SCHEME OF AMALGAMATION

OF

ACHYUT HEALTHCARE LIMITED ("TRANSFEROR COMPANY")

WITH

ZENITH HEALTHCARE LIMITED ("TRANSFEREE COMPANY")

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

Achyut Healthcare Limited Ahmedabad

Achyut Healthcare Limited

Jigen J. Modi

Director Managing Director

For Zenith HEALTH CARE LTD

Managing Director Director

ZENITH HEALTH CARE LTD. A'BAD.

PREAMBLE

A. BACKGROUND

This Scheme of Amalgamation is presented under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules and regulations made thereunder read with Section 2(6) of the Income Tax Act, 2025, for amalgamation of the Transferor Company (*as defined hereinafter*) with and into the Transferee Company (*as defined hereinafter*), consequent dissolution of the Transferor Company without winding up and the issuance of New Equity Shares (*as defined below*) by the Transferee Company to the equity shareholders of the Transferor Company as consideration. In addition, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

B. DESCRIPTION OF COMPANIES

1. **ACHYUT HEALTHCARE LIMITED** (hereinafter referred to as the "**Transferor Company**") is a public limited company, bearing CIN L67120GJ1996PLC028600, and having its registered office at 504, 5th Floor, Iscon Elegence, Circle-P, Sarkhej Gandhinagar Highway, SAC, Ahmedabad, Gujarat – 380015, India. The Transferor Company was incorporated on January 11, 1996 in the name of Achyut Securities Private Limited, under the provisions of the Companies Act, 1956. The name of the Transferor Company was changed to (i) Achyut Healthcare Private Limited on November 26, 2002 and subsequently to (ii) Achyut Healthcare Limited on November 30, 2021. The Equity Shares of the Transferor Company are listed on the BSE (*as defined below*). The Transferor Company is currently engaged in the business of trading and dealing *inter alia* in active pharmaceutical ingredients (APIs) and pharmaceutical products. The Transferor Company is also undertaking the installation and commissioning of plants and equipment to establish manufacturing facilities for the production of General Tablets, Effervescent Tablets, Capsules (General and Soft Gel), Liquid Inhalation (Sevoflurane) and Sachet, at New Survey Block No. 1078, Khata No. 1627, Moje: Bhat, Taluka: Daskroi, Ahmedabad, Gujarat, in accordance with internationally recognised standards of Good Manufacturing Practice (GMP), WHO cGMP certification and EU certification.

   The main objects of the Transferee Company under the Memorandum of Association are as follows:

   "1. To carry on the business as manufacturers, representatives, producers, growers, fabricators, processors, refiners, dealers, traders, factors agents, suppliers, stockists, packers, buyers, sellers, consignors, consignees, distributors, whole-

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sellers, retailers, marketing agents, exporters and importers, of all kinds, types, nature and descriptions of medicines, drugs, medicinal wines, pharmaceuticals, mixtures, powders, tablets, pills, capsules, pigments, oils, hair oils, injections, compounds formulations, ointments, nutrients, tonics, health products, syrups, pharmaceutical formulations, medicines, patents and proprietary, medicines, common medical preparations, antibiotics, drugs, liquid drugs, pharmaceuticals, vitamins, multivitamins, vitamin preparations, contraceptives, vaccines, veterinary medicines, veterinary medicine preparations, tincuters, tonics in the form of injectable and transfusion solution, injections, tables, pills, syrups, granules, drops, capsules, plasters, adhesives, band-aid, bandage, inhaler, inharub, elixires for human and/or animal consumption and application prescribed under any branch of medicine including allopathy, homeopathy, ayurved, naturopathy, osteopathy, veterinary for oral, intra muscular, intra-dermal, parenteral and external application under any therapy. cream, scents, essential oils, shampoos, soaps, cottons, tooth paste, tooth powder, tooth achiever, toilet goods, perfumes, cosmetics, biologicals, biochemical products, mother injures, tretuactions, glucose, nourishments foods, surgical dressings, water for injections, bandages, surgical cotton, surgical apparatus, materials and preparations, pharmaceuticals compound, intermediates, substances, by-products and residual products of foregoing and patents required for or used in allelopathic, ayurvedic, unani, homeopathic, nature cure treatments or any other medicinal system or branch of medicines for preventions, or prophylactics and/or cure for human being animals, insects and birds; and

2. *To manufacture, produce, process, formulate, perform, extrude, extract, fabricate, import, export and otherwise deal in:*

   a) Diagnostic kits, solutions, testing materials, reagents, disposable syringes, needles, hospital, dental, medical, bio-medical, surgical, clinical and laboratory equipment, components, appliances, devices, apparatuses, substances, instruments, agents and intra ocular lenses.

   b) Infusion and transfusion solutions, drugs, medicines, pharmaceuticals, herbal and dental products, formulations, pastes, powders, ointments, health giving and curative materials, disposable sets of any material and all products, substances and things capable of being used or required by hospitals, medical practitioners, patients and other similar categories of consumers."

2. **ZENITH HEALTHCARE LIMITED** (hereinafter referred to as "**Transferee Company**"), is a public limited company, incorporated on November 15, 1994, under the provisions of the Companies Act, 1956, bearing CIN L24231GJ1994PLC023574, and having its registered office at 504, Iscon Elegance, Prahladnagar Cross Road, Near Anand Dham Jain Derasar, S.G. Road, Ahmedabad, Gujarat – 380015, India. The

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Equity Shares of the Transferee Company are listed on BSE. The Transferee Company is primarily engaged in the business of manufacturing, marketing, sale and export of pharmaceutical products and medical products preparations.

The main objects of the Transferee Company under the Memorandum of Association are as follows:

"1. To carry on the business as manufactures, formulators, processors, producers, makers, buyers, sellers, re-sellers, importers, exporters, foreign collaborators, distributors, suppliers, fermentators, distillers, refiners, stockists, agents, merchants, developers, consultants and dealers in all types of health care products, drugs, medicines, antibiotics, mixtures, tonics, powders. tablets, pills, capsules, injections, compound, mother tinctures, triturations, globules, liquid, syrup and all kinds of pharmaceuticals and its chemicals (solid, liquid, gaseous) cosmetics and medical preparations required for prevention of diseases of whatever kind and whatever limb used in homeopathic, allopathic, ayurvedic, unani or nature cure or any other medicinal system or branch of medicine or as beauty aid or personal hygiene, whether for human, animal, birds, insects for whatever purposes such as prevention curation and nourishment.

2. To carry on the business of dealers in pharmaceuticals, medical products preparations, surgical apparatus and materials and articles of any nature and kind whatsoever.

3. To act as recognised Export-Import House."

C. RATIONALE FOR THIS SCHEME

3. The Board of Directors of the Transferor Company and Transferee Company recommended that as both the Companies operate in similar or related businesses, the proposed amalgamation of the Transferor Company with and into the Transferee Company will lead to increased revenues and financial, operational and organizational efficiency and is further expected to provide *inter alia* the following benefits:

i. enhancement of the product portfolios and the marketing capabilities of both Companies, which will further result in more comprehensive fulfilment of the consumer needs and strengthening the consumer base of the combined entity;

ii. the Transferor Company is currently developing a pharmaceutical manufacturing facility intended to be in conformity with the EU Good Manufacturing Practice (GMP) certification, and upon obtaining the requisite accreditation / certification (subject to the applicable regulations) thereof, the amalgamation will enable the Transferee Company to access larger production capacity and specialized products range which will unlock new market opportunities in the regulatory markets with rigorous compliance standards;

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iii. the Transferee Company manufactures Therapeutic category of Human Tablets and Capsules, Oral Liquid, Dry Powder, Directly Compressible Granules (DCG) and Special Products range of Psychotropic and Narcotics Products in its existing manufacturing facility that is in conformity to the standards of WHO cGMP and export these products in 11 (eleven) countries and therefore, the amalgamation is expected to result in an expanded consumer base and greater synergies across different markets for the combined entity, thereby contributing to value creation for the shareholders of the Transferor Company;

iv. creation of long-term value for the shareholders of the Transferor Company by leveraging brand value, reputation and long-standing manufacturing expertise of the Transferee Company;

v. the amalgamation will allow optimization of manufacturing capacity across facilities of both Companies;

vi. the Transferor Company and Transferee Company falls under the same group and pursuant thereto, the amalgamation will simplify the group structure and reduce the number of entities in the group that operate in similar or related businesses which will facilitate efficient management and smoother operations of the business of the combined entity;

vii. the unified and stronger balance sheet of the combined entity, upon the amalgamation, will strengthen the revenue generation and financial capacity, improve access to capital and increase financial flexibility of the combined entity to undertake any further development and expansion;

viii. streamlining of legal and regulatory compliances including preparation of regulatory document and product registration and reduction in overall compliance costs;

ix. reduction in overheads, administrative, managerial and other such expenditure and optimum utilization of resources;

x. synergies of operations and greater economies of scale by optimisation of procurement, manufacturing facility (production), distribution, and trading network of both the Companies and thereby eliminating duplication of functions;

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xi. enable pooling of human resource, research and development capabilities and technical expertise across manufacturing, sourcing / procurement, management and administration functions leading to increase competitive strength and efficiencies for the combined entity; and

xii. creation of long-term value for the shareholders, creditors, employees, and other stakeholders of the Transferor Company and the Transferee company as the combined entity will enable the management to form a focused and streamlined strategy for business operations, growth and future expansion opportunities.

4. Therefore, the amalgamation would be beneficial and not prejudice or adversely affect the interest of the shareholders, creditors, employees, and other stakeholders of the Transferor Company and the Transferee Company.

D. PARTS OF THIS SCHEME

This Scheme is divided into the following parts:

I. Part I deals with definitions of the terms used in this Scheme, share capital of the Companies and date of taking effect and implementation of this Scheme;

II. Part II deals with the amalgamation of the Transferor Company with and into the Transferee Company;

III. Part III deals with the Consideration i.e. issue of New Equity Shares by the Transferee Company to the eligible shareholders of the Transferor Companies, as applicable;

IV. Part IV deals with the accounting treatment in the books of the Transferee Company, adjustment of amalgamation adjustment deficit account in accordance with Sections 52 and 66 of the Act, transfer of the authorized share capital from the Transferor Company to the Transferee Company and dissolution without winding up of the Transferor Company; and

V. Part V deals with the ancillary provisions and general terms and conditions applicable to the Scheme.

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PART I

DEFINITIONS, SHARE CAPITAL OF THE COMPANIES AND DATE OF TAKING EFFECT AND IMPLEMENTATION OF THE SCHEME

1. DEFINITIONS

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

1.1 "**Act**" means the Companies Act, 2013 and the rules and regulations made thereunder, including any statutory modifications, amendments or re-enactment framed thereunder as in force from time to time;

1.2 "**Applicable Law**" or "**Law**" means any applicable act, statute, law (including common law), regulation, enactment, ordinance, bye-laws, notification, rule, judgment, order, decree, circular, clearances, directions, directives, guideline, policy, approval or permit, having the force of law enacted or issued by any Appropriate Authority, including any statutory modification or re-enactment thereof for the time being in force;

1.3 "**Appropriate Authority**" means: (a) any government or any governmental (including national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunals, board, commission or other authority thereof; (b) any governmental, quasi-governmental or private body, self-regulatory organisation, or agency (including international agencies) lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, statutory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, SEBI, BSE, Regional Director, Registrar of Companies, NCLT, as applicable;

1.4 "**Appointed Date**" means April 01, 2026 or such other date as may be approved / directed / fixed by the NCLT;

1.5 "**Board of Directors**" or "**Board**" in relation to the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such company, and unless repugnant to the subject, context or meaning thereof, shall be deemed to include every committee of directors or any person authorized by the Board or by any such committee of directors;

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1.6 "**BSE**" means Bombay Stock Exchange Limited;

1.7 "**Companies**" means collectively, the Transferor Company and the Transferee Company;

1.8 "**Contracts**" means all agreements, arrangements, contracts, deeds, leases, licenses, memorandum of understanding, undertakings, tenders, purchase orders, bonds, powers of attorney or other instruments of whatsoever nature, whether written or otherwise, to which the Transferor Company is a party or to the benefit of which the Transferor Company is eligible;

1.9 "**Effective Date**" **or** "**coming into effect of this Scheme**" **or** "**upon the Scheme becoming effective**" **or** "**effectiveness of this Scheme**" means the last of the dates on which all the conditions precedent set forth in Clause 21 of this Scheme are fulfilled;

1.10 "**Employees**" means the employees and workmen of the Transferor Company who are in service as on the Effective Date;

1.11 "**Employee Benefit Funds**" means the provident fund, pension fund, superannuation fund, gratuity fund, and /or any other funds, other schemes, or benefits maintained for the Employees of the Transferor company;

1.12 "**Encumbrances**" means (i) any encumbrance whatsoever, without limitation any mortgage, claim, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, deposit by way of security or security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including any right granted by a transaction which in legal terms is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law; (ii) any proxy, power of attorney, voting, trust agreement, interest, option, right of first offer, refusal or transfer; and (iii) any adverse claim as to title, possession or use, including any restriction imposed under Applicable Laws;

1.13 "**Equity Shares**" with respect to a company, means the fully paid-up equity shares of such company;

1.14 "**Income Tax Act**" means the Income-tax Act, 2025 and the rules and regulations made thereunder, including any statutory modifications, amendments or re-enactment framed thereunder as in force from time to time;

1.15 "**Indian Accounting Standards**" means the Indian Accounting Standards as notified under Section 133 of the Act read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time);

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1.16 "**National Company Law Tribunal**" or "**Tribunal**" or "**NCLT**" means the National Company Law Tribunal, Ahmedabad Bench;

1.17 "**New Equity Shares**" has the meaning ascribed to it in Clause 13.1 of this Scheme;

1.18 "**Permits**" means and includes any consent, authorization, permission, approval, permit, grant, license, registration, certificate, order, recognition, declaration, filing, concession, exemption, ratification, waiver, no objections or report, issued by Appropriate Authority, commission, board, agency, bureau or other regulatory, administrative or judicial authority, that may be required under the Applicable Law or obtained by such Company for any purpose including for carrying on the business in a lawful manner, and all pending applications, renewals, or extensions related thereto;

1.19 "**Person**" means a corporation, association, unincorporated association, partnership (general or limited), sole proprietorship, body corporate, joint venture, estate, trust, unlimited or limited liability company, Hindu undivided family, trust, union, limited liability partnership, or any other legal entity, individual, government, state or agency of a state, organization, or any other entity that may be treated as a person under Applicable Laws;

1.20 "**Proceedings**" has the meaning ascribed to it in Clause 9.1 of this Scheme;

1.21 "**Record Date**" shall be the date to be fixed by the Board of the Transferee Company for the purpose of determining the equity shareholders of the Transferor Company for issue and allotment of New Equity Shares by the Transferee Company pursuant to this Scheme and SEBI LODR Regulations;

1.22 "**Registrar of Companies**" means the Registrar of Companies, Gujarat, at Ahmedabad;

1.23 "**Sanction Order**" means the order of the NCLT sanctioning this Scheme under Sections 230-232 and other applicable provisions of the Act;

1.24 "**Scheme**" or "**Scheme of Arrangement**" or "**this Scheme**" means this Scheme of Amalgamation in its present, or this Scheme with such modification(s) and amendments made under Clause 24 of this Scheme with appropriate approvals and sanctions as imposed or directed by the NCLT or such other Appropriate Authority, as may be required under the Act;

1.25 "**SEBI**" means the Securities and Exchange Board of India;

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1.26 **"SEBI Circulars"** means the Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 issued by SEBI and / or any circulars issued by SEBI from time to time including any amendments thereof, applicable to schemes of arrangement;

1.27 **"SEBI LODR Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, and any amendment thereof;

1.28 **"Securities Premium Account"** has the meaning ascribed to it in Clause 15.1.1 of this Scheme;

1.29 **"Share Exchange Ratio"** has the meaning ascribed to it in Clause 13.1 of this Scheme;

1.30 **"Taxation" or "Tax" or "Taxes"** means and includes (a) all forms of tax (whether direct or indirect), levy, duty, surcharge, cess, customs duty, impost, advance tax, tax deducted at source, self-assessment tax, withholding tax, tax collection at source including income tax, equalization levy, good and services tax, service tax, sales tax, value added tax, minimum alternate tax or other amount whenever or wherever created or imposed by, or payable to any tax authority whether due to past, present, contingent or future obligations; and (b) all charges and fees, interest, penalties and fines incidental or relating to any tax falling under or which arise as a result of the failure to pay any tax on the due date or to comply with any obligations relating to tax;

1.31 **"Tax Laws"** means all Applicable Laws dealing with Taxes including but not limited to the income tax, wealth tax, sales tax / value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;

1.32 **"Transferor Company"** means Achyut Healthcare Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, having CIN L67120GJ1996PLC028600, and its registered office at 504, 5th Floor, Iscon Elegence, Circle-P, Sarkhej Gandhinagar Highway, SAC, Ahmedabad, Gujarat - 380015. The Equity Shares of the Transferor Company are listed on BSE;

1.33 **"Transferee Company"** means Zenith Healthcare Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, having CIN L24231GJ1994PLC023574, and its registered office at 504, Iscon Elegance, Prahladnagar Cross Road, Near Anand Dham Jain Derasar, S.G. Road, Ahmedabad, Gujarat – 380015. The Equity Shares of the Transferee Company are listed on BSE.

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2. INTERPRETATION

2.1 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income Tax Act, and other Applicable Laws;

2.2 the headings in this Scheme are inserted for convenience of reference only and are to be ignored in construing and interpreting the provisions of this Scheme;

2.3 a reference to the singular includes the plural (and *vice versa*);

2.4 reference to the words "include" or "including" shall be construed without limitation;

2.5 where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;

2.6 references to a Clause, Sub-Clause, Headings, or Sub-Heading, unless indicated to the contrary, references to a Clause, Sub-Clause, Headings, or Sub-Heading of this Scheme;

2.7 reference to a document or agreement shall be a reference to that document or agreement as modified, amended, novated or supplemented;

2.8 reference to any statutory provisions shall be references to statutory provisions for the time being in force and shall be construed as including references to any statutory amendments, consolidation, or re-enactment for the time being in force and includes all statutory rules and regulations made pursuant to a statutory provision.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

3.1 The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or made as per Clause 24 of this Scheme, shall become effective from the Appointed Date but shall be operative from the Effective Date.

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4. SHARE CAPITAL OF THE COMPANIES

4.1 The Share Capital of the Transferee Company as on March 31, 2026 is as under:

Share Capital	Amount (Rs.)
Authorized Equity Share Capital 11,00,00,000 equity shares of INR. 1/- each	11,00,00,000
Total	**11,00,00,000**
Issued, Subscribed and Fully Paid-Up Equity Share Capital 5,37,39,000 equity shares of INR. 1/- each fully paid up	5,37,39,000
Total	**5,37,39,000**

Subsequent to the abovementioned date and till the date of the Board meeting of the Transferee Company for considering the amalgamation, there is no change in issued, subscribed and paid-up Equity Share capital of the Transferee Company. The Equity Shares of the Transferee Company are listed on the BSE.

4.2 The Share Capital of the Transferor Company as on March 31, 2026 is as under:

Share Capital	Amount (Rs.)
Authorized Capital 26,00,00,000 equity shares of INR. 1/- each	26,00,00,000
Total	**26,00,00,000**
Issued, Subscribed and Fully Paid-Up Equity Share Capital 24,13,57,000 equity shares of INR. 1/- each fully paid up	24,13,57,000
Total	**24,13,57,000**

Subsequent to the abovementioned date and till the date of the Board meeting of the Transferor Company for considering the amalgamation, there is no change in issued, subscribed and paid-up Equity Share capital of the Transferor Company. The Equity Shares of the Transferor Company are listed on the BSE.

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PART II

AMALGAMATION OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

5. TRANSFER AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

5.1. Upon the Effective Date and with effect from the Appointed Date, in accordance with the provisions of this Scheme and pursuant to the Sanction Order and Sections 230 to 232 and other applicable provisions of the Act and Section 2(6) of the Income Tax Act, the Transferor Company shall stand amalgamated with the Transferee Company as a going concern and accordingly, all assets (including any intangible assets), investments, receivables, deposits, loans and advances, Permits, Contracts, liabilities, rights, claims, interests and obligations of the Transferor Company shall, without any further act, instrument or deed required by either of the Transferor Company or the Transferee Company, stand transferred and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets (including any intangible assets), investments, receivables, deposits, loans and advances, Permits, Contracts, liabilities, rights, claims, interests, and obligations of the Transferee Company.

5.2. Without prejudice to the generality of the provision of Clause 5.1 above, upon effectiveness of this Scheme and with effect from the Appointed Date, the Transferor Company shall stand amalgamated into and with the Transferee Company, in the manner described in Sub-Clauses hereinbelow:

5.2.1 In respect of all the assets and properties of the Transferor Company which are movable in nature or are otherwise capable of being transferred by delivery or possession or by endorsement, including all equipment, machinery, capital work in progress and fixtures, shall stand vested in the Transferee Company upon the Effective Date and become the assets and properties of the Transferee Company, with effect from the Appointed Date, without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this Sub-Clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery, or by vesting and recordal, as appropriate to the asset or property being vested, and the title to such property shall be deemed to have been transferred accordingly to the Transferee Company.

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5.2.2 In respect of all such assets and properties of the Transferor Company which are immovable in nature, whether leasehold, freehold, or under development, including rights (such as right of use on the leased properties), interest and easements in relation thereto, the same shall stand transferred to the Transferee Company, with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Transferor Company and/ or the Transferee Company. With effect from the Effective Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay lease rent, ground rent, municipal taxes and fulfil all obligations in relation to or applicable to such immoveable properties. The transfer of the leasehold and other rights therein, as applicable, in the name of the Transferee Company, shall be made and duly recorded by the Appropriate Authorities pursuant to the sanction of this Scheme by the NCLT and upon the Scheme coming into effect on the Effective Date, in accordance with the terms hereof without any requirement of any further act or deed.

5.2.3 In respect of all intangible assets, intellectual property rights, trademarks, distribution network, and supply chain network of the Transferor Company, whether registered or pending registration or unregistered trademarks or whether or not recorded in its books of accounts, along with all rights and benefits of commercial nature including trade and service names, interest, labels and brand registrations, copyrights, trade secret, manufacturing know-how, marketing know-how, confidential information, advertising material, technical information, lists of present and former consumers and suppliers, other consumer information, pricing information, and records and documents, relating to business activities and operations and benefits of whatsoever nature of the Transferor Company or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and become the assets and properties of the Transferee Company, with effect from the Appointed Date, by operation of law without requiring any deed or instrument of conveyance for transfer of the same. The Transferee Company may execute and register or cause to be executed and registered, required applications, documents or deeds to record the transfer of such intellectual property rights for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of assets of Transferor Company takes place.

5.2.4 In respect of all other current and non-current properties / assets of the Transferor Company, including sundry debtors, receivables, outstanding loans and advances (recoverable in cash or in kind or for value to be received),

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inventories, investments, bank balances, cash on hand, deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons (whether or not the same is held in the name of the Transferor Company), and the utility connections sanctioned by various public sector and private companies shall without any further act, instrument or deed, be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company, by operation of law, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of the Transferee Company.

5.2.5 All debts, borrowings, liabilities, contingent liabilities, duties and obligations of every kind, nature and description (including secured or unsecured), relating to the Transferor Company, whether provided for or not in the books of accounts of the Transferor Company or disclosed in the balance sheet of such Transferor Company shall, without any further act, instrument or deed, stand transferred to or deemed to be transferred in the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company on the same terms and conditions. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Sub-Clause and the Transferee Company undertakes to meet and discharge all such liabilities and obligations of the Transferor Company.

5.2.6 The vesting of all the assets of the Transferor Company, as aforesaid, shall be along with the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that, unless otherwise agreed by the Transferee Company, such Encumbrances shall be confined only to the relevant assets of the Transferor Company or part thereof on or over which they are subsisting prior to the amalgamation of the Transferor Company into and with the Transferee Company, and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company and the Transferor Company. The Transferee Company will remain free and available for creation of any security thereon in future in relation to any new indebtedness that may be incurred by Transferee Company.

5.2.7 Upon the Effective Date, all bank accounts operated or entitled to be operated by the Transferor Company shall be deemed to have been transferred and shall stand transferred to the Transferee Company and the name of the Transferee Company shall be substituted in the bank accounts. On and from the Effective

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Date and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company, as may be applicable, and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company.

5.2.8 All Permits relating to the Transferor Company, including the benefits, rights, and obligations attached thereto, shall stand vested in or transferred or deemed to be transferred to the Transferee Company, by operation of law, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company. The Transferee Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company to carry on the operations of the Transferor Company without any hindrance, whatsoever. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Sub-Clause, the said third party or authority shall take on record the Sanction Order and make and duly record the necessary substitution or endorsement in the name of the Transferee Company as successor in interest, pursuant to the sanction of this Scheme by NCLT. For this purpose, the Transferee Company shall file certified copies of the Sanction Order, and if required file appropriate applications, forms or documents with the concerned authorities for statistical, information and record purposes only, and there shall be no break in the validity and enforceability of the Permits.

5.2.9 The past track record and commercial history of the Transferor Company, including without limitation, the profitability, experience, credentials and market shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Transferee Company in contracts of authorities, agencies, and customers.

6. CONTRACTS

6.1. All Contracts and insurance policies executed in favour of the Transferor Company or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect as on the Effective Date, shall continue in full force and effect

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on or against or in favour of (as the case may be) the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto or thereunder, and pursuant thereto, such Contracts and insurance policies shall stand transferred to the Transferee Company as if the Transferee Company was original party. The Transferee Company shall be bound by the terms thereof, the obligations thereunder and the rights and benefits under the same shall be available to the Transferee Company. In so far as the various incentives, special status and other benefits or privileges enjoyed, granted by any Appropriate Authority or by any other person, or availed by the Transferor Company are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as applicable to the Transferor Company as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Transferee Company.

6.2. Without prejudice to the generality of the foregoing, all lease, license or rent agreements entered into by the Transferor Company in connection with the use of the assets, together with security deposits, shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions, subject to Applicable Law, without any further act, instrument or deed.

6.3. Without prejudice to the other provisions of the Scheme and notwithstanding that the vesting of the Transferor Company with the Transferee Company occurs by virtue of the Scheme itself, the Transferee Company may, at any time after the Effective Date, if so required, under any Applicable Law or otherwise, execute deeds, confirmations, or other writings with any party to any Contract to which the Transferor Company is a party as may be necessary to be executed merely in order to give formal effect to Clause 6.1 of this Scheme. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorized to execute any such Contracts on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

6.4. All the resolutions of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as the resolutions of the Transferee Company.

7. INTER-COMPANY TRANSACTIONS

7.1. Upon this Scheme coming into effect, all inter-company transactions including loans, contracts executed or entered into by or *inter se* between the Companies, if any, shall stand cancelled with effect from the Appointed Date and neither the Transferor Company and/or Transferee Company shall have any obligation or liability against the other Company in relation thereto.

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8. EMPLOYEES

8.1 Upon the Effective Date, the Employees of the Transferor Company shall be deemed to have become the Employees of the Transferee Company, without any interruption of service and on the basis of continuity of service and on terms and conditions no less favourable than those applicable to them with reference to the Transferor Company on the Effective Date. The services of such Employees with the Transferor Company up to the Effective Date as reflected in the records of the Transferor Company shall be considered for the purposes of all benefits to which the said Employees may be eligible under the Applicable Law including for the purpose of payment of any retrenchment compensation, gratuity and other retirement/ termination benefits.

8.2 Upon the Effective Date, the Employee Benefit Funds maintained by the Transferor Company for its Employees shall be continued by the Transferee Company on the same terms and conditions.

8.3 In relation to the Employees for whom the Transferor Company is making contributions to the Employee Benefit Funds, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the Employee Benefit Funds, in accordance with the provisions of such fund, bye laws, and other Applicable Laws, in respect of such Employees and the Transferee Company shall take all requisite steps necessary for effecting the continuity of the Employee Benefit Funds to the Transferee Company and otherwise take all the requisite steps in accordance with Applicable Laws for achieving the said purpose.

8.4 It is clarified that the Transferor Company does not have any employee stock option scheme.

9. LEGAL PROCEEDINGS:

9.1 Upon the Effective Date, if any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceeding of whatsoever nature by or against the Transferor Company ("**Proceedings**"), pending on the Effective Date or which may be instituted any time in the future (irrespective of whether they relate to periods on or prior to the Appointed Date) and in each case relating to the Transferor Company shall be continued and enforced by or against the Transferee Company after the Effective Date.

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9.2 If any Proceedings are pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the Scheme and the proceedings may be continued, prosecuted and enforced, by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company, as if the Scheme had not been made.

10. TREATMENT OF TAXES

10.1 Upon the Effective Date and with effect from the Appointed Date, all Taxes paid, payable, received or receivable by or on behalf of the Transferor Company under the Tax Laws from the Appointed Date onwards, including but not limited to advance payments, tax credits, deferred tax, any refund and claims pending with Appropriate Authorities, if any, whether or not the same is reflected in the books of accounts of the Transferor Company, shall, for all purposes be Taxes paid, payable, received or receivable including tax credits of and by the Transferee Company.

10.2 All deductions otherwise admissible to the Transferor Company including without limitation, deduction admissible on actual payment or on deduction of appropriate Taxes or on payment of tax deducted at source shall be eligible for deduction to the Transferee Company in the same manner and to the same extent as would have been enjoyed, availed or utilized by the Transferor Company before the Effective Date by operation of law pursuant to the sanction of the Scheme.

10.3 Upon the Effective Date, all unutilized credits and exemption, unabsorbed depreciation and other statutory benefits under the Tax Laws (including in respect of income tax but not limited to tax deducted at source, tax collected at source, advance tax payment, self-assessment tax, tax credits, credit under the Goods and Services Tax Act and incentives), to which the Transferor Company are entitled to, shall be available to and vest in the Transferee Company, without the requirement of any further act, deed or instrument.

10.4 All the expenses incurred by the Transferor Company and the Transferee Company in relation to the amalgamation of the Transferor Company with the Transferee Company under the Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 52 of the Income Tax Act over a period of 5 years beginning from the tax year in which this Scheme becomes effective.

10.5 All Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company, pending or arising as on the Effective Date (if any), shall be continued and/ or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

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10.6 Any refund, credit and/or incentives under the Tax Laws due to the Transferor Company consequent to the assessments made on the Transferor Company, and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Transferee Company. The concerned Appropriate Authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the orders on the Scheme by the NCLT / Sanction Order and upon relevant proof and documents being provided to the said authorities.

10.7 The Transferor Company may be entitled to any incentive schemes, refunds, concessions, subsidies and other such entitlements, and pursuant to this Scheme, it is declared that the benefits under all the aforementioned schemes and policies as applicable, shall stand transferred to and vested in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including benefits and refund claims under the Tax Laws, exemptions, concessions, remissions, subsidies and other incentives under the Tax Laws, to the extent statutorily available, shall be claimed by the Transferee Company.

10.8 Without prejudice to the provisions of the Scheme, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes, from the Appointed Date. Any Taxes paid in relation to such transaction shall, to the extent permissible by Applicable Law, be claimed as a refund.

10.9 Upon the Effective Date, the Transferee Company is expressly permitted to revise and file their Tax and other statutory returns as may be applicable, along with the necessary forms, filings and annexures, if required, including tax deducted/ collected at source and certificates/returns for the period commencing on and from the Appointed Date and has expressly reserved the right to make such provision in its returns and to claim refunds and tax credits, credit of foreign taxes paid/ withheld, book losses, book unabsorbed depreciation, etc. if any, as may be required for the purposes of/ consequent to implementation of this Scheme.

10.10 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company, under the Tax Laws or other Applicable Laws/ regulations dealing with Taxes, duly complied by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.

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11. SAVING OF CONCLUDED TRANSACTIONS

11.1 Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by the Transferor Company until the Effective Date, to the end and intent that the Transferee Company shall accept and adopt all acts, deeds and things done and executed by the Transferor Company in respect thereto, as done and executed on behalf of the Transferee Company.

12. BUSINESS UNTIL EFFECTIVE DATE

12.1 With effect from the date of approval of the Scheme by the respective Boards of the Companies and up to and including the Effective Date:

12.1.1 the Transferor Company shall carry on its business with reasonable diligence and business prudence and in the same manner as it has been hitherto conducting;

12.1.2 the Transferor Company may raise funds (without issue of further capital) through suitable mechanisms in accordance with Applicable Laws and subject to prior consent of the Transferee Company; and

12.1.3 the Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company, as the case may be, and to give effect to the Scheme.

12.2 The Transferor Company with effect from the Appointed Date and up to and including the Effective Date:

12.2.1 shall be deemed to have been carrying on and shall carry on its business and activities and shall hold and stand possessed of its assets in trust for and on behalf of the Transferee Company;

12.2.2 all income, receipts, profits arising or accruing to the Transferor Company and all Taxes thereon or liabilities or losses arising or incurred by the Transferor Company shall, for all purposes, be treated as and deemed to be the income, receipts, profits, Taxes, or losses, as the case may be, of the Transferee Company;

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12.2.3 all assets acquired by the Transferor Company after the Appointed Date and prior to the Effective Date shall be deemed to have been acquired for and on behalf of the Transferee Company and shall also stand transferred to and vested in the Transferee Company;

12.2.4 any of the liabilities relating to the Transferor Company on the Appointed Date have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company; and

12.2.5 all loans raised and all liabilities and obligations undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which it shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also, without any further act, instrument or deed be deemed to become the debts, liabilities, duties and obligations of the Transferee Company.

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PART III

CONSIDERATION

13. CONSIDERATION

13.1 Upon coming into effect of the Scheme and in consideration of the amalgamation of the Transferor Company with and into the Transferee Company, the Transferee Company shall issue and allot fully paid-up Equity Shares of INR 1/- (Rupee One) each as per the Share Exchange Ratio, to the equity shareholders of the Transferor Company (other than the Transferee Company) ("**New Equity Shares**"), whose names are recorded in the register of members and /or records of the depository, on the Record Date, as follows:

*"119 (One Hundred Nineteen) fully paid-up Equity Shares of the Transferee Company having face value of INR. 1 (Rupee One only) each for every 50 (Fifty) fully paid-up Equity Shares of INR. 1 (Rupee One only) each of the Transferor Company ("**Share Exchange Ratio**")."*

13.2 The New Equity Shares shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Transferee Company and shall rank *pari passu* in all respects and shall have the same rights as attached to the then existing equity shares of the Transferee Company.

13.3 The New Equity Shares being issued in terms of the Clause 13.1 above, shall be in dematerialised form. The shareholders of the Transferor Company who hold shares in physical form, should provide the requisite details relating to his/ her/its account with a depository participant or other confirmations as may be required to the Transferee Company, prior to the Record Date to enable it to issue the New Equity Shares in dematerialised form. However, if no such details have been provided to the Transferee Company by such shareholder(s) prior to the Record Date, then the Transferee Company shall deal with the issuance of the New Equity Shares in such a manner as may be permissible under the Applicable Laws including by way of allotment of the corresponding New Equity Shares to the demat account of a trustee nominated by the Board of the Transferee Company or into an escrow account opened by the Transferee Company or an escrow agent nominated by it, with the depository, as determined by the Board of the Transferee Company. The New Equity shares so held in such trustee's account or escrow account (as the case may be) shall be transferred to the respective shareholder, once such shareholder provide their demat account to the Transferee Company, along with such other documents as may be required by the Transferee Company. It is clarified that any benefit in the form of bonus shares or dividend

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received in the trustee's account or escrow account (as the case may be) in respect of these shall also be transferred to such shareholder at the time of transferring the New Equity Shares. All costs and expenses incurred in this respect shall be borne by the Transferee Company.

13.4 For the purpose of the allotment of the New Equity Shares pursuant to this Scheme, in case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholders but shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue such consolidated shares to a trustee nominated by the Board of the Transferee Company, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at any time within a period of 90 (Ninety) days from the date of allotment of the New Equity Shares, and on such sale distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. The amount payable to the shareholders shall be rounded off to the next Rupee. Such distribution shall take place only on the sale of all the shares of the Transferee Company pertaining to the fractional entitlements.

13.5 The issue and allotment of the New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the Sanction Order without requiring any further act or deed on the part of the Transferee Company or its shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Transferee Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the New Equity Shares under applicable provisions of the Act.

13.6 The New Equity Shares are to be issued by the Transferee Company in respect of such Equity Shares of the Transferor Company as are subject to lock-in pursuant to Applicable Law, if applicable, shall remain locked-in as required under the Applicable Law.

13.7 In the event the Transferor Company and/or the Transferee Company restructure their respective share capital by way of share split, consolidation, issue of bonus shares, or any other similar corporate action before the Record Date, the Share Exchange Ratio shall be suitably adjusted considering the effect of such corporate action, without requirement of any further approval from the shareholders of the Companies and/or Appropriate Authority.

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13.8 The New Equity Shares issued in terms of this Scheme will be listed and admitted to trading on the BSE, in compliance of the SEBI Circulars and other relevant provisions as may be applicable. The Transferee Company shall promptly apply for listing of the New Equity Shares on BSE and give such confirmations and/or undertakings as may be required. Such shares shall remain frozen in the depositories' system till relevant directions / permission in relation to listing / trading are given by the BSE.

13.9 The Equity Shares to be issued pursuant to this Scheme in respect of any Equity Shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Transferee Company.

13.10 The New Equity Shares to be issued by the Transferee Company in respect of the Equity Shares of the Transferor Company held in the unclaimed suspense account or suspense escrow demat account shall be credited to unclaimed suspense account or suspense escrow demat account, as the case may be, of the Transferee Company. The New Equity Shares to be issued to the shareholders of the Transferor Company held in the Investor Education and Protection Fund shall be issued to the Investor Education and Protection Fund in favour of such shareholders by the Transferee Company.

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PART IV

ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY, ADJUSTMENT OF AMALGAMATION ADJUSTMENT DEFICIT ACCOUNT, TRANSFER OF THE AUTHORIZED SHARE CAPITAL, AND DISSOLUTION WITHOUT WINDING UP OF THE TRANSFEROR COMPANY

14. ACCOUNTING TREATMENT

14.1 Upon the Scheme being effective and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company into and with the Transferee Company in its books of accounts, in accordance with Appendix C to the Indian Accounting Standard 103 – Business Combinations and other Indian Accounting Standards (*as defined hereinabove*), as applicable, and the generally accepted accounting principles in India in the following manner:

14.1.1 The Transferee Company shall record all the assets and liabilities of the Transferor Company transferred to and vested in the Transferee Company pursuant to this Scheme, at their respective carrying values as appearing in the books of the Transferor Company.

14.1.2 The identity of the reserves of the Transferor Company shall be preserved, and the Transferee Company shall record the reserves of the Transferor Company in the same form and at the carrying amount as appearing in the financial statements of the Transferor Company.

14.1.3 The consideration transferred by the Transferee Company to the shareholders of the Transferor Company shall be recognised at nominal /face value and credited to the equity share capital.

14.1.4 The surplus, if any, arising after giving effect to the above provisions shall be transferred to capital reserves in the financial statements of the Transferee Company and should be presented separately from other capital reserves. The deficit, if any, arising after giving effect to the above provisions shall be adjusted against the capital reserves, retained earnings, and /or amalgamation reserve of the combined entity in that order and if there are no reserves or if there are inadequate reserves, then the remaining deficit shall be debited to a separate account titled "Amalgamation Adjustment Deficit Account" in the financial statements of the Transferee Company.

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14.1.5 The financial statements of the Transferee Company for the prior period shall be restated as if the business combination had occurred from the beginning of the preceding period presented in the financial statements of the Transferee Company, irrespective of the actual date of the combination.

14.1.6 Upon coming into effect of this Scheme, to the extent that there are inter-company balances including loans, advances, deposits or other obligations between the Transferor Company and the Transferee Company (if any), the same shall stand cancelled and corresponding effect shall be given in the books of accounts of the Transferee Company.

14.1.7 In case there is any difference in the accounting policies adopted by the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements of the Transferee Company reflect the financial position based on the consistent accounting policies.

14.1.8 For accounting purposes, the Scheme will be given effect on the date when all substantial conditions of the amalgamation of the Transferor Company with Transferee Company are completed.

14.1.9 In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with this Scheme to comply with any of the applicable Indian Accounting Standards and generally accepted accounting principles in India.

14.2 Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without winding up. Accordingly, there is no accounting treatment prescribed which would have any impact or need to be reflected in the books of the Transferor Company.

15 ADJUSTMENT OF AMALGAMATION ADJUSTMENT DEFICIT ACCOUNT IN THE BOOKS OF TRANSFEREE COMPANY IN ACCORDANCE WITH SECTIONS 52 AND 66 OF THE ACT

15.1 Immediately after the aforementioned Clauses of this Scheme being effective and with effect from the Appointed Date:

15.1.1 The debit balance in the Amalgamation Adjustment Deficit Account arising pursuant to the amalgamation of the Transferor Company with and into the

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Transferee Company on the Appointed Date and as per the Clause 14 above, shall be set-off against the securities premium account of the combined entity (i.e. Transferee Company) ("**Securities Premium Account**").

15.1.2 The reduction of the debit balance in the Amalgamation Adjustment Deficit Account of the Transferee Company by way of the adjustment set out in Clause 15.1.1 above against the amounts held in the Securities Premium Account does not involve the reduction of the issued, subscribed and paid-up Equity Share capital of the Transferee Company. Further, the reduction does not envisage the transfer or vesting of any of the properties and/or liabilities of the Transferee Company to any Person.

15.1.3 The consent of the shareholders and creditors of the Transferee Company received pursuant to the provisions of the sections 230 to 232 of the Act under this Scheme shall deemed to be sufficient approval(s) for giving effect to the provisions of this Clause 15 including under Section 52, Section 66 and the other applicable provisions of the Act. The Transferee Company shall not, nor shall be obliged to, (i) call for a separate meeting of its shareholders and creditors for obtaining their approval sanctioning the reduction of the Securities Premium Account; or (ii) obtain any additional approvals / compliances under section 66 of the Act.

15.1.4 The reduction in the Securities Premium Account provided herein is in accordance with the provisions of Section 230 to 232 read with Sections 52 and 66 of the Act, as the same does not result in the extinguishment or diminution of any liability in respect of any unpaid Equity Share capital of the Transferee Company or payment to any shareholder of any paid-up Equity Share capital of the Transferee Company and the Sanction Order shall also be deemed to be an order passed under Sections 66, 52 and any other applicable provisions of the Act for the purpose of confirming the reduction. The reduction in the Securities Premium Account in the manner contemplated in this Scheme would not have any impact on the shareholding pattern of the Transferee Company nor would it have any adverse impact on the creditors or employees of the Transferee Company.

15.1.5 Pursuant thereto, the reduction in the Securities Premium Account shall be effected as an integral part of this Scheme and in accordance with the applicable provisions of the Act without any further act or deed on the part of the Transferee Company.

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15.2 Notwithstanding the reduction in the Securities Premium Account pursuant to Clause 15 of this Scheme and subject to the Sanction Order / orders of the NCLT, the Transferee Company shall not be required to add the words "And Reduced" as a suffix to its name.

16 TRANSFER AND COMBINATION OF THE AUTHORIZED SHARE CAPITAL

16.1 As an integral part of this Scheme and upon the Effective Date, the entire authorized share capital of the Transferor Company shall stand combined with and be deemed to be added to the authorized share capital of the Transferee Company without the requirement of any further act or deed.

16.2 The provisions of the memorandum of association of the Transferee Company (relating to the authorized share capital) shall, without the requirement of any further act, instrument or deed, be and stand altered, modified and amended and under the accepted principle of 'single window clearance', it is hereby provided that change in the capital clause of the memorandum of association of the Transferee Company pursuant to Clause 16 of this Scheme, shall become operative upon the Effective Date and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 4, 13, and 61 and other applicable provisions of the Act, if any, would be required to be separately passed, as the case may be.

16.3 It is clarified that the sanction of this Scheme by the NCLT shall be deemed and no further resolution(s) would be required to be separately passed to comply with the Sections 4, 13, 61, 64 and any other applicable provisions of the Act for the purpose of effecting the change in the capital clause of the memorandum of association of the Transferee Company.

16.4 For this purpose, the stamp duties and fees paid on the authorized share capital of the Transferor Company in the past shall be utilized and applied to the increased authorized share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital increased to that extent. In relation to the foregoing, if applicable, the Transferee Company shall pay the requisite stamp duty on its authorized equity share capital enhanced by the amalgamation after having made the applicable adjustments, as permitted under Section 232(3)(i) of the Act.

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16.5 Upon the Effective Date, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument, or deed, be substituted/replaced with the following Clause V:

"The Authorised Share Capital of the Company is Rs. 37,00,00,000/- (Rupees Thirty Seven Crores only) divided into 37,00,00,000 (Thirty Seven Crores) Equity Shares of Rs. 1/- (Rupees One only) each."

16.6 For the avoidance of doubt, it is hereby clarified that if the authorised share capital of the Transferor Company or the Transferee Company undergoes any change, either as a consequence of any corporate action or otherwise, Clause 16.5 above of this Scheme shall automatically stand modified to account for the effect of such change.

17 DISSOLUTION OF THE TRANSFEROR COMPANY

17.1 Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without winding up and the Board and any committees thereof shall without any further act, instrument, or deed be and stand discharged and consequently, all shares of the Transferor Company shall stand cancelled and the status of the Transferor Company appearing on the master date of the Ministry of Corporate Affairs shall stand changed to 'Amalgamated' and the Transferor Company will cease to be part of the promoter group.

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PART V

ANCILLARY PROVISIONS AND GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

18 BORROWING AND INVESTMENT LIMITS AND CORPORATE APPROVAL

18.1 Upon the Effective Date and with effect from the Appointed Date, the borrowing and investment limits of the Transferee Company under the Act shall be deemed without any further act, instrument or deed, to have been enhanced by the borrowing and investment limits of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company, and the Transferee Company shall not be required to pass any separate resolution in this regard.

18.2 Without prejudice to the generality of Clause 6.4 of this Scheme, any corporate approvals, resolutions and powers of attorney executed, passed and/or obtained by the Transferor Company, for approval of monetary limits, compliances or otherwise, including without limitation approvals under Sections 42, 62, 179, 180, 185, 186, 188 and other such provisions of the Act, read with the rules and regulations made thereunder and SEBI LODR Regulations, shall stand transferred to the Transferee Company and such corporate approvals, resolutions and/or powers of attorney shall be deemed to have been executed, passes, obtained and/or complied with by the Transferee Company.

19 DIVIDENDS

19.1 The Companies shall be entitled to declare and pay dividends to their respective shareholders in the ordinary course of business, whether interim or final, prior to the Effective Date in accordance with the Applicable Laws.

19.2 It is clarified that the aforesaid provisions in respect of declaration of dividend (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any shareholders of any of the Companies, as the case may be, to demand or claim or be entitled to any dividends which, subject to the provisions of this act, shall be entirely at the discretion of the Board of respective Companies, and subject to approval, if required, of the shareholder of the respective Companies.

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Jigen J. Modi
Director Managing Director

For, Zenith HEALTH CARE LTD
Managing Director Director

20 FACILITATION PROVISION

20.1 Notwithstanding anything contained in this Scheme, on and after the Effective Date, until any property, asset, license, Permit, Contract and rights and benefits arising therefrom pertaining to the Transferor Company, as the case may be, are recorded, effected and / or perfected, in the records of any Appropriate Authority or otherwise, in favour of the Transferee Company, the Transferee Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the property, asset license, Permit, and Contract as if they were the owner of such property or asset or as if they were the original party to the license, Permit, and Contract.

20.2 The Board of Transferee Company, upon effectiveness of the Scheme, shall always be deemed to have been authorised to do all the acts, deeds and things as may be required for and on behalf of the Board of the Transferor Companies to give effect and implement the provisions of this Scheme, including but not limited to filing and executing any pleadings, applications, instruments, forms, policies, and/ or fulfilling statutory obligations.

21 CONDITIONS PRECEDENT

21.1 The effectiveness of the Scheme is conditional upon the following:

21.1.1 Receipt of no-objection / observation letter from the BSE in relation to the Scheme under Regulation 37 of the SEBI LODR Regulations;

21.1.2 This Scheme having been approval by the requisite majorities of shareholders and / or creditors of the respective Companies as applicable or as may be required under the Act and as may be directed by the NCLT;

21.1.3 The Companies complying with the provisions of the SEBI Circulars, including (i) providing the public shareholders with e-voting facility for voting on the Scheme, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution; and (ii) acting upon the Scheme only if the votes cast by the public shareholders of the respective Companies in favour of the Scheme are more than the number of votes cast by the public shareholders of the respective Companies against the Scheme;

21.1.4 The Scheme having been approved / sanctioned by the NCLT under Section 230 to 232 and other applicable provisions of the Act; and

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21.1.5 The certified copy of the Sanction Order having been filed by the Companies with the Registrar of Companies.

21.2 On the approval of this Scheme by the respective requisite majorities of the shareholders of each of the Company as required under Applicable Law, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the arrangement set out in this Scheme, related matters and this Scheme itself and shall not cause or required to pass separate resolutions to that effect.

22 COMPLIANCE WITH APPLICABLE LAW

22.1 This amalgamation under this Scheme complies with the definition of 'amalgamation' under Section 2(6) of the Income Tax Act and other applicable provisions of the Income Tax Act. If any terms of the Scheme are found or interpreted to be inconsistent with the provisions of the Income Tax Act, as applicable, then the Scheme may be modified to the extent required to ensure compliance of the Scheme with the aforesaid applicable provisions. Such modification will, however, not affect the other parts of the Scheme.

22.2 The Companies shall comply with all the Applicable Laws, including making requisite intimations and disclosures to SEBI, BSE, and shareholders of the Companies and obtaining the requisite Permits from the Appropriate Authority, which by Applicable Law may be required for the implementation of the Scheme or which by Applicable Law may be required in relation to any matters connected with the Scheme.

23 APPLICATION / PETITION TO THE NCLT

23.1 The Companies shall jointly make the requisite company applications / petitions under Section 230 to 232 and other applicable provisions of the Act to the NCLT for seeking approval and sanction of this Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect the Scheme.

24 MODIFICATION OR AMENDMENT TO THE SCHEME AND SEVERABILITY

24.1 The Transferor Company and the Transferee Company acting through their respective Boards of Directors, may assent to/make and/or consent, from time to time, on behalf of all the persons concerned, to any modifications/amendments or additions/deletions to the Scheme or to any conditions or limitations that the NCLT and/or any other Appropriate Authority under law may deem fit to direct or impose, or which may be considered necessary, desirable, or appropriate as a result of subsequent events

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(including without limitation, any modifications to the accounting treatment set out in the Scheme due to change in any regulatory or compliance requirements being made applicable to the Companies or to the matters set forth in the Scheme) or otherwise by the Board to resolve all doubts and difficulties that may arise for carrying out this Scheme and do and execute all acts, deeds matters, and things necessary, desirable, or expedient for the purpose of giving effect to the Scheme. The Companies shall by their respective Board are authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme, whether by reasons of any order of NCLT or other Appropriate Authorities or otherwise out of, under or by virtue of the amalgamation under the Scheme and / or matters connected or concerning therewith.

24.2 If any portion of the Scheme is held invalid, ruled illegal by any court of competent jurisdiction, or becomes unenforceable for any reason, whatsoever, whether under present or future laws, then it is the intention of the Companies that such portion shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such portion shall cause the Scheme to become materially adverse to the Companies in which case the Companies shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies the benefits and obligations of the Scheme, including but not limited to such portion.

25 WITHDRAWAL OF THE SCHEME AND NON-RECEIPT OF APPROVALS

25.1 Subject to the order of the NCLT, the Board of Directors of either of the Companies shall be entitled to revoke, cancel, withdraw and declare the Scheme of no effect at any stage and time if, (a) the Scheme is not being approved by the NCLT or if any of the approvals required for giving effect to the Scheme are not obtained (Clause 21) within such period as may be agreed on by the Companies; or (b) in case any condition or alteration imposed by the shareholders and/or creditors of the Companies, the NCLT or any other Appropriate Authority is not acceptable to the Board of Directors of the respective Companies.

25.2 Notwithstanding Clause 25.1 above of the Scheme, the Companies jointly, through mutual consent and acting through their respective Board of Directors, may, at any time, withdraw the Scheme at any stage and time before the Scheme is approved by the NCLT.

25.3 On revocation, withdrawal or cancellation, the Scheme shall stand revoked, withdrawn, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred between the Companies or their respective shareholders or creditors or Employees or any other person, save and except in respect of any act or

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deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with Applicable Law and in such case, the Companies shall jointly bear all costs relating to the Scheme unless otherwise mutually agreed. No third party claiming to have acted or changed its position in anticipation of this Scheme taking effect shall get any cause of action against the respective Companies or its directors, in the event the Scheme does not take effect or is withdrawn, amended, or modified for any reason whatsoever.

26 COST AND EXPENSES

26.1 The Companies shall jointly bear the costs, expenses, charges and fees in relation to the amalgamation contemplated under the Scheme, the preparation, execution, filing and approval of the Scheme and bringing the Scheme into effect on the Effective Date.

26.2 All costs, charges and expenses arising out of or in connection with implementing the Scheme once the same has come into effect (including statutory amounts, stamp duty, registration fees) shall be solely borne by the Transferee Company.

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