

**HIGH COURT, BOMBAY**

0237083

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IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO 806 OF 2012  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO 511 OF 2012  
**AGRE PROPERTIES & SERVICES  
LIMITED** ..Petitioner[Transferor Company],

AND  
COMPANY SCHEME PETITION NO 807 OF 2012  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO 510 OF 2012

**FUTURE MARKET NETWORKS  
LIMITED** ..Petitioner[Transferee Company].

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

AND

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

AND

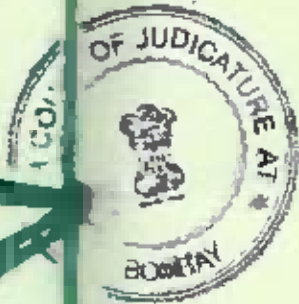
In the matter of Scheme of  
Amalgamation between Future Market  
Networks Limited ("the Transferee  
Company");

AND

Agre Properties & Services Limited  
("the Transferor Company ");

AND

Their respective Shareholders and  
Creditors



Mr. Janak Dwarkadas, Senior Advocate with Mr. K. H. Halai, Mr. Ajit Shinde i/b Halai & Co., for the Petitioner Company.  
Mr. S.B.Shetty for Nikhil Comforts [Partnership Firm] - Objector.  
Mr. R.C.Master i/b H.P.Chaturvedi, for R.D.  
Mr. Laxmi Pat Surana, Proprietor of Mahavir Constructions, Objector-in-person.  
Ms. Rupa Sutar and Ms. Yogini Chauhan, AOL present.

Coram : RANJIT MORE, J.  
Date : March 26, 2013.

P.C. :

1. Heard Mr. Janak Dwarkadas, learned senior advocate for the Petitioner Company. Mr. R.C.Master, learned Counsel for the Regional Director and Mr. Surana, the objector-in-person.
2. By this petition, sanction of the Court is sought under sections 391 to 394 read with 78, 100 to 103 of the companies Act, 1956, to the Scheme of Amalgamation between Agre Properties & Services Limited and Future Market Networks Limited and their respective shareholders and Creditors [the Scheme].
3. Learned Counsel for the Petitioners states that the Petitioner-Company has complied with all the requirements as per the directions of this Court and they have filed necessary affidavits of compliance. Moreover, the Petitioner-Company through their advocates have undertaken to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and Rules made thereunder. The said undertakings are accepted.
4. The Regional Director has filed its affidavit stating

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therein that save and except as stated in paragraph 6 of the said affidavit, the scheme does not appear to be prejudicial to the interest of the shareholders and public. Pararaph 6 of the said affidavit reads thus :


"6. That the Deponent further submits that sub clause (iii) and (vi) of clause 2(g) of the Scheme be deleted since that part of the proposed expenses cannot be adjusted from the Securities Premium Account of the Transferee Company. In this regard the Transferee Company vide its letter dated 06/02/2013 has undertaken to delete the aforesaid 2 sub clauses."

The transferee company has already given undertaking to delete clauses (iii) and (vi) of Clause 2(g) of the Scheme. Undertaking is annexed at Exhibit-D to the affidavit of the Regional Director. Undertaking is accepted.

5. One Mr. Laxi Pat Surana, has filed objections to above Company Scheme Petitions. He has raised objections to the grant of scheme on the ground that he has certain dues against Pantaloon Retail (India) Limited [for short "PRIL"]. The objector contends that he is landlrod of one Mall where PRIL is in occupation of part of the premises. According to him, his dues to the tune of Rs:35 crores (approximately) are payable by PRIL. He also submitted that two undertakings of PRIL, namely, Mall Management Undertaking and Project Management Undertaking are demerged from PRIL and merged into Future Mall Management Limited and Future

Merchandise Limited. He further submitted that in pursuance of sanction by this Court, Future Mall Management Limited was initially re-named as Agre Developers Limited and later on as Future Market Networks Limited, which is the Transferee Company herein. He also submitted that Future Merchandise Limited was re-named as Agre-Properties & Services Limited, which is Transferor Company herein. Under the present scheme, the Transferor Company is proposed to be amalgamated into Transferee Company. Thus, he submits that his claim against PRIL will survive against the Petitioners in the scheme.

6. Learned Senior Counsel for the Petitioners disputed the Petitioners' liability to pay to the Objector. It was also submitted that dispute between parties is pending before the Arbitrator at Kolkatta and PRIL as well as Agre Properties & Services Limited, Future Mall Management Limited and Future Value Retail Limited are parties before the Arbitrator. He submitted that the claim of the Objector will be adjudicated upon by the Arbitrator and the Objector for recovery of the amount of said dispute, cannot object to the scheme. He also referred to the proceedings before the Calcutta High Court which arose under section 9 of the Arbitration and Conciliation Act, 1996 and submitted that bank guarantee is already submitted. This statement is, however, disputed by the Objector.



7. Learned Single Judge of this Court by the order dated 1<sup>st</sup> March 2013 passed in Company Scheme Petition Nos. 849 of 2012 and 850 of 2012 has sanctioned scheme of arrangement between PRIL, (the demerged company) and Peter England Fashions & Retail Limited (the Resulting Company). Said scheme provides for transfer by way of demerging of one of the units of PRIL, namely, Pantaloon Formats Limited into Resulting Company Peter England Fashions & Retail Limited. Mr. Surana, the objector in the instant petition, had also raised objections to the said scheme of arrangement between PRIL and Peter England Fashions & Retail Limited on the identical grounds which are raised before me. The basis of objections was that the Objector is a creditor of PRIL and without settling his dues, scheme cannot be sanctioned. My brother Judge - justice N.M. Jamdar, in his order, has considered in detail Mr. Surana's objections in paragraph Nos. 19 to 23 and overruled the same in the light of Apex Court decision in **Miheer H. Mafatlal V. Mafatlal Industries Ltd.** reported in (1997) 1 Supreme Court Cases 579 and decision rendered by **Single Judge of this Court Company Scheme Petition No.377 of 2011**

8. Since the objections raised in the present scheme petitions being identical to the objections raised in Company

Scheme Petition Nos. 849 of 2012 and 850 of 2012, in my view, the objections raised in these petitions also deserve to be overruled for the reasons given in paragraph Nos. 19 to 23 of the said order.

9. In view of the above, the objections raised by the Objector cannot, in law as well as on facts, be an impediment in sanctioning of the present Scheme. Considering the petition and perusal of scheme as well as the affidavit filed by the Regional Director the Scheme does not appear to be against public interest neither it appears to be contrary to any public policy.

10. M/s. Nikhil Comforts, a Partnership Firm, has also filed objections to the present scheme. However, advocate appearing on their behalf submitted that now they are not pressing those objections.

11. Since all requisite statutory compliances have been fulfilled the Company Scheme Petition No.806 of 2012 is made absolute in terms of prayer clauses (a), (b) & (d) and Company Scheme Petition No.807 of 2012 is made absolute in terms of prayer clauses (a) and (c).

12. The Petitioner Companies shall file a copy of this order duly

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authenticated by Company Registrar, High Court, (O.S.) Bombay with concerned Superintendent of Stamps, for the purpose of adjudication if any, on the same within 60 days from the date of the order along with the Scheme of Arrangement.

13. The Petitioners Companies are directed to file copy of this order along with copy of Scheme with the concerned Registrar of Companies electronically along with e-form 21 in addition to physical copy, as per the provisions of the Companies Act, 1956.

14. The Petitioner Companies in both the Company Scheme Petitions to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and the Petitioners in Company Scheme Petition Nos. 806 of 2012 to pay costs of Rs.10,000/- to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from today.

15. Filing and issuance of the drawn up order is dispensed with.

16. All concerned authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay.

[RANJIT MORE, J.]

TRUE COPY

K. M. RANE  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY

TRUE COPY

Sent 28/4/13  
for Section Officer  
High Court, Appellate Side  
Bombay

**SCHEME OF AMALGAMATION**

**UNDER SECTIONS 391 TO 394, INCLUDING SECTIONS 100 TO 104 READ  
WITH SECTION 78 OF  
THE COMPANIES ACT, 1956**

**BETWEEN**

**FUTURE MARKET NETWORKS LIMITED<sup>REGD</sup>  
(Transferee Company)**

**AND**

**AGRE PROPERTIES & SERVICES LIMITED  
(Transferor Company)**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**FUTURE MARKET NETWORKS LIMITED**

*[Signature]*  
Company Secretary

**For Agre Properties & Services Limited**

*[Signature]*  
Director/Authorized Signatory



## PART I: PREAMBLE

- 1.1. This Scheme of Amalgamation is presented under sections 391 to 394, including sections 100 to 104 read with section 78 and other applicable provisions of the Companies Act, 1956 ("the Act") for amalgamation of Agre Properties & Services Limited (APSL) with Future Market Networks Limited (FMNL).
- 1.2. FMNL is a listed Company incorporated under the provisions of the Act having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060 ("Transferee Company"). The Transferee Company was originally incorporated under the name and style of 'Future Mall Management Limited' on March 10, 2008. Subsequently, the name was changed to Agre Developers Limited on October 4, 2010 and again the name was changed to Future Market Networks Limited pursuant to which a fresh certificate of incorporation was granted on February 6, 2012.
- 1.3. The Transferee Company is, *inter alia*, authorised to and is primarily engaged in the business of maintaining, operating, managing malls, shopping centres, real estate, immovable properties of all nature and description including shopping malls, commercial complexes, shopping plazas, cinema halls, theatres, departmental stores, hypermarkets, shops, business, houses, offices, residential estates, hotels, motels, resorts, homes, organizations, exhibition centres, conference centres, boarding and lodging houses, clubs, dressing rooms and places of amusement and recreation, sports, entertainment and all other real estate and properties of every kind. Further, the Transferee Company is, *inter alia*, authorised to act as advisors, consultants, service providers to render various mall management services for enhancing value, increasing of footfalls and ambience of the malls, shoppers plazas, shopping centres, departmental stores etc. and to undertake the business of providing turnkey solutions. The Transferee Company is also authorised to carry on the business of builders, contractors, erectors, constructors of buildings of all nature being residential, industrial, institutional or commercial, townships, holiday resorts, hotels, motels and shopping malls amongst others.
- 1.4. APSL is a company Incorporated under the provisions of the Act having its registered office at Knowledge House, Off. Shyam Nagar, Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060 ("Transferor Company"). The Transferor Company was incorporated under the name and style of 'Future Hypermarket Limited' on March 10, 2008. Subsequently, the name was changed to Future Value retail Limited on 9<sup>th</sup> May 2008, to Future Merchandising Limited on 28<sup>th</sup> April 2009 and to Agre Properties & Services Limited on 28<sup>th</sup> October 2010.



15. The Transferor Company is, *inter alia*, authorised to and is primarily engaged in the business of maintaining, operating, managing malls, shopping centres, real estate, immovable properties of all nature and description including shopping malls, commercial complexes, shopping plazas, cinema halls, theatres, departmental stores, hypermarkets, shops, business, houses, offices, residential estates, hotels, motels, resorts, homes, organizations, exhibition centres, conference centres, boarding and lodging houses, clubs, dressing rooms, and places of amusement and recreation, sports, entertainment and all other real estate and properties of every kind and sort including construction and development thereof in any manner and under any type of arrangement and also engage in food services of every kind and manner to be provided at various real estate and properties managed/operated by the Company or elsewhere. Further, the Transferor Company is, *inter alia*, authorized to act as advisors, strategic planners, consultants, service providers, service contractor or sub-contractor, suppliers, administrator, licensor, designer, controller to render various mall asset management services to manage shopping centre assets for enhancing value, increasing of footfalls and ambience of the malls, shoppers plazas, shopping centres, departmental stores and such other above named properties and to undertake the business of providing turnkey solutions including development and execution of the retail outlet design of real estate of every kind and sort, including identification of the project or properties, negotiations, financial planning, property management including space planning, structure design, interior and exterior design, project administration, design and engineering services, procurement of equipments and controlling schedule and quality thereof and to provide other requisite infrastructure facilities to make the malls, shoppers plazas, shopping centres, departmental stores and such other real estate of every kind operational including but not limited to procurement of power, hiring/contracting security services, housing keeping facilities, catering services, engineering services, communication facilities and other day to day facilities of running malls either on its own or in partnership with others.

16. Pursuant to a scheme of arrangement sanctioned by the Hon'ble High Court *vide* order dated August 24, 2010, with effect from April 1, 2010, the Mall Management Undertaking and the Project Management Undertaking of Pantaloon Retail (India) Limited (PRIL) were transferred to the Transferee Company and the Mall Asset Management Undertaking and the Food Services Undertaking of PRIL were transferred to the Transferor Company.

17. Further, pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court *vide* order dated January 20, 2012, with effect from April 1, 2011, Future Realtors India Private Limited, AIGL Holding & Investments Private Limited, and Prudent Vintrade Private Limited were merged into the Transferee Company.



1.8. This Scheme of Amalgamation (hereinafter referred to as the "Scheme") provides for the amalgamation of the Transferor Company with the Transferee Company and the consequent treatment of assets and liabilities of respective Company in the manner provided for in the Scheme. The Scheme also provides for recognition of the assets and liabilities of the Transferor Company at fair values and any Expenses (as defined herein below) arising on recognition of the assets and liabilities at fair value to be adjusted against the Securities Premium of the Transferee Company, for reasons discussed herein. In view of the utilization of the Securities Premium of the Transferee Company to meet the adjustment of Expenses arising on the recognition of the assets and liabilities of the Transferor Company at fair values, the Scheme also envisages a composite application in terms of section 100 to 104 read with section 78 of the Companies Act.

1.9. The Transferor Company is a wholly owned subsidiary of the Transferee Company in terms of the Act. The Transferee Company currently holds 100% of the paid up equity capital of the Transferor Company in its name and in the name of its nominees. The arrangement will enable the business of the combined entity to be carried more conveniently and advantageously with a larger asset base with greater capacity to conduct such business on more favourable terms. As such, the amalgamation will also enable the undertaking of the Transferor Company and the Transferee Company to be combined, run and managed more economically and efficiently and their combined resources to be utilized and employed in the business of the combined entity more advantageously and optimally. The Scheme will have beneficial results for the said companies, their respective shareholders and all concerned.

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

1.10.1. Effectively, since the Transferor Company is anyway a wholly owned subsidiary of the Transferee Company, the proposed merger is only technically merging the legal personalities of the two, as effectively, the economic entity is already a single unit.

1.10.2. The amalgamation in accordance with this Scheme will result in integration of the operations of the Transferee Company and the operational costs will be considerably reduced. The Transferee Company will be able to operate more economically and effectively resulting in better turnover and profits.



1.10.3 Synergy of operations could be achieved and common facilities such as manpower, office space and other infrastructure could be better utilized and duplication of facilities could be avoided resulting in optimum use of facilities to the advantage of the Transferee Company.

1.10.4 There will be better operational synergy in terms of procurement benefits, access to marketing networks/ customers, reduction of administrative work etc. and fund raising capabilities and opportunities of the Transferee Company will be comfortably enhanced, resulting into cost efficiency coupled with greater financial flexibility.

1.10.5 Improved organizational capability and leadership arising from the pooling of human capital having diversified skills, talent and vast experience.

1.10.6 Due to all the reasons stated above, the Transferee Company will be able to ensure better turnover and profits and would ultimately contribute substantially to the future business expansion and will be able to exploit the market to the fullest possible extent.

1.11. The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date (as defined herein below).

1.12. The Scheme is divided into the following parts:

- (a) Part I Preamble;
- (b) Part II, which contains the definitions;
- (b) Part III, which deals with the share capital of the Transferee Company and the Transferor Company;
- (c) Part IV, which deals with the amalgamation of the Transferor Company with the Transferee Company; and
- (d) Part V, which deals with reorganisation of share capital; matters relating to accounts etc.;
- (e) Part VI, which deals with the dissolution of the Transferor Company; and
- (f) Part VII, which deals with the general terms and conditions that would be applicable to the Scheme.

The Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

1.13 The amalgamation hereunder will be effected under the provisions of Sections 391 to 394 of the Act and in accordance with section 2(1B) of the Income Tax Act, 1961.

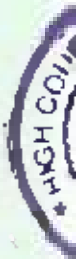


## PART II: DEFINITIONS

### 2. Definitions

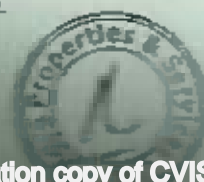
In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- (a) "Act" means the Company Act, 1956, the rules and regulations made there under and will include any statutory modifications, re-enactments and/or amendments thereof.
- (b) "Appointed Date" means April 1, 2011 or such other date as the Hon'ble High Court may direct.
- (c) "Board of Directors" in relation to the Transferor Company and/or the Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- (d) "Clause" means a clause in this Scheme.
- (e) "Effective Date" shall mean the date on which the certified copy of the order of the Hon'ble High Court of Bombay sanctioning the Scheme is filed with the Registrar of Companies, Mumbai.
- (f) "Equity Shares" means the equity shares of the Transferee Company.
- (g) "Expenses" means and without limiting the generality of the foregoing, includes inter-alia the following items accounted for in pursuant of this Scheme:
  - (i) Impairment, amortization and / or write off of goodwill and other intangible assets, if any, arising on preparation of consolidated accounts of the Transferee Company;
  - (ii) Impairment of assets / investments / intangibles in the Financial Statements of the Transferor Company;
  - (iii) Diminution in the value of investments in subsidiary companies in the Financial Statements of the Transferee Company and / or any of its subsidiaries;
  - (iv) Any write off, provision or impairment of debtors, loans or advances, considered bad or doubtful, to the extent the same is considered for write off;
  - (v) Increase in the liabilities of the Transferor Company on account of statutory dues with Government authorities, of any nature;
  - (vi) Any taxes, including service tax, pertaining to the Transferor Company, pertaining to the period before the



Appointed Date, whether such tax is settled before or after that date, to the extent a liability or provision for the same is not recognised in the financial statements of the Transferor Company as on 31<sup>st</sup> March 2011;

- (vii) Any change in the fair value of assets or liabilities of the Transferor Company between the Appointed Date and the Effective Date.
- (h) "Food Services Undertaking" means the business of managing food court in the various malls.
- (i) "Governmental Authority" means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India.
- (j) "High Court" means the Hon'ble High Court of Judicature at Bombay.
- (k) "Mall Asset Management Undertaking" means the business of management of mall related assets.
- (l) "Mall Management Undertaking" means the business of providing service for enhancing value of the mall, increasing foot falls and ambience of the mall and other management of malls for day to day running of malls.
- (m) "Part" means a part of this Scheme.
- (n) "Party" means a party to this Scheme and "Parties" shall be construed accordingly.
- (o) "Project Management Undertaking" means the business of providing turnkey solutions and encompasses development and execution of the retail outlet design and related assets.
- (p) "Scheme" shall mean this scheme of amalgamation, in its present form or with any modification(s) as approved or imposed by the Hon'ble High Court.
- (q) "Shareholders" with reference to the Transferor or Transferee Company shall mean persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories as on the Appointed Date.



- (r) **"Transferor Company"** means **Agre Properties & Services Limited** having its registered office at **Knowledge House, Off. Shyam Nagar, Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060**
- (s) **"Transferee Company"** means **Epture Market Networks Limited** having its registered office at **'Knowledge House', Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060.**
- (t) **"Undertaking of Transferor Company" or "Undertaking"** shall include (without limitation) its entire business and:
- (i) any and all its assets, whether movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, including continuing rights, title and interests in connection with the land and the buildings thereon, whether leasehold or otherwise, plant and machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;
  - (ii) any and all investments (including shares and other securities), income by whatever name called, loans and advances, including accrued interest thereon;
  - (iii) any and all permits, quotas, rights, entitlements, industrial and other licenses, approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, sales tax credits, income tax credits, applications for trade names, trademarks, service marks, copyrights, privileges and benefits of all contracts, agreements, applications and all other rights including lease rights, licenses and registrations, powers and facilities of every kind and description whatsoever, pertaining to the Transferor Company;
  - (iv) any and all debts, liabilities, contingent liabilities, duties and obligations, present or future, whether secured or unsecured, of the Transferor Company;
  - (v) all contracts including but not restricted to **Leave & Licence Agreements, Term Sheets, Lease Deeds, Memorandum of Understandings, business/asset purchase agreements,**



memoranda of agreement, memoranda of agreed points, letters of agreed points, arrangements, undertakings whether written or otherwise, lease rights, deeds, bonds, other agreements, applications and instruments of whatsoever nature to which the Transferor Company is a party and having effect immediately before the Effective Date, shall remain in full force and effect in favour of and/or against the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto;

- (vi) any and all employees, who are on the pay roll of the Transferor Company, including those engaged at their respective offices and branches, at their current terms and conditions;
- (vii) any pending suit/appeal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of the Transferor Company or because of the provisions contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, if this Scheme had not been made;
- (viii) all the tax liabilities under the Income Tax Act, 1961, Customs Act, 1962, Central Sales Tax Act, 1956, Central Excise Act, 1944, service tax laws, state sales tax laws, state value added tax laws and other applicable laws/ regulations dealing with taxes / duties / levies ("Tax Laws" ) allocable or related to the business of the Transferor Company shall be transferred to the Transferee Company; and
- (ix) any refunds/ credits/ claims under the Tax Laws due to any of the Transferor Company (including but not limited to advance tax, self assessment tax, regular assessment tax and service tax credits) shall also belong to and be availed of or received by the Transferee Company.
- (x) all the benefits under the various incentive schemes and policies that the Transferor Company entitled to, in relation to its operations, shall upon the Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits,



entitlements and incentives of any nature whatsoever, including minimum alternate tax credit entitlement, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive scheme and/or policies; and

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

interest whatsoever situated, belonging to or in the ownership, power or possession of or in the control of or vested in or granted in favor of or enjoyed by or arising to Transferor Company.

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

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

### PART III: SHARE CAPITAL

#### 3. Share Capital of the Parties

##### 3.1. Transferee Company

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

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

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

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

	In Rs.
<b>Authorized Share Capital</b>	
8,02,10,000 equity shares of Rs. 10/- each	80,21,00,000
5000 preference shares of Rs. 100/- each	5,00,000
<b>Total</b>	<b>80,26,00,000</b>

<b>Issued Capital</b>	
5,58,54,976 equity shares of Rs. 10/- each	55,85,49,760
<b>Subscribed and Paid-up Share Capital</b>	
5,58,54,406 equity shares of Rs. 10/- each	55,85,44,060

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

### 3.2. Transferor Company

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

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

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

## PART IV: AMALGAMATION

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

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

### 4.1. Transfer of Undertaking:

With effect from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertakings as on the Appointed Date of the Transferor Company shall, pursuant to the provisions of Section 394 and all other applicable provisions of the Act, without any further act, deed, instrument, matter or thing, be and

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shall transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company, as a going concern, so as to become the Undertaking of Transferee Company but subject nevertheless to all charges, liens, mortgages, *lis pendens*, if any, then affecting the same or part thereof on the Appointed Date and the Transferor Company shall be deemed to have amalgamated with the Transferee Company.

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

#### 4.2. Transfer Subject to Charges:

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

#### 4.3. Transfer of Movables:

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

#### 4.4. Transfer of Liabilities:

Pursuant to the transfer of Undertakings as above, and subject to the provisions in the Scheme in relation to the mode of transfer and vesting, all debts, liabilities, duties and obligations of the Undertaking of Transferor Company, shall also be and stand transferred or deemed to be transferred, without further act, instrument, deed, matter or thing to Transferee Company, pursuant to the provisions of Section 394 of the Act so as to become as, and from the Appointed Date, the debts, duties, liabilities and obligations of Transferee Company. Further that for the purpose of giving effect to the provisions of this Clause, it shall not be

necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligation have arisen. The Scheme shall not in any manner affect the rights and interests of the creditors of the Transferor Company or be deemed to be prejudicial to their interests and in particular the statutory creditors of the Transferor Company shall continue to enjoy and hold charge upon their respective securities and properties. Transferee Company may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation, in favor of any of the creditors of the Transferor Company or in any other party to any contract or arrangement to which Transferor Company or Transferee Company is a party to, or any writings as may be necessary to be executed in order to give formal effect to the above provisions;

#### 4.5. Transfer of Authorised Capital:

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

#### 4.6. Transfer of Profits and Reserves:

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

#### 4.7. Transfer of Contracts:

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



carry out all the formalities required on the part of Transferor Company to give effect to the provisions of this Scheme

#### 4.8. Transfer of Legal Proceedings:

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

#### 4.9. Place of Vesting:

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

#### 4.10. Workmen And Employees

##### 4.10.1. Takeover of all the employees:

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

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

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

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

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

option, if warranted to transfer such employees to any unit of Transferee Company as may be deemed to be necessary from time to time.

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

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

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

##### b) Assets and Liabilities:

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

##### c) Profits and Losses:

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

##### d) Transactions and Proceedings:

The transfer of property and liabilities and continuance of proceedings under this Scheme shall not affect any transactions or proceedings already concluded by Transferor Company in the ordinary course of business on or after the Appointed Date till the Effective Date to the end and intent that Transferee Company accepts and adopts all acts, deeds and things lawfully done and executed by Transferor Company to the same extent as if done and executed by Transferee Company on its own behalf;

##### e) Debts and Obligations:

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

the same extent as if done and executed by Transferee Company on its own behalf;

**f) Conduct of Business:**

With effect from the Appointed Date, Transferor Company:

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

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

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

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

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

**i) Enforcement of Legal Proceedings:**

All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitration, execution proceedings, revisions, writ petitions, if any) by or against Transferor Company shall not abate, be discontinued or be in any way prejudicially affected by reasons of this Scheme or the transfer of the Undertakings of Transferor Company or of anything contained in this Scheme, but the said proceedings, shall till the Effective Date be continued, prosecuted and enforced by or against Transferor Company as if this scheme had not been made and thereafter be





continued, prosecuted and enforced by or against Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted, enforced by or against Transferor Company if this Scheme had not been made. Transferee Company shall take steps to have the abovementioned proceedings continued in its name;

**j) Enforcement of Contracts:**

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

**k) Payment of Dividends:**

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

**l) Rights of Shareholders:**

The holders of shares of Transferor Company and Transferee Company shall, save as otherwise provided under this Scheme, continue to enjoy

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their existing rights under their respective Articles of Association including the right to receive dividends from the respective companies of which they are members till the Effective Date.

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

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

- 5.1. The provisions of this Part shall operate notwithstanding anything to the contrary in any other instrument, standard, regulation, deed or writing.



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

5.3. The following treatment should be given in the books of accounts of Transferee Company on merger of Transferor Company with Transferee Company:

5.3.1. Recording of Assets and Liabilities:

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



### 5.3.2 Treatment of difference in accounting policy:

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

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

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

## PART VI: DISSOLUTION OF THE TRANSFEROR COMPANY

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

## PART VII: GENERAL TERMS AND CONDITIONS

- 7.1. In the event of there being any pending share transfers with respect to any application lodged for transfer by any Shareholder of the Transferor Company, the Board of Directors or any committee thereof of the Transferee Company shall be empowered in appropriate cases even subsequent to the Appointed Date, to effectuate such a transfer in the respective Transferor Company as if such changes in registered holder were operative as on the Appointed Date in order to remove any difficulties arising to the transferor or the transferee of the share(s) in the relevant Transferor Company.
- 7.2. For the avoidance of doubt it is hereby clarified that nothing in this Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the respective Record Date for the purpose of dividend and the Shareholders of the Transferor Company shall not be entitled to dividends, if any, declared by the Transferee Company prior to the Effective Date. On and from the date of filing this Scheme with the Hon'ble High Court and until

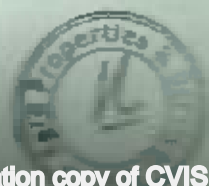
the Effective Date, the Transferor Company shall declare dividends only after prior consultation with the Transferee Company.

- 7.3. Until the coming into effect of this Scheme, the holders of equity shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing rights under their respective articles of association.
- 7.4. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the respective Transferor Company and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the respective Transferor Company and the Transferee Company, respectively.
- 7.5. Upon the Scheme coming into effect, with effect from the Appointed Date, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- 7.6. The revised balance sheet of the Transferee Company shall also be reconstructed in accordance with the terms of this Scheme.
- 7.7. Application To Hon'ble High Court For Sanctioning Scheme

Joint Application by Transferee and Transferor Company:

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

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



**7.8. Scheme conditional and is subject to:**

- 7.8.1. The Scheme being agreed to by the respective requisite majority of the members (either by way of a meeting or a letter of consent from the shareholders, where applicable) (on behalf of Transferor Company and the Transferee Company respectively) and the creditors under Section 391 of the Act.
- 7.8.2. The Scheme being sanctioned by the Hon'ble High Court and the requisite certified copies of the order of the Hon'ble High Court sanctioning this Scheme being filed with the Registrar of Company, Mumbai.
- 7.9. This Scheme shall become effective on such date when the certified copies of the order of the Hon'ble High Court sanctioning this Scheme are filed with the Registrar of Company, Mumbai. Such date shall be known as the "Effective Date".
- 7.10. In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Parties or their shareholders or creditors or employees or any other person.
- 7.11. In case any doubt or difference or issue shall arise between the Parties hereto or any of their Shareholders, creditors, employees and/or persons entitled to or claiming any right to any shares in the Transferor Company or Transferee Company as to the construction thereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred to the Transferee Company or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to arbitration. The arbitration proceedings shall be conducted in accordance with the Arbitration and Conciliation Act, 1996 and the award passed by the arbitrators shall be final and binding on all concerned.
- 7.12. In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Company and their respective shareholders and creditors and the terms and conditions of this Scheme, the latter shall prevail.
- 7.13. If any part of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any Party, in which case the Parties shall attempt to bring about a modification in the Scheme, as will best preserve for the Parties the benefits and obligations of the Scheme.



## 7.14. Modifications To The Scheme

### 7.14.1. Scheme subject to Modifications:

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

### 7.14.2. Modifications and Amendments to Scheme:

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

### 7.14.3. Withdrawal of Scheme:

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

### 7.15. Effect Of Non Fulfillment Of Any Obligation:

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

### 7.16. Costs And Expenses:

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

For Agre Properties & Services Limited

*N Hegde*  
Director/Authorised Signatory

For FUTURE MARKET NETWORKS LIMITED

*[Signature]*  
Company Secretary

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TRUE COPY

IN THE HIGH COURT OF JUDICATURE AT  
BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 807 OF  
2012.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO.  
510 of 2012.

IN THE MATTER OF COMPANIES ACT OF  
1956;

AND

IN THE MATTER OF THE SECTIONS 391 TO 394  
INCLUDING SECTIONS 100 TO 104 READ WITH  
78 OF THE COMPANIES ACT, 1956

AND

IN MATTER OF SCHEME OF AMALGAMATION  
BETWEEN FUTURE MARKET NETWORKS  
LIMITED AND AGRE PROPERTIES &  
SERVICES LIMITED AND THEIR RESPECTIVE  
SHAREHOLDERS AND CREDITORS

FUTURE MARKET NETWORKS LIMITED

Petitioner Company.



AUTHENTICATED COPY OF MINUTES OF

ORDER DATED 26<sup>TH</sup> MARCH, 2013 ALONG

WITH SCHEME OF AMALGAMATION

Dated this 30<sup>th</sup> day of March, 2013.

02/04/2013  
25/04/2013  
[Handwritten notes and signatures]

M/s. Haldar & CO.