEME AND ITS RATIONALE**

The Scheme is broadly divided into two parts – (1) Internal Reorganization of Share Capital of the transferee company and (2) Amalgamation of the Transferor Company with transferee company. The reorganization of share capital will allow the transferee company to restructure its equity share capital by writing-off certain portion off of accumulated past losses against 90% of its paid-up equity share capital. The reduction in share capital and proportionate writing off of accumulated loss shall portray the true financial position of the transferee company into the books. Further, the amalgamation of the transferor company will strengthen the balance sheet of the transferee company and shall create a larger and stronger entity, which will have better resources for business growth and expansion. The scheme of arrangement shall provide a running and profitable business to the transferee company which has growth potential and shall also provide the shareholders of transferor company liquidity through listing and hence there is significant synergy for consolidation of the two entities.

The other benefits likely to arise through the proposed arrangement are as follows:

- I. Optimum and efficient utilization of capital, resources, assets and facilities;
- II. Enhancement of competitive strengths including financial resources;
- III. Consolidation of businesses and enhancement of economic value addition and shareholder value;
- IV. Obtaining synergy benefits;
- V. Better management and focus on growing the businesses.
- VI. The amalgamation would result in reduction of overheads, administrative, managerial and other expenditure and bring about operational rationalization, efficiency and optimum utilization of various resources.
- VII. A larger growing company will mean enhanced financial and growth prospects for the people and organization connected therewith, and will be in public interest.

*[Signature]*



*[Signature]*





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The amalgamation will conducive for better and more efficient and economical control over the business and financial conduct of the Companies

- D. Due to the aforesaid rationale, it is considered desirable and expedient to enter into this scheme of arrangement for financial reorganization of the transferee company and to amalgamate the transferor company with the transferee company and in consideration thereof issue Equity Shares and Compulsorily Convertible Preference Shares (CCPS) of the transferee company to the shareholders of transferor company in accordance with this Scheme, pursuant to Section 394 and other relevant provisions of the Companies Act, 1956 or any corresponding provisions of the Companies Act, 2013.
- E. The amalgamation of the transferor company with the transferee company, pursuant to and in accordance with this Scheme, under Section 394 and other relevant provisions of the Companies Act, 1956, and applicable provisions of Companies Act, 2013 shall take place with effect from the Appointed Date and shall be in compliance with Section 2(1B) of the Income Tax Act, 1961.





58

PART-I  
GENERAL PROVISIONS

1. DEFINITIONS:

In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the meanings as set out herein below:

- 1.1. **'Act'**: means the Companies Act, 1956, and applicable provisions of Companies Act, 2013 and will include any statutory modifications, re-enactments or amendments thereof and also mean and refer to corresponding sections of Companies Act, 2013 as and when such corresponding sections are notified in the official gazette by the Central Government.
- 1.2. **'Appointed Date'**: means 1<sup>st</sup> April 2016, being the date with effect from which the Scheme shall be applicable or such other date as may be approved by the Hon'ble High Court.
- 1.3. **'Board' or 'Board of Directors'**: shall have the same meaning as under the Act.
- 1.4. **'CCPS'**: means Compulsorily Convertible Preference Shares.
- 1.5. **'Effective Date'**: means the date on which certified copy of the order of the Hon'ble High Court(s) under Sections 391 and 394 of the Act sanctioning the Scheme is filed with the Registrar of Companies after obtaining the sanctions, orders or approvals referred to in Clause 2 of PART-V of this Scheme.
- References in this Scheme to the date of "Upon the Scheme becoming effective" or "effectiveness of this Scheme" shall mean the Effective Date.
- 1.6. **'High Court'**: means the Hon'ble High Court of Punjab and Haryana at Chandigarh and shall include National Company Law Tribunal ("NCLT"), or any other appropriate forum or authority empowered to approve the Scheme as per the law for the time being in force.
- 1.7. **'Listing Regulations'**: means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 1.8. **'Scheme'**: means this Scheme of Arrangement for reorganization the Share Capital of transferee company and thereof amalgamation of transferor company with the transferee company and their respective shareholders as approved by the Board of Directors of both the Companies, in its present form and with any modifications as may be approved by the Hon'ble High Court.
- 1.9. **'Transferee Company' or 'Laurel Organics Limited' or 'LOL'** shall mean Laurel Organics Limited, a Company incorporated under the provisions of Companies Act, 1956 having its Registered Office at Village Bhondsi, Tehsil Sohna, Gurgaon, Haryana - 122102.
- 1.10. **'Transferor Company' or 'Kimia Biosciences Limited' or 'KBPL'** shall mean Kimia Biosciences Limited, a Company incorporated under the provisions of Companies Act, 1956 having its Registered Office at C-52, RohitKunj, Pitampura, Delhi - 110034.





1.11. 'Record Date': means such date following the Effective Date as may be fixed by the Board of Directors of the transferee company to whom shares of the Transferee Company will be allotted pursuant to this Scheme.

1.12. 'Registrar of Companies' or 'RoC': means the Registrar of Companies for NCT of Delhi & Haryana at New Delhi.

**2. DATE OF EFFECT AND OPERATIVE DATE:**

The scheme setout herein in its present form or with any modification (s), if any made as per Clause 3 of PART-V of this Scheme shall be effective from the Appointed Date but shall be operative from Effective Date.

**3. CAPITAL STRUCTURE:**

The Capital Structure of transferee company and transferor company as on appointed date i.e. 1<sup>st</sup> April, 2016 and immediately before implementation of the scheme are as under:

**1.1. LAUREL ORGANICS LIMITED**

Particulars	Amount (Rs.)
<b>Authorized Share Capital</b>	
73,85,000 Equity Shares of Rs. 10 each	7,38,50,000.00
40,00,000 0.1% Redeemable Non -Convertible Cumulative Preference Shares of Rs. 10 each	4,00,00,000.00
<b>Issued, Subscribed and Paid up Share Capital</b>	
73,85,000 Equity Shares of Rs. 10/-each	7,38,50,000.00

The Company on 17<sup>th</sup> May, 2016 has allotted 4,000,000 (Forty Lacs) 0.1% Redeemable Non - Convertible Cumulative Preference Shares of face value of Rs. 10 each fully paid up amounting to Rs. 40,000,000 (Rupees Four Crore).

**1.2. KIMIA BIOSCIENCES LIMITED**

Particulars	Amount (Rs.)
<b>Authorized Share Capital</b>	
50,00,000 Equity Shares of Rs. 10/- Each	5,00,00,000.00
<b>Issued, Subscribed and Paid up Share Capital</b>	
11,04,800 Shares of Rs. 10/- each	1,10,48,000.00

There is no change in the Capital structure of the transferor company since Appointed Date.





## PART II

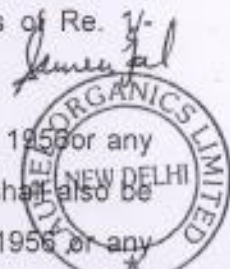
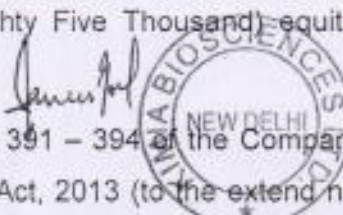
### REORGANISATION & REDUCTION OF CAPITAL

60

1. Laurel Organics Limited (Transferee Company) was incorporated on 27<sup>th</sup> September, 1993 under the provisions of Companies Act, 1956. The Capital Structure of the Company as on the date of approval of the Board is as follows:

Particulars	Amount (Rs.)
<b>Authorized Share Capital</b>	
73,85,000 Equity Shares of Rs. 10 each	7,38,50,000.00
40,00,000 0.1% Redeemable Non-Convertible Cumulative Preference Shares of Rs. 10 each	4,00,00,000.00
<b>Issued, Subscribed and Paid up Share Capital</b>	
73,85,000 Equity Shares of Rs. 10/-each	7,38,50,000.00
40,00,000 0.1% Non-Convertible Cumulative Preference Shares of Rs. 10 each	4,00,00,000.00

2. Article 4A of the Articles of Association of the Transferee Company provides that subject to the provisions of Section 100 to 104 of the Companies Act, 1956 or any corresponding provisions of the Companies Act, 2013 (to the extent notified), the Company may, reduce its capital on such terms and conditions as shall be agreed.
3. The Transferee Company was not performing well in past and has incurred losses which are accumulated and standing in the balance sheet of the Company and hence the equity capital of the Company is not giving the true position of Company's Net Worth. While entering in this scheme of arrangement, the management of company has found it appropriate to cancel certain part of the aforesaid accumulated losses by reducing the equity share capital of the Company. Thus, in the benefit of the Transferee Company and the other Company being the part of this Scheme and their shareholders and to give correct position of the Net Worth the Board of Directors of the Transferee Company have decided to write-off certain portion of accumulated past losses against 90% of its paid-up equity capital by altering the face value of paid up equity share capital and authorized equity share capital from Rs. 10 (Rupees Ten) to Re. 1 (Rupee One) and thereafter amalgamation of the transferor company with the transferee company. Upon such cancellation of the paid up equity share capital, the management has also found it appropriate to alter the face value of authorized equity share capital to Re. 1 (Rupee One).
4. In accordance with above and pursuant to the reorganization and cancellation of aforesaid paid up equity share capital, the authorized equity share capital would be revised to Rs. 7,38,50,000 (Rupees Seven Crores Thirty Eight Lacs and Fifty Thousand) divided into 7,38,50,000 (Seven Crore Thirty Eight Lacs and Fifty Thousand) equity shares of Re. 1/- (Rupee One) each and the issued, subscribed and paid-up equity share capital shall stand reduced to Rs. 73,85,000 (Rupees Seventy Three Lacs Eighty Five Thousand) divided into 73,85,000 (Rupees Seventy Three Lacs Eighty Five Thousand) equity shares of Re. 1/- (Rupee One) each and
5. Approval of the Scheme pursuant to section 391 - 394 of the Companies Act, 1956 or any corresponding provisions of the Companies Act, 2013 (to the extent notified) shall also be deemed to be the approval under section 100 to 105 of the Companies Act, 1956 or any corresponding provisions of the Companies Act, 2013 (to the extent notified) for reduction and cancellation of shares of the Transferee Company.





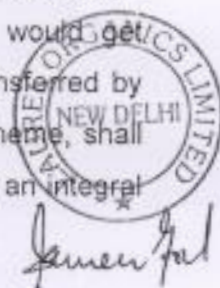
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PART-III

AMALGAMATION, TRANSFER & VESTING OF UNDERTAKING

1. With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and the whole of the undertaking(s), properties and liabilities of Transferor Company shall, in terms of Section 391 and 394 and applicable provisions, if any, of the Companies Act 1956 or any corresponding provision of Companies Act, 2013 (to the extent notified), and pursuant to the orders of the High Court or other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing, stand transferred and vested in and/ or deemed to be transferred to and vested in Transferee Company as a going concern so as to become the undertaking(s), properties and liabilities of Transferee Company.
2. With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and undertaking of Transferor Company shall stand transferred to and be vested in Transferee Company without any further deed or act, together with all their properties, assets, rights, benefits and interest therein, subject to existing charges thereon in favour of banks and financial institutions, as the case may be, in the following manner:

3. TRANSFER OF ASSETS

- 3.1. With effect from the Appointed Date and upon the Scheme becoming effective all memberships, licenses, franchises, rights, privileges, permits, quotas, rights, entitlements, allotments, approvals, consents, concessions, trade mark licenses including application for registration of trade mark, patents, copyrights and their right to use available to Transferor Company as on appointed date or any which may be taken after the appointed date but till the effective date, shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.
- 3.2. With effect from the Appointed Date and upon the Scheme becoming effective all Certificate of Registrations as available with Transferor Company as on Appointed Date or any which may be taken by Transferor Company after the Appointed Date but till the Effective Date shall get transferred to Transferee Company without any further instrument, deed or actor payment of any further fee, charge or securities.
- 3.3. With effect from the Appointed Date and upon the Scheme becoming effective all the assets of Transferor Company as are movable in nature including, but not limited to, stock of goods, raw materials available in the market/ depots/ Godown/ factories, sundry debtors, plants and equipments, outstanding loans and advances, insurance claims, advance tax, Minimum Alternate Tax (MAT) set-off rights, pre-paid taxes, levies/liabilities, CENVAT/VAT credits if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons or any other assets otherwise capable of transfer by physical delivery would get transferred by physical delivery only and all others assets would get transferred by endorsement and delivery by vesting and recordable pursuant to this Scheme, shall stand vested in Transferee Company, and shall become the property and an integral





part of Transferee Company without any further instrument, deed or actor payment of any further fee, charge or securities.

- 3.4. With effect from the Appointed Date and upon the Scheme becoming effective all incorporeal properties of Transferor Company as on Appointed Date or any which may be taken after the Appointed Date but till the Effective Date, shall get transferred to Transferee Company without any further instrument, deed or actor payment of any further fee, charge or securities.
- 3.5. With effect from the Appointed Date and upon the Scheme becoming effective, all immovable properties including but not limited to land and buildings or any other immovable properties of Transferor Company, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in Transferee Company, without any further instrument, deed or act or payment of any further fee, charge or securities either by the Transferor Company or Transferee Company.
- 3.6. With effect from the Appointed Date, Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, taxes and fulfill obligations, in relation to or applicable to such immovable properties. The mutation/substitution of the title to the immovable properties shall be made and duly recorded in the name of Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the Hon'ble High Court and the Scheme becoming effective in accordance with the terms hereof.
- 3.7. With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to Transferor Company to which the Transferor Company are the party or to the benefit of which Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favor of Transferee Company and may be enforced as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto.
- 3.8. With effect from the appointed date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, licenses including those relating to trademarks, tenancies, patents, copyrights, privileges, software, powers, facilities of every kind and description of whatsoever nature in relation to Transferor Company to which Transferor Company is the party or to the benefit of which Transferor Company may be eligible and which are subsisting or having effect immediately before the effective date, shall be enforceable as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto.

- 3.9. With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, no-objection certificates, permissions or approvals or consents required to carry on operations of Transferor Company or granted to Transferor Company shall stand vested in or transferred to Transferee Company without further



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act or deed, and shall be appropriately transferred or assigned by the statutory authorities concerned therewith in favor of Transferee Company upon the vesting of Transferor Company Businesses and Undertakings pursuant to this Scheme. The benefit of all statutory and regulatory permissions, licenses, approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of Transferor Company shall vest in and become available to Transferee Company pursuant to this scheme.

- 3.10. With effect from the Appointed Date and upon the Scheme becoming effective, all motor vehicles of any description whatsoever of Transferor Companies shall stand transferred to and be vested in the Transferee Company, and the appropriate Governmental and Registration Authorities shall substitute the name of Transferee Company in place of Transferor Companies, without any further instrument, deed or act or any further payment of fee, charge or securities.

#### 4. TRANSFER OF LIABILITIES

- 4.1. With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts or disclosed in the balance sheets of Transferor Company, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of Transferee Company.
- 4.2. Without prejudice to the generality of the provisions contained herein, all loans raised after the Appointed Date but till the Effective Date and liabilities incurred by Transferor Companies after the Appointed Date but till the Effective Date for their operations shall be deemed to be of Transferee Company.
- 4.3. The transfer and vesting of the entire business and undertaking of Transferor Companies as aforesaid, shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of Transferor Companies, as the case may be.

Provided that the securities, charges and mortgages (if any subsisting) over and in respect of the part thereof, of Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of Transferor Companies vested in Transferee Company pursuant to the Scheme.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by Transferor Companies which shall vest in Transferee Company by virtue of the amalgamation of Transferor Companies with Transferee Company and Transferee Company shall not be obliged to create any further or additional security there for after the amalgamation has become operative.

- 4.4. Transferee Company will, 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 or other writings or arrangements with any party to any contract or arrangements in relation to Transferor Companies to which Transferor Company are parties, in order to give formal effect to the above provisions. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of Transferor Companies and to carry out or perform all such formalities or compliances referred to above on part of Transferor Companies.

4.5. Loans or other obligations, if any, due either between Transferee Company and Transferor Companies or amongst transferor companies shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by the Transferor Company and held by the Transferee Company and vice versa are concerned, the same shall, unless sold or transferred by holder of such securities, at any time prior to the Effective Date, stand cancelled and shall have no further effect.

## 5. LEGAL PROCEEDINGS

5.1. With effect from the Appointed Date, Transferee Company shall bear the burden and the benefits of any legal or other proceedings initiated by or against Transferor Companies.

Provided however, all legal, administrative and other proceedings of whatsoever nature by or against Transferor Companies pending in any court or before any authority, judicial, quasi judicial or administrative, any adjudicating authority and/or arising after the Appointed Date and relating to Transferor Companies or its respective properties, assets, liabilities, duties and obligations shall be continued and/or enforced until the Effective Date by or against Transferor Companies; and from the Effective Date, shall be continued and enforced by or against Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Companies.

5.2. If any suit, appeal or other proceedings of whatever nature by or against Transferor Companies be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the transfer of the Transferor Companies businesses and undertakings or of anything contained in this scheme but the proceedings may be continued, prosecuted and enforced by or against Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Transferor Companies as if this Scheme had not been made.

## 6. EMPLOYEE MATTERS

On occurrence of the Effective Date, all persons that were employed by Transferor Companies immediately before such date shall become employees of Transferee

Company with the benefit of continuity of service on same terms and conditions as were applicable to such employees of Transferor Companies immediately prior to such transfer and without any break or interruption of service. Transferee Company undertakes to continue to abide by agreement/settlement, if any, entered into by Transferor Companies with any union/employee thereof. With regard to Provident





Fund, Gratuity Fund, Superannuation fund or any other special fund or obligation created or existing for the benefit of such employees of Transferor Companies upon occurrence of the Effective Date, Transferee Company shall stand substituted for Transferor Company, for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. The existing Provident Fund, Gratuity Fund and Superannuation Fund or obligations, if any, created by Transferor Companies for their employees shall be continued for the benefit of such employees on the same terms and conditions. With effect from the Effective Date, Transferee Company will make the necessary contributions for such transferred employees of Transferor Companies and deposit the same in Provident Fund, Gratuity Fund or Superannuation Fund or obligations, where applicable. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of Transferor Companies in relation to such schemes or funds shall become those of Transferee Company.

## 7. TAXATION AND OTHER MATTERS

7.1. With effect from the Appointed Date, all the profits or income accruing or arising to Transferor Companies, and all expenditure or losses arising or incurred by Transferor Companies shall, for all purposes, be treated (including all taxes, if any, paid or accruing in respect of any profits and income) and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of Transferee Company. Moreover, Transferee Company shall be entitled to revise its statutory returns relating to indirect taxes like sales tax/ service tax/excise, etc. and to claim refund/credits and/or set off all amounts under the relevant laws towards the transactions entered into by Transferee Company and Transferor Companies which may occur between the Appointed Date and the Effective Date. The rights to make such revisions in the sales tax returns and to claim refunds/credits are expressly reserved in favour of Transferee Company.

7.2. Transferee Company shall be entitled to revise its all Statutory returns relating to Direct taxes like Income Tax and Wealth Tax and to claim refunds/advance tax credits and/or set off the tax liabilities of Transferor Companies under the relevant laws and its rights to make such revisions in the statutory returns and to claim refunds, advance tax credits and/or set off the tax liabilities is expressly granted.

7.3. It is expressly clarified that with effect from the Appointed Date, all taxes payable by Transferor Companies including all or any refunds of the claims/TDS Certificates shall be treated as the tax liability or refunds/claims/TDS Certificates as the case may be of Transferee Company.

7.4. From the Effective Date and till such time as the name of the Transferee Company would get entered as the account holder in respect of all the bank accounts and demat accounts of Transferor Companies in the relevant bank's/DP's books and records, the Transferee Company shall be entitled to operate the bank/demat accounts of Transferor Companies in their existing names.





7.5. Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of Transferor Companies shall stand transferred by the order of the High Court to Transferee Company, Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning court.

## 8. Conduct of Business

8.1. With effect from the Appointed Date and till the Scheme come into effect:

8.1.1. Transferor Company shall be deemed to carry on all their businesses and activities and stand possessed of their properties and assets for and on account of and in trust for Transferee Company; and all the profits accruing to Transferor Company and all taxes thereon or gains or losses arising or incurred by them shall, for all purposes, be treated as and deemed to be the profits or losses, as the case may be, of Transferee Company.

8.1.2. Transferor Company shall carry on their businesses with reasonable diligence and in the same manner as they had been doing hitherto, and Transferor Company shall not alter or substantially expand their businesses except with the concurrence of Transferee Company.

8.1.3. Transferor Company shall not, without the written concurrence of Transferee Company, alienate charge or encumber any of their properties except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company, as the case may be.

8.1.4. Transferor Company shall not vary or alter, except in the ordinary course of their business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of Transferee Company.

8.1.5. With effect from the Appointed Date, all debts, liabilities, duties and obligations of Transferor Company as on the close of business on the date preceding the Appointed Date, whether or not provided in their books and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of Transferee Company.

8.2. Upon the Scheme coming into effect, Transferee Company shall commence and carry on and shall be authorized to carry on the businesses carried on by Transferor Company.

8.3. For the purpose of giving effect to the vesting order passed under Sections 391 and 394 of the Companies Act, 1956 or any corresponding provisions of Companies Act, 2013 (to the extend notified) in respect of this Scheme by the Hon'ble High Court,



2 /

Transferee Company shall, at any time pursuant to the orders on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the vesting of the Transferor Company businesses and undertakings in accordance with the provisions of Sections 391 and 394 of the Companies Act, 1956 or any corresponding provisions of Companies Act, 2013 (to the extend notified). Transferee Company shall be authorized to execute any pleadings; applications, forms, etc. as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.





## ISSUE OF SHARES &amp; ACCOUNTING TREATMENT

## 1. REORGANISATION OF CAPITAL IN THE TRANSFeree COMPANY

## 1.1. Issue of Shares in the Share Capital of Transferee Company;

Upon this Scheme coming into effect and upon transfer and vesting of the business and undertaking of transferor company in transferee company, the consideration in respect of such transfer shall, subject to the provisions of the Scheme, be paid and satisfied by transferee company as follows:

1.1.1. Transferee Company, without further application, act or deed, shall issue and allot to each of the shareholders of Transferor Company (other than the shares already held therein immediately before the amalgamation by Transferee Company, its Nominee or Subsidiary Company), shares in proportion of **990(Nine Hundred Ninety) Equity shares of face value of Re. 1(Rupee One) each and 590 (Five Hundred Ninety) Compulsory Convertible Preference Shares of Re. 1 (Rupee One) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs.10/- (Rupee Ten)each** held by them in Transferor Company pursuant to this Scheme of Amalgamation.

1.1.2. The CCPS issued and allotted under this Scheme, would have seniority with respect to dividends and proceeds from sale or dissolution from the Transferee Company and would be also eligible for proportionate declaration and distribution of dividend together with equity shares and shall be compulsorily convertible in the ratio of 1:1 at any time within a maximum period of five years, into the equity shares of face value of Re. 1 each. CCPS allotted under the Scheme, shall be converted into equity shares, in one or more tranches, within a maximum period of five years subject to condition that the conversion of CCPS does not breach the requirement of maintaining minimum public shareholding as per Regulation 38 of Listing Regulations. Any CCPS, remain outstanding for conversion upon completion of five years of allotment, shall be cancelled subject to the compliance of all the applicable laws at that time.

1.1.3. For arriving at the share exchange ratio as outlined above, the Companies have considered the Valuation Report submitted by an independent professional firm, **M/s AARA & Company, Chartered Accountants.**

1.1.4. Cross holding at the time of record date (if any), between Transferor Company and the Transferee Company, if not transferred prior to the Effective Date, shall get cancelled at the time of allotment of shares to the shareholders of Company by Transferee Company and the approval of Scheme by the Court under section 391 and 394 of the Companies Act, 1956 or any corresponding provisions of Companies Act, 2013 (to the extend notified) shall also be treated as approval under section 100 of the Act for reduction of capital pursuant to such cancellations.





- 1.1.5. Any fraction arising out of allotment of equity shares and CCPS as per clause 1.1.1 above shall be rounded off to the nearest round number.
- 1.1.6. The said Equity Shares in the capital of Transferee Company be issued to the shareholders of Transferor Company shall rank *pari-passu* in all respects, with the existing Equity shares in Transferee Company from the Appointed Date. Such shares in Transferee Company, to be issued to the shareholders of Transferor Company will, for all purposes, save as expressly provided otherwise, be deemed to have been held by each such member from the Appointed Date.
- 1.1.7. Upon the Scheme becoming effective and subject to the above provisions, the shareholders of Transferor Company (other than the shares already held therein immediately before the amalgamation by Transferee Company) as on the record date shall receive new share certificates. Upon the issue and allotment of new shares in the capital of Transferee Company to the shareholders of Transferor Company, the share certificates in relation to the shares held by them in Transferor Company shall be deemed to have been cancelled. All certificates for the new shares in the capital of Transferee Company shall be sent by Transferee Company to the said shareholders of Transferor Company at their respective registered addresses as appearing in the said registers (or in the case of joint holders to the address of that one of the joint holders whose name stands first in such Registers in respect of such joint holding) and Transferee Company shall not be responsible for any loss in transmission. Transferee Company shall provide an option to all the shareholders of transferor company to get the new equity shares in transferee company in dematerialized form and the shareholders of transferor company shall have right to opt for new shares in dematerialized form by giving written confirmation with required particulars of their demat accounts on or before the Record Date.

## 1.2. INCREASE IN AUTHORIZED SHARE CAPITAL

- 1.2.1. With effect from appointed date and upon the scheme becoming effective, without any further acts or deeds on the part of the transferor company or transferee company and notwithstanding anything contained in Section 61 of Companies Act, 2013, the Authorized Share capital of transferor Company as appearing in its Memorandum of Association on the Effective Date shall get clubbed with the Authorized Share Capital of the transferee company as appearing in its Memorandum of Association on the Effective Date and pursuant to this clubbing the Clause V of the Memorandum of Association of the transferee company shall stand altered to give effect to the same with effect from the Effective Date. The Face Value of Equity share shall remain same as of the transferee company after clubbing of Authorized Capital. Further, notwithstanding anything contained under section 61 of the Companies Act, 2013, the Clubbed Authorized Capital of Transferee Company shall be re-classified





into Equity Share Capital, 0.1% Redeemable Non – Convertible Cumulative Preference Shares and Compulsory Convertible Preference Shares Capital on the effective date, and the Authorized Capital shall be as under:

- Equity Share Capital of Rs. Rupees 11,73,31,680.00/- (Rupees Eleven Crores, Seventy Three Lacs, Thirty One Thousands, Six Hundred and Eighty) divided into 11,73,31,680.00/- (Eleven Crores, Seventy Three Lacs, Thirty One Thousands, Six Hundred and Eighty) equity share of face value of Re. 1 (Rupee One) each,
- 0.1% Redeemable Non – Convertible Cumulative Preference Share Capital of Rs. 4,00,00,000 (Rupees Four Crore) divided into 40,00,000 (Forty Lacs) 0.1% Redeemable Non – Convertible Cumulative Preference Shares of Rs. 10 (Rupees Ten) each;
- Compulsory Convertible Preference Share Capital of RS. 65,18,320/- (Rupees Sixty Five Lacs, Eighteen Thousands, Three Hundred and Twenty) divided into 65,18,320/- (Sixty Five Lacs, Eighteen Thousands, Three Hundred and Twenty) Compulsory Convertible Preference Shares of Re. 1 (Rupee One) each;

1.2.2. The filing fee and stamp duty already paid by the transferor company on its authorized share capital, which is being combined with the authorized share capital of the transferee company, shall be deemed to have been paid by the transferee company and accordingly, the transferee company shall not be required to pay any fee, additional fee, charges and/or stamp duty on the authorized share capital so increased.

1.2.3. If required, the Transferee Company shall take necessary steps to increase its authorized share capital on or before the Effective Date so as to make it sufficient for allotment of shares and CCPS, to the shareholders of Transferor Company, in consideration of amalgamation after considering the combined authorized share capital of Transferee Company.

1.3. On approval of the Scheme by the shareholders of transferee company pursuant to Section 391 – 394 of the Companies Act, 1956 or any corresponding provisions of Companies Act, 2013, to the extent notified, it shall be deemed that the said shareholders have also accorded their consent under relevant Articles of the Articles of Association of the Company and Section 61 of Companies Act, 2013 or any other section as may be applicable for giving effect to the provisions contained in this Scheme.

1.4. The issue and allotment of Shares to Shareholders of Transferor Company, as provided in this Scheme, shall be deemed to be made in compliance with the procedure laid down under Section 62 of the Companies Act, 2013.





151

**1.5. CHANGE IN NAME OF TRANSFeree COMPANY**

- A ( 1.5.1. As per the arrangement the transferee company shall carry the business of transferor company and hence it is found expedient to replace the name of transferor company with the name of the transferee company. Hence, with effect from Effective Date, without any further acts or deeds on the part of the Transferee Company, name of transferee company shall be changed from "Laurel Organics Limited" with the name of the Transferor Company "Kimia Biosciences Limited".
- 1.5.2. On approval of the Scheme Section 391 - 394 of the Companies Act, 1956 or any corresponding provisions of the Companies Act, 2013, it shall be deemed that necessary compliances under section 13 of the Companies Act, 2013 for change of name and alteration in Memorandum of Association of Transferee Company. ) A,

**2. ACCOUNTING TREATMENT FOR AMALGAMATION**

Upon the coming into effect of this Scheme, the amalgamation of the Transferor Companies with the Transferee Company shall be accounted for as per the "Accounting Standard 14: Accounting for Amalgamations" as prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Ministry of Corporate Affairs or the "Indian Accounting Standard (Ind AS) 103 for Business Combination" prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015, (if applicable), as may be amended from time to time such that:

- 2.1. Transferee Company shall, record all the assets and liabilities, including Reserves of the Transferor Company vested in it pursuant to this Scheme, at their respective book values as appearing in the books of Transferor Company on the Appointed Date.
- 2.2. If at the time of amalgamation, Transferor Company and Transferee Company have conflicting accounting policies, a uniform accounting policy shall be adopted by Transferee Company following the amalgamation. The effect on the financial statements of any change in accounting policies shall be reported in accordance with Accounting Standard 5, 'Prior Period and Extraordinary Items and changes in accounting policies'.
- 2.3. Investment, if any, in the equity share capital of the Transferor Company by the Transferee Company as appearing in the books of accounts of Transferee Company or vice versa, if not transferred prior to the effective date, shall stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 2.4. The loans and advance or payables or receivables of any kind, held inter-se, if any between Transferor Company and Transferee Company, as appearing in their respective books of accounts shall stand discharged prior to Effective Date.
- 2.5. The difference between the share capital issued by the Transferee Company and the net assets of the Transferor Company acquired would be adjusted in the consolidated reserves of the Transferee Company. Also, the difference, if any





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arising from the cancellation of cross-holdings (if any) shall also be adjusted in the consolidated reserves of the Transferee Company.

2.6. The accounting entries proposed in this Scheme shall be effected as a part of this Scheme and not under a separate process in terms of Section 78, 100 to 104 of the Companies Act, 1956 or Section 52 or any corresponding provisions under Companies Act, 2013, to the extent notified, as the same neither involves diminution of liability in respect of unpaid share capital of Transferee company nor any payment to any shareholder of the Transferee Company of any paid-up capital and the order of High Court sanctioning the Scheme shall be deemed to be a due compliance of the provisions of Sections 100 to 102 of the Companies Act, 1956 or any corresponding provisions of Companies Act, 2013, consequently. Consequently, the Transferee Company shall not be required to use the words "and reduced" as part of its corporate name.

### 3. LISTING AGREEMENT AND SEBI COMPLIANCES

- 3.1. Since the Transferee Company being a listed company, this Scheme is subject to the Compliances by the Transferee Company of all the requirements under the listing regulations and all statutory directives of the Securities Exchange Board of India ('SEBI') insofar as they relate to sanction and implementation of the Scheme.
- 3.2. The Transferee Company in compliance with the listing Regulations shall apply for the 'Observation Letter' of BSE Limited, where its shares are listed in terms of the Regulation 37 of the listing regulations.
- 3.3. The Transferee Company shall also comply with the directives of SEBI contained in the Circular No. CIR/CFD/CMD/16/2015 dated 30th November 2015;
- 3.4. As Para 9 of SEBI Circular No CIR/CFD/CMD/16/2015 dated 30th November 2015 is applicable to this Scheme, therefore it is provided in the Scheme that the Transferee Company will provide voting by the public shareholders through postal ballot and e-voting and will disclose all material facts in the explanatory statement, to be sent to the shareholders in relation to the said Resolution.

### 4. Saving of Concluded Transactions

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

### 5. Dissolution of Transferor Company

On occurrence of the Effective Date, Transferor Company shall, without any further act or deed, stand dissolved without winding up.





**PART - V**  
**OTHER PROVISIONS**

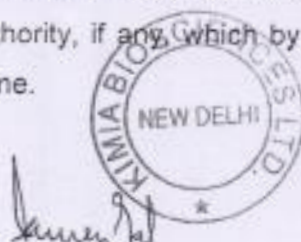
**1. Application/Petition to High Court:**

- 1.1. Transferor Company and Transferee Company shall, with all reasonable dispatch, make application/petition to the Hon'ble High Court, under Section 391 and other applicable provisions of the Act, or any corresponding provisions of the Companies Act, 2013 (to the extent notified), seeking orders for dispensing with or convening, holding and conducting of the meetings of the classes of their respective members and/or creditors and for sanctioning the Scheme with such modifications as may be approved by the Hon'ble High Court.
- 1.2. On the Scheme being agreed to by the requisite majorities of all the classes of the members and/or creditors of Transferor Company and Transferee Company shall, with all reasonable dispatch, apply to the Hon'ble High Court, for sanctioning the Scheme under Sections 391, 394 and other applicable provisions of the Companies Act 1956, or the corresponding provisions of the Companies Act, 2013 (to the extent notified), and for such other orders, as the said High Court may deem fit for carrying this Scheme into effect and for dissolution of Transferor Company without winding-up.

**2. Conditionality of Scheme:**

The Scheme is conditional upon and subject to:

- 2.1. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the Members and / or Creditors of the Transferor Companies and Transferee Company as may be directed by the Court or any other competent authority, as may be applicable.
- 2.2. As Para 9 of SEBI Circular No CIR/CFD/CMD/16/2015 dated 30th November 2015 is applicable to this Scheme, therefore it is provided in the Scheme that the Transferee Company will provide voting by the public shareholders through postal ballot and e-voting and will disclose all material facts in the explanatory statement, to be sent to the shareholders in relation to the said Resolution
- 2.3. As Para 9 of SEBI Circular No CIR/CFD/CMD/16/2015 dated 30th November 2015 is applicable to this Scheme, the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by the public shareholders against it.
- 2.4. The Scheme being sanctioned by the Court or any other authority under Sections 391 to 394 of the Companies Act, 1956 or any corresponding provisions of the Companies Act, 2013 (to the extent notified) and to the necessary Order under Section 394 of the said Companies Act, 1956 or any corresponding provisions of the Companies Act, 2013 (to the extent notified) being obtained.
- 2.5. Certified copies of the Orders of the Court sanctioning the Scheme being filed with the respective Registrar of Companies by the Transferor Company and Transferee Company;
- 2.6. The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.





### 3. Modification or Amendment

- 3.1. Transferee Company (acting through its Board of Directors) and Transferor Company (acting through its respective Board of Directors) may assent to any modifications or amendments to this Scheme which the High Court(s) and/or other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for any question or doubt or difficulty that may arise for implementing and/or carrying out the scheme or which is generally in the benefit or interest of the shareholders and/or creditors. Transferee Company (acting through its Board of Directors) and Transferor Company (each acting through its respective Board of Directors) and after the dissolution of Transferor Company; Transferee Company (by its Board of directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions whether by reason of any order(s) of the High Court(s) or of any directive or order(s) of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 3.2. Transferor Company and Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Hon'ble High Court or any other authority is not on terms acceptable to them.
- 3.3. In the event of this Scheme failing to take effect finally this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each Company shall bear its own costs or as may be mutually agreed.

### 4. General Terms and Conditions

All costs, charges, fees, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and matters incidental thereto shall be borne and paid by Transferee Company. All such costs, charges, fees, taxes, stamp duty including duties (excluding the stamp duty, if any, paid on this scheme which shall be pro rata added to the value of the immovable properties), levies and all other expenses, shall be debited to the Profit and Loss Account of Transferee Company.

