

Scheme of Amalgamation
(PURSUANT TO SECTIONS 391 AND 394 OF THE COMPANIES ACT, 1956)
of

Plenty Valley Intra Limited
with
Dhunseri Investments Limited

PART - I
(Preliminary)

1. DEFINITIONS:

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

- i. **"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 Boards 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 of the Companies Act, 1956 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.
- ii. **"Appointed Date"** means the 1st day of April, 2014.
- iii. **"Transferor Company"** means Plenty Valley Intra Limited, a Company incorporated under the provisions of the Act and having its registered office at 'Dhunseri House', 4A, Woodburn Park, Kolkata 700 020 in the State of West Bengal.

For Dhunseri Investments Limited

Aditi Ashanika

Secretary

- iv. **"Transferee Company"** means Dhunseri Investments Limited, a Company incorporated under the provisions of the Act and having its registered office at 'Dhunseri House', 4A, Woodburn Park, Kolkata 700 020 in the State of West Bengal.
- v. **"Scheme"** means this Scheme of Amalgamation of the Transferor Company with the Transferee Company in its present form or with such modifications as sanctioned by the Hon'ble High Court at Calcutta.
- vi. **"Effective Date"** means the date or last of the dates on which certified copies of the order sanctioning this Scheme are filed by the Transferor Company and the Transferee Company with the Registrar of Companies.
- vii. **"Undertaking of the Transferor Company"** means and includes:
- (i) All the properties, assets, rights and powers of the Transferor Company; and
 - (ii) All the debts, liabilities, duties and obligations of the Transferor Company.

Without prejudice to the generality of the foregoing clause the said Undertaking shall include all rights, powers, interests, authorities, privileges, liberties and all properties and assets, real or personal, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and wherever situate including all office equipments, inventories, investments in shares, debentures, bonds and other securities, sundry debtors, cash and bank balances, loans and advances, leases and all other interests and rights in or arising out of such property together with all liberties, easements, advantages, exemptions, approvals, licenses, trade marks, patents, copyrights, import entitlements and other quotas, if any, held, applied for or as may be obtained hereafter by the Transferor Company or which the Transferor Company is entitled to together with the benefit of all respective contracts and engagements and all respective books, papers, documents and records of the Transferor Company.



- viii. Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto.

2. SHARE CAPITAL:

The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company and the Transferee Company as on the date of the meetings of Board of Directors of the said Companies considering and approving this Scheme, i.e. as on 13th November 2014, is as under:

i. The Transferor Company:

Authorised Share Capital: (Rs.)

50,00,000 Equity Shares of Rs.10/- each 5,00,00,000/-

Issued, Subscribed and Paid up Share Capital:

50,00,000 Equity Shares of Rs.10/- each fully paid up 5,00,00,000/-

ii. The Transferee Company:

Authorised Share Capital: (Rs.)

59,05,448 Equity Shares of Rs.10/- each 5,90,54,480/-

Issued, Subscribed and Paid up Share Capital:

58,55,448 Equity Shares of Rs.10/- each fully paid up 5,85,54,480/-

3,83,270 Equity Shares of the Transferee Company are held by the Transferor Company.

3. OBJECTS AND REASONS:

- i. The Transferor Company and the Transferee Company are both duly registered Non-Banking Financial Companies engaged primarily in the business common to them of investing and/or dealing in shares and securities and providing loans and advances. The Transferor Company and the Transferee Company are Associate Companies and their registered offices are also situated in the same premises.



- ii. In the circumstances it is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company in the manner and on the terms and conditions stated in this Scheme of Amalgamation.
- iii. The amalgamation will enable appropriate consolidation of the undertakings of the Transferor Company and the Transferee Company and enable the business of the amalgamated entity to be carried on more conveniently and advantageously with pooling and more efficient utilization of their resources, reduction in overheads and other expenses and improvement in various other operating parameters.
- iv. The market value of the investments held by the Transferor Company and the Transferee Company are far in excess of their book values and liabilities. The amalgamated Transferee Company will continue to have a positive net worth in its books. The amalgamation will lead to the formation of a larger and stronger entity having greater capacity for conducting its operations more efficiently and competitively with a wider and larger capital and asset base.
- v. The shares held by the Transferor Company in the Transferee Company shall be cancelled without issue and allotment of any new shares in lieu thereof to any person whatsoever. Such cancellation of cross holding is only consequential to the amalgamation and will rationalise and adjust the relationship between capital and assets suitably.
- vi. The amalgamation will enable optimum running, growth and development of the combined undertakings of the Transferor Company and the Transferee Company. It will enable the amalgamated entity to pursue its objects more effectively. Since the Transferor Company and the Transferee Company are Associate Companies, there will be no change in control or management of the amalgamated Transferee Company consequent to the Scheme.
- vii. The Scheme is proposed to the advantage of the Transferor Company and the Transferee Company and will have beneficial results for the said Companies, their shareholders and all concerned.



PART - II

(The Scheme)

4. TRANSFER OF UNDERTAKING:

- 4.1 With effect from the Appointed Date, the Transferor Company shall stand amalgamated with the Transferee Company, as provided in the Scheme. Accordingly, the Undertaking of the Transferor Company shall, pursuant to the provisions contained in Section 394 and other applicable provisions of the Act and subject to the provisions of the Scheme in relation to the mode and manner of vesting, stand transferred to and vest in or be deemed to be transferred to and vested in the Transferee Company, as a going concern without any further act, deed, matter or thing (save as provided in Clause 4.2 below) so as to become on and from the Appointed Date the Undertaking of the Transferee Company.
- 4.2 It is expressly provided that in respect of such of the said assets as are movable in nature or otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee Company accordingly without requiring any deed or instrument of conveyance for the same. The Transferor Company does not have any immovable property in the State of West Bengal.
- 4.3 All debts, liabilities, duties and obligations of the Transferor Company shall be transferred to the Transferee Company, without any further act or deed, pursuant to the provisions of Section 394 of the Act, so as to become the debts, liabilities, duties and obligations of the Transferee Company.
- 4.4 The transfer of the Undertaking of the Transferor Company, as aforesaid, shall be subject to the existing charges, if any, over or in respect of any of the assets or any part thereof, provided however that such charges shall be confined only to the relative assets of the Transferor Company or part thereof on or over which they are subsisting on transfer of such assets to the Transferee Company and no such charges shall extend over or apply to any



other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to any assets of the Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company. Similarly, the Transferee Company shall not be required to create any additional security over assets acquired by it under this Scheme for any loans, debentures, deposits or other financial assistance already availed/to be availed by it and the charges in respect of such indebtedness of the Transferee Company shall not extend or be deemed to extend or apply to the assets so acquired by the Transferee Company.

4.5 Subject to the other provisions of this Scheme, all licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates obtained by the Transferor Company for their operations and/or to which the Transferor Company is entitled to in terms of the various Statutes and / or Schemes of Union and State Governments, shall be available to the Transferee Company, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company. Since the Undertaking of the Transferor Company will be transferred to the Transferee Company as a going concern without any break or interruption in the operations thereof, the Transferee Company shall be entitled to the benefit of all such licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates and to carry on and continue the operations of the Undertaking of the Transferor Company on the basis of the same upon this Scheme becoming effective. Further, all benefits to which the Transferor Company is entitled in terms of the various Statutes and / or Schemes of Union and State Governments, including MAT credit and other benefits under Income Tax Act and tax credits and benefits relating to Excise (including Modvat/Cenvat), Sales Tax, etcetera shall be available to the Transferee Company upon this Scheme becoming effective.

4.6 For the removal of doubts, it is clarified that to the extent that there are inter-company loans, deposits, obligations, balances or other outstandings as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in



the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

5. LEGAL PROCEEDINGS:

If any suits, actions and proceedings of whatsoever nature (hereinafter called “**the Proceedings**”) by or against the Transferor Company is pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.

6. CONTRACTS AND DEEDS:

Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements, engagements 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 have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.

7. SAVING OF CONCLUDED TRANSACTIONS:

The transfer of the Undertaking of the Transferor Company under Clause 4 above, the continuance of Proceedings under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above, shall not affect any transaction or Proceedings already concluded by the Transferor Company on or before 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 if done and executed on its behalf.

8. EMPLOYEES:

On and from the Effective Date:

8.1 All the employees of the Transferor Company in service on the Effective Date shall become the employees of the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company without treating it as a break, discontinuance or interruption in service on the said date.

8.2 Accordingly the services of such employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company.

8.3 It is expressly provided that the Provident Funds, Gratuity Funds, Superannuation Fund or any other Fund or Funds created or existing for the benefit of the employees, as applicable, of the Transferor Company shall be continued by the Transferee Company and the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company.

9. DISSOLUTION OF THE TRANSFEROR COMPANY:

The Transferor Company shall be dissolved without winding up pursuant to the provisions of Section 394 of the Act.

10. CONDUCT OF BUSINESS TILL EFFECTIVE DATE:

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



- i. The Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall hold and stand possessed of and be deemed to have held and stood possessed of all its assets for and on account of and in trust for the Transferee Company.
- ii. The Transferor Company shall carry on its businesses and activities with due diligence and business prudence and shall not charge, mortgage, encumber or otherwise deal with their assets or any part thereof, nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of their business, without the prior written consent of the Transferee Company.
- iii. All profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company including accumulated losses shall for all purposes be deemed to have accrued as the profits or income or expenditure or losses, as the case may be, of the Transferee Company.

11. ISSUE OF SHARES

11.1 Upon the Scheme coming into effect, and without any further application, act or deed, the Transferee Company shall, in consideration of the amalgamation, issue and allot to the members of the Transferor Company holding fully paid-up Equity Shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on such date ("Record Date") as the Board of Directors of the Transferee Company shall determine, Equity Shares of Rs.10/- each in the Transferee Company credited as fully paid up (hereinafter referred to as the "New Equity Shares") in the following ratio:

1 (One) New Equity Share of Rs.10/- each in the Transferee Company credited as fully paid up for every 8 (Eight) Equity Shares of Rs.10/- each fully paid-up held by them in the capital of the Transferor Company.

11.2 All the New Equity Shares to be issued and allotted by the Transferee Company to the Equity Shareholders of the Transferor Company under this Scheme shall rank *pari passu* in all



respects with the existing Equity Shares of Transferee Company. Further, such New Equity Shares shall subject to compliance with requisite formalities be listed and/or admitted to trading on BSE Limited and the National Stock Exchange of India Limited, being the stock exchanges where the existing Equity Shares of the Transferee Company are listed and/or admitted to trading. The said two Stock Exchanges have nationwide terminals. Listing of the Equity Shares on the Stock Exchanges where the existing Equity Shares of the Transferor Company are listed, i.e Calcutta Stock Exchange and Madras Stock Exchange, shall be discontinued.

- 11.3 No fractional shares shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the members of the Transferor Company may be entitled on issue and allotment of the New Equity Shares in the Transferee Company as above. The Board of Directors of the Transferee Company or a committee thereof shall consolidate all such fractional entitlements, and issue and allot the New Equity Shares in lieu thereof to a Director and / or Officer(s) of the Transferee Company on the express understanding that such Director and / or Officer(s) to whom such New Equity Shares are allotted shall sell the same in the market and pay to the Transferee Company the net sale proceeds thereof, whereupon the Transferee Company shall distribute such net sale proceeds to the members of the Transferee Company in proportion to their fractional entitlements.
- 11.4 In respect of the shareholding of the members in the Transferor Company held in the dematerialised form, the New Equity Shares in the Transferee Company shall, subject to applicable regulations, also be issued to them in the dematerialised form pursuant to clause 11.1 above with such shares being credited to the existing depository accounts of the members of the Transferor Company entitled thereto, as per records maintained by the National Securities Depository Limited and / or Central Depository Services (India) Limited on the Record Date for Demerger Shares.
- 11.5 In respect of the shareholding of the members in the Transferor Company held in the certificate form, the New Equity Shares in the Transferee Company shall be issued to such members in certificate form. Members of the Transferor Company desirous of receiving the new shares in the Transferee Company in dematerialised form should have their



shareholding in the Transferor Company dematerialised on or before the Record Date for Amalgamation Shares.

11.6 Upon the Scheme becoming effective, the Authorised Share Capital of the Transferee Company shall be increased to Rs.10,90,54,000/- divided into 1,09,05,400 Equity Shares of Rs.10/- each and Clause V of the Memorandum of Association of the Transferee Company shall be altered accordingly.

12. CANCELLATION OF EXISTING SHARES OF THE TRANSFEE COMPANY:

All existing shares held by the Transferor Company in the Transferee Company, i.e. 3,83,270 Equity Shares of Rs.10/- each shall stand cancelled, without any further act or deed, upon the Scheme becoming effective.

13. ACCOUNTING:

13.1 The amalgamation shall be accounted for in the books of account of the Transferee Company according to the pooling of interests method under Accounting Standard (AS) 14, 'Accounting for Amalgamations' ("AS14") recommended by the Institute of Chartered Accountants of India.

13.2 Accordingly on and from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required and except to the extent required otherwise by law, all assets and liabilities of the Transferor Company transferred to the Transferee Company under the Scheme shall be recorded in the books of accounts of the Transferee Company at the book value as recorded in the Transferor Company' books of accounts.

13.3 All reserves of the Transferor Company shall be incorporated in the books of account of the Transferee Company in the same form in which they appear in the books of the Transferor Company.

13.4 The difference between the carrying amount in the books of the Transferor Company of its investment in the shares of the Transferee Company which shall stand cancelled in terms of



this Scheme and the aggregate face value of such shares shall, subject to the other provisions contained herein, be adjusted against and reflected in the General Reserves of the Transferee Company.

13.5 The difference between the amount recorded as additional share capital issued by the Transferee Company on amalgamation and the amount of share capital of the Transferor Companies in lieu whereof such additional share capital is issued shall, subject to the other provisions contained herein, be also adjusted against and reflected in General Reserves and/or Goodwill Account, as the case may be, in accordance with AS14.

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

14. APPLICATIONS:

The Transferee Company and the Transferor Company shall, with all reasonable dispatch, make necessary applications under Sections 391 to 394 of the Act, to the Hon'ble High Court at Calcutta for seeking shareholders' approvals in accordance with law and sanction and carrying out of the Scheme and for consequent dissolution of the Transferor Company without winding up. Approval of shareholders shall be sought by the Transferor Company and the Transferee Company by postal ballot and e-voting. Further, in terms of Clause-5.16 of the Securities and Exchange Board of India circular dated 4 February 2013 as modified by circular dated 21 May 2013, the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by the public shareholders against it.

The said companies shall also apply for and obtain such other approvals, as required by law. Any such application shall, upon constitution of the National Company Law Tribunal be made and/or pursued before the National Company Law Tribunal, if so required. In such event



references in this Scheme to the Hon'ble High Court at Calcutta shall be construed as references to the National Company Law Tribunal as the context may require. Further, the Transferor Company and the Transferee Company shall be entitled to take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

15. APPROVALS AND MODIFICATIONS:

The Transferor Company and the Transferee Company (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) are empowered and authorised:

- 15.1 To assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble High Court at Calcutta and / or any authorities under law may deem fit to approve or direct or as may be otherwise deemed expedient or necessary by the respective Board of Directors as being in the best interest of the said companies and their shareholders.
- 15.2 To settle all doubts or difficulties that may arise in carrying out the Scheme; to give their approval to all such matters and things as is contemplated or required to be given by them in terms of this Scheme; and to do and execute all other acts, deeds, matters and things necessary, desirable or proper for putting the Scheme into effect.

Without prejudice to the generality of the foregoing the Transferor Company and the Transferee Company (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) shall each be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

16. SCHEME CONDITIONAL UPON:

The Scheme is conditional upon and subject to:



- 16.1 Approval of the Scheme by the requisite majority of the members of the Transferor Company and the Transferee Company; and
- 16.2 Sanction of the Scheme by the Hon'ble High Court at Calcutta pursuant to Section 391 of the Act.

Accordingly, the Scheme although operative from the Appointed Date, shall become effective on the Effective Date pursuant to filing of certified copies of the order sanctioning the same with the Registrar of Companies by the Transferor Company and the Transferee Company on such date.

17. COSTS, CHARGES AND EXPENSES:

All costs, charges and expenses, in connection with the Scheme, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company. In the event the Scheme does not take effect or stands withdrawn for any reason whatsoever, each Company shall pay and bear their own costs.

18. RESIDUAL PROVISIONS:

- 18.1 On the approval of the Scheme by the members of the Transferor Company and the members of the Transferee Company pursuant to Section 391 of the Companies Act, 1956 it shall be deemed that the said members have also accorded all relevant consents under Section 100 of the Companies Act, 1956, Section 62((1)(c) of the Companies Act, 2013 or any other provisions of the said Acts to the extent the same may be considered applicable.
- 18.2 Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all Bank Accounts of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.



18.3 The amalgamation of the Transferor Company with the Transferee Company and transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company has been proposed in compliance with the provisions of 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 a 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 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the said Section. Such modification will however not affect the other parts of the Scheme.

18.4 In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights or liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person.

