

Annexure B

COMPREHENSIVE SCHEME OF AMALGAMATION**BETWEEN****APIS NARURAL PRODUCTS PRIVATE LIMITED****AND****MODERN HERBALS PRIVATE LIMITED****WITH****APIS INDIA LIMITED****AND****THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS****PREAMBLE****A. BACKGROUND AND DESCRIPTION OF COMPANIES WHO ARE PARTIES TO THE SCHEME**

1. **APIS Natural Products Private Limited** (hereinafter called 'APIS Natural' or 'Amalgamating Company 1'), a private company incorporated under the Companies Act, 1956 and having its registered office at Village Bhoglanear, New Grain Market, Rajpura Town, District Patiala, Punjab 140401. APIS Natural is in the business of honey processing activities.
2. **Modern Herbals Private Limited** (hereinafter called 'Modern Herbals' or 'Amalgamating Company 2'), a private company incorporated under the Companies Act, 1956 and having its registered office at 18/32, East Patel Nagar, New Delhi-110008. Modern Herbals is engaged in the business as manufacture, buyer sellers, and dealers in herb products, pure herb honey dry fruit. activities.
3. **APIS India Limited** (hereinafter called 'APIS India' or Amalgamated Company), a company incorporated under the Companies Act, 1956 and having its registered office at 18/32, East Patel Nagar, New Delhi-110008. APIS India is engaged in the

For APIS NATURAL PRODUCTS PVT. LTD.
Amul Chand
 Director

For MODERN HERBALS PVT. LTD.
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For APIS INDIA LIMITED
Amul Chand
 Managing Director

business of rearing and hiving honey bees for the purpose of production of honey & honey related products. Further, APIS India is also engaged in the business of trading of Green Tea, Jam, Pickles, Dates & Preserves. The equity shares of APIS India are presently listed on BSE Limited (hereinafter called 'BSE').

B. PURPOSE AND RATIONALE OF THE COMPREHENSIVE SCHEME OF AMALGAMATION

This Comprehensive Scheme of Amalgamation (hereinafter called 'the Scheme') has been propounded under Sections 230 to 232 read with Section 66 and other relevant provisions of the Companies Act, 2013, for the amalgamation of APIS Natural and Modern Herbals with APIS India and for matters consequential, supplemental and/or otherwise integrally connected therewith.

This Comprehensive Scheme of Amalgamation has been envisaged to consolidate the operations of the group. Both the Amalgamating Companies i.e. APIS Natural and Modern Herbals hold shares in APIS India and constitute the Promoter Group of APIS India. APIS Natural holds 59,220 equity shares, constituting 1.07% of the paid-up equity share capital and Modern Herbals holds 1,43,820 equity shares, constituting 2.61% of paid-up equity share capital. Pursuant to the proposed amalgamation of APIS Natural and Modern Herbals with APIS India, the consolidated assets and funds would vest in a single entity.

The amalgamation would help the management to achieve greater integration and better financial strength. It would have greater efficiency in cash management, unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities.

This amalgamation would not only lead to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group's direct commitment to and engagement with APIS India.

There would be no change in the promoter shareholding of APIS India. The promoters would continue to hold the same percentage of shares in APIS India, pre and post the amalgamation of APIS Natural and Modern Herbals with APIS India.


All costs, charges, taxes including duties, levies and all other expenses, if any, arising out of or incurred in connection with and for implementing this Scheme and matters incidental

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thereto shall be borne by the Promoters and/or APIS Natural and Modern Herbals. No cost, charges, taxes pertaining to the Scheme shall be borne by APIS India.

Further, the Scheme also provides that Promoters shall indemnify APIS India and keep APIS India indemnified for any contingent liabilities and obligations including all demands, claims, suits, proceedings and the like which may be made or instituted by any third party(ies) including governmental authorities on APIS India and are directly relatable to APIS Natural and Modern Herbals or which may devolve on APIS India on account of this amalgamation.

In consideration of the above mentioned rationale and related benefits, this Scheme between APIS India, APIS Natural and Modern Herbals is being proposed in accordance with the terms set out hereunder.

C. PARTS OF THE SCHEME:

This Comprehensive Scheme of Amalgamation is divided into the following parts:

1. **PART I** - Definitions and Share Capital;
2. **PART II** – Amalgamation of APIS Natural Products Private Limited ('**APIS Natural**') and Modern Herbals Private Limited ('**Modern Herbals**') with APIS India Limited ('**APIS India**')
3. **PART III** – General Terms and Conditions.

For MODERN HERBALS PVT. LTD.

 Director


 APIS INDIA LTD.
 New Delhi

For APIS NATURAL PRODUCTS PVT. LTD.

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PART - I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned therein below:

- 1.1 **“Act” or “the Act”** means the Companies Act, 2013 including any statutory modifications, re-enactments or rules made thereof from time to time.
- 1.2 **“Amalgamating Companies”** means Amalgamating Company 1 and Amalgamating Company 2 taken together.
- 1.3 **“APIS Natural Products Private Limited” or “Amalgamating Company 1”** means APIS Natural Products Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Village Bhoglannear, New Grain Market, Rajpura Town, District Patiala, Punjab 140401.
- 1.4 **“Appointed Date”** means April 01, 2019 or such other date as may be fixed or approved by the Hon’ble National Company Law Tribunal or any other appropriate authority.
- 1.5 **“APIS India Limited” or “Amalgamated Company”** means APIS India Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 18/32, East Patel Nagar, New Delhi 110008.
- 1.6 **“Effective Date”** means the date on which certified copy(s) of the Order of the Hon’ble National Company Law Tribunal or any other appropriate authority sanctioning this Scheme are filed with the Registrar of Companies, National Capital Territory of Delhi. and Registrar of Companies, Chandigarh.
- 1.7 **“Modern Herbals” or “Amalgamating Company 2”** means Modern Herbals Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 18/32, East Patel Nagar, New Delhi- 110008.
- 1.8 **“Record Date”** means: For the purposes of Part II of this Scheme, the date to be fixed by the Board of Directors (or its committee thereof) of the Amalgamating Company 1, Amalgamating Company 2 and the Amalgamated Company for the purpose of

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determining the members of the Amalgamating Company 1 and Amalgamating Company 2 to whom shares will be allotted pursuant to Clause 5.1 of this Scheme.

1.9 **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Comprehensive Scheme of Amalgamation, in its present form or with any modification(s) made or to be made and approved under Clause 18 of this Scheme.

1.10 **"Tribunal/ NCLT"** means the jurisdictional bench of National Company Law Tribunal ("NCLT").

1.11 In this Scheme, unless the context otherwise requires:

1.11.1 references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;

1.11.2 the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;

1.11.3 words in the singular shall include the plural and vice versa;

1.11.4 any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date; and

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

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

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

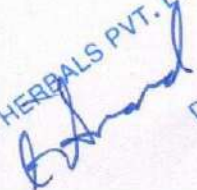
3. SHARE CAPITAL

3.1 The Share Capital of APIS Natural as on as on March 31, 2019 is as under:

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 Director



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Particulars	As at March 31, 2019 (Rs.)
Authorized Share Capital	
1,00,000 Equity Shares of Rs. 10/- each	10,00,000
Total	10,00,000
Issued, Subscribed and Paid-up	
16,040 Equity Shares of Rs. 10/-each fully paid up	1,60,400
Total	1,60,400

Subsequent to the Balance Sheet Date there is no change in the share capital of the company.

3.2 The Share Capital of Modern Herbals as on March 31, 2019 is as under:

Particulars	As at March 31, 2019 (Rs.)
Authorized Share Capital	
5,00,000 Equity Shares of Rs. 10/- each	50,00,000
Total	50,00,000
Issued, Subscribed and Paid-up	
1,63,200 Equity Shares of Rs. 10/-each fully paid up (out of which 1,62,000 Equity Shares of Rs. 10 each fully paid up issued for consideration other than cash)	16,32,000
Total	16,32,000

Subsequent to the Balance Sheet Date there is no change in the share capital of the company.

3.3 The Share Capital of APIS India as on March 31, 2019 is as under:

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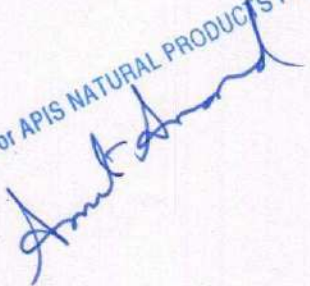
MODERN HERBALS PVT. LTD.

 Director

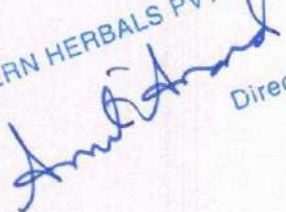
Particulars	As at March 31, 2019 (Rs.)
Authorized Share Capital	
92,00,000 Equity Shares of Rs. 10/- each	9,20,00,000
3,50,000 4% Non-Convertible, Non-Cumulative, Redeemable Preference shares of Rs. 100/- each	3,50,00,000
Total	12,70,00,000
Issued, Subscribed and Paid-up	
55,10,076 Equity Shares of Rs. 10/-each fully paid up	5,51,00,760
Total	5,51,00,760

Further APIS India has issued 350,000 4% Non-Convertible Non-Cumulative, Redeemable Preference Shares ('NCNCRPS') of Rs. 100/- each. 1,55,000 NCNCRPS have been issued to APIS Natural and 1,95,000 NCNCRPS have been issued to Modern Herbal.

Subsequent to the Balance Sheet Date there is no change in the share capital of the company.

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PART - II

AMALGAMATION OF THE AMALGAMATING COMPANIES WITH THE
AMALGAMATED COMPANY

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

4.1 With effect from the Appointed Date or such other date as may be fixed or approved by the NCLT or any other appropriate authority and upon the Scheme becoming effective, the entire business and whole of the undertaking(s), property and liabilities of the Amalgamating Companies shall, pursuant to the provisions of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, and pursuant to the order of the NCLT or other appropriate authority, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and / or deemed to be transferred to and vested in the Amalgamated Company, so as to become the properties and liabilities of the Amalgamated Company in accordance with Section 2(1B) of the Income Tax Act, 1961.

4.2 Without prejudice to the generality of the above said Clause:

- i. With effect from the Appointed Date, all the assets, rights and properties of the Amalgamating Companies (whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, present or future, existing or contingent, tangible or intangible) of whatsoever nature and wheresoever situate, of or belonging to or in the possession or control of the Amalgamating Companies, as on the Appointed Date including but not limited to data processing equipment, computers and servers, computer software, furniture and fixtures, investments, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, any registrations, copyrights, permits, approvals, all rights or title or interest in property(ies) by virtue of any court order or decree, contractual arrangement, allotment, grant, lease, possession or otherwise, memorandum of understandings, tenancy rights, hire purchase contracts, lending contracts, permissions, incentives, tax registrations, advance tax credit, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or

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vested in or granted in favour of or enjoyed by the Amalgamating Companies, industrial and other licenses, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, computer programs, manuals, data, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever, shall under the provisions of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and any other applicable provisions of the Act, and pursuant to the order of the NCLT or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges, if any affecting the same, as on the Effective Date be transferred to and / or deemed to be transferred to and vested in the Amalgamated Company, so as to become the properties and assets of the Amalgamated Company.

- ii. With respect to such assets and properties of the Amalgamating Companies as on the Effective Date, as are movable in nature and are capable of transfer by physical delivery or endorsement and delivery or novation and delivery, including cash in hand, the same shall be so transferred to the Amalgamated Company and deemed to have been handed over by physical delivery or by endorsement and delivery or novation and delivery, as the case may be, to the Amalgamated Company to the end and intent that the property and benefit therein passes to the Amalgamated Company with effect from the Appointed Date.
- iii. In respect of the movable assets owned by the Amalgamating Companies as on the Effective Date, other than those mentioned in Clause ii. above, including actionable claims, sundry debtors, outstanding loans, advances, whether recoverable in cash or kind or for value to be received and deposits, if any, with the local and other authorities, body corporate(s), customers etc., the Amalgamating Companies shall, if so required by the Amalgamated Company, and / or the Amalgamated Company may, issue notices or intimations in such form as the Amalgamated Company may deem fit and proper, stating that pursuant to the NCLT having sanctioned this Scheme, the debt, loan, advance or other asset, be paid or made good or held on account of the Amalgamated Company, as the person entitled thereto, to the end and intent that the right of the

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Amalgamating Companies to recover or realize the same stands transferred to the Amalgamated Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

- iv. All assets and properties which are acquired by the Amalgamating Companies on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of the Amalgamated Company and shall under the provisions of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to be transferred to and vested in the Amalgamated Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and all other applicable provisions of the Act, provided however that no onerous asset shall have been acquired by the Amalgamating Companies after the Appointed Date without the prior written consent of the Amalgamated Company.
- 4.3 With effect from the Appointed Date, all debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of the Amalgamating Companies shall be transferred or be deemed to have been transferred to the Amalgamated Company, to the extent they are outstanding on the Effective Date, without any further act, deed, matter or thing and the same shall be assumed by the Amalgamated Company so as to become, on and from the Appointed Date, the liabilities and obligations of the Amalgamated Company on the same terms and conditions as were applicable to the Amalgamating Companies. The Amalgamated Company shall undertake to meet, discharge and satisfy the same and further 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 and obligations have arisen in order to give effect to the provisions of this Clause.
- 4.4 Where any of the debt, liabilities (including contingent liabilities), duties and obligations of the Amalgamating Companies as on the Appointed Date, deemed to be transferred to the Amalgamated Company, have been discharged by the Amalgamating Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Amalgamated Company, and all loans raised and used and all liabilities and obligations incurred by the Amalgamating Companies after the Appointed Date and prior to the Effective

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Date shall be deemed to have been raised, used or incurred for and on behalf of the Amalgamated Company, and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing shall stand transferred to the Amalgamated Company and shall become the liabilities and obligations of the Amalgamated Company on same terms and conditions as were applicable to the Amalgamating Companies. The Amalgamated Company shall undertake to meet, discharge and satisfy the same and further 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 loans and liabilities have arisen in order to give effect to the provisions of this Clause.

4.5 Loans, advances and other obligations (including any guarantee, letter of credit, letter of comfort or any other instrument or arrangements which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Amalgamating Companies and the Amalgamated Company, shall stand discharged and there shall be no liability in that behalf on either party.

5. CONSIDERATION

5.1 Upon this Scheme becoming effective and in consideration for the transfer and vesting of the undertaking comprising of assets and liabilities of the Amalgamating Companies into the Amalgamated Company, the Amalgamated Company shall, without any further application or deed, issue and allot Equity Shares to Equity shareholders of the Amalgamating Companies or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title, as may be recognized by the Board of Directors or its committee thereof of the Amalgamated Company and approved by them, and whose names appear in the Register of Members of the Amalgamating Companies on the Record Date, equity shares in its share capital at par, (hereinafter referred as New Equity Shares) in the following proportion:

i. 59,220 (Fifty Nine Thousand Two Hundred Twenty) fully paid up Equity Shares of the face value of Rs. 10/- (Rupees Ten) each credited as fully paid up in the share capital of the Amalgamated Company in the proportion of the number of equity shares held by the shareholders in the Amalgamating Company 1.

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[Signature]
Director



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[Signature]
Director

- ii. 143,820 (One Lakh Forty Three Thousand Eight Hundred Twenty) fully paid up Equity Shares of the face value of Rs. 10/- (Rupees Ten) each credited as fully paid up in the share capital of the Amalgamated Company in the proportion of the number of equity shares held by the shareholders in the Amalgamating Company 2.
- iii. In case any shareholder's holding in Amalgamating Company 1 or Amalgamating Company 2 is such that the shareholder becomes entitled to a fraction of an equity share of the Amalgamated Company, the Amalgamated Company shall not issue fractional shares to such shareholder(s) but shall instead consolidate all such fractional entitlements to which such shareholder(s) may be entitled on the issue and allotment of the New Equity Shares of the Amalgamated Company pursuant to clause (i) and (ii) above, and thereupon the Amalgamated Company shall issue and allot the consolidated number of equity share(s) to Ms. Prem Anand, who is currently a shareholder of the Amalgamating Companies and the Amalgamated Company. However, in no event, the number of New Equity Shares to be allotted by the Amalgamated Company to the shareholders of the Amalgamating Companies shall exceed the total number of equity shares held by the Amalgamating Companies in the Amalgamated Company.
- 5.2 The New Equity Shares in the Amalgamated Company, to be issued to the members of the Amalgamating Companies pursuant to Clause 5.1 above, shall be subject to the Memorandum and Articles of Association of the Amalgamated Company and shall rank pari passu, with the existing equity shares of the Amalgamated Company.
- 5.3 Upon New Equity Shares being issued and allotted by the Amalgamated Company to the shareholders of the Amalgamating Companies, in accordance with clause 5.1 above, the investment held by the Amalgamating Companies in the share capital of the Amalgamated Company shall, without any further application, act, instrument or deed stand cancelled. The shares held by the Amalgamating Companies in dematerialized form shall be extinguished, on and from such issue and allotment of New Equity Shares.
- 5.4 Such reduction of share capital of Amalgamated Company as provided in Clause 5.3 above shall be effected as an integral part of the Scheme and the orders of the NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 of the Companies Act, 2013 and any other applicable provisions of the Act confirming the reduction.

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- 5.5 Upon New Equity Shares being issued and allotted by the Amalgamated Company to the members of the Amalgamating Companies, in accordance with Clause 5.1, the share certificates, if any, in relation to the shares held by the said members in the Amalgamating Companies shall be deemed to have been cancelled and extinguished and be of no effect on and from such issue and allotment.
- 5.6 New Equity Shares to be issued by the Amalgamated Company pursuant to Clause 5.1 above shall be issued in dematerialized form by the Amalgamated Company. In that relation, the members of the Amalgamating Companies shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event any member has not provided the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required or if the details furnished by any member do not permit electronic credit of the shares of the Amalgamated Company, then the Amalgamated Company shall issue New Equity Shares in physical form to such member or members.
- 5.7 New Equity Shares of the Amalgamated Company issued in terms of Clause 5.1 of this Scheme will be listed and/ or admitted to trading on the BSE where the shares of the Amalgamated Company are listed and/ or admitted to trading in terms of the Listing Agreement.
- 5.8 The Amalgamated Company 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 the said Stock Exchange. On such formalities being fulfilled the said Stock Exchange shall list and/ or admit such New Equity Shares for the purpose of trading.
- 5.9 The issue and allotment of equity shares by the Amalgamated Company to the members of the Amalgamating Companies pursuant to Clause 5.1 above is an integral part of this Scheme.
- 5.10 The approval of this Scheme by the members of the Amalgamated Company shall be deemed to be due compliance of the provision 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 by the Amalgamated Company to the members of the Amalgamating Companies, as provided in this Scheme.

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Director



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Director

6. ACCOUNTING TREATMENT

With effect from the Appointed Date and upon the Scheme becoming effective, the Amalgamated Company shall account for the amalgamation of the Amalgamating Companies in its books of accounts as per the 'Pooling of Interest Method', as described in Appendix C of Indian Accounting Standard (IND AS) – 103 "Business Combination" notified under Section 133 of the Act read with relevant rules issued thereunder, such that:

- 6.1 The investments in the equity share capital of the Amalgamated Company as appearing in the books of accounts of the Amalgamating Companies shall stand cancelled.
- 6.2 The investments in preference shares capital of the Amalgamated Company as appearing in the books of accounts of the Amalgamating Companies shall stand cancelled.
- 6.3 The Amalgamated Company shall record all the assets and liabilities of the Amalgamating Companies, vested in the Amalgamated Company pursuant to this Scheme, at their existing carrying amounts.
- 6.4 The Amalgamated Company shall credit the aggregate face value of equity shares issued by it to the members of the Amalgamating Companies pursuant to Clause 5.1 of this Scheme to its Equity Share Capital Account in its books of accounts.
- 6.5 The excess or shortfall of Net Assets of the Amalgamating Companies as per clause 6.3 over the amount credited by the Amalgamated Company to the Share Capital Account as per Clause 6.4 and adjusted for cancellation of the investments in the equity share capital and preference share capital of the Amalgamated Company as mentioned in Clause 6.1 and 6.2, would be recorded as Capital Reserve.
- 6.6 In case of any difference in accounting policy between the Amalgamating Companies and the Amalgamated Company, the accounting policies followed by the Amalgamated Company will prevail and the difference will be quantified and adjusted in the Capital Reserve recorded in accordance with Clause 6.5 above, to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy.

7. INCREASE IN AUTHORISED SHARE CAPITAL OF THE AMALGAMATED COMPANY

- 7.1 Upon the Scheme becoming effective, the authorized share capital of the Amalgamated Company in terms of its Memorandum of Association and Articles of

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Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Amalgamated Company by the authorized share capital of the Amalgamating Company 1 of Rs. 10,00,000 (Rupees Ten Lakhs) and the Amalgamating Company 2 of Rs 50,00,000 (Rupees Fifty lakhs) and the Memorandum of Association and Articles of Association of the Amalgamated Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution(s) under Section 13, 14 and 61 of the Companies Act, 2013 and other applicable provisions of the Act, would be required to be separately passed and for this purpose the stamp duties and fees paid on the authorized share capital of the Amalgamating Companies shall be utilized and applied to the increased authorized share capital of the Amalgamated Company and no payment of any extra stamp duty and / or fee shall be payable by the Amalgamated Company for increase in the authorized share capital to that extent.

7.2 Further, the authorized share capital of Rs. 3,50,00,000 (Rupees Three Crores Fifty Lakhs) divided into 3,50,000 (Three Lakhs Fifty Thousand) 4% NCNCRPS of Rs. 100 each of the Amalgamated Company shall stand reclassified as authorized share capital of Rs. 3,50,00,000 (Rupees Three Crores Fifty Lakhs) divided into 35,00,000 (Thirty Five Lakhs) equity shares of Rs. 10 each of the amalgamated Company.

7.3 Accordingly, in terms of the Scheme, the authorized share capital of the Amalgamated Company shall stand enhanced to an amount of Rs. 13,30,00,000/- (Rupees Thirteen Crores Thirty Lakhs) divided into 1,33,00,000 (One Crore Thirty Three Lakhs) equity shares of Rs. 10/- (Ten) each . The Capital clause being Clause V of the Memorandum of Association of the Amalgamated Company shall stand substituted to read as follows:

"The Authorized Share Capital of the Company is Rs. 13,30,00,000/- (Rupees Thirteen Crores Thirty Lakhs) divided into 1,33,000 (One Crore Thirty Three Lakhs) equity shares of Rs. 10/- (Ten) each."

7.4 Pursuant to this Scheme, the Amalgamated Company shall file the requisite forms with the Registrar of Companies, National Capital Territory of Delhi or any other applicable authority for such increase of the authorized share capital.

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Director



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Director

8. STAFF, WORKMEN AND EMPLOYEES

- 8.1 On the Scheme becoming effective, all staff, workmen and employees of the Amalgamating Companies in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Amalgamated Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Amalgamated Company shall be the same as their existing terms of employment in the Amalgamating Companies, on the Effective Date.
- 8.2 It is expressly provided that, on the Scheme becoming effective, Provident Fund, Gratuity Account, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of the Amalgamating Companies shall be transferred to and shall get consolidated with the corresponding funds or accounts of the Amalgamated Company. The Amalgamated Company shall have the obligation to make contributions to the said Fund or account or Funds or accounts in accordance with the provisions thereof or as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Amalgamating Companies in relation to such Fund or account or Funds or accounts shall become those of the Amalgamating Companies. It is clarified that the services of the staff, workmen and employees of the Amalgamating Companies will be treated as having been continuous for the purpose of the said Fund or account or Funds or accounts. Until such time that the Amalgamated Company creates or arranges for its own funds or accounts, the Amalgamated Company may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Amalgamating Companies to the relevant fund or accounts of the Amalgamating Companies. Such contributions and other balances pertaining to the employees of the Amalgamating Companies shall be transferred to the funds or accounts created by the Amalgamated Company on creation of relevant funds or arrangements or accounts by the Amalgamated Company.

9. LEGAL PROCEEDINGS

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Director

- 9.1 All legal proceedings of whatsoever nature by or against the Amalgamating Companies, pending and / or arising on or after the Appointed Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in the Scheme but shall be continued and enforced by or against the Amalgamated Company as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Companies.
- 9.2 The Amalgamated Company undertakes to have all legal and / or other proceedings initiated by or against the Amalgamating Companies referred to in Clause 9.1 above, transferred in its name and to have the same continued, prosecuted and enforced by or against the Amalgamated Company, to the exclusion of the Amalgamating Companies.
- 9.3 After the Effective Date, the Promoters undertake to keep harmless and indemnify and keep indemnified from time to time the Amalgamated Company from and against any contingent liabilities and obligations relating to the Amalgamating Companies including all demands, claims, suits, proceedings and the like which have, shall or may be made or instituted by any person, authority, Government of India, firm, company, body corporate or organization against the Amalgamated Company, directly relating to the Amalgamating Companies and / or against any financial liability/claim that may arise against the Amalgamated Company by virtue of transfer and vesting of the Amalgamating Companies into the Amalgamated Company under and pursuant to this Scheme.

10. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC

- 10.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements, insurance policies, indemnities, guarantees and other instruments of whatsoever nature in relation to the Amalgamating Companies, or to the benefit of which the Amalgamating Companies may be eligible, and which are subsisting or having effect on or immediately before the Effective Date, shall be in full force and effect, on or against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Companies, the Amalgamated Company had been a party or beneficiary or obligee thereto or thereunder.

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10.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, power of attorney, if any given by, issued to or executed in favour of the Amalgamating Companies shall stand transferred to the Amalgamated Company, as if the same were originally given by, issued to or executed in favour of the Amalgamated Company, and the Amalgamated Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Amalgamated Company. The Amalgamated Company shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

10.3 The Amalgamated Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Amalgamating Companies to which the Amalgamating Companies are parties in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Companies and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Amalgamating Companies.

11. OTHER ENTITLEMENTS

11.1 All cheques and other negotiable instruments, payment orders received in the name of the Amalgamating Companies after the Effective Date shall be accepted by the bankers of the Amalgamated Company and credited to the account of the Amalgamated Company. Similarly, the bankers of the Amalgamated Company shall honour cheques issued by the Amalgamating Companies, which are presented after the Effective Date.

11.2 Upon the coming into effect of this Scheme the resolutions, if any, of the Amalgamating Companies, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Amalgamated Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable

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provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Amalgamated Company.

12. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

With effect from the Appointed Date and upto and including the Effective Date:

12.1 The Amalgamating Companies undertake to preserve and carry on the business with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:

- i. if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the NCLT; or
- ii. if the same is expressly permitted by this Scheme; or
- iii. if prior written consent of the Board of Directors or its committee thereof of the Amalgamated Company has been obtained.

12.2 The Amalgamating Companies shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest of the Amalgamating Companies for and on account of, and in trust for the Amalgamated Company.

12.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes, if any, thereon), by the Amalgamating Companies, shall for all purposes, be treated as the profits or cash or losses, of the Amalgamated Company.

12.4 All accretions and depletions to the Amalgamating Companies shall be for and on account of the Amalgamated Company.

12.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by the Amalgamating Companies shall be deemed to have been exercised by the Amalgamating Companies for and on behalf of, and in trust for and as an agent of the Amalgamated Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Amalgamating Companies that have been undertaken or discharged by the Amalgamating Companies, shall be deemed to have been undertaken for and on behalf of and as an agent for the Amalgamated Company.

12.6 The Amalgamating Companies shall not vary the terms and conditions of service of its employees except in the ordinary course of its business.

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Director

13. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Amalgamating Companies, pursuant to this Scheme, and the continuance of the legal proceedings by or against the Amalgamated Company shall not affect any transactions or proceedings already completed by the Amalgamating Companies, on and after the Appointed Date, to the end and intent that the Amalgamated Company accepts all acts, deeds and things done and executed by and / or on behalf of the Amalgamating Companies, as acts, deeds and things done and executed by and / or on behalf of the Amalgamated Company.

14. DISSOLUTION OF THE AMALGAMATING COMPANIES

On the Scheme becoming effective, the Amalgamating Companies shall without any further act or deed stand dissolved without being wound up.

15. TREATMENT OF TAXES

15.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by the Amalgamating Companies from the Appointed Date onwards shall be treated as the tax liability of the Amalgamated Company. Similarly, all credits for tax deduction at source on income of the Amalgamating Companies shall be given to the Amalgamated Company or obligation for deduction of tax at source on any payment made by or to be made by the Amalgamated Company shall be made or deemed to have been made and duly complied with if so made by the Amalgamating Companies. Similarly, any advance tax payment required to be made by specified due dates in the tax laws shall also be deemed to have been made correctly if so made by the Amalgamating Companies.

15.2 All taxes of any nature, duties, cesses or any other like payment or deductions made by the Amalgamating Companies to any statutory authorities such as Income Tax, GST, Sales Tax, Service Tax etc. or any tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or paid by the Amalgamated Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the passing of the orders on this Scheme by the NCLT and upon relevant proof and documents being provided to the said authorities.

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15.3 Upon the Scheme becoming effective, the Amalgamated Company is also expressly permitted to revise its income tax, withholding tax, service tax, sales tax/ value added tax and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme. The Amalgamated Company shall be entitled to refund and/or set off all amounts paid by either of the Amalgamating Companies or the Amalgamated Company under Income Tax, GST, Value Added Tax or any other disputed amount under appeal, if any, upon this scheme being effective.

[Handwritten Signature]
APIS INDIA LTD.
New Delhi

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Director

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Director

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PART – III
GENERAL TERMS AND CONDITIONS

16. APPLICATION TO NCLT

The Amalgamating Companies and the Amalgamated Company shall, with all reasonable dispatch, make applications or petitions under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Act to the NCLT or any other appropriate authority, for sanction of this Scheme under the provisions of law.

17. COMPLIANCE WITH SEBI REGULATIONS

The Transferee Company will comply with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listing Agreement, SEBI Regulations, SEBI Circulars and other applicable provisions, if any, in connection with this Scheme and other connected matters.

18. APPROVAL OF THE SCHEME THROUGH E-VOTING

The approval of shareholders of the Amalgamated Company shall be obtained through a Special Resolution passed through e-Voting (after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution), The Scheme shall be acted upon only if the votes cast by public shareholders in favour of the proposal are more than the number of votes cast by public shareholders against it in accordance with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 read with SEBI Circular No. CFD/DIL3/CIR/2017/26 dated 23rd March 2017 and CFD/DIL3/CIR/2018/2 dated 3rd January 2018 subject to modification, if any, in accordance with any subsequent circulars and amendment that may be issued by SEBI from time to time.

19. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

19.1 The Amalgamating Companies and the Amalgamated Company, by their respective Board of Directors (or committees of their respective Board of Directors) may assent to any modifications / amendments to the Scheme or to any conditions or limitations that the NCLT and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by their respective

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Board of Directors (or committees of their respective Board of Directors). The Amalgamating Companies and the Amalgamated Company, by their respective Board of Directors (or committees of their respective Board of Directors), be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.

19.2 The term 'any other appropriate Authority' referred to in the Clause 19.1 above, shall specifically include the Stock Exchanges with which the shares of the Amalgamated Company are listed and with which the Amalgamated Company will file a copy of the Scheme under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement with the Stock Exchange.

20. CONDITIONALITY OF THE SCHEME

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

- 20.1 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 the Amalgamating Companies and the Amalgamated Company, as prescribed under the Act and as may be directed by the NCLT or any other appropriate authority as may be applicable.
- 20.2 The sanction of this Scheme by the NCLT or any other appropriate authority under Sections 230 to 232 read with Section 66 and other applicable provisions, if any of the Act in favour of the Amalgamating Companies and the Amalgamated Company.
- 20.3 Certified or authenticated copy of the order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, National Capital Territory of Delhi and Registrar of Companies, Chandigarh by the Amalgamating Companies and the Amalgamated Company.
- 20.4 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.

21. SEVERABILITY

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If any provision of this Scheme is found to be unworkable for any reason whatsoever or unenforceable under the present or future Laws, then subject to the decision of the Amalgamating Companies and the Amalgamated Company, such part shall be severable from the remainder of this Scheme and shall not affect the validity or implementation of the other parts and/or provisions of this Scheme.

22. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 20 not being obtained and / or the Scheme not being sanctioned by the NCLT or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Promoters and / or the Amalgamating Companies shall bear and pay costs, charges and expenses for and or in connection with the Scheme.

23. SETTLEMENT OF DIFFERENCE OR ISSUE THROUGH ARBITRATION

If any doubt or difference or issue arise between the parties hereto or any of their shareholders, creditors, employees and any other person as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability vested under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to arbitration of a sole arbitrator appointed by the consent of all the parties and law of arbitration, as in force shall apply.

24. COSTS, CHARGES AND EXPENSES

On sanction and approval of the Scheme by the NCLT or such other appropriate authority, if any, all costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating Companies and the Amalgamated Company arising out of or incurred in carrying out and implementing this Scheme (including in relation to issuance of shares by the Amalgamated Company) and matters incidental thereto shall be borne by the Promoters and / or the Amalgamating Companies.

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Director

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