



SCHEME OF
ARRANGEMENT

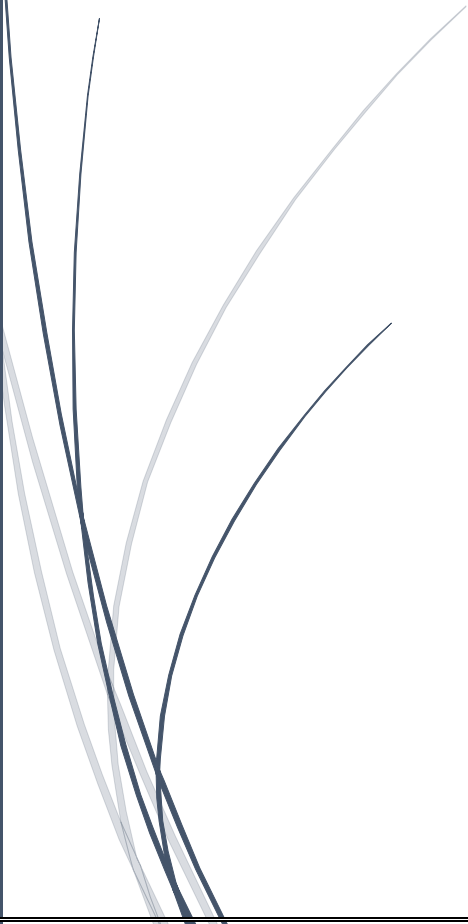
SPOTLIGHT VANIJYA LTD

&

SOMANY FOAM LTD

&

Their respective members



PART-I**1.1.1**

A. SPOTLIGHT VANIJYA LTD (SVL), the Transferee Company is an existing public limited company, incorporated on 02nd November 1981 under the Companies Act, 1956 having its registered office in the state of West Bengal. The shares of Spotlight Vanijya Ltd are listed on the Calcutta Stock Exchange (Stock code: 10029380)

Spotlight Vanijya Ltd, the transferee Company is, inter alia, also a Non-Banking Financial Company registered with the Reserve Bank of India.

In the course of its business as a Non-Banking Financial Company, Spotlight Vanijya Ltd holds a large investment portfolio comprising of quoted as well as unquoted shares and securities and debt instruments.

B. SOMANY FOAM LIMITED (SFL), the Transferor Company is a public limited company, incorporated on 30th August 2001 under the Companies Act, 1956. The Transferor Company has its registered office in the State of West Bengal.

The Transferor Company manufactures, process, deal trade, weave, prepare, repair, buy sell, re-sell, import, export and market in all kinds of Foam products including coir foam, quilt foam, rubber foam, polyurethane foam, polyether foam, polyster foam, Latex, Rubber Foam products, polyfil products and moulded seat.

C. The Transferor Company is wholly owned subsidiary of the Transferee Company.

D. Since the Transferee Company is the Holding Company of the Transferor Company the shares of the Transferee Company in the Transferor Company will stand cancelled as a result of the amalgamation.

PART II

1. DEFINITIONS

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

- 1.1 **"The Act"** means the Companies Act, 1956 or any statutory modification or re-enactment thereof.
- 1.2 The **"Appointed Date"** means the 1st day of April 2015 or such other date as may be determined by the Board of Directors of the Transferor Company and Transferee Company.
- 1.3 **"Board of Directors"** in relation to respective Transferor Company and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a Committee of Directors or any person authorized by the Board of Directors or such Committee of Directors.
- 1.4 **"Court"** or the **"High Court"** means the Hon'ble High Court at Calcutta.
- 1.5 **"Cross Holding of Shares"** shall mean the equity shares of the respective Companies held by the Transferee Company or Transferor Company or vice versa;
- 1.6 The **"Effective Date"** shall mean the date on which certified copy of the Order of the Hon'ble High Court at Calcutta sanctioning the Scheme is filed with the Registrar of Companies, West Bengal.
- 1.7 **"Encumbrance"** means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever and the term "Encumbered" shall be construed accordingly.

- 1.8 **“Record Date”** means such date following the Effective Date as may be fixed by the Board of Directors of the Transferee Company for the purpose of issue of shares in terms of the Scheme.
- 1.9 The **“Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the Hon’ble High Court at Calcutta.
- 1.10 **“Shareholders”** with reference to the Transferor Company or Transferee Company means persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies as on the Record Date.
- 1.11 **“Stock Exchange”** shall have the same meaning as ascribed to it under the Securities Contract (Regulation) Act, 1956.
- 1.12 **“The Transferee Company”** shall mean Spotlight Vanijya Ltd, an existing company under the Companies Act, 1956, and having its registered office situated at 2, Red Cross Place, Kolkata – 700 001.
- 1.13 The **“Transferor Company”** shall mean Somany Foam Ltd, a company incorporated under the Companies Act, 1956, and having its registered office situated at 2, Red Cross Place, Kolkata – 700 001.
- 1.14 **“Undertaking”** shall mean and include:
- a. all the assets and properties of the Transferor Company as on the Appointed Date i.e. all the undertakings, the entire business, all the properties (whether movable or immovable-freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress,

furniture, fixture, office equipment, appliances, accessories, investments and current assets, including but not limited to deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, guarantees, authorizations, approvals, agreements, contracts, leases, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, benefits of all taxes including but not limited to Minimum Alternate Tax ("MAT") paid under Section 115JA/115JB of the Income Tax Act, 1961 ("IT Act"), advance taxes and tax deducted at source, right to carry forward and set off unabsorbed losses and depreciation, MAT credit under the provisions of the IT Act, right to claim deductions under the IT Act including its continuing benefits; engagements, arrangements of all kinds, exemptions, benefits, incentives, privileges and rights under any law for the time being in force; loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights to use and avail of telephones, telexes, facsimile, email, interest, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of

or enjoyed by the Transferor Company or which have accrued to the Transferor Company as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated. (hereinafter referred to as the "Assets");

- b. all the debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date (hereinafter referred to as the "Liabilities");
- c. without prejudice to the generality of sub-Clause (a) above, the Undertaking of the Transferor Company shall include all the movable and immovable properties, assets, including lease-hold rights, tenancy rights, industrial and other licenses, permits, authorisations, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, telephones, telex, facsimile and other communication facilities and equipments, rights and benefits of all agreements, guarantees, deeds, bonds, insurance policies and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals of whatsoever nature and where so ever situate, belonging to or in the ownership, power or possession or control of the Transferor Company;
- d. all earnest monies and/or security deposits paid by the Transferor Company.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2 SHARE CAPITAL

- A. The present Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferee Company as on the date of finalization of this Scheme was as under:

Spotlight Vanijya Ltd.	
Particulars	Amount in Rs.
Authorised: 15,090,000(one crore fifty lac ninety thousand) equity shares of Rs. 10 each	150,900,000.00
1,500,000 (Fifteen lac) 8% Cumulative Redeemable Preference Shares of Rs. 10 each.	15,000,000.00
Issued and Subscribed & Paid up:708,352 (Seven lac eight thousand three hundred fifty two) equity shares of Rs. 10 each	7,083,520.00

- B. The present Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company as on the date of finalization of this Scheme was as under:

Somany Foam Ltd.	
Particulars	Amount in Rs.
Authorised: 40280000 (four crore two lacs eighty thousand) equity shares of Rs. 10 (ten) each	402,800,000.00
97200 (ninety seven thousand two hundred) preference shares of Rs. 1000 each	97,200,000.00
Issued, subscribed and paid-up: 30030000 (Three crore thirty thousand) equity shares of Rs. 10 each.	300,300,000.00

- C. Rationale :

(i) This Scheme envisages the amalgamation of Somany Foam Limited into Spotlight Vanijya Ltd, resulting in consolidation of the business of the two companies in one entity and strengthening the position of the merged entity, by enabling it to harness and optimize the synergies in the best interests of all the companies and their respective shareholders. The proposed amalgamation aims to achieve consolidation, integration and thereby greater financial strength which is ultimately aimed at maximizing shareholder value. The merged entity is likely to achieve higher ability to garner funds for the long term and consequently achieve stable long-term financial returns for the merged entity. Besides achieving increased financial strength, the merged entity can reap benefits of cost reduction and efficiencies of operation.

(ii) The proposed amalgamation is in the interest of the shareholders, creditors, stakeholders and employees, as it would enable a focused business approach for the maximization of benefits to all stakeholders and for the purposes of synergies of business.

PART III

3 TRANSFER AND VESTING

- 3.1 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Company shall stand merged with and be vested in the Transferee Company, as a going concern, without any further act or instrument and pursuant to the provisions of Sections 391 to 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.

- 3.2 With effect from the Appointed Date, the entire business and the whole of the Undertaking of the Transferor Companies shall, without any further act or deed, be and shall stand transferred to and vested in or deemed to have been transferred to or vested in the Transferee Company as a going concern, pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act.

- 3.3 Any legal or other proceedings by or against Transferor Companies pending on the Effective Date and relating to the Undertaking (including property rights, powers, liabilities, obligations and duties) of Transferor Company shall be continued and enforced by or against the Transferee Company, in the same manner and to the same extent as it would or might have been continued and enforced by or against Transferor Company.
- 3.4 It is expressly provided that in respect of such of the assets of the Transferor Company as are moveable in nature or are otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company by physical delivery and shall become the property of the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Act.
- 3.5 In respect of such of the Assets other than those referred to in sub-Clause 3.4 above, they shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Act and shall form an integral part of the Undertaking.
- 3.6 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.

- 3.7 With effect from the Appointed Date, all liabilities, debts, duties and obligations of the Transferor Company shall, without any further act or deed, also stand transferred to the Transferee Company, pursuant to the applicable provisions of the Act, so as to become as from the Appointed Date, the liabilities, debts, duties and obligations of the Transferee Company.
- 3.8 Upon the coming into effect of the Scheme, benefits of all taxes paid including but not limited to MAT paid under Section 115JA/115JB of the IT Act, advance taxes and tax deducted at source, right to carry forward and set off unabsorbed losses and depreciation, MAT credit under the provisions of the IT Act, right to claim deductions under the IT Act including its continuing benefits, by the Transferor Company from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same and shall be deemed to be the rights/claims of the Transferee Company.
- 3.9 All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Company, duties and obligations of the Transferor Company alongwith any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further 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 Clause. It is clarified that in so far as the assets of the Transferor Companies is concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Company shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not

relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Company and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.

- 3.10 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, benefits, licenses, approvals, permissions and authorities etc. as described in Clause 1.14 (a) accrued to and/or acquired by the Transferor Company after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, rights, titles, interests, benefits, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 3.11 All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 3.12 All inter party transactions between the Transferor Company and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to

the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Company and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.

ALTERATIONS/AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF TRANSFEEE COMPANY:

With respect to the Transferee Company, upon this Scheme becoming effective:

- 4.1 The Authorised Share Capital of the Transferor Company shall stand transferred to and combined with the authorised share capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the Transferor Company on its Authorised Share Capital shall deemed to have been so paid by the Transferee Company on the combined Authorised Share capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty on the Authorised Share Capital so increased. The shareholders resolution approving the Scheme shall be deemed to be the approval of conversion of preference share capital of transferor company into the equity share capital of transferee and of increase in Authorised Share Capital of the Transferee Company under Section 13,14 and 61 of the Companies Act, 2013 and other applicable provisions of the Companies Act. Clause V of the Memorandum of Associations of the Transferee Company relating to the Authorised Share Capital, shall stand altered, modified and amended pursuant to Section 13,14 and 61 of the Companies Act, 2013 and other applicable provisions of the Act, Memorandum of Associations and Articles of Association of the Transferee Company as the case may be in the manner set out below and be replaced by the following clause:

“V The Authorised Share Capital of the Company is Rs. 665,900,000 (Rupees sixty six crore fifty nine lacs only) divided into

- 1. 6,50,90,000 (Six crore fifty lac ninety thousand thousand) Equity shares of Rs 10/- (Rupees Ten) each.**
- 2. 15,00,000 (Fifteen lacs), 8% Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each.**

With the power to increase and/or reduce the capital, to divide the shares in the capital for the time being into several classes and to attach thereto such preferential or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Companies Act and rules made thereto as amended from time to time and to vary, modify or abrogate such rights, privileges and conditions in such manner as may for the time being be provided by the regulations of the Articles of the company, and to classify or reclassify the share capital.”

With respect to the Transferee Company, upon this Scheme becoming effective:

- 4.2 The resolutions, including resolutions passed under Section 180(1)(c) of the Act, if any, of the Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- 4.3 With effect from the Effective Date, without following any further procedure and other applicable provisions of the Act, the Transferee Company shall be deemed to be authorised to commence such business as laid down in the Objects Clauses of the Memorandum of Association of the Transferor Company.

5 ISSUE OF SHARES BY THE TRANSFEREE COMPANY:

In the referred amalgamation there will no requirement of allotment of Shares of Transferee Company, as Transferee Company hold 100% shares of the Transferor Company. Since, the Transferor Company is 100% Subsidiary of Transferee Company, there is no exchange ratio under this amalgamation.

6 TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE:

6.1 With effect from the Appointed Date and upto and including the Effective Date;

- (i) the Transferor Company shall be deemed to have been carrying on and shall carry on all business and activities relating to the Undertaking and stand possessed of the properties so to be transferred, for and on account of and in trust for the Transferee Company, including but without limitation, the manufacturing activity, the investment portfolio, payment of advance income tax and subsequent instalments of income tax and other statutory levies, etc.
- (ii) all incomes, profits, benefits and incentives accruing to the Transferor Company or losses arising or incurred by it relating to the Undertaking shall, for all purposes, be treated as the incomes, profits, benefits and incentives or losses, as the case may be, of the Transferee Company;

6.2 The Transferor Company and the Transferee Company do hereby undertake, from the Appointed Date upto and including the Effective Date -

- (i) to carry on the business of the Undertaking with reasonable diligence and business prudence and not to borrow, alienate, charge mortgage, encumber or otherwise deal with or dispose of

the Undertaking or any part thereof, nor to undertake any new business or a substantial expansion of its existing business except with the prior written consent of the other Companies.

- (ii) not to utilise the profits, if any, relating to the Undertaking for the purposes of declaring or paying any dividend in respect of the period falling on and after 01.04.2015 without obtaining the prior approval of the other Companies.

7 TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES:

On and from the Effective Date:

- 7.1 All employees of the Transferor Company in service on the Effective Date shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions not less favorable than those on which they are engaged by the Transferor Company as on the Effective Date.
- 7.2 The accumulated balances standing to the credit of the employees of the Transferor Companies on the Effective Date in the Provident fund, Gratuity fund, Superannuation fund and/or other funds and including any surplus in any such funds created or existing for the benefit of the employees of the Transferor Company shall be identified, determined and transferred to the corresponding funds of the Transferee Company in due course.

8 CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS:

- 8.1 Subject to other provisions of this Scheme, the Transferee Company shall accept all acts, deeds and things relating to the Undertaking of the Transferor Company done and executed by and/or on behalf of the Transferor Company on or after the Appointed Date as acts, deeds and things done and executed by and/or on behalf of the Transferee Company.

8.2 Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, leases, insurance policies and other instrument of whatsoever nature relating to the Undertaking to which the Transferor Company is a party and subsisting or having effect on or before the Effective date shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if, instead of the Transferor Company, the Transferee Company had at all material times been a party thereto.

8.3 On this Scheme finally taking effect as aforesaid:

- (i) All the agreements, guarantees, approvals, consents, permissions, licenses, sanctions, leases and the like entered into with and/or given by, as the case may be, the various State Governments, statutory or regulatory body or agencies or third parties with/to Somany Foam Limited shall, without any further act, deed, matter or thing, stand transferred to and vested in Spotlight Vanijya Limited;
- (ii) All business activities engaged in by Somany Foam Limited shall be continued by Spotlight Vanijya Limited under its new name; and

9 LEGAL PROCEEDINGS:

If any suit, writ petition, appeal, revision or other proceedings of whatever nature (hereinafter called the "Proceedings") by or against the Transferor Company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Company or of anything contained in the Scheme, but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.

10 APPROVALS AND EFFECTIVENESS

- 10.1 On the Scheme being agreed to by the respective requisite majorities of the members of the Transferor Company and the Transferee Company,
- a) The Transferor Company shall with all reasonable dispatch, apply to the Hon'ble High Court at Calcutta for sanctioning this Scheme of Arrangement under Section 391 of the Act and for an order or orders under Section 394 of the Act for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up as also any order or orders as may be necessary and appropriate under the Act;
 - b) The Transferee Company shall also with all reasonable despatch make applications/petitions under Section 391 and 394 and other applicable provisions of the said Act to the Hon'ble High Court at Calcutta for sanctioning this Scheme of arrangement under Section 391 of the Act and for an order or orders under Section 394 of the Act for carrying this Scheme into effect.
- 10.2 The Transferor Company (by its Directors), and the Transferee Company (by its Directors) may, assent to any alteration or modification of this Scheme which the Court and/or any other Competent Authority may deem fit to approve or impose and may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith; (including any question or difficulty arising in connection with any deceased or insolvent shareholder of the respective Companies). In the event that any conditions are imposed by any Competent Authority which the Transferor Company or the Transferee Company find unacceptable for any reason whatsoever then the Transferor Company or the Transferee Company shall be entitled to withdraw from the Scheme.
- 10.3 This Scheme is conditional upon and subject to:

- (a) The Scheme being agreed to by the respective requisite majorities as are referred to in Clause 10.1 hereof (on behalf of the Transferor Company and the Transferee Company) and the requisite Order or Orders referred to in Clause 10.1 being obtained;
- (b) Approval of the Scheme by the requisite majority in number and value of the respective members and creditors of Transferor Company and the Transferee Company as may be directed by the High Court, in terms with the applicable provisions of the Act.
- (c) As para 5.16(a) of SEBI Circular NO. CIR/CFD/DIL52013 dated 4th February, 2013 read with para 7 of SEBI circular no. CIR/CFC/DIL/8/2013 dated 21st May, 2013 is applicable to this Scheme, therefore it is provided in the Scheme that the Transferor 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 relations to the Said Resolution.
- (d) As para As para 5.16(a) of SEBI Circular NO. CIR/CFD/DIL52013 dated 4th February, 2013 read with para 7 of SEBI circular no. CIR/CFC/DIL/8/2013 dated 21st May, 2013 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.
- (e) Sanctions and order under the provisions of Section 391 to Section 394 of the Act read with Section 52 of the Companies act, 2013 and Sections 100 to 103 of the Companies Act, 1956 being obtained by the Transferor Company and the Transferee Company from the High Court.
- (f) Such other sanctions and approvals including sanctions of any governmental or regulatory authority as may be required by law in respect of the Scheme being obtained.

- (g) The certified copies of the Court Order referred to herein being filed with the Registrar of Companies, West Bengal.

10.4 This Scheme although to come into operation from the Appointed Date shall not become effective until the last of the following dates, namely:

- (a) the date on which the last of the aforesaid consents, approvals, permissions, resolutions and orders shall be obtained or passed;
or
- (b) the date on which all necessary certified copies of orders under Sections 391 and 394 of the Act shall be duly filed with the appropriate Registrar of Companies.

PART IV

11 ACCOUNTING TREATMENT:

Upon the Scheme becoming finally effective, the Transferee Company shall incorporate the assets and liabilities of The Transferor Company in accordance with the Accounting Standards prescribed under the Companies (Accounting Standards) Rules, 2006 under section 211(3C) of the Companies Act, 1956.

PART V

12 OPERATIVE DATE OF THE SCHEME

The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.

13 DISSOLUTION OF THE TRANSFEROR COMPANY:

On the Scheme becoming effective, the Transferor Company shall be dissolved without winding up in accordance with the provisions of Sections 391 to 394 of the Act.

14 EXPENSES CONNECTED WITH THE SCHEME:

14.1 Save and except as provided elsewhere in the Scheme, all costs, charges taxes, levies and other expenses including registration fee of any deed, in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of the Scheme shall be borne and paid by the Transferee Company.

15 CANCELLATION OF SHARES OF THE TRANSFEROR COMPANY

Upon the Scheme coming into effect, all equity shares of the Transferor Company held by the Transferee Company (either directly or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash whatsoever by the Transferee Company in lieu of such shares of the Transferor Company.

16 SEVERABILITY

If any part of this scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and Transferee Company, affect the validity of implementation of the other parts and or provisions of the Scheme.

The Transferee Company shall be entitled to file / revise its income tax returns, TDS Certificates, TDS returns, Wealth Tax returns and other statutory returns, if required

17 GENERAL TERMS AND CONDITIONS

17.1 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make all applications / petitions under Section

391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.

- 17.2 The respective Board of Directors of the Transferor Company and the Transferee Company may empower any Committee of Directors or Officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 17.3 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Company and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 17.4 The Board or Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the Coming into effect of the Scheme could have adverse implications on the Transferor Company and/or the Transferee Company.
- 17.5 If any part of this Scheme is invalid, ruled illegal by any court or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.
