

## REVISED ATTACHMENT NO.1

Certified true copy of Scheme/ Petition proposed to be filed before any Court or Tribunal under Sections 391, 394 and 101 of the Companies Act, 1956.

**SCHEME OF AMALGAMATION  
OF  
AGARWAL PETROCHEM PRIVATE LIMITED  
WITH  
AGARWAL INDUSTRIAL CORPORATION LIMITED  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS  
(UNDER SECTION 391 TO 394 READ WITH APPLICABLE PROVISIONS OF THE  
COMPANIES ACT, 1956 (TO THE EXTENT APPLICABLE, PROVISIONS OF THE  
COMPANIES ACT, 2013)**

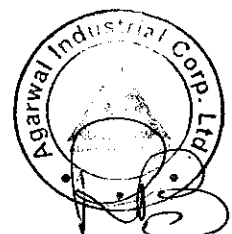
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This Scheme of Amalgamation provides for the merger of Agarwal Petrochem Private Limited (Company Registration Number: 069703 and having Corporate Identification Number: U24110MH1992PTC069703) incorporated on 25 November, 1992 under the provisions of Companies Act, 1956 with Agarwal Industrial Corporation Limited (Company Registration Number: 084618 and having Corporate Identification Number: L99999MH1995PLC084618) incorporated on 13 January, 1995 under the provisions of Companies Act, 1956 pursuant to Sections 391 to 394 and other applicable provisions, if any, of the Companies Act 1956 (to the extent applicable provisions of the Companies Act, 2013).

**PREAMBLE**

**Description of Companies**

- A) **Agarwal Industrial Corporation Limited:** Agarwal Industrial Corporation Limited ('AICL') is a listed company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Eastern Court, Unit No. 201- 202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur, Mumbai, Maharashtra - 400071 India. AICL was originally constituted as a public limited company on 13 January, 1995 under the name and style of "Bombay Baroda Roadways (India) Limited". Subsequently on 26<sup>th</sup> March, 2008 the name was changed to its present name of "Agarwal Industrial Corporation Limited". AICL has the main objects of carrying on business of transport throughout India of



goods, gas, oils, bitumens, chemicals and to operate, establish and maintain garages, service station, workshops, petrol pumps etc. AICL is currently engaged in the business of trading and manufacturing of Bitumen and Bituminous products, transportation and logistics of Bitumen & Bituminous products and LPG & Wind Power Generation. The details of the authorised, issued, subscribed and paid-up share capital of AICL are set out in the Scheme. The equity shares of AICL are listed on National Stock Exchange of India Limited ('NSE') & BSE Limited ('BSE').

- B) **Agarwal Petrochem Private Limited:** Agarwal Petrochem Private Limited ('APPL') is an unlisted company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 37, New Chemical Zone, MIDC - Taloja, Taloja, Maharashtra - 410208 India. APPL was originally constituted as a private limited company on 25<sup>th</sup> November, 1992 under the name and style of "Ultra Fine Organics Private Limited". Subsequently on 26<sup>th</sup> October, 2004 the name was changed to its present name of "Agarwal Petrochem Private Limited". APPL has the main objects of carrying on the business to manufacture, process, produce, formulate, acquire, sell, transport, refine, treat in all types of petrochemicals, organic and inorganic chemicals, industrial chemicals, their formulations, derivatives, compounds, by-products, mixtures etc. APPL is currently engaged in the business of trading and manufacturing of Bitumen and Bituminous products, transportation and logistics of Bitumen & Bituminous products & Wind Power Generation. The details of the authorised, issued, subscribed and paid-up share capital of APPL are set out in the Scheme.

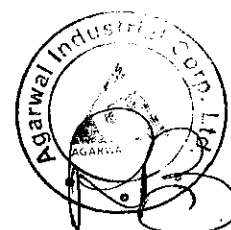
This Scheme of Amalgamation ("Scheme") (more particularly described hereinafter) is presented pursuant to Section 391-394 and other applicable provisions, if any of the Companies Act, 1956 and the Companies Act, 2013.

#### **RATIONALE AND PURPOSE OF THE SCHEME**

Both the Companies are part of the Agarwal Group ('the Group'). It is proposed to merge Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited

#### **Rationale for merger of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited:**

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



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

## OVERVIEW

Upon the merger of APPL into AICL, pursuant to this Scheme becoming effective on the Effective Date, AICL will issue and allot any equity shares to the shareholders of APPL.

After the effectiveness of the Scheme, the securities of AICL issued pursuant to the merger shall be listed with the NSE and the BSE (where the AICL's shares are originally listed)

The Scheme is divided into the following parts:

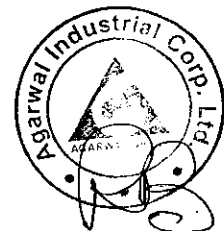
1. **PART A** which deals with definitions and share capital;
2. **PART B** which deals with merger of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited
3. **PART C** which deals with Other Significant Clauses applicable and sets forth certain additional arrangements that form a part of this Scheme

## PART A — DEFINITION AND SHARE CAPITAL

### 1. DEFINITIONS

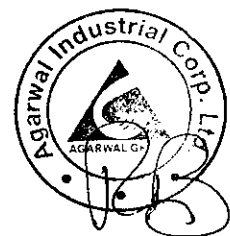
In this scheme, unless repugnant to the meaning or context thereof, the following expression shall have the meaning mentioned herein below:

- 1.1. "**Act**" or "**the Act**" means the Companies Act, 1956 and the Companies Act, 2013, as applicable, and rules and regulations made thereunder and shall include any statutory modifications, amendments or re-enactment thereof for the time being in force. It is being clarified that as on the date of approval of this Scheme by the Board of Directors of the Transferor Company and the Transferee Company, Section 391 to 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the



Companies Act, 2013 not having been notified. Accordingly, references in this Scheme to particular provisions of the Act are reference to the particular provisions of the Companies Act, 1956. Upon such provisions standing reenacted by enforcement of provisions of the Companies Act, 2013, such reference shall, unless a different intention appears, be construed as reference to the provisions so re-enacted.

- 1.2. **"AICL" or "Transferee Company"** means Agarwal Industrial Corporation Limited, a company incorporated under the Act and having its registered office at Eastern Court, Unit No. 201202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur, Mumbai Maharashtra - 400071, India.
- 1.3. **"APPL" or "the Transferor Company"** means Agarwal Petrochem Private Limited, a company incorporated under the Act and having its registered office at 37, New Chemical Zone, MIDC - Taloja, Taloja, Maharashtra - 410208, India.
- 1.4. **"Applicable Law(s)"** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 1.5. **"Appointed Date"** means 1<sup>st</sup> April, 2015 or such other date as may be fixed or approved by the Hon'ble High Court of Maharashtra at Mumbai or National Company Law Tribunal or any other appropriate authority.
- 1.6. **"Appropriate Authority"** means any governmental, statutory, regulatory, departmental or public body or authority of the Relevant Jurisdiction, including Securities and Exchange Board of India; Stock Exchanges; Registrar of Companies Mumbai and the High Court of Mumbai.
- 1.7. **"Effective Date"** means last of the dates on which the conditions specified in Clause 14 of the Scheme are fulfilled with respect to a particular Part of the Scheme. References in this Scheme to the date of **"coming into effect of this Scheme"** or **"upon the Scheme being effective"** shall mean the Effective Date.
- 1.8. **"High Court" or "Court"** means the High Court of Maharashtra at Mumbai and shall include the National Company Law Tribunal ('NCLT'), if and when applicable or such other



forum or Appropriate Authority as may be vested with any of the powers of a High Court under the Act.

- 1.9. **"Record Date"** means such date to be mutually fixed by the Board of Directors of Transferee Company in consultation with the Board of Directors of Transferor Company after the sanction of this scheme by the High Court or such other competent authority as is empowered to sanction the scheme, to determine the members of Transferor Company to whom equity shares of Transferee Company will be allotted pursuant to Part B of this scheme.
- 1.10. **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) as approved or imposed or directed by the High Court or any other Appropriate Authority, as the case may be.
- 1.11. **"Undertaking(s)"** in relation to the Transferor Company, shall mean whole of the undertaking(s) and business of the Transferor Company as a going concern, including (without limitation):
- a) All the businesses, properties, assets and liabilities of whatsoever kind and wheresoever situated as on the Appointed Date;
  - b) Without prejudice to the generality of the foregoing clause, Undertaking(s) shall include all rights, powers, authorities, privileges, liberties and all properties and assets whether movable or immovable, tangible or intangible, current or noncurrent, freehold or leasehold, real or corporeal, in possession or reversion, present or contingent of whatsoever nature and wheresoever situated including, without limited to plant and machinery, office equipments, inventories, furniture and fixtures, capital work in progress, power lines, railway sidings, depots, contingent rights or benefits, benefit of any deposits, financial assets, leases and hire purchase contracts, leasehold rights, sub-letting tenancy rights, with or without the consent of the landlord as may be required by law, assignments and grants in respect thereof, operating agreements, investment of all kinds (including investment in shares, scrips, stocks, bonds, debenture stock, units, mutual funds), sundry debtors, cash and bank balances, loans and advances, amount receivable from ESOP trust, leasehold improvements, accrued interest, vehicles, appliances, computers, software, accessories, registrations, lease, claims, allotments, approvals, consents, letters of intent, registrations, licences with any regulatory authority, credits, titles, interest, import quotas and other quota rights, right of user, right of way to lay pipelines, municipal permissions or powers of every kind,

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

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



In this Part, unless the context otherwise requires:

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

## 2. SHARE CAPITAL

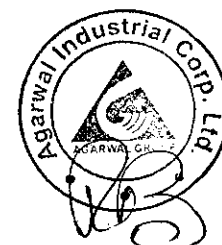
2.1. Share Capital of APPL as at March 31, 2015 was as follows:

Share Capital	Amount
<b>Authorised Share Capital</b> 10,00,000 Equity shares of Rs. 10/- each	1,00,00,000
<b>Total</b>	<b>1,00,00,000</b>
<b>Issued, Subscribed and paid up Capital</b> 9,94,339 equity shares of Rs. 10/- each	99,43,390
<b>Total</b>	<b>99,43,390</b>

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

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

Share Capital	Amount
<b>Authorised Share Capital</b> 60,00,000 Equity shares of Rs 10/- each	6,00,00,000
<b>Total</b>	<b>6,00,00,000</b>
<b>Issued, Subscribed and paid up Capital</b> 55,12,900 Equity shares of Rs 10/- each fully paid up	5,51,29,000
<b>Total</b>	<b>5,51,29,000</b>





Subsequent to the above date, AICL has increased the Authorized Capital to INR 7,00,00,000 divided into 70,00,000 Equity shares of Rs 10/- each issued. Also has issued 6,60,000 Warrants convertible into equal number of Equity shares of face value of Rs. 10/- each.

### **3. DATE OF TAKING EFFECT AND OPERATIVE DATE**

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

## **PART B — MERGER OF APPL WITH AICL**

### **4. TRANSFER AND VESTING OF UNDERTAKING**

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

Further, the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any term(s) or provision(s) of the Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modifications will, however, not affect the other clauses of the Scheme.

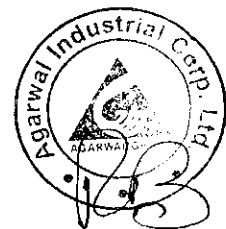
4.2. All assets, estate, rights, title, interest, etc. acquired by APPL after the Appointed Date and prior to the Effective Date for operation of APPL or pertaining to or relating to APPL shall also stand transferred to and vested in AICL upon the coming into effect of this Scheme. The transfer and vesting of assets, estate, rights, title, interest, etc. will be treated as an acquisition of assets and liabilities i.e. acquisition of business of APPL on and from the Appointed Date.





Agarwal Group

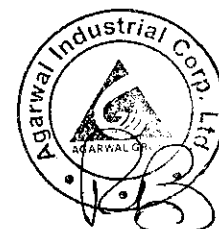
- 4.3. All assets of APPL, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery, novation and / or endorsement and delivery or by operation of law, pursuant to order of the Court, shall be vested in AICL. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of AICL.
- 4.4. In respect of such of the assets of APPL other than those referred to in clause 4.3 above including investment in shares, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, deposits, if any, with Government, semi-Government, local and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in AICL and/or be deemed to be transferred to and vested in AICL on the Appointed Date pursuant to the provisions of Section 394 of the Act upon effectiveness of the Scheme. AICL shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.
- 4.5. All immovable properties of APPL, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of APPL, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in AICL, by operation of law pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. Such assets shall stand vested in AICL and shall be deemed to be and become the property as an integral part of AICL by operation of law. AICL shall upon the order of the Court sanctioning the Scheme and upon this Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective and upon payment of applicable stamp duty, the title to such properties shall be deemed to have been mutated and recognised as that of AICL and the mere filing thereof with the appropriate Registrar or Sub-Registrar or with the relevant Government agencies shall suffice as record of continuing titles with AICL and shall be constituted as a deemed mutation and substitution thereof. AICL shall subsequent to scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of APPL in any leasehold properties shall, pursuant to Section





394(2) of the Act and the provisions of this Scheme, without any further act, instrument or deed, be vested in or be deemed to have been vested in AICL.

- 4.6. Upon the Scheme coming into effect and with effect from the Appointed Date, all debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of APPL shall, pursuant to the provisions of Section 394(2) and other applicable provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, AICL, so as to become on and from the Appointed Date, the debts, liabilities (including contingent liabilities), duties and obligations of AICL on the same terms and conditions as were applicable to APPL, and further that it shall not be necessary to obtain the consent of any person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this clause.
- 4.7. Any statutory licences, authorizations, statutory rights, permissions, approvals, tax registrations, service tax, provident fund, ESI, Reserve Bank of India, or other registrations, no objection certificates, or any consents to carry on the operations of APPL shall stand transferred to and vested in AICL without any further act or deed and shall be appropriately mutated / facilitated by the statutory authorities concerned therewith in favour of AICL so as to empower and facilitate the continuation of the operations of AICL. In so far as the various incentives, service tax benefits, subsidies (including applications for subsidies), rehabilitation Schemes, grants, special status, rights, and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by APPL are concerned, the same shall, without any further act or deed, vest with and be available to AICL on the same terms and conditions as are available to APPL.
- 4.8. All registrations, licences, trademarks, copyrights, domain names, applications for copyrights, trade-names and trademarks, etc. pertaining to APPL, if any, shall stand vested in AICL without any further act, instrument or deed (unless filed only for statistical record with any appropriate authority or Registrar), upon the sanction of the Scheme and upon this Scheme becoming effective.
- 4.9. All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, etc) payable by





or refundable to APPL with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc as the case may be, of AICL, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, etc, as would have been available to APPL, shall pursuant to this Scheme becoming effective, be available to AICL.

- 4.10. Any third party or authority required to give effect to any provisions of this Scheme, shall take on record the order of the Court sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of AICL as successor in interest, pursuant to the sanction of this Scheme by the Court, and upon this Scheme becoming effective. For this purpose, AICL shall file certified copies of such High Court order and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.
- 4.11. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour of APPL in relation to Undertaking shall stand transferred to AICL, as if the same were originally given by, issued to or executed in favour of AICL, and AICL shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to AICL.
- 4.12. Benefits of any and all corporate approvals as may have already been taken by APPL, whether being in the nature of compliances or otherwise, including without limitation, approvals under Sections 81(1A), 293(1)(a), 293(1)(d), 295, 297 and 372A, etc, of the Act, read with the rules and regulations made there under, shall stand transferred to and vested in AICL and the said corporate approvals and compliances shall, upon this Scheme becoming effective, be deemed to have been taken/complied with by AICL.
- 4.13. Upon this Scheme becoming effective, the secured creditors of APPL and/or other security holders having charge over the properties of APPL shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of APPL, as existed





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

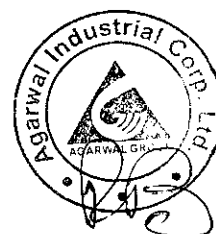
4.14. AICL shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which APPL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

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

## 5. TAXATION MATTERS

5.1. It is expressly clarified that upon the Scheme becoming effective, all taxes payable by APPL on and after the Appointed Date shall be treated as the tax liability of AICL, Similarly, all credits for taxes including but not limited to tax deduction at source of APPL shall be treated as credits for taxes of AICL.

5.2. All taxes of any nature, duties, cess or any other like payment or deductions made by APPL to any statutory authorities such as income tax, sales tax, service tax, CENVAT, etc.



or any tax deduction or collection at source, relating to the period after the Appointed Date but up to the Effective Date shall be deemed to have been on account of or paid on behalf of AICL and the relevant authorities shall be bound to transfer to the account of and give credit for the same to AICL upon the sanction of the Scheme and upon relevant proof and documents being provided to the said authorities.

- 5.3. Upon this Scheme becoming effective, AICL is also expressly permitted to revise its income tax, withholding tax, service tax, sales tax, value added tax and any other statutory returns and filings under the tax laws, notwithstanding that the period of filing / revising such return may have lapsed and period to claim refund / advance tax and withholding tax credit, etc. also elapsed pursuant to the provisions of this Scheme. AICL shall be entitled to refund and / or set-off all amounts paid by APPL under income taxes, value added tax, service tax, excise duty or any other tax etc. or any other disputed amount under appeal, if any, upon this Scheme becoming effective.

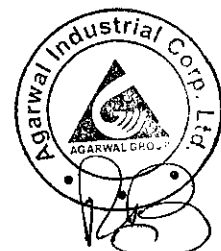
## **6. ALTERATION TO MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF TRANSFEREE COMPANY**

### **6.1. Increase in Authorised Share Capital of AICL**

- 6.1.1 AICL shall, before allotment of the equity shares to the shareholders of APPL, without following the procedure laid down under applicable provisions of the Act, alter the Clause V relating to the authorised share capital, in the Memorandum of Association of the Company, by-

"The Authorised Share Capital of the Company is Rs. 12,00,00,000 (Rupees Twelve Crores only) only divided into 1,20,00,000 equity shares of Rs.10 (Rupees Ten only) each with rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being with power to increase and reduce the capital of the Company and to divide the shares in capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013, or provided by the Articles of Association of the Company for the time being."

- 6.1.2 AICL shall, before allotment of the equity shares to the shareholders of APPL, without following the procedure laid down under applicable provisions of the Act, alter Article 3

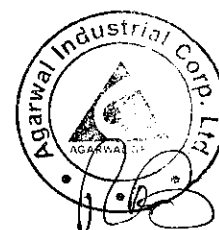


relating to the authorised share capital in the Articles of Association of the Company, by substituting the existing Article with the following Article-

"The Authorised Share Capital of the Company is Rs. 12,00,00,000 (Rupees Twelve Crores only) only divided into 1,20,00,000 equity shares of Rs.10 (Rupees Ten only) each. The Company shall have the power to increase, consolidate, subdivide, realise or otherwise alter its share capital subject to the provisions of the Act."

## 6.2. Consolidation of Authorised Share Capital of APPL

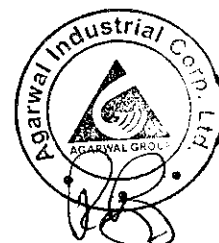
- 6.2.1. The authorised share capital of APPL as specified in clause 2.1 amounting to Rs. 1,00,00,000 /- consisting of 10,00,000 Equity shares of Rs. 10/- each shall stand transferred to and combined with the authorised share capital of AICL and shall be re-classified without any further act or deed. The filing fees and stamp duty already paid by APPL on its authorised share capital shall be deemed to have been so paid by AICL on the combined authorised share capital and accordingly, AICL shall not be required to pay any fees / stamp duty on the authorised share capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase and re-classification in the authorised share capital of AICL under Section 94 of the Companies Act, 1956 (Corresponding notified Section 61 of the Companies Act, 2013) and other applicable provisions of the Act. Accordingly, upon sanction of this Scheme and from the date of this Scheme becoming effective, the authorised share capital of AICL shall automatically stand increased without any further act, instrument or deed on the part of AICL including payment of stamp duty and payment of fees payable to Registrar of Companies.
- 6.2.2. Accordingly, Clause V of the Memorandum of Association of AICL relating to authorised share capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 16, 31, 94, (Corresponding notified section 13, 14 and 61 of the Companies Act, 2013) and Section 394 of the Act and other applicable provisions of the Act, as the case may be.
- 6.2.3. Under the accepted principle of Single Window Clearance, it is hereby provided that the aforesaid alteration viz. change in the Capital Clause, referred above, shall become operative upon the Scheme becoming effective by virtue of the fact that the Shareholders of AICL, while approving the scheme as a whole, have also resolved and accorded the relevant consents as required respectively under Section 16, 31, 94 (Corresponding notified section 13, 14 and 61 of the Companies Act, 2013) and Section



394 of the Act, or any other provisions of the Act, and there shall not be a requirement to pass separate resolutions as required under the Act.

## 7. CONSIDERATION

- 7.1. Upon this Scheme becoming effective, AICL shall without any further application or deed, issue and allot Shares, credited as fully paid-up, to the extent indicated below to the shareholders of APPL, holding shares in APPL and whose name appear in the Register of Members on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the respective Board of Directors in the following proportion:
- 7.2. Upon this Scheme coming into effect and upon vesting of the Undertaking of APPL in AICL, APPL shall provide to AICL, the list of equity shareholders of APPL as on the Record Date, who are entitled to receive fully paid-up equity shares, in AICL in terms of this Scheme.
- 7.3. Upon this Scheme coming into effect, the shareholders of the APPL as of the Record Date shall be entitled to receive equity shares of AICL as detailed in this Clause 7 of Part B of this Scheme.
- 7.4. Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the undertaking of APPL in AICL in terms of this Scheme, AICL subject to the provisions of this Scheme shall issue and allot to the equity shareholders of the APPL, and whose name appears in the Register of Members as on the Record Date, his/her heirs, executors, administrators or the successors-in-title, as the case may be in the ratio of 5 (Five) equity share having a face value of Rs. 10 each of AICL for every 2 (Two) equity share having a face value of Rs. 10 each of APPL, each equity share being fully paid-up ( the "**Merger Share SWAP Ratio**").
- 7.5. The Transferor Company and the Transferee Company had engaged Ladha Singhal & Associates, as the chartered accountants to provide a valuation report. In connection with such engagement, Ladha Singhal & Associates, has issued a valuation report dated 09/11/2015.
- 7.6. The Transferor Company had engaged Saffron Capital Advisors Private Limited as the merchant bankers to provide a fairness opinion on the Merger Share Entitlement Ratio

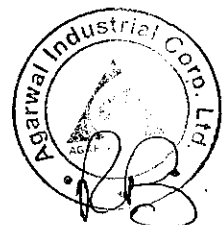




adopted under the Scheme. In connection with such engagement, Saffron Capital Advisors Private Limited has issued a fairness opinion dated 9/11/ 2015.

## 8. SHARE ISSUE MECHANICS AND OTHER PROVISIONS

- 8.1. The equity shares to be issued and allotted by AICL in terms of Clause 7 of Part B of this Scheme shall be subject to the provisions of the memorandum of association and the articles of association of AICL and shall rank *pari passu* in all respects with the existing equity shares of AICL.
- 8.2. All Certificates for the new shares held in physical form shall be sent by AICL to the shareholders of APPL as on the Record Date at their respective registered addresses as appearing in the register of members of APPL (or in the case of joint holders to the address of such joint holder whose name stands first in such register of members in respect of such joint holding) and AICL shall not be responsible for any loss in transmission.
- 8.3. All equity shareholders of APPL holding equity shares in APPL in dematerialised form, as on the Record Date, shall be issued fresh equity shares in AICL in dematerialised form. All equity shareholders of APPL holding equity shares in APPL in physical form, as on the Record Date, shall at the option of the shareholder be issued fresh equity shares in AICL in physical / dematerialized form.
- 8.4. For the purpose of the allotment of equity shares in AICL pursuant to Clause 7 above, in case any member's holding in APPL is such that the member becomes entitled to a fraction of an equity share of AICL, AICL shall not issue fractional shares to such members but shall consolidate such fractions and issue consolidated equity shares to separate trustees nominated respectively by AICL in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the members respectively entitled to the same, in proportion to the respective fractional entitlements in AICL.
- 8.5. On the approval of the Scheme by the members of AICL pursuant to Section 391 of the 1956 Companies Act, it shall be deemed that the members have accorded their consent under Section 62(1A) of the 2013 Companies Act, or any other applicable provision of the 2013 Companies Act as may be applicable. AICL shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including the





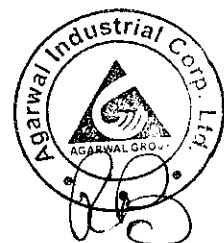
Securities and Exchange Board of India and the NSE and the BSE, for the issue and allotment by AICL of equity shares to the members of APPL pursuant to the Scheme.

- 8.6. All equity shares of AICL issued in terms of this Scheme or otherwise shall, subject to the execution of the listing agreement and payment of the appropriate fees, be listed on the NSE and the BSE and on such other recognised stock exchange(s) in India, and/or admitted to trading if any, as may be decided by the Board of Directors of AICL.
- 8.7. In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of APPL, the Board of Directors, or any committee thereof, of APPL shall be empowered in appropriate cases, even subsequent to the Record Date, as the case may be, to effectuate such a transfer in APPL, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to APPL or AICL, as the case may be, in respect of such shares.
- 8.8. Unless otherwise determined by the Board of Directors, or any committee thereof, of APPL and the Board of Directors, or any committee thereof, of AICL, allotment of shares in terms of this Scheme shall be completed within forty five (45) days from the Effective Date.
- 8.9. Subject to any dispensation granted by the Securities and Exchange Board of India, the BSE and/or the NSE, the shares allotted pursuant to Clause 17 of the Scheme shall remain frozen in the depositories system until permission for listing/trading is granted by the BSE and the NSE.
- 8.10. Transferee Company shall comply with the relevant and applicable rules and regulation including provision of FEMA to enable it to issue shares pursuant to this Scheme.

## 9. ACCOUNTING TREATMENT

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

- 9.1. AICL shall account the merger of APPL as per the pooling of interest method as set out in Accounting Standard 14 (AS 14) referred to in Section 210 and 211 of the Companies Act (Corresponding notified Section 129 and 133 of the Companies Act, 2013);





9.2. As on the Appointed Date, pursuant to the merger of APPL with AICL, the intercompany balances and investments between AICL and APPL, if any, appearing in the books of accounts of AICL will stand cancelled.

9.3. In addition, AICL shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any other accounting standards.

## 10. DISSOLUTION OF APPL

Upon the scheme being effective, APPL shall stand dissolved without being wound up pursuant to the provisions of Section 394 of the Act.

## PART C — OTHER SIGNIFICANT CLAUSES

### 11. PROVISIONS APPLICABLE TO PART B OF THE SCHEME

#### 11.1. LEGAL PROCEEDINGS

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

#### 11.2. CONTRACT, DEEDS, ETC.

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

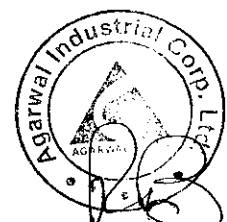


11.2.2. Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Undertaking occurs by virtue of this Scheme itself, AICL may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party, to any contract or arrangement to which Transferor Company are parties, as may be necessary, to be executed in order to give formal effect to the above provisions. AICL shall be deemed to be authorised to execute any such writings on behalf of Transferor Company, and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of Transferor Company.

### 11.3. EMPLOYEES

11.3.1. Upon the coming into effect of this Scheme,

- 11.3.1.1. All the employees of APPL as on the Effective Date shall stand transferred to AICL without any interruption in service as a result of transfer of Undertaking of APPL to AICL. The position, rank, and designation, terms and conditions (including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits) of the employees would be decided by the Board of Directors or any committee / sub-committee or person(s) so authorised by the Board of AICL.
- 11.3.1.2. AICL agrees that the services of all such employees (as mentioned in clause 11.3.1.1 above) with APPL prior to the transfer, as aforesaid, shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in APPL. It is clarified that the services of the staff, workmen and employees of APPL will be treated as having been continuous for the purpose of calculating statutory benefits, if any.
- 11.3.1.3. The existing provident fund, superannuation fund and gratuity fund, if any, of which the aforesaid employees of APPL, being transferred under clause 11.3.1.2 above to AICL, are members or beneficiaries along with all accumulated contributions therein till the Effective Date, shall, with the approval of the concerned authorities, be transferred to and continued



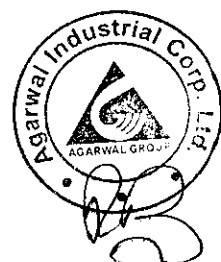
without any break. Accordingly, the provident fund, superannuation fund and gratuity fund dues, if any, of the said employees of APPL would be continued to be deposited in the transferred provident fund, superannuation fund and gratuity fund account by AICL. In case, necessary approvals are not received by the Effective Date and there is a delay, all such amounts shall continue to be administered by AICL as trustee from the Effective Date till the date of actual transfer and, on receiving the approvals all the accumulated amounts till such date, shall be transferred to the respective funds of AICL [suo moto].

#### 11.4. SAVING OF CONCLUDED TRANSACTIONS

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

#### 11.5. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

- 11.5.1. With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company shall be deemed to have been carrying on all business on account of and in trust for AICL. All profits accruing to Transferor Company or losses including tax losses, arising or incurred by Transferor Company for the period commencing from the Appointed Date and up to and including the Effective Date shall, for all purposes, be treated as the profits or losses, as the case may be, of AICL.
- 11.5.2. Transferor Company hereby confirms that it has, and shall continue upto the Effective Date, to preserve and carry on the business with diligence, prudence and that it will not, without the prior consultation with AICL, alienate, charge or otherwise deal with or dispose off any Undertaking or any part thereof or recruit any new employees (in each case except in the ordinary course of business) or conclude settlements with unions or employees or undertake substantial expansion to the Undertaking, other than expansions which have already commenced prior to the Appointed Date.



## 11.6. DECLARATION OF DIVIDENDS

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

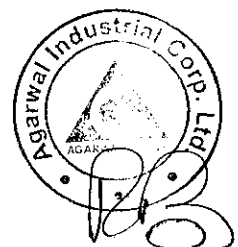
11.6.2. For the avoidance of doubt, it is hereby clarified that nothing in this Scheme shall prevent AICL from declaring and paying dividend, whether interim or final, to its equity shareholders as on the record date for the purpose of dividend and the shareholders of Transferor Company shall not be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

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

## 12. APPLICATIONS TO HIGH COURT

12.1. APPL and AICL shall, as may be required make necessary applications and/or petitions to the Company Court under Sections 391 to 394 of the 1956 Companies Act and other provisions of the Companies (Court) Rules, 1959 along with the applicable provisions of the 2013 Companies Act seeking orders for dispensing with or convening, holding and conducting of the meetings of members and/or creditors and for sanction of this Scheme with such modification as may be approved by the Company Court and all matters ancillary or incidental thereto.

12.2. Upon this Scheme being approved by the requisite majority of the shareholders and creditors of APPL and AICL respectively (wherever required), APPL and AICL shall, with all reasonable dispatch, file respective petitions before the Company Court for sanction of this Scheme under Sections 391 to 394 and other provisions of the Companies (Court) Rules, 1959 along with applicable provisions of the 2013 Companies Act and for such other order or orders, as the Company Court may deem fit for putting this Scheme into effect.



- 12.3. Upon this Scheme becoming effective, the shareholders of AICL shall be deemed to have also accorded their approval under all relevant provisions of the 1956 Companies Act and 2013 Companies Act for giving effect to the provisions contained in this Scheme.

### 13. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

- 13.1. AICL and APPL by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, may make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the High Courts or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. AICL and APPL by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. In case, post approval of the Scheme by the High Court, there is any confusion in interpreting any clause of this Scheme, or otherwise, Board of Directors of APPL will have complete power to take the most sensible interpretation so as to render the Scheme operational.
- 13.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Board of Directors of APPL may give and are hereby authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

### 14. EFFECTIVENESS OF THE SCHEME

- 14.1. Subject to the provisions of this Scheme, this Scheme shall become effective on the last of the following dates (the "Effective Date"):
- (a) the Scheme being agreed to by the respective requisite majorities of the various classes of members and creditors (where applicable) of APPL and AICL as required under the 1956 Companies Act, 2013 Companies Act and the requisite orders of the Company Court being obtained;



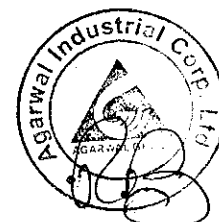
- (b) receipt of such other sanctions and approvals including sanction of any governmental authority (including the Securities and Exchange Board of India) or stock exchanges as may be required by law in respect of the Scheme being obtained; and
- (c) the certified copies of the court orders referred to in this Scheme being filed with the Registrar of Companies

## 15. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

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

- (a) The Scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of the APPL, and AICL as may be directed by the High Court;
- (b) The sanction of the High Court under Sections 391 to 394 of the Companies Act, 1956 in favour of APPL and AICL under the said provisions and to the necessary Order under Section 394 of the said Act being obtained;
- (c) Approval of the Scheme, by the Stock Exchange, pursuant to clause 24(f) of the Listing Agreement between such Stock Exchanges;
- (d) Approval of the Scheme by SEBI in terms of SEBI Circulars ;
- (e) Approval of the Scheme by the public shareholders of the AICL in accordance with the provisions of SEBI Circulars. Such approval will be obtained through resolution pass through postal ballot and e-voting and the Scheme shall be acted only if the votes casted by public shareholders in favor of the proposal are more than the number of votes casted by public shareholders against it;
- (f) Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Mumbai at Maharashtra, by the Transferor Company, the Transferee Company or APPL and AICL as may be applicable.

15.2. Each Section of the Scheme shall be given effect to as per the chronology in which it has been provided for in the Scheme. Each Section is independent of the other Section of the





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

#### **16. EFFECT OF NON-RECEIPT OF APPROVALS**

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

#### **17. COSTS, CHARGES AND EXPENSES**

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or High Court's order including this Scheme or in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by AICL.

