

SCHEME OF MERGER
BY
ABSORPTION
OF
AMARJYOT CHEMICAL LIMITED
WITH
VALIANT ORGANICS LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(A) PREAMBLE

The Scheme provides for the merger by absorption of Amarjyot Chemical Limited (“Amarjyot” or the “Transferor Company”) with Valiant Organics Limited (“Valiant” or the “Transferee Company”) pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof) for the time being in force.

(B) DESCRIPTION OF COMPANIES

- (i) Amarjyot Chemical Limited is presently a public limited company incorporated on 31st May, 1978 under the Companies Act, 1956 under the name Hemraj Industrial Chemicals Private Limited. The name was later changed to Nova Organics Private Limited effective from 16th December, 1996. The name was then further changed to Amarjyot Chemical Private Limited with effect from 17th November, 2000. Amarjyot was later converted into public limited company under the applicable provisions of the Companies Act, 2013 and, consequently, the name was changed to Amarjyot Chemical Limited with effect from 18th June, 2015. Amarjyot is presently having its Registered Office at A-301, Kaustubh Park, Near Bhagwati Hospital, Mandapeshwar Road, Borivali, Mumbai- 400103.



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- (ii) Valiant Organics Limited is presently a Public Limited Company incorporated on 16th February, 2005 under the Companies Act, 1956 under the name of Valiant Organics Private Limited. Valiant was later converted into public limited company under the applicable provisions of the Companies Act, 2013 and, consequently, the name was changed to Valiant Organics Limited effective 31st July, 2015. Equity shares of Valiant are listed on SME platform of BSE Limited. Valiant is presently having its Registered Office at 109, Udyog Kshetra, 1st Floor, Mulund Goregaon Link Road, Mulund (W), Mumbai 400080.

(C) RATIONALE FOR THE SCHEME

- (i) Amarjyot and Valiant both are engaged in the business of manufacturing, buying, selling and exporting of chemicals. Amarjyot is engaged in business of manufacturing and sale of chemicals. Valiant is mainly engaged in business of manufacturing and marketing of different types of chlorophenol which has several applications mainly into agro-chemical industry and dyes and dyes intermediates.
- (ii) This Scheme will lead to consolidation of business and assets, synergy of operations and networks of both the Companies. This will help achieve better and more efficient utilization of available resources, benefits of internal economies, diversification to mitigate risks and improving organizational efficiencies.

(D) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- (i) **PART I** deals with the definitions and share capital;
- (ii) **PART II** deals with merger by absorption of Amarjyot with Valiant;
- (iii) **PART III** deals with issue of shares by the Transferee Company;
- (iv) **PART IV** deals with accounting treatment;
- (v) **PART V** deals with general terms and conditions applicable to this Scheme.



V. Mukherjee

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the expressions shall have the following meaning:

- (a) **“Act”** means the Companies Act, 2013 (including any statutory modifications, amendments or re-enactments thereof for the time being in force) as are applicable from time to time;
- (b) **“Appointed Date”** means 1st October, 2017 or such other date as may be agreed by Valiant and Amarjyot and approved by the NCLT or such other competent authority as may be applicable;
- (c) **“NCLT”** means Mumbai Bench of the National Company Law Tribunal constituted under section 408 of the Companies Act 2013;
- (d) **“Employees”** means all the employees of the Transferor Company employed on the Effective Date;
- (e) **“Effective Date”** means on which the certified or authenticated copies of the Order(s) sanctioning this Scheme, passed by the NCLT, Mumbai Bench are filed with the Registrar of Companies.

Reference in the Scheme to the date of **“coming into effect of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date;

- (f) **“The Record Date”** means a date to be fixed by the Board of Directors or duly authorised Director or Committee of the Board of Directors of Valiant for the purpose of determining the members of Amarjyot to whom new shares shall be allotted pursuant to the Scheme;
- (g) **“Scheme” or “the Scheme” or “this Scheme”** means this scheme of amalgamation in its present form or with any modification(s) / amendment(s), if any, as may be approved, imposed or directed by NCLT or any other appropriate authority sanctioning this Scheme;



- (h) **“Transferee Company”** or **“Valiant”** means Valiant Organics Limited, a Public limited Company incorporated under the Companies Act, 1956 and having its Registered Office at 109, Udyog Kshetra, 1st Floor, Mulund Goregaon Link Road, Mulund (W), Mumbai 400080.
- (i) **“Transferor Company”** or **“Amarjyot”** means Amarjyot Chemical Limited, a Public Limited Company incorporated under the Companies Act, 1956 and having its Registered Office at A-301, Kaustubh Park, Near Bhagwati Hospital, Mandapeshwar Road, Borivali, Mumbai- 400103.
- (j) **“Undertakings”** means and shall include:
- (i) all the undertakings, the entire business, all the assets and properties (whether movable or immovable and tangible or intangible) of the Transferor Company as on the Appointed Date;
 - (ii) all the debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date;
 - (iii) Without prejudice to the generality of sub-clauses(i) & (ii) above, the Undertakings of the Transferor Company shall include all the Transferor Company’s reserves, movable and immovable assets and properties, real, corporeal and incorporeal, in possession or reversion, present and contingent, including but not limited to land and buildings, lease-hold rights, all fixed and movable plant and machinery, vehicles, fixed assets, capital work-in-progress, current assets, investments, if any, provisions, and all other assets (whether tangible or intangible) of whatsoever nature, authorized capital, investments, lease and hire purchase contracts, rights, powers, authorities, allotments, approvals, consents, letters of intent, industrial and other licenses, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits, and advantages of any nature whatsoever and where so ever situate of, belonging to or in the ownership, power or possession and in the control



of or vested in or granted in favour of or enjoyed by the Transferor Company, including but not limited to all patents, trademarks, trade names, copyrights and other industrial rights and intellectual properties, technology, know-how, applications for copyrights, patents, trade names, trademarks or like and rights of any nature whatsoever, and licenses, registrations, assignments, grants in respect thereof, privileges, liberties, easements, contracts, advantages, benefits, goodwill, all quota rights, permits, approvals, authorisations, right to use and avail of telephones, telexes, facsimile and other communication facilities, connections, equipments and installations, utilities, water, electricity and electronic and all other services connections, of every kind, nature and descriptions whatsoever, reserves, provisions, funds, benefit of all agreements, arrangements, deposits, advances, recoverable and receivables and all other rights, interests, credits, claims and powers of every kind, nature and description of and belonging to or in ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by and arising to the Transferor Company whether in India or abroad.

- (k) "Preference Shares" means the Optionally Convertible Preference Shares and / or Redeemable Non-cumulative Preference Shares issued in terms of this Scheme;
- (l) 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 subscribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modifications or re-enactments thereof from time to time.

2. DATE WHEN THE SCHEME COMES INTO OPERATION

Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.



3. SHARE CAPITAL

(a) The share capital structure of **Valiant** as on 31st March, 2017 is as under:

Share Capital	Rupees
Authorized Share Capital	
40,00,000 Equity Shares of face value of Rs. 10/- each	4,00,00,000
Issued, subscribed and paid-up Share Capital	
36,40,320 Equity Shares of face value of Rs. 10/- each	3,64,03,200

Subsequent to 31st March, 2017, the share capital structure of Valiant has changed upon consolidation of authorized share capital and allotment of equity shares on 15th March, 2018 in terms of the Scheme of Amalgamation of Abhilasha Tex-chem Limited with Valiant sanctioned by the Hon'ble NCLT, Mumbai Bench. As on date of the Scheme being approved by the Board of Directors of Valiant, the share capital structure of Valiant is as under:

Share Capital	Rupees
Authorized Share Capital	
1,05,00,000 Equity Shares of face value of Rs. 10/- each	10,50,00,000
Issued, subscribed and paid-up Share Capital	
58,64,350 Equity Shares of face value of Rs. 10/- each	5,86,43,500

(b) The share capital structure of **Amarjyot** as on 31st March, 2017 is as under:

Share Capital	Rupees
Authorized Share Capital	
32,60,000 Equity shares of Rs. 10/- each	3,26,00,000
Issued, subscribed and paid-up Share Capital	
32,55,180 Equity shares of Rs. 10/- each fully paid up	3,25,51,800



Subsequent to 31st March, 2017, the share capital structure of Amarjyot has changed upon consolidation of authorized share capital and allotment of equity shares on 21st September, 2017 in terms of the Scheme of Amalgamation of Dispo Dyechem Private Limited with Amarjyot sanctioned by the Hon'ble NCLT, Mumbai and Ahmedabad Benches and further increase of authorized share capital approved by the shareholders of Amarjyot and allotment of Bonus Equity Shares on 15th November, 2017. As on date of the Scheme being approved by the Board of Directors of Amarjyot, the share capital structure of Amarjyot is as under:

Share Capital	Rupees
Authorized Share Capital	
1,21,00,000 Equity shares of Rs. 10/- each	12,10,00,000
40,000 Preference shares of Rs. 100/- each	40,00,000
Total	12,50,00,000
Issued, subscribed and paid-up Share Capital	
87,44,380 Equity shares of Rs. 10/- each fully paid up	8,74,43,800
39,400 Compulsorily Redeemable Non-cumulative Preference shares of Rs. 100/- each fully paid up	39,40,000
Total	9,13,83,800

PART II

MERGER OF AMARJYOT WITH VALIANT

4. MERGER OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

- (a) With effect from the Appointed Date, the entire business and undertakings of Amarjyot shall, without any further act or deed, but subject to the existing charges, if any, affecting the same be transferred to and vested in and managed by and/or deemed to have been



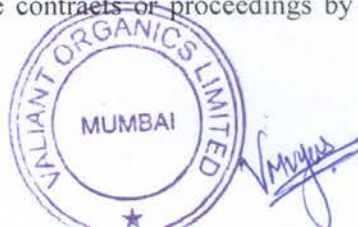
transferred to and vested in and managed by Valiant as a going concern pursuant to Sections 230 to 232 and other applicable/corresponding provisions of the Act for all the estate, rights, titles and interests of Amarjyot therein and on the Appointed Date Amarjyot shall be deemed to have been amalgamated with Valiant.

- (b) With effect from the Appointed Date, in respect of such of the assets of the Undertakings as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and record all pursuant to this Scheme shall stand transferred and vested by Amarjyot to Valiant and shall become the property and an integral part of Valiant. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred and vested accordingly. No stamp duty shall be payable on the transfer of such movable properties (including shares and other investments) upon its transfer and vesting in the Valiant.
- (c) Any and all movable properties of Amarjyot relating to the Undertakings, other than those referred to in sub-clause (b) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, be transferred and vested as the property of the Valiant.
- (d) In respect of such of the assets of the undertakings other than those referred to in sub-clause (b) above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in Valiant on the Appointed Date pursuant to the provisions of Sections 230 to 232 and other applicable/corresponding provisions of the Act. The mutation of the title to the immovable properties in favour of Valiant shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and the Scheme becoming effective in accordance with the terms hereof.



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- (e) With effect from the Appointed Date, all debts, all liabilities, duties and obligations of Amarjyot along with any charge, mortgages encumbrance, lien or security, if any, thereon (hereinafter also referred to as **"the Liabilities"**) shall stand transferred or be deemed to be transferred, without further act, instrument or deed, to the Transferee Company, pursuant to the provisions of Sections 230 to 232 and other applicable/corresponding provisions of the Act so as to become the debts, liabilities, duties and obligations of Valiant and further that 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 sub-clause;
- (f) The transfer and vesting as aforesaid shall be subject to subsisting charges, if any, in respect of any Undertaking of the Transferor Company.
- PROVIDED always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Transferor Company and the Transferee Company shall not be obliged to create any further or additional security thereof after the Effective Date or otherwise.
- (g) Upon the coming into effect of this Scheme, any loans or other obligations due between Amarjyot and Valiant shall stand discharged and there shall be no liability in that behalf.
- (h) Valiant may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which Amarjyot may be party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Valiant shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Amarjyot and to implement or carry out all such formalities or compliances referred to above on the part of Amarjyot to be carried out or performed.
- (i) The transfer and vesting of the Undertakings and the liabilities of Amarjyot to Valiant under this Clause 4 and the continuance of the ~~contracts or~~ proceedings by or against



Valiant/ the Transferee Company under Clauses 5 and 6 hereof shall not affect any transactions contracts or proceedings relating to the Undertakings and the liabilities already concluded or discharged by Amarjyot in the ordinary course of business on and after the Appointed date to the end and intent all such transactions, contracts or proceedings already concluded or discharged by Amarjyot are deemed to have been for and on account of Valiant.

- (j) All estates, assets, rights, registrations, title, interests and authorities accrued to and/or acquired by Amarjyot in relation to or in connection with the Undertakings after the Appointed Date and prior to the Effective Date shall have been/ deemed to have been accrued to and/or acquired for and on behalf of Valiant and shall, upon the coming into effect of this Scheme, pursuant to Sections 230 to 232 and other applicable/ corresponding provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in Valiant to that extent and shall become the estates, assets, right, title, interests and authorities of Valiant.
- (k) Upon the coming into effect of this Scheme, all the benefits including under the Income Tax, Excise (including Modvat/Cenvat), Sales Tax (including deferment of Sales Tax), Service tax input credits, if any, Goods and Service Tax (including input credits) or like etc. to which Amarjyot is entitled to in terms of the various statutes and/or Schemes and/or awards by judicial /quasi judicial bodies (such as Arbitration, Tribunal awards and the like) of Union and State Governments and Statutory authorities, shall be available to and vest in Valiant.
- (l) This Scheme has been drawn up inter alia to comply with the conditions relating to "amalgamation" as specified under Section 2(1B) of the Income Tax Act, 1961. If any term or provision of the Scheme is found or interpreted to be inconsistent with the said provisions 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, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to



comply with conditions contained in Section 2(1B) of the Income Tax Act, 1961. Such modification shall however not affect other parts of the Scheme.

5. CONTRACT, DEEDS, BONDS AND OTHER INSTRUMENTS

- (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements, insurance policies and other instruments of whatsoever nature to which Amarjyot is party or to the benefit of which Amarjyot may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of Valiant as the case may be and may be enforced as fully and effectually as if, instead of Amarjyot, Valiant had been a party or beneficiary thereto.
- (b) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertakings occurs by virtue of this Scheme itself, Valiant may, at any time, after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Amarjyot is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. Valiant shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Amarjyot and to implement or carry out all formalities required on the part of the Amarjyot to give effect to the provisions of this Scheme.
- (c) With effect from the Appointed Date, any statutory licenses, permissions or approvals or consents held by Amarjyot required to carry on operations of Amarjyot shall stand vested in or transferred to Valiant without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Valiant. The benefit of all statutory and regulatory permissions, approvals and consents, registration or other licenses, and consents shall vest in and become available to Valiant pursuant to the



Scheme. Provided that any statutory licenses, permissions, approvals, registration and/or consents held by Amarjyot that are not required by Valiant will be surrendered for cancellation, if required by the applicable laws, by Amarjyot or Valiant.

6. LEGAL PROCEEDINGS

All legal proceedings including suits, writ petitions, actions and proceedings of whatsoever nature by or against the Amarjyot pending and/or arising on or before the Effective Date shall be continued and be enforced by or against Valiant in the manner and to the same extent as it would or might have been continued and enforced by or against the Amarjyot as if the Scheme had not been made. On and from the Effective Date, Valiant shall and may initiate any legal proceedings for and on behalf of Amarjyot.

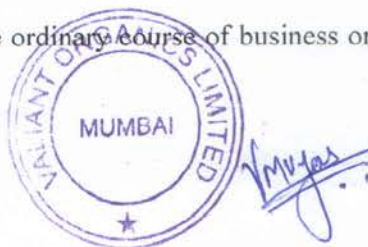
7. INTER-PARTY TRANSACTIONS

Without prejudice to the provisions of Clauses 4 to 6, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.

8. CONDUCT OF BUSINESS

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

- (a) Amarjyot shall carry on and be deemed to have carried on the business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the said undertakings, for and on account of and in trust for Valiant;
- (b) All profits or incomes accruing or arising to Amarjyot or expenditure or losses arising or incurred by Amarjyot shall for all purposes be treated as the profits or incomes or expenditure or losses of Valiant, as the case may be;
- (c) Amarjyot shall carry on their business activities with reasonable diligence, business prudence and shall not alienate charge, mortgage, encumber or otherwise deal with the undertaking or any part thereof, except in the ordinary course of business or without the



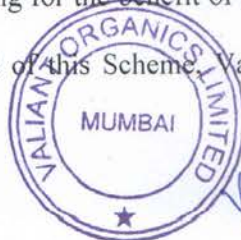
prior consent of Valiant or pursuant to any pre-existing obligation undertaken by the Amarjyot prior to the Appointed Date.

Provided however that Amarjyot shall be entitled in the ordinary course of business in relation to its borrowings required in connection with its business and operations to borrow in the form of loans and further consent of Valiant shall not be required in this behalf;

- (d) Valiant shall be entitled, pending the sanction of the Scheme, to apply to any Government, Registrars and all other agencies, departments and authorities concerned as may be necessary under any law for such consents, approvals, sanctions and registration which Valiant may require to carry on the business of Amarjyot;
- (e) Amarjyot shall not vary the existing terms and conditions of employment of its employees except in the ordinary course of business;
- (f) Save as specifically provided in the Scheme, Amarjyot and Valiant shall not make any change in their capital structure in any manner, which may in any way affect the share exchange ratio prescribed hereunder, except by mutual consent of the respective Board of Directors of Amarjyot and Valiant;
- (g) Amarjyot shall not declare any dividend after the Appointed Date without the prior written consent of Valiant.

9. EMPLOYEES

- (a) All the Employees of Amarjyot in service on the date immediately preceding the Effective Date as are willing to join Valiant, shall be deemed to be employed in Valiant on such date without any break or interruption in service for the purpose of calculating retirement benefits and on the terms and conditions not less favourable than those subsisting with reference to Amarjyot as on the said date. The position, rank and designation of the Employees of Amarjyot would be decided by Valiant;
- (b) In so far as the Provident Fund, Gratuity Fund and, if applicable, Superannuation Fund or any other Special Funds or Trusts created or existing for the benefit of the Employees of Amarjyot are concerned, upon coming into effect of this Scheme Valiant shall, stand



substituted for Amarjyot for all purposes whatsoever related to the administration or operation of such Funds or Trusts or in relation to the obligation to make contributions to the said Funds or Trusts in accordance with provisions of such Funds or Trusts as per the terms provided in the respective Trust Deeds, to the end and intent that all the rights, duties, powers and obligations of Amarjyot in relation to such Funds or Trusts shall become those of Valiant. It is clarified that the services of the Employees of Amarjyot will be treated as having been continuous for the purpose of the aforesaid Funds or provisions.

10. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferor Company under Clause 6 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that Transferee Company accepts and adopts all acts, deeds, and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

11. APPROVALS UNDER THE PROVISIONS OF THE ACT

- (a) Approval of this Scheme by the shareholders of Valiant shall be deemed to be due compliance of the provisions of Section 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares issued by Valiant, as provided in this Scheme;
- (b) The approval of this Scheme by the shareholders of Amarjyot and Valiant under Sections 230 to 232 and other applicable/corresponding provisions of the Act shall be deemed to have the approval under sections 13, 14 and other applicable provisions, if any, of the Act and any other consents and approvals required in this regard.
- (c) Upon coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and, if any



such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

12. INCREASE IN AUTHORISED SHARE CAPITAL OF VALIANT

Upon the coming into effect of this Scheme, the authorised share capital of Valiant shall stand increased from Rs.10,50,00,000 divided into 1,05,00,000 equity shares of Rs. 10/- each to Rs. 23,00,00,000 divided into 2,06,00,000 equity shares of Rs. 10/- each, 20,00,000 Optionally Convertible Preference shares of Rs. 10/- each and 40,000 Preference Shares of Rs. 100/- each and the existing capital clause V. (a) contained in the Memorandum of Association of Valiant shall, upon the coming into effect of this Scheme, be altered and substituted as follows:

‘V. (a) The Authorised Share Capital of the Company is Rs. 23,00,00,000/- (Rupees Twenty three crore Only) divided into 2,06,00,000 equity shares of Rs. 10/- each, 20,00,000 Optionally Convertible Preference shares of Rs. 10/- each and 40,000 Preference Shares of Rs. 100/- each.’.

It is hereby clarified that this increase in authorised share capital of Valiant shall be effected as an integral part of this Scheme without any further act or deed on the part of Valiant and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment. Valiant shall not be obliged to follow the procedure or filing as required under Section 13, 61 or any other applicable provisions of the Companies Act, 2013. It is further clarified that no registration fee and stamp duty shall be payable by Valiant on account of this amendment or merging of authorised share capital.

PART III

ISSUE OF SHARES BY THE TRANSFEE COMPANY

13. ISSUE OF SHARES BY THE TRANSFEE COMPANY



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(a) Upon Scheme becoming effective and in consideration for the merger of the Transferor Company in Valiant, Valiant shall without any further application or deed, issue and allot Equity shares, Preference shares, credited as fully paid up, to the extent indicated below, to the members of the Transferor Company whose names appear in the Register of Members of the Transferor Company as on the Record Date as may be fixed by the Board of Directors of Valiant or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title as may be recognized by the Board of Directors of Amarjyot and/or Valiant, as the case may be, in the following manner:

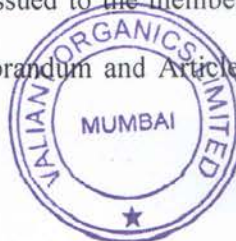
- (i) '72 (Seventy Two) fully paid Equity Shares of Rs. 10/- each of Valiant and 21 (Twenty One) Optionally Convertible Preference Shares ("OCPS") of Rs. 10/- of Valiant fully paid up shall be issued and allotted for every 100(One Hundred) Equity Shares of Rs. 10/- each held in Amarjyot.';
- (ii) '1(one) Redeemable Non-cumulative Preference share ("RNPS") of Rs.100/- each of Valiant shall be issued and allotted for every Compulsorily Redeemable Non-cumulative Preference share of Rs.100/- each held in Amarjyot.'

(New Equity Shares and Preference Shares to be issued as above are hereinafter collectively referred to as "New Shares").

The key terms and conditions for the Optionally Convertible Preference Shares and Redeemable Non-cumulative Preference Shares to be issued pursuant to above clause are specified in Schedule I and II respectively hereto.

Provided that Equity and Preference Shares of Amarjyot, if any, held by Valiant on the Record Date shall be cancelled and shall be deemed to have been cancelled without any further act or deed, and no shares of Valiant are required to be issued in lieu thereof.

- (b) For the purpose of allotment of Equity and Preference Shares to the members of the Transferor Company as per Clause 13(a), fractional entitlements, if any, shall be rounded off to the nearest integer and there shall be no further obligation in that behalf.
- (c) The Equity Shares and Preference Shares to be issued to the members of the Transferor Company as above shall be subject to the Memorandum and Articles of Association of



- Valiant and shall rank *paripassu* with the existing equity shares and Preference Shares, if any, of Valiant in all respect including dividends, bonus and rights entitlements.
- (d) In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors or any Committee thereof of Valiant shall be empowered even subsequent to the effective date to effectuate such transfer as if such changes in the Registered holders were operative from the effective date, in order to remove any difficulties arising to the transfer of shares after the Scheme becomes effective.
- (e) The New Shares to be issued by Valiant to the members of the Transferor Company pursuant to Clause 13(a) of the Scheme in respect of any shares in the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise pending allotment or settlement of dispute, by order of court or otherwise, be held in abeyance by Valiant.
- (f) Upon the Scheme becoming effective and on allotment of New Shares by Valiant, the share certificates representing shares held in the Transferor Company shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled.
- (g) The New Shares to be issued by Valiant shall be issued in dematerialized form by Valiant. The members of Amarjyot shall be required to have an account with a depository participant and shall be required to provide details thereof to Valiant as may be required.
- (h) The New Equity Shares and OCPS of Valiant shall be listed and/ or admitted to trading on the SME platform of BSE Limited ("BSE"). Valiant shall enter into such arrangements and give such confirmations and/or undertakings as may be, necessary in accordance with the applicable laws or regulations for complying with the formalities of BSE. On such formalities being fulfilled BSE shall list and/or admit the New Equity Shares and OCPS for purpose of trading.



- (i) Valiant shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment by Valiant of New Shares to the members of Amarjyot in terms of and under the Scheme.
- (j) The issue and allotment of New Shares to the members of the Transferor Companies pursuant to the sub-clause 13(a) above is an integral part of this Scheme.
- (k) The approval of this Scheme by the members of Valiant shall be deemed to be due compliance with the applicable provisions of the Act including Section 62 and Section 55 of the Companies Act, 2013, if applicable, for the issue and allotment of new shares by Valiant to the members of Amarjyot, as provided in the Scheme and, for this purpose, no separate resolution under applicable provisions of the Act shall be required to be passed by the shareholders of Valiant.

PART IV

ACCOUNTING TREATMENT

14. ACCOUNTING TREATMENT

Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for the merger as per the "Purchase Method" prescribed under Accounting Standard 14 (AS 14) i.e. 'Accounting for Amalgamations' governed by the Companies (Accounting Standards) Rules, 2006 and other applicable accounting standards prescribed under the Act as under:

- (a) The Transferee Company shall record all the assets and liabilities transferred to and vested in the Transferee Company, at their respective book values as appearing in the books of the Transferor Company on the day immediately preceding the Appointed Date.
- (b) Inter-company balances and investments, if any, shall stand cancelled and there shall be no further obligation/outstanding in that behalf.
- (c) Valiant shall credit the aggregate face value of the Equity Shares, and Preference Shares issued and allotted pursuant to Clause 13 (a) to Equity Share Capital Account and Preference Share Capital Account respectively in its books of accounts.



- (d) The difference (excess or deficit), between the net value of assets over aggregate of face value of the Equity and Preference Shares issued by Transferee Company to the shareholders of the Transferor Company pursuant to this Scheme and after giving effect to clause 14(b) above, be adjusted to Capital Reserve or Goodwill, as the case may be, in books of Transferee Company ("Net Assets Value" shall be computed as the value of assets less the value of liabilities of the Transferor Company transferred to and recorded in the books of the Transferee Company in terms of clause 14(a) of the Scheme)
- (e) If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Company and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in the Capital Reserve or Goodwill, as the case may be.
- (f) In addition, the Transferee Company in consultation with the statutory auditor shall pass such accounting entries, as may be necessary, in connection with this Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

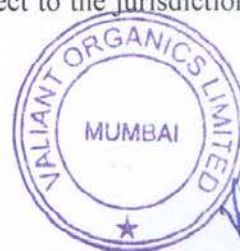
PART V

GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME

15. APPLICATION TO NCLT

- (a) The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications petitions to NCLT, Mumbai Bench and/or any other appropriate/competent authority for sanctioning the Scheme under Sections 230 to 232 and other applicable/corresponding provisions, if any, of the Act, for an order or orders thereof for carrying the Scheme into effect and, without any further act, deed, or instrument, for dissolution of the Transferor Company without winding-up in accordance with the provisions of the Act.
- (b) Any dispute arising out of this Scheme shall be subject to the jurisdiction of the NCLT, Mumbai Bench.

16. CONDITIONALITY OF THE SCHEME



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

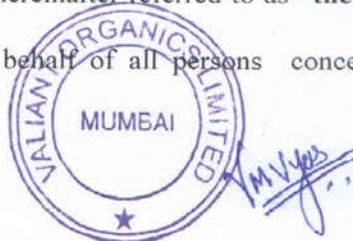
- (a) The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- (b) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of Amarjyot and Valiant as may be directed by NCLT.
- (c) The sanction of the NCLT under Sections 230 to 232 or applicable / corresponding provisions of the Act in favour of Amarjyot and Valiant under the said provisions and to the necessary Order under Sections 230 to 232 or corresponding provisions of the Act being obtained.
- (d) The Scheme being approved by shareholders of the Transferee Company by way of postal ballot and e-voting in terms of para 9 of Annexure - I to the SEBI Circular No. CIR/CFD/CMD/16/2015 November 30, 2015 and provided that the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
- (e) Certified or authenticated copies of the Orders of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, Ministry of Corporate Affairs, Government of India by Amarjyot and Valiant, if and as may be applicable.

17. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the Scheme becoming effective, Amarjyot shall stand dissolved without being wound up.

18. MODIFICATION / AMENDMENT TO THE SCHEME etc.

- (a) Subject to approval of the NCLT, the Transferor Company and the Transferee Company through their respective Board of Directors or any Director authorised in that behalf by the concerned Board of Directors (hereinafter referred to as **"the Delegates"**) may make or assent from time to time on behalf of all persons concerned to any



modifications or amendments of the Scheme or of any conditions or limitations which the NCLT and/or any other authorities under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them. The Transferor Company and the Transferee Company through their respective Board of Directors or the Delegates are authorized to take all such steps as may be necessary, desirable or appropriate to resolve any doubts or difficulties or questions what so ever for carrying the Scheme into effect, whether by reason of any directive or order of any other authorities or otherwise, howsoever, arising out of or by virtue of the Scheme and/or any matter concerned or connected therewith.

- (b) In the event that any conditions imposed by the NCLT or any other authority are found unacceptable for any reason whatsoever by all or any of the Companies, then all or any of such Companies shall be entitled to withdraw from this Scheme in which event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the companies or any of them.

19. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

- (a) In the event of any of the said sanctions and approvals referred to in Clause 16 not being obtained and/or complied with and/or satisfied and /or this Scheme not being sanctioned by the NCLT, the Scheme shall stand revoked, cancelled and be of no effect and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such a case, each Company shall bear its own costs, charges and expenses in connection with the Scheme unless otherwise mutually agreed.
- (b) Valiant and Amarjyot shall be at liberty to withdraw from this Scheme, in case any condition or alteration imposed by the NCLT is not on terms acceptable to them.

20. SEVERABILITY

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



21. TAX FILINGS /COMPLIANCES

The Transferee Company shall be entitled to file/revise its income tax returns, TDS certificates, TDS returns, tax returns and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income Tax Act, 1961 (including statutory amendment or re-enactment thereof in force for the time being), credit of tax deducted at source, credit of foreign taxes paid/withheld, carry forward and set off losses, etc., if any, as may be required consequent to implementation of this Scheme.

22. MISCELLANEOUS

Till the event of this Scheme being effective, the Transferor Company and the Transferee Company shall continue to hold their respective Annual General Meeting and other meetings in accordance with the relevant laws and shall continue to comply with all their statutory obligations in the same manner, as if this scheme is not existing.

23. COSTS, CHARGES, ETC.

All costs, charges and expenses, including any taxes and duties of the Transferor Company and the Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of merger of the Transferor Company in pursuance of this Scheme shall be borne and paid solely by the Transferee Company.



SCHEDULE I
TERMS AND CONDITIONS FOR ISSUE OF OPTIONALLY CONVERTIBLE
PREFERENCE SHARES (OCPS)

Dividend Rate on OCPS	Zero Percent / Nil
Face Value of OCPS	Rs. 10/-
Listed	OCPS will listed on the Stock Exchange where the equity shares of the Transferee Company are listed viz. SME platform of BSE Limited
Tenure for conversion	Convertible at the option of the holder within 18 months from the date of trading approval from BSE Limited
Convertibility	1 (one) OCPS, convertible into 1 (one) equity share of the Transferee Company
Terms of Equity Share allotted on conversion	1) Equity Shares issued and allotted pursuant to Conversion will be listed on the Stock Exchange where the equity shares of the Transferee Company are listed viz. BSE Limited 2) The Equity shares issued and allotted by the Transferee Company in terms upon conversion shall rank <i>pari passu</i> in all respects including dividend with the existing Equity shares of the Transferee Company.
Redeemable Preference Shares	Non converted OPCS after the expiry of 18 months from the date of receipt of trading approval received from BSE Limited, will be converted into equivalent number of Redeemable Preference Shares (RPS)
Dividend Rate on RPS	Zero Percent / Nil
Tenure of RPS	7.5 Years i.e. 90 (Ninety Months) Months
Listing of RPS	The Redeemable Preference Shares (RPS) will be not be listed on any Stock Exchange
Redemption Terms of RPS	Redemption of Redeemable Preference Shares (RPS) would be done at a price to give 4% annualized return from the date of allotment of RPS on Face Value of Rs. 10/- (Rupees Ten) and premium of Rs. 802.70/- (Rupees Eight Hundred Two and Seventy Paise).
Redemption Option of RPS	The Transferee Company shall also have an option to redeem the RPS any time not before 66 (sixty six) months and not beyond 90 (ninety) months from the date of allotment of RPS.



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SCHEDULE - II

TERMS & CONDITIONS OF REDEEMABLE NON-CUMULATIVE PREFERENCE SHARES (RNPS)

1	Dividend	Zero Percent / Nil
2	Face value	Rs. 100/- per Preference Share
3	Terms for redemption	To be redeemed on the exact terms as of existing Compulsorily Redeemable Non-cumulative Preference shares issued by Amarjyot except for the redemption period, period of issue in Amarjyot will be reduced.
4	Call Option	Valiant will have an option to redeem the RNPS at any time after the end of 6(Six) months from the date of allotment. If Valiant exercises its call option, it will pay the amount of the face value of the RNPS. In case Valiant exercises the call option, its liability to the RNPS shareholders shall stand extinguished from the date of dispatch of the cheques / pay order for the redemption amount.

