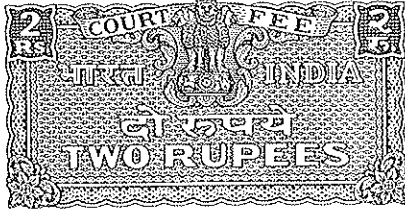


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## HIGH COURT, BOMBAY

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

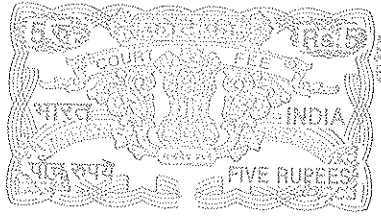
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 136 OF 2015

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO 85 OF 2015

Parry Phytoremedies Private Limited...Petitioner Company



In the matter of the Companies Act, 1956

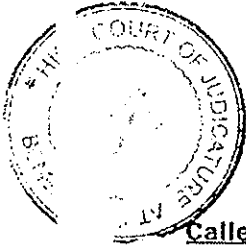
(1 of 1956);

AND

In the matter of Sections 391 to 394 of the  
Companies Act, 1956;

AND

In the matter of Scheme of Amalgamation  
of Parry Phytoremedies Private Limited with  
E.I.D. Parry (India) Limited



**Called for Hearing**

Mr. Hemant Sethi i/b M/s. Hemant Sethi & Co., Advocates for the Petitioner  
Company.

Ms. S.V Bharuch, i/b Mr. A. A. Ansari for Regional Director.

Mr. S. Ramakantha, Official Liquidator Present

CORAM: S. J. Kathawalla, J.

DATE: 30th April 2015

1. Heard the learned counsel for the Petitioner. No objector has come before the court to oppose the Scheme and nor any party has controverted any averments made in the petition.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956 to the Scheme of Amalgamation of Parry Phytoremedies Private Limited with E.I.D.-Parry (India) Limited.

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3. The Petitioner /Amalgamating Company is engaged in the business of manufacturing anti oxidants which are required by the Nutraceuticals Industry. The Transferee Company is presently engaged, inter-alia, in the business of manufacturing of sugar with interests in Bio-pesticides and Nutraceuticals.
4. The Learned Counsel for the Petitioner states that with a view to integrate the operation from manufacturing to marketing, flexibility in moving the operation to one place, provide Administrative convenience and savings on administrative cost, it is desirable to merge and amalgamate the whole of the undertaking of the Amalgamating Company with the Amalgamated Company. The amalgamation of the undertakings of the Amalgamating Company with the Amalgamated Company shall facilitate consolidation of all the undertakings in order to enable effective management and unified control of operations. Further, the amalgamation would create economies in administrative and managerial costs by consolidating operations and would substantially reduce duplication of administrative responsibilities and multiplicity of records and legal and regulatory compliances.
5. The Amalgamating Company and the Amalgamated Company has approved the said Scheme of Amalgamation by passing the Board Resolutions which are annexed to the Company Scheme Petition filed by the Petitioner Company.
6. The learned Advocate for the Petitioner Company further states that, the Petitioner Company have complied with all the directions passed in Company Summons for Direction and that the Company Scheme Petition has been filed in consonance with the order passed in Summons for Directions.
7. The Learned Counsel appearing on behalf of the Petitioner Company have stated that the Petitioner Company has complied with all requirements as per the directions of this Court and filed necessary Affidavits of compliance in this behalf. The Petitioner Company further undertake to comply with all statutory requirements if any, as required under the Companies Act, 1956 and Companies Act, 2013, as may be

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applicable, and the Rules made there under. The said undertaking is accepted.

8. The Official Liquidator has filed his report on 17<sup>th</sup> April 2015 stating therein that the Affairs of the Petitioner/ Amalgamating Company has been conducted in a proper manner and that the Petitioner/ Amalgamating Company may be ordered to be dissolved by this Hon'ble Court.
9. The Regional Director has filed an Affidavit on 23<sup>rd</sup> April, 2015 stating therein that save and except as stated in paragraph 6(a) and 6(b) of the said Affidavit, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6(a) and 6(b) of the said Affidavit, the Regional Director has stated that :

6. The Deponent further states that:-

- (a) *The Registered office of the of the Transferee Company is situated in the State of TamilNadu. Hence the Transferee Company has to file similar petition before the High Court of Madras for approving the Said Scheme.*
- (b) *That the Deponent further submits that the Tax issue if any arising out of this Scheme shall be subject to final decision of Income tax Authority to scrutinize the tax returns filed by the Petitioner Company after giving effect to the amalgamation . The decision of the Income tax Authority is binding on the Petitioner Company.*

10. In response to the aforesaid observation in paragraph 6 (a) of the Affidavit of Regional Director is concerned, the learned counsel for the Petitioner-Company states that the Petitioner Company is a wholly owned subsidiary of the Transferee Company, which is situated in the state of Tamilnadu and the Petitioner Company is situated within the jurisdiction of this Court and where as in the case of Mahaamba Investment Limited v/s IDI Limited (2001) 105 Company Cases page 16 to 18, this Court, inter-alia, observed and held that if the Scheme of Amalgamation provides for no issue of Equity Shares to the members of the Transferor Company, being

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wholly owned subsidiary of the Transferee Company and there is no reorganization of share capital of the Transferee Company, filing of separate Application /Petition by the Transferee Company is not necessary. Learned Counsel for the Petitioner further submits that similar view has been taken by this Court in the Scheme of Amalgamation of Damini Multitrade Private Limited and Dhaneshwar Solution Private Limited and Sapan Holdings and Trading Private Limited and Sambhaw Holdings Limited with Binani Metals Limited (Company Scheme Petition Nos. 210 to 213 of 2013), wherein the registered offices of all the Transferor Companies were situated in the State of Maharashtra and the registered office of the Transferee Company was situated in the State of West Bengal and the argument of not filing separate Application/ Petition by the Transferee Company was accepted and also in Umapathi Trading Private Limited with Dreamline Manpower Solutions Private Limited (Company Scheme Petition No 832 of 2013) where the registered office of the Transferor Company was situated in the State of Maharashtra and the Registered office of the Transferee Company was situated in the state of Andhra Pradesh and the objection raised by the Regional Director was withdrawn. Similar view has been taken by this Court in Company Scheme Petition No. 522 of 2014 and the same has been explained to the Regional Director and relying upon the same, the Regional Director is not pressing for objection as raised in paragraph 6(a) of his Affidavit.

11. As far as observations made in paragraph 6(b) of Affidavit of the Regional Director is concerned, the Petitioner Company submits that the Petitioner Company is bound to comply with all applicable provisions of the Income Tax Act and all tax issues arising out of the Scheme of Arrangement will be met and answered in accordance with law.
12. The Counsel for the Regional Director on instructions of Mr. M Chandanamuthu, Joint Director (Legal) in the office of Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai,

# HIGH COURT, BOMBAY

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states that they are satisfied with the undertaking given by the Petitioner Company. The said undertaking given by the Petitioner Company is accepted.

13. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
14. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 136 of 2015, filed by the Petitioner Company is made absolute in terms of prayer clause (a) of the Petition.
15. The Petitioner Company is directed to file a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the order.
16. Petitioner Company is directed to file a copy of this order along with a copy of the Scheme of Amalgamation with the concerned Registrar of companies, electronically, along with E-form INC-28 in addition to the physical copy as per the relevant provisions of Companies Act, 1956/2013 Act, whichever is applicable.
17. The Petitioner Company to pay costs of Rs.10,000/- each to the Regional Director and to the Official Liquidator, High Court, Bombay. The costs to be paid within four weeks, from the date of the Order.
18. Filing and issuance of the drawn up order is dispensed with.
19. All concerned regulatory authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

TRUE COPY

*K. K. TRIVEDI*  
(K. K. TRIVEDI)  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY

(S. J. Kathawalla, J.)

TRUE COPY

*S. J. Kathawalla*  
Section Officer  
High Court, Appellate Stk.  
Bombay

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SCHEME OF AMALGAMATION  
OF  
PARRY PHYTOREMEDIES PRIVATE LIMITED  
WITH

E.I.D. - PARRY (INDIA) LIMITED

UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956

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GENERAL

This Scheme of Amalgamation is presented for the amalgamation of Parry Phyto Remedies Private Limited (hereinafter referred to as "the Transferor Company" or "the Amalgamating Company" or "Phyto") with E.I.D.-Parry (India) Limited (hereinafter referred to as "the Transferee Company" or "the Amalgamated Company" or "E.I.D"). The Transferor Company is a wholly owned subsidiary of the Transferee Company. This Scheme is made pursuant to the provisions of section 391 to 394 and other relevant provisions of the Companies Act, 1956.

PART-I

1. DEFINITION

In this Scheme, unless inconsistent with the subject or context, the following shall have the meanings as provided herein:

- 1.1 "Act" means the Companies Act, 1956, or the Companies Act, 2013 as in force from time to time. As on the date of approval of this Scheme by the respective Board of Directors of the Transferor Company and the Transferee Company, Sections 391 and 394 of the Companies Act, 1956

continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956 unless stated otherwise. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall unless a different intention appears be construed as references to the provisions so re-enacted.

- 1.2 "*Appointed Date*" For the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means 1<sup>st</sup> April, 2014.
- 1.3 "*Court*" means the Hon'ble High Court of Judicature at Bombay or Company Law Tribunal empowered to sanction the Scheme as per the provisions of the Act.
- 1.4 "*Effective Date*" means the date or last of the dates on which the authenticated/ certified copy of the order of the Court sanctioning this Scheme is filed with the respective Registrar of Companies by the Transferor and the Transferee Company, if required.
- 1.5 "*Scheme of Amalgamation*" or "*Scheme*" or "*The Scheme*" or "*This Scheme*" means this Scheme of Amalgamation in its present form or with any modification(s) approved, imposed, or directed by the Court.
- 1.6 "*Transferee Company*" means E.I.D.-Parry (India) Limited, a Company incorporated under the provisions of the Act, having its registered office at Dare House, Parrys Corner, Chennai - 600001.
- 1.7 "*Transferor Company*" means Parry Phytoremedies Private Ltd, a Company incorporated under the provisions of the Act, having its

registered office at Survey No 79/2, Near Agrawal Godown, Shivane Industrial estate, Warje - NDA Road, Shivane, Pune, Maharashtra - 411023.

- 1.8 *"Undertaking"* shall mean and include the whole of the undertaking of the Transferor Company, as a going concern, including their businesses, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, titles and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses, registrations, copyrights, patents, trade names, trade marks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trade marks, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, internet connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, service tax, etc), Software License, Domain / Websites



etc., in connection / relating to the Transferor Company and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date.

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

2. SHARE CAPITAL

- 2.1 The Authorized, Issued, Subscribed and Paid up Share Capital of the Transferor Company as on 31<sup>st</sup> March 2014 is as under:

AUTHORISED SHARE CAPITAL: Amount (in Rs.)  
20,00,000 Equity Shares of Rs.100/-each 20,00,00,000 /-

ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL:  
18,69,800 Equity Shares of Rs.100/-each fully paid up 18,69,80,000/-

Subsequent to the balance sheet date there is no change in the Capital Structure of the Transferor Company. All the Equity Shares issued by the Transferor Company, as above, are presently held by the Transferee Company and its nominees. Accordingly, the Transferor Company is a wholly owned subsidiary of the Transferee Company.

- 2.2 The Authorised, Issued Subscribed and Paid up Share Capital of the Transferee Company as on 31<sup>st</sup> March 2014 is as under:

AUTHORISED SHARE CAPITAL: Amount (in Rs.)

50,00,000 Redeemable Preference Shares of Rs.100/- each	50,00,00,000/-
1,62,50,00,000 Equity Shares of Re.1/- each	1,62,50,00,000/-
Total	<u>2,12,50,00,000/-</u>

ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL:

17,57,85,996 Equity Shares of Re.1/- each fully paid up  
Rs.17,57,85,996/-

Subsequent to the balance sheet date there is no change in the Capital Structure of the Transferor Company

PART II

TRANSFER AND VESTING

TRANSFER OF UNDERTAKING

The Undertaking shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- 3.1 With effect from the Appointed Date, the whole of the Undertaking of the Transferor Company comprising its businesses, all assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Section 391 read with Section 394 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in Sub-clauses (3.2), (3.3) and (3.4) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as from the Appointed Date, the Undertaking of the Transferee Company

any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

However, the Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to the contract or arrangement to which the Transferor Company is a party or any writing, as may be necessary, in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company as well as to implement and carry out all such formalities and compliances referred to above.

- 3.6 The transfer and vesting of the Undertaking of the Transferor Company as aforesaid shall be subject to the existing securities, charges and mortgages, if any subsisting, over or in respect of the property and assets or any part thereof of the Transferor Company.

Provided however that any reference in any security documents or arrangements (to which the Transferor Company is a party) pertaining to the assets of the Transferor Company offered, or agreed to be offered, as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Undertaking of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that, such security, charge and mortgage shall not extend or be deemed to extend to any of the assets of the Transferee Company.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation of the Transferor Company with the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefore, after the amalgamation has become operative.

- 3.7 In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person and availed of by the Transferor Company are concerned, the same shall vest with, and be available to, the Transferee Company on the same terms and conditions.
- 3.8 Loans or other obligations, if any, due between the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf. In so far as any shares, securities, debentures or notes issued by the Transferor Company, and held by the Transferee Company, the same shall stand cancelled as on the Effective Date, and shall have no effect and the Transferor Company, shall have no further obligation outstanding in that behalf.

- 3.9 Where any of the liabilities and obligations/assets attributed to the Transferor Company on the "Appointed Date" has been discharged/sold by the Transferor Company after the "Appointed Date" and prior to the "Effective Date" subject to clause 9.3 of this scheme, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company.
- 3.10 From the "Effective Date" and till such time that the names of the respective bank accounts of the Transferor Company is replaced with that of the name of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company, in its name, in so far as may be necessary, as if the said accounts were opened in the name of the Transferor Company.

#### 4. BENEFITS OF AMALGAMATION

- 4.1 The Transferor Company and the Transferee Company are engaged in the similar line of business. The resources available with both the companies could be pooled together and the Transferee Company will be able to effectively utilise the same for the benefit of the Transferee company on a larger scale.
- 4.2 By the amalgamation, the operational costs will be reduced and the management will be able to operate and run the Transferee Company and the Transferor Company as a single unit more effectively and economically resulting in better turnover and profits.

- 4.3 It will make available to the Undertaking of the Transferor Company, the benefit of financial resources, and managerial, technical and marketing expertise of the Transferee Company.
- 4.4 The amalgamation would bring in greater economies in scale of operations and will help in reducing expenditure considerably.
- 4.5 The amalgamation will be conducive to better and more efficient and economic control and conduct of the business of the Transferee Company.
- 4.6 There will be operational synergy in terms of procurement benefits, common license, and reduction of administration work etc., for the Transferee Company.

The Transferee Company will have the benefit of the combined reserves, assets, man-power and cash flows of both the companies.

- 4.8 With the enhanced capabilities and resources at its disposal, the Transferee Company will have greater flexibility to market and meet consumer needs more effectively.
- 4.9 A larger growing company will mean enhanced financial and growth prospects for the people and organizations connected with the company and will be in public interest.

## 5. LEGAL PROCEEDINGS

- 5.1 All suits, actions and proceedings of whatsoever nature by or against the Transferor Company on the Appointed Date shall be transferred to the



name of the Transferee Company and the same shall be continued and enforced by or against the Transferee Company, to the exclusion of the Transferor Company, as the case may be.

- 5.2 If proceedings are taken against the Transferor Company, in respect of matters referred to above, it shall defend the same in accordance with the advice of, and at the cost of, the Transferee Company, as the case may be from Appointed Date till Effective Date,

6. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 6.1 Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party subsisting or having effect immediately before this arrangement under this Scheme, shall be, in full force and effect, against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmation or enter into any tripartite arrangement, confirmations or novations to which the Transferor Company as the case may be will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or become necessary.
- 6.2 As a consequence of the amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme, the recording of change in name from the Transferor Company, as the case may be, to the Transferee Company, whether for the purposes of any licence, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out

by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.

6.3 The Transferee Company may, at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company, implement or carry out all such formalities or compliances referred to above on the part of the Transferor Company, as the case may be, to be carried out or performed.

6.4 For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Company without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any instrument or beneficial interest to which the Transferor Company is a party thereto and shall not affect any right, privilege, obligations or liability, acquired, or deemed to be acquired prior to Appointed Date and all such references in such agreements, contracts and instruments to the Transferor Company shall be construed as reference only to the Transferee Company with effect from the Appointed Date.





7. EMPLOYEES

- 7.1 All the executives, staff, workmen, and other employees in the service of the Transferor Company, immediately before the Effective Date, under this Scheme shall become the executives, staff, workmen, and other employees of the Transferee Company, on the basis that:
- (a) Their services shall have been continuous and shall not have been interrupted by reason of such transfer as if such transfer is effected under Section 25 FF of the Industrial Disputes Act, 1947;
  - (b) The terms and conditions of service applicable to the said staff, workmen, and other employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately before the transfer;
  - (c) In the event of retrenchment of such staff, workmen, or other employees, the Transferee Company shall be liable to pay compensation in accordance with law on the basis that the services of the staff, workmen, or other employees shall have been continuous and shall not have been interrupted by reason of such transfer; and
  - (d) In so far as the existing provident fund trusts, gratuity fund and pension and / or superannuation fund trusts created by the Transferor Company for their employees are concerned, the part of the funds referable to the employees who are being transferred shall be continued for the benefit of the employees who are being transferred to the Transferee Company pursuant to the Scheme in the manner provided hereinafter. In the event that the Transferee Company has its own funds in respect of any of the

funds referred to above, the amounts in such funds in respect of contributions pertaining to the employees of the Transferor Company, shall, subject to the necessary approvals and permissions, be transferred to the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own fund, in respect of any of the aforesaid matters, the Transferee Company may, subject to necessary approvals and permissions, continue to contribute to the relevant funds of the Transferor Company, as the case may be, until such time that the Transferee Company creates its own fund, at which time the contributions pertaining to the employees of the Transferor Company shall be transferred to the funds created by the Transferee Company.

8. SAVING OF CONCLUDED TRANSACTIONS

- 8.1 The transfer of Undertaking under Clause 3 above, the continuance of proceedings by or against the Transferee Company under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above shall not affect any transaction or proceedings or contracts or deeds 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 the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

9. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANY TILL EFFECTIVE DATE

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

- 9.1 The Transferor Company shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.
- 9.2 All profits or income or income tax accruing or arising to the Transferor Company, or losses arising or expenditure incurred by them, on and from Appointed Date upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or income tax of the Transferee Company.
- 9.3 The Transferor Company shall carry on their business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any part of the undertaking (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company prior to the Appointed Date).
- 9.4 The Transferor Company shall continue to comply with the provisions of the Act including those relating to preparation, presentation, circulation and filing of accounts as and when they become due for compliance.
- 9.5 The Transferor Company shall not declare any dividend, between the Appointed Date and the Effective Date, without the prior written consent of the Transferee Company.

- 9.6 The Transferor Company shall not make any modification to their capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassify, subdivide or reorganize or in any other manner, whatsoever, except by mutual consent of the Board of Directors of the Transferor Company and of the Transferee Company.
- 9.7 The Transferor Company shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.



#### 10. CONSIDERATION

The Transferor Company is a wholly owned subsidiary of the Transferee Company. Upon the Scheme becoming effective, the shares held by the Transferee Company and its nominees in the Transferor Company shall be cancelled and extinguished and no share shall be issued by the Transferee Company in consideration for this scheme of amalgamation.

#### 11. AUTHORIZED SHARE CAPITAL

- 11.1 Upon the Scheme becoming effective, the authorized share capital of the Transferor Company shall stand combined with the authorized share capital of the Transferee Company. Filing fees and stamp duty, if any, paid by the Transferor Company on its authorized share capital, shall be deemed to have been so paid by the Transferee Company on the combined authorized Share capital and accordingly, the Transferee Company shall not be required to pay any fee/ stamp duty for its increased authorized share capital.


11.2 'Clause V' of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 94 to 97 of the Companies Act, 1956 (corresponding to Section 61, 64 of the Companies Act, 2013, which is effective in place of the erstwhile Sections 94, 97 which stands repealed) and other applicable provisions of the Act by deleting the existing Clause and replacing it by the following:

*"The Authorized Share Capital of the company is Rs. 232,50,00,000/- (Rupees Two Hundred and Thirty Two Crores and Fifty Lakhs Only) divided into 182,50,00,000 (One Hundred and Eighty Two Crores and Fifty Lakhs) Equity Shares of Re.1/- each and 50,00,000 (Fifty Lakhs) Redeemable Preference Shares of Rs.100/- each and, with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company".*

12. ACCOUNTING TREATMENT

12.1 The amalgamation being "amalgamation in the nature of merger" as defined in the Accounting Standard 14, Accounting for Amalgamations" (AS 14) shall be accounted for under the pooling of interest method in accordance with the said AS 14. Further the Board of Directors of the transferee company is authorized to account for this amalgamation in a manner as may be deemed fit, in accordance with the Accounting Standards as notified under Section 211(3C) of the Companies Act, 1956(corresponding to Section 133 of the Companies Act, 2013, which is effective in place of the erstwhile Section 211(3C) which stands repealed) issued by the Institute of Chartered Accountants of India and Generally Accepted Accounting Principles in India

12.2 The Transferee Company shall, upon the Scheme coming into effect, record the assets and liabilities of the Transferor Company vested in it pursuant to this Scheme at their respective book values.



12.3 The Debit balance in Profit and Loss Account of the Transferor Company as per the audited accounts as at the close of business of the day immediately preceding the Appointed Date ie. 31<sup>st</sup> March 2014 shall be adjusted against the General Reserves of the transferee Company on amalgamation. The difference between amount recorded as Investments in transferor company in the books of transferee company and the amount of share capital and share premium of the transferor company including investments made after the appointed date but before the approval of the scheme by the Board of Directors of the Transferee Company shall be adjusted against the General reserve of the Transferee company on amalgamation.

12.4 To the extent there are inter-corporate loans or balances between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be

given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.

### 13. TREATMENT OF TAXES

- 13.1 Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956, any other state Sales Tax / Value Added Tax laws, Service Tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.
- 13.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.
- 13.3 Any refund under the Tax Laws due to Transferor Company consequent to the assessments made on Transferor Company and for which no

credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

13.4 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, VAT, etc., to which the Amalgamating Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Amalgamated Company.

13.5 The Amalgamation as contemplated in this Scheme would be completed in a manner so as 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 are found or interpreted to be inconsistent with the provisions of the said section at the later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

#### 14. TREATMENT OF TAXES

14.1 Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956, any other state Sales Tax / Value Added Tax laws, Service Tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of

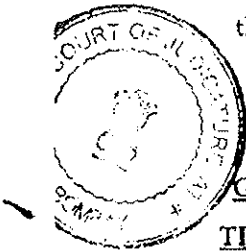




the Amalgamating Company to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to Amalgamated Company.

- 14.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Amalgamating Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Amalgamated Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Amalgamating Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Amalgamated Company, and, shall, in all proceedings, be dealt with accordingly.
- 14.3 Any refund under the Tax Laws due to Amalgamating Company consequent to the assessments made on Amalgamating Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Amalgamated Company.
- 14.4 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, VAT, etc., to which the Amalgamating Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Amalgamated Company.

- 14.5 The Amalgamation as contemplated in this Scheme would be completed in a manner so as 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 are found or interpreted to be inconsistent with the provisions of the said section at the later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.



PART III -

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE  
TRANSFEROR COMPANY AND THE TRANSFEREE COMPANY

15. APPLICATION TO COURT

- 15.1 The Transferor Company shall, with reasonable dispatch, apply to the Court for necessary orders or directions for holding meetings of the members or creditors of the Transferor Company for sanctioning this Scheme of Amalgamation under Section 391 of the Act or for dispensing the holding of such meeting and orders under Section 394 of the Act, for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up. Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, there is no need for filing application/petition by the Transferee Company for sanctioning the Scheme of Amalgamation.

16. DISSOLUTION OF TRANSFEROR COMPANY

- 16.1 Subject to an order being made by the Court under Section 394 of the Act, the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made thereunder.

17. MODIFICATIONS / AMENDMENTS TO THE SCHEME

- 17.1 Subject to approval of High court, the Transferor Company and the Transferee Company through their respective Board of Directors including Committee of Directors or other persons, duly authorized by the respective Boards in this regard, may make or assent to any alteration or modification to this Scheme or to any conditions or limitations, which the Court or any other Competent Authority may deem fit to direct, approve or impose and may give such directions including an order of dissolution of the Transferor Company without process of winding up as they may consider necessary, to settle any doubt, question or difficulty, arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do and to execute all such acts, deeds, matters and things necessary for putting this Scheme into effect, or to review the portion relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permitted under law) for bringing this Scheme into effect.



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

18. DATE OF TAKING EFFECT

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

SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

This Scheme is conditional on and subject to -

- 19.1 The sanction or approval under any law of the Central Government, State Government, or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
- 19.2 The approval of and agreement to the scheme by the requisite majority of such classes of persons of the Transferor Company as may be directed by the Court on the applications made for directions under Section 391 of the Act for calling meetings or for dispensing with their holding.
- 19.3 The sanction by the Court under Sections 391 and 394 and other applicable provisions of the Act being obtained by the Transferor Company.

19.4 Filing with the respective Registrar of Companies the certified copy of order, sanctioning the Scheme by the Transferor Company and the Transferee Company.

20. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

20.1 In the event of the Scheme not being sanctioned by the Court and/or the order or orders not being passed as aforesaid before 31<sup>st</sup> December 2015 or within such further period or periods as may be agreed upon between the Transferor and Transferee Companies who are hereby empowered and authorized, to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective Board of Directors, the Scheme shall become fully null and void and in that event no rights and liabilities shall accrue to or be inter-se by the parties in terms of the Scheme.

21. EXPENSES CONNECTED WITH THE SCHEME

21.1 All costs, charges, levies, fees, duties and expenses in relation to or in connection with the Scheme shall be borne and paid by the Transferee Company.



TRUE COPY

*K. K. Trivedi*  
(K. K. TRIVEDI) 276115  
COURT OF APPEAL  
HIGH COURT (O.S.)  
BOMBAY

CERTIFIED TRUE COPY  
For HEMANT SETHI & CO.

*Hemant Sethi*  
ADVOCATES

ctd  
on 16/15

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO. 136 OF 2015  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO 85 OF 2015

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

AND

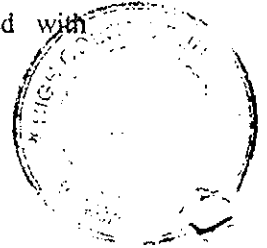
In the matter of Sections 391 to 394 of the  
Companies Act, 1956;

AND

In the matter of Scheme of Amalgamation of  
Parry Phytoremedies Private Limited with  
E.I.D.-Parry (India) Limited

Parry Phytoremedies Private Limited

....Petitioner



**AUTHENTICATED COPY OF ORDER DATED 30<sup>TH</sup>  
DAY OF APRIL 2015 AND THE SCHEME ANNEXED  
TO THE PETITION**

Applied on... 2/5/15  
Engrossed on... 1/6/15  
Section Writer.....  
Folios.....  
Examined by... [Signature]  
Compared with... [Signature]  
Ready on... 02/06/2015  
Delivered on... 04/06/2015

HS

**HEMANT SETHI & CO  
ADVOCATES FOR PETITIONER**