

SCHEME OF AMALGAMATION BETWEEN
ANGEL COMMODITIES BROKING PRIVATE LIMITED
AND
ANGEL BROKING PRIVATE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER SECTIONS 230 TO 233 OF THE COMPANIES ACT, 2013

PREAMBLE

A. Background and Rationale for the Composite Scheme of Amalgamation

Angel Broking Private Limited ("Transferee Company") is a registered stock broker under the Securities and Exchange Board of India (Stock Brokers and Sub-brokers Regulations) 1992 ("Broking Regulations") and is a member of the National Stock Exchange of India Ltd., BSE Limited, Metropolitan Stock Exchange of India Ltd and a depository participant with Central Depository Services (India) Ltd. The Transferee Company is also registered with Securities & Exchange Board of India as Portfolio Manager, Research Analyst and Investment Advisor, and with AMFI as Mutual Fund Distributor.

Angel Commodities Broking Private Limited ("Transferor Company") is a registered commodities broker under the applicable rules with National Commodities and Derivatives Exchange Limited and Multi Commodity Exchange. The Transferor Company is a wholly owned subsidiary of the Transferee Company. The Transferee Company is carrying on the commodity broking business through its wholly owned subsidiary since the Broking Regulations until recently required segregation of the stock broking and commodity broking businesses.

The amalgamation of the Transferor Company with the Transferee Company would have the following benefits:

- i. Achieving business and administrative synergies; and
- ii. Reducing administrative costs and avoiding duplication of efforts.

B. Parts of the Scheme

The Scheme is divided into the following parts:

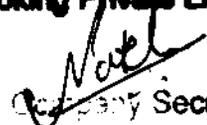
- i. *Part A* - Definition and share capital of the Transferor Company and the Transferee Company.
- ii. *Part B* - Amalgamation of the Transferor Company with Transferee Company with effect from Appointed Date.
- iii. *Part C* - General terms and conditions that would be applicable to the Scheme.

This Scheme also provides for various other matters consequential, incidental or otherwise integrally connected therewith.

Part A

Certified True Copy

For Angel Broking Private Limited


Company Secretary

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject, the following expressions shall have the meanings respectively assigned against them:

“Act” means the Companies Act, 2013;

“Amalgamation” means the amalgamation of Transferor Company with Transferee Company in accordance with Section 2(1B) of the Income Tax Act, 1961, in terms of Part B of the Scheme;

“Applicable Law” shall mean any statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority including any statutory modification or re-enactment thereof for the time being in force;

“Appointed Date” shall mean 1st April 2017 or such other date as may be directed by any Appropriate Authority being the date with effect from which this Scheme shall be deemed to be effective;

“Appropriate Authority” means any Governmental, statutory, departmental or public body or authority, including National Company Law Tribunal, Registrar of Companies, Regional Director, Central Government or any other authority for approval of the Scheme under the Act, Securities and Exchange Board of India (SEBI), the Stock Exchanges - the Bombay Stock Exchange (BSE), National Stock Exchange of India Limited (NSE) and Metropolitan Stock Exchange of India Limited (MSEI), the Commodity Exchanges - Multi Commodity Exchange of India Limited (MCX), National Commodity & Derivatives Exchange Limited (NCDEX), and other applicable authorities pursuant to the provisions of Section 230(5) of the Act, as may be relevant in the context;

“Board of Directors” or **“Board”** means and includes the respective Boards of Directors of Transferor Company and the Transferee Company or any committee constituted by such Board of Directors for the purposes of the Scheme;

“Effective Date” shall mean the date on which the last of all the conditions and matters referred to in Clause 16 have been fulfilled, obtained or waived. References in this Scheme to date of ‘upon this Scheme becoming effective’ or ‘upon this Scheme coming into effect’ shall mean the Effective Date;

“Encumbrance” means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term **“Encumbered”** shall be construed accordingly;

“NCLT” means the National Company Law Tribunal, Mumbai Bench having jurisdiction over the Transferor Company and the Transferee Company;

"Registrar of Companies" means the Registrar of Companies, at Mumbai;

"Scheme" or **"this Scheme"** means this Scheme of Amalgamation in its present form submitted to the NCLT/Appropriate Authority with any modification(s) thereto as the NCLT or any other Appropriate Authority may require, direct or approve;

"Transferor Company" means Angel Commodities Broking Private Limited (CIN: U67120MH1996PTC100872), incorporated on 10th July 1996 under the provisions of the Companies Act, 1956 and having its registered office at G-1, Akruiti Trade Centre, Road No-7, MIDC, Mumbai-400 093;

"Transferee Company" means Angel Broking Private Limited, (CIN: U67120MH1996PTC101709) incorporated on 8th August 1996 under the provisions of the Companies Act, 1956 and having its registered office at G-1, Ground Floor, Akruiti Trade Centre, Road No-7, MIDC, Andheri East, Mumbai-400 093.

2. INTERPRETATION

- 2.1. All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, Income Tax Act, 1961, SEBI Act 1992, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996, Broking Regulations and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.
- 2.2. In this Scheme, unless the context otherwise requires:
- (a) words denoting singular shall include plural and vice versa;
 - (b) headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
 - (c) references to the word "include" or "including" shall be construed without limitation;
 - (d) a reference to an article, clause, section or paragraph is, unless indicated to the contrary, a reference to an article, clause, section or paragraph of this Scheme;
 - (e) unless otherwise defined, the reference to the word "days" shall mean calendar days;
 - (f) references to dates and times shall be construed to be references to Indian dates and times;
 - (g) reference to a document includes an amendment or supplement to, or replacement or novation of, that document;



- (h) references to a person include any individual, firm, body corporate (whether incorporated or not), Government, state or agency of a state or any joint venture, association, partnership, employee representatives body (whether or not having separate legal personality).
- (i) word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them.
- (j) any reference to any statute or statutory provision shall include:
- (i) all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and
- (ii) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the filing of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the matters contemplated under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

3. SHARE CAPITAL

3.1. The share capital of the Transferor Company as of 1st April 2017 is as under:

Authorized Capital	
4,500,000 equity shares of Rs. 10/- each	4,50,00,000
Issued and Paid-up share capital	
3,900,000 equity shares of Rs. 10/- each	3,90,00,000

There is no change in the share capital of the Transferor Company post the Appointed Date. It is clarified that the Transferor Company shall continue to remain a wholly owned subsidiary of the Transferee Company post the Scheme coming into effect.

3.2. The share capital of the Transferee Company as of 1st April 2017 is as under:

Authorized Capital	
42,000,000 equity shares of Rs. 10/- each	42,00,00,000
Issued and Paid-up share capital	
14,364,175 equity shares of Rs. 10/-	14,36,41,750

each	
------	--

There is no change in the share capital of the Transferee Company post the Appointed Date.

4. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme in its present form or with any modification(s) and amendments(s) made under Clause 15 of the Scheme, approved or imposed or directed by the NCLT/ Appropriate Authority shall be effective from the Appointed Date but shall be made operative from the Effective Date.

Part B

5. AMALGAMATION OF TRANSFEROR COMPANY INTO TRANSFEREE COMPANY

With effect from the Appointed Date and upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 233 of the Act the Transferor Company shall stand merged with and be vested in the Transferee Company, as a going concern in accordance with Section 2(1B) of the Income Tax Act 1961 without any further act, instrument, deed, matter or thing but subject to existing Encumbrances affecting the same, so as to become, as and from the Appointed Date, the undertakings, businesses, properties and other belongings, of the Transferee Company by virtue of and in the manner provided in this Scheme.

5.1. Transfer of Assets

Without prejudice to the generality of the abovementioned Clause, upon the coming into effect of the Scheme and with effect from the Appointed Date:

- 5.1.1. All the movable assets of the Transferor Company, including furniture and fixtures, cash in hand, etc., shall be physically handed over by manual delivery to the Transferee Company to the end and intent that the title and property therein shall pass to the Transferee Company on such delivery.
- 5.1.2. In respect of movable assets other than those specified in Clause 5.1.1, including sundry debtors, outstanding loans, recoverable in cash or in kind or value to be received, bank balances and deposits with Government Bodies, customers etc., the same shall on and from the Appointed Date stand transferred to and vested in Transferee Company without any notice or other intimation to such party, debtors or depositors, as the case may be. The Transferee Company may give notice, although it is not obliged, in such form as it may deem fit and proper to each party, debtors or depositors, as the case may be, that pursuant to orders of the NCLT/ Appropriate Authority sanctioning the Scheme, the said debts, loans, advances, etc., be paid or made good or held on account of Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Company to recover or realize the same stands extinguished. The Transferor Company may, if required, give notice in

such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the orders of the NCLT/ Appropriate Authority sanctioning the Scheme, the said person, debtor or depositor should pay the debt, loan, advance or make good the same or hold the same to its account and that the rights of Transferee Company to recover or realize the same are in substitution of the rights of the Transferor Company.

- 5.1.3. All the licenses, memberships, permits, quotas, contracts (together with all non-compete covenants), approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 233 and all other applicable provisions of the Act, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to Transferee Company so as to become as and from the Appointed Date, the licenses, permits, quotas, contracts (together with all non-compete covenants), approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, immovable properties including the flats in A1411, Raheja Classique 2A & B Co-op Housing Society Ltd, Andheri liberties, special status and other benefits or privileges of Transferee Company and shall remain valid, effective and enforceable on the same terms and condition and shall be appropriately registered by the relevant statutory authorities in favour of Transferee Company pursuant to this Scheme, in order to facilitate the continuation of operations of the Transferor Company in Transferee Company without any hindrance, on and from the Appointed Date.
- 5.1.4. All the estate, assets (intangible assets, whether or not recorded in the books), properties of all kinds (i.e., shares, scrips, stocks, bonds, debenture stocks, units, pass through certificates), assets, properties, rights, claims, title, interest, powers and authorities including accretions and appurtenances thereto, whether or not provided and/or recorded in the books of accounts, comprised in the Transferor Company of whatsoever nature and wheresoever situate shall, without any further act or deed, be and stand vested in the Transferee Company and/or be deemed to be vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the estate, assets (including intangible assets), properties, rights, claims, title, interest, powers and authorities of the Transferee Company.
- 5.1.5. All immovable properties of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise, all rights, covenants, continuing rights, title and interest in connection with the said immovable properties and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company or the Transferee Company. The mutation of the ownership or title, or interest in the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the Appropriate



Authority pursuant to the sanction of this Scheme by the NCLT/ Appropriate Authority in accordance with the terms hereof.

- 5.1.6. All the intellectual property rights of any nature whatsoever, including but not limited to intangible assets including registrations, licenses, trademarks, logos, service marks, copyrights, domain names, trade names, and applications relating thereto, goodwill, know-how and trade secrets appertaining to the Transferor Company, whether or not provided in books of accounts of the Transferor Company, shall under the provisions of Sections 230 to 233 of the Act, as applicable, and all other provisions of Applicable Law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a going concern, so as to become, as and from the Appointed Date, the intellectual property of the Transferee Company.
- 5.1.7. All assets, properties and undertaking of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of Transferee Company, and shall under the provisions of Sections 230 to 233 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 233 of the Act.
- 5.1.8. Pursuant to this Scheme, all benefits, entitlements and incentives of any nature whatsoever (including sales tax concessions and incentives), to the extent statutorily available, shall be claimed by the Transferee Company and without the imposition of any fees, charges, taxes or levy. Such benefits shall relate back to the Appointed Date as if the Transferee Company was originally entitled to such benefits, subject to compliance by the Transferee Company with all the terms and conditions upon which such benefits were made available to the Transferor Company.
- 5.1.9. Upon the transfer of each of the permissions, approvals, consents, sanctions, remissions, special reservations, sales tax remissions, tax exemptions and benefits, incentives, concessions and other or similar authorisations of the Transferor Company to the Transferee Company pursuant to the order of the NCLT/ Appropriate Authority, the Transferee Company shall file the relevant notifications and communications, if any required, for the record of the appropriate authorities which shall take them on record.

5.2. Transfer of Liabilities

Without prejudice to the generality of the abovementioned Clause, upon the coming into effect of the Scheme and with effect from the Appointed Date

- 5.2.1. All debts, liabilities, duties and obligations of the Transferor Company, shall, pursuant to the order of the NCLT/ Appropriate Authority made under Sections 230 or 233 of the Act, without any further act or deed, be transferred or deemed to be



transferred to and vested in and assumed by Transferee Company so as to become the debts, liabilities, duties and obligations of Transferee Company. It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which, such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause.

- 5.2.2. All debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date, whether or not provided in the books of the Transferor Company, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by Transferee Company by virtue of this Scheme.
- 5.2.3. Where any such debts, loans raised, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of Transferee Company.
- 5.2.4. All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Company in the ordinary course of its business after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 233 of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in Transferee Company and shall become the loans and liabilities, duties and obligations of Transferee Company which shall meet, discharge and satisfy the same.
- 5.2.5. Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and Transferee Company shall, *ipso facto*, stand discharged and come to an end and the appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.

5.3. Encumbrances

- 5.3.1. The transfer and vesting of the properties, assets, liabilities and undertakings of the Transferor Company to and in Transferee Company shall be subject to the Encumbrances, if any, affecting the same, as and to the extent hereinafter provided.
- 5.3.2. All the Encumbrances, if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the properties, assets, undertakings or any part thereof transferred to Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any

part thereof to which they are related or attached prior to the Effective Date and as are transferred to Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.

- 5.3.3. The existing Encumbrances over the assets and properties of Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.
- 5.3.4. Any reference in any security documents or arrangements to which the Transferor Company is a party and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required.
- 5.3.5. Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the liabilities, which have been transferred to it in terms of the Scheme.
- 5.3.6. It is expressly provided that no other term or condition of the liabilities transferred to Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 5.3.7. The provisions of this Clause shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

5.4. Contracts, Deeds, Bonds and Other Instruments

Upon the coming into effect of this Scheme and subject to the provisions of the Scheme, all memoranda of understanding, contracts, schemes, assurances, licences, insurance policies, guarantees, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto. The Transferee Company shall, if so required or becomes necessary, upon the coming into effect of this Scheme enter into and/ or issue and/ or execute deeds, writings or confirmations to give effect to the provisions in this Clause.



5.5. Employees of Transferor Company

Upon the coming into effect of this Scheme:

- 5.5.1. All the staff and employees of the Transferor Company who are in its employment as on the Effective Date shall become the staff and employees of the Transferee Company with effect from the Appointed Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favorable than those on which they are engaged or employed by the Transferor Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the Transferor Company with any staff and employees of the Transferor Company.
- 5.5.2. The accumulated balances standing to the credit of the transferred employees' provident fund and /or gratuity fund and/or superannuation fund and /or any other retirement fund shall be transferred and credited to the corresponding statutory and/or exempted retirement fund of Transferee Company subject to approval of the concerned Appropriate Authority. The funds shall, subject to the necessary approvals and permissions and at the discretion of Transferee Company, either be continued as separate funds of Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds, if any, of Transferee Company. In the event that Transferee Company does not have its own funds in respect of any of the above, Transferee Company may, subject to necessary approvals and permissions, continue to contribute to the relevant funds of the Transferor Company, until such time that Transferee Company creates its own fund, at which time the funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to the funds created by Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the said fund or funds.
- 5.5.3. For the purpose of Clause 5.5.2, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever including the administration or operation of such funds according to the terms provided in the respective trust deeds governing such funds. It is the aim and the intent of this Scheme that all rights, duties, powers and responsibilities respectively of Transferor Company in relation to such funds shall become the rights, duties, powers and responsibilities of Transferee Company.

5.6. Continuation of Legal Proceedings

- 5.6.1. All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitrations, execution proceedings, revisions, writ petitions, if any) by or against the Transferor Company shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or anything contained in this Scheme.
- 5.6.2. Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-

judicial authority or tribunal) by or against the Transferor Company, whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.

- 5.6.3. The Transferee Company undertakes to have accepted on behalf of itself, all suits, claims, actions and legal proceedings initiated by or against the Transferor Company transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

6. CONDUCT OF BUSINESS

With effect from the Appointed Date and up to and including the Effective Date:

- 6.1. The Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions for and on account of, and in trust for, the Transferee Company;
- 6.2. All obligations, liabilities, duties and commitments attached, shall be undertaken and shall be deemed to have been undertaken by Transferor Company for and on account of and in trust for Transferee Company;
- 6.3. All profits and income accruing or arising to or losses and expenses arising, incurred or accruing to the Transferor Company, for the period commencing the Appointed Date, shall for all purposes be treated as and be deemed to be the profits, income, losses or expenses, as the case may be, of the Transferee Company;
- 6.4. Any of the rights, powers, authorities or privileges exercised by Transferor Company, shall be deemed to have been exercised by Transferor Company for and on behalf of, and in trust for and as an agent of Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company, shall be deemed to have been undertaken for and on behalf of and as an agent of Transferee Company;
- 6.5. All taxes, where applicable, (including but not limited to advance income tax, tax deducted at source, minimum alternate tax, wealth tax, fringe benefit tax, banking cash transaction tax, tax collected at source, taxes withheld/paid in a foreign country, sales tax, value added tax, excise duty, customs duty, service tax or goods and service tax, as applicable, cess, tax refunds) payable by or refundable to Transferor Company including all or any tax refunds or tax liabilities or tax claims arising from pending tax proceedings, under Applicable Law, on or before the Effective Date, shall be treated as or deemed to be treated as the tax liability or tax refunds/ tax claims (whether or not recorded in the books of Transferor Company) as the case may be, of Transferee Company, and any unabsorbed tax losses and depreciation as would have been available to Transferor Company on or before the Effective Date, shall be available to Transferee Company upon the Scheme becoming effective;

- 6.6. The Transferee Company shall be entitled, either pending the approval or pursuant to the approval of this Scheme by the NCLT/ Appropriate Authority, as applicable or anytime thereafter, to apply to the Appropriate Authorities as may be necessary for such consents, approvals and sanctions which the Transferee Company may require for the purpose of owning, operating and carrying on the business and activities of the Transferor Company.

7. CONSIDERATION

- 7.1. The entire share capital of the Transferor Company is held by the Transferee Company. Therefore, the Transferee Company shall not be required to issue shares or pay any consideration to the Transferor Company or to their shareholders.
- 7.2. Upon the coming into effect of the Scheme the shares held by Transferee Company in the Transferor Company shall without any further application act or instrument or deed, be deemed to have been automatically cancelled.

8. TREATMENT OF TAXES

- 8.1. Upon the Scheme coming into effect, all taxes / cess / duties paid, payable, received or receivable by or on behalf of the Transferor Company including all or any refunds, claims or entitlements, taxes paid in advance, and /or tax deducted at source, including refunds or claims pending with the revenue authorities, if any, shall, for all purposes, be treated as the tax / cess / duty, liabilities or refunds, minimum alternate tax paid and resulting entitlements for set-off, credits of the Transferee Company.
- 8.2. All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company shall be continued and/ or enforced by the Transferee Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the consolidation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 8.3. All compliances with respect to taxes or any other law between the Appointed Date and Effective Date done by the Transferor Company shall, upon the approval of this Scheme, be deemed to have been complied by the Transferee Company. Without prejudice to the above, upon the Scheme becoming effective, the Transferee Company is also expressly permitted to revise, its income-tax returns, TDS returns, other tax returns, to obtain TDS certificates, including TDS certificates relating to transactions between the Transferor Company and the Transferee Company, and to claim refunds, advance tax, minimum alternate tax credit and withholding tax credits, benefit of carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.



9. This 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 terms or provisions 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 that the modification to not affect other parts of the Scheme.

10. SAVING OF CONCLUDED TRANSACTIONS

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

11. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY

Upon the coming into effect of this Scheme and on and from the Appointed Date and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required, the Transferee Company shall account for the amalgamation in its books, as per the provisions of Accounting Standard 14 issued by the Institute of Chartered Accountants of India, as under:

- 11.1. The Transferee Company shall record the assets (other than investment in the Transferor Company) and liabilities, including reserves of the Transferor Company vested in it pursuant to this Scheme, at the respective book values as appearing in the books of the respective Transferor Company as on the Appointed Date.
- 11.2. The identity of the reserves appearing in the books of Transferor Company shall be preserved and such reserves shall appear in the books of Transferee Company in the same form in which they appeared in the books of Transferor Company.
- 11.3. The shares held by Transferee Company in the Transferor Company shall stand cancelled in accordance with Clause 7.
- 11.4. Any inter-company balances, loans and advances, payables and receivables, investments, guarantees etc. in its respective books shall stand cancelled or discharged.
- 11.5. The difference between the net assets (assets less liabilities) and the reserves of the Transferor Company transferred to the Transferee Company, after factoring the abovementioned adjustments above shall be adjusted against accumulated credit balance in profit and loss account



12. Combination of Authorised Share Capital

- 12.1. As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorised share capital of the Transferor Company shall stand transferred to and be added with the authorised share capital of the Transferee Company without any liability for payment of any additional registration fees and stamp duty pursuant to the provisions of Sections 13, 14, 61 and Section 232(3), 233 of the Act and no resolutions or consent and approvals would be required to be passed by the Transferee Company.
- 12.2. Consequently upon the merger of the authorised share capital pursuant to clause 12.1, Clause V(a) of the Memorandum of Association of the Transferee Company upon the coming into effect of this Scheme and without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 62 and Section 232, 233 and other applicable provisions of the Act, as the case may be and be replaced by the following clause:

“The authorised share capital of the company is Rs.46,50,00,000/- (Rupees Forty Six Crores and Fifty Lakhs Only) divided into 4,65,00,000 (Four Crore Sixty Five Lakh) equity shares of Rs. 10/- (Rupees Ten) each with power to increase or reduce the same and to divide the same in shares of several classes permissible under the Act and to attach thereto respectively such preferential qualified and special rights, privileges, and / or conditions as may be determined under the provisions of law in force for the time being and to vary, modify or abrogate and deal with any such rights, privileges and conditions in the manner in law for the time being in force.”

13. DISSOLUTION OF TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company shall without any further act or deed stand dissolved without being wound-up.

Part C

GENERAL TERMS & CONDITIONS

14. APPLICATION TO NCLT/ APPROPRIATE AUTHORITY

The Transferor Company and the Transferee Company shall make all necessary applications under Sections 230 to 233 and other applicable provisions of the Act to the NCLT / Appropriate Authority for seeking approval of the Scheme.

15. Modifications to the Scheme

The Transferee and the Transferor Company (by the Board of Directors), may in their full and absolute discretion, jointly and as mutually agreed in writing:



- 15.1. Assent to any alteration(s) or modification(s) to this Scheme which the NCLT/or any other Appropriate Authority may deem fit to approve or impose;
- 15.2. Give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation hereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme to the extent permissible under law;
- 15.3. Modify or vary this Scheme prior to the Effective Date, in any manner at any time and thereafter subject to the approval of the NCLT/ Appropriate Authority.

16. CONDITIONALITY OF THE SCHEME

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

- 16.1. The Scheme being approved by the requisite majority in number and value of the various class of shareholders and/or creditors (where applicable) of Transferor Company and the Transferee Company as may be directed by the NCLT / Appropriate Authority as may be applicable.
- 16.2. The receipt of approvals of the relevant Stock Exchanges and Commodity Exchanges or SEBI or any other Appropriate Authority as may be required under Applicable Law.
- 16.3. The Scheme being sanctioned by the NCLT / Appropriate Authority under Sections 230 to 233 and other applicable provisions of the Act.
- 16.4. Certified copies of the orders of the NCLT/ Appropriate Authority sanctioning the Scheme being filed with the concerned Registrar of Companies, by the Transferor Company and the Transferee Company respectively.

17. Withdrawal of the Scheme

The Transferor Company and the Transferee Company acting through their respective Board of Directors shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any Appropriate Authority/ is unacceptable to any of them or for any reason whatsoever.

18. Costs

All costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) payable in relation to or in connection with the Scheme and of carrying out and completing the terms and provisions of the Scheme and/or incidental to the completion of the Scheme shall be borne and paid solely by

the Transferee Company.

Certified True Copy

For Angel Broking Private Limited

A. Natch
Secretary