SCHEME OF MERGER BY ABSORPTION

FUJISAN TECHNOLOGIES LIMITED

TRANSFEROR COMPANY

AND

THACKER AND COMPANY LIMITED

TRANSFEREE COMPANY

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER

This Scheme of Merger by Absorption ("Scheme of Merger" or "the Scheme") is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment(s) or amendment(s) thereof), as may be applicable, for the Merger by Absorption of Fujisan Technologies Limited (hereinafter referred to as 'Transferor Company') with Thacker and Company Limited (hereinafter referred to as 'Transferee Company') and dissolution of Transferor Company without winding up.

CERTIFIED TRUE COPY
For Thacker And Co. Ltd.
Company Secretary

Thacker And Company Limited
Mumbai

Parts of the Scheme:

The Scheme of Merger by Absorption is divided into following three parts:

(i) **Part I** – Deals with the Description of Companies, Rationale of the scheme, definitions, interpretations and share capital;

(ii) **Part II**– Deals with Merger by Absorption of Fujisan Technologies Limited with Thacker and Company Limited;

(iii) **Part III** – Deals with the General Clauses, the dissolution of the Transferor Company and Terms and Conditions applicable to the Scheme.

PART I

A. Description of the Companies:

i. Transferor Company

FUJISAN TECHNOLOGIES LIMITED ("**FUJISAN**" or "**Transferor Company**") is a company incorporated on 8th July, 2004 under the Companies Act, 1956 under the name Fujisan Technologies Private Limited. The company was converted to a Public Limited Company on 17th April, 2007 and renamed as Fujisan Technologies Limited. The registered office of the Transferor Company is at Bhogilal Hargovindas Building Mezzanine Floor, 18/20, K. Dubhash Marg, Mumbai City – 400001, Maharashtra, India [CIN: U30007MH2004PLC147380]. The Transferor Company is engaged in the business of buying, selling, importing, exporting, manufacturing, processing, assembling, designing, developing, marketing or otherwise carry on agency business in all kind of computers, digital diaries, computer peripherals including floppy disc drives, hard disc drives, floppy disc, CDs, CD readers and writers, printers, all kinds of monitors, computer accessories and all kinds of electric and electronic equipment pertaining to computer systems, data storing and data processing devices. The Transferor Company is a wholly owned subsidiary of the Transferee Company.

ii. Transferee Company

THACKER AND COMPANY LIMITED ("**Transferee Company**") is a public limited company incorporated under the Indian Companies Act, 1866. The registered office of the Transferee Company is at Bhogilal Hargovindas Building Mezannine Floor, 18/20, K. Dubhash Marg Mumbai city 400001, Maharashtra India [CIN: L21098MH1878PLC000033]. The Transferee is engaged in the business of real estate activities with own or leased property and other financial activities. The Company has presence

Thacker And Company Limited Mumbai

in India. The equity shares of the Transferee Company is listed on the BSE Limited ("BSE")

B. Rationale of the Scheme:

In order to consolidate and effectively manage the business of the Transferor Company and Transferee Company in a single entity, which will provide several benefits including synergy, economies of scale, attain efficiencies and cost competitiveness, it is intended that the Transferor Company be merged with Transferee Company, which would interalia have following benefits:

(a) The Transferor Company is a wholly-owned subsidiary of the Transferee Company, so merger will help to consolidate the entities.

(b) The merger will lead to greater efficiency in the overall combined business including economies of scale, efficiency of operations, operational rationalization, organizational efficiency, cash flow management and unfettered access to cash flow generated by the combined business which can be deployed more effectively for the purpose of development of businesses of combined entity and their growth opportunities, eliminate inter corporate dependencies, minimize administrative compliances and to maximise shareholder value.

(c) The merger will result in reduction in overheads including administrative, managerial and other expenditure, and optimal utilization of resources by elimination of unnecessary duplication of activities and related costs. It will also result in a reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by the Transferor Company and the Transferee Company.

The Thacker And Company Limited Mumbai

(d) The merger would motivate employees of the Transferor Company by providing better opportunities to scale up their performance with a listed corporate entity having large resources and assets base etc. which will boost employee morale and provide to better corporate performance ultimately enhancing shareholder value.

The proposed corporate restructuring mechanism by way of a scheme of merger by absorption under the provisions of the Companies Act, 2013 is beneficial, advantageous and not prejudicial to the interests of the shareholders, creditors and other stakeholders of the companies involved.

C. DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1) Definitions and Interpretation

In this Scheme, unless repugnant to the meaning or context thereof, (i) terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme and (ii) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the following meanings:

1.1. **'Act'** or **'the Act'** means the Companies Act, 2013 and Rules, regulations, orders, circulars and notifications made thereunder including any statutory modifications, re-enactments or amendments thereof for the time being in force.

1.2. **'Applicable Law(s)'** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.

Thacker And Company Limited Mumbai

1.3. **'Appointed Date'** means the 1st day of April, 2022 or such other date as may be directed or approved by the Hon'ble National Company Law Tribunal or any other appropriate authority.

1.4. **'Appropriate Authority'** means any governmental, statutory, regulatory, departmental or public body or authority of India including Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, the Hon'ble National Company Law Tribunal.

1.5. **"Board of Directors" or "Board"** in relation to the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised or individuals authorized for the purposes of matters pertaining to the merger, this Scheme and/or any other consequential or incidental matter relating thereto;

1.6. '**Effective Date**' means the last of the dates on which certified copies of the orders of the Hon'ble National Company Law Tribunal, Mumbai are filed with the Registrar of Companies (RoC), Mumbai;

1.7. **"Employees"** means all the permanent employees of the Transferor Company who are on the pay-roll of the Transferor Company as on the Effective Date;

1.8. **"Encumbrance"** means any mortgage, pledge, equitable interest, assignment by way of security, any other security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or

limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of setoff, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same and the term "Encumbered" shall be construed accordingly;

1.9. "**Governmental Authority**" means (i) a national or state government, political subdivision thereof; (ii) an instrumentality, board, commission, court, or agency, whether civilian or military, of any of the above, however constituted; and (iii) a government-owned/ government-controlled association, organization in the Republic of India;

1.10. '**Scheme**' or '**the Scheme**' or '**this Scheme**' or '**the Scheme of Merger**' means this Scheme of Merger by Absorption in its present form as submitted to the Hon'ble National Company Law Tribunal, Mumbai with any modification(s) made under Clause 23 of the Scheme as approved, imposed or directed by the Hon'ble Tribunal or such other competent authority, as may be applicable and accepted by the Parties thereto.

1.11. '**SEBI**' means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

1.12. '**SEBI Circular**' shall mean the circular issued by the SEBI, being Circular CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, and any amendments thereof ;

1.13. '**Stock Exchange**' means the BSE Limited ("BSE").

1.14. **'Transferor Company'** means FUJISAN TECHNOLOGIES LIMITED, a company incorporated on 8th July, 2004 under the Companies Act, 1956 bearing CIN: U30007MH2004PLC147380.

1.15. **'Transferee Company'** means THACKER AND COMPANY LIMITED, a public limited company incorporated under the Indian Companies Act, 1866 bearing CIN: L21098MH1878PLC000033.

1.16. **'Tribunal'** means the Hon'ble National Company Law Tribunal, Mumbai Bench (hereinafter referred to as "the Tribunal") as constituted and authorized as per the applicable provisions of the Companies Act, 2013 and the proceedings initiated under Sections 230 to 232 of the Companies Act, 2013.

1.17. **"Undertaking"** means all the undertakings and entire business, activities and operations of the Transferor Company, as a going concern, including, without limitation:

a. all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company, whether situated in India or abroad, including, without limitation, all land whether freehold or leasehold or otherwise, buildings and structures, offices, branches, residential and other premises, right-of-use assets, capital work-in-progress, machines and equipment, furniture & fixtures, office equipment, computers, plant & machinery, gross block of premises, information technology equipment, laptops, server, vehicles, appliances, accessories, power lines, stocks, deferred tax assets,

Thacker And Company Limited Mumbai

income tax assets (Net) current assets (including inventories, sundry debtors, bills of exchange, loans and advances, security deposit, accrued interest receivables, advances, prepaid expenses, input GST/service tax/excise recoverable), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances in current account, term deposit with bank, debit balance in Overdraft account, cash on hand), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate 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 or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or

held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

b. all permits, quotas, rights, entitlements, industrial and other licences, contracts, agreements, bids, tenders, letters of intent, expressions of interest, memorandums of understanding, offer letters, approvals, consents, subsidies, privileges, lease rights, Leave and License Agreement and other benefits (including tax benefits), incentives deductions, exemptions, rebates, allowances, amortization, credits (including tax credits), Minimum Alternate Tax Credit ("MAT Credit"), dividend distribution tax credit, Foreign Tax Credit, deferred tax, tax deducted at source, tax collected at source and advance tax payment, entitlement if any, tax losses and exemptions in respect of the profits of the undertaking of the Transferor Company for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the merger pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, the input credit balances (including, State Goods & Service Tax ("SGST"), Integrated Goods and Services Tax ("IGST") and Central Goods and Service Tax ("CGST") credits) under the Goods and Service Tax ("GST") laws, CENVAT/ MODVAT credit balances under Central Excise Act, 1944, sales tax law, duty drawback claims, rebate receivables, refund and advance, all customs duty benefits and exemptions, export and import incentives and benefits or any other benefits/ incentives/ exemptions/ given under any policy announcements issued or promulgated by the government of India or state government or any other government body or authority or any other like benefits under

Thacker And Company Limited Mumbai

any statute) receivables and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever provisions and benefits of all agreements (including Leave and License Agreement), contracts and arrangements and all other interests in connection with or relating to the Transferor Company, whether or not so recorded in the books of accounts of the Transferor Company;

c. all debts, borrowings, obligations, duties and liabilities, both present and future, current and non-current (including deferred tax liabilities, contingent liabilities and the Liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company; and

d. all trade and service names and marks, patents, copyrights, goodwill, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company.

e. All staff and Employees and other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to its

The Jacker And Company Limited Mumbai

employees, with respect to the payment of gratuity, superannuation, pension benefits and the provident fund or compensation or benefits, if any, in the event of resignation, death, voluntary retirement or retrenchment or otherwise.

f. Any statutory licenses including relevant licences of Transferor Company, permissions, registrations or approvals or consents held by the Transferor Company required to carry on the operations.

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 or any statutory modification or re-enactment thereof for the time being in force.

References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.

The headings herein shall not affect the construction of this Scheme.

Unless the context otherwise requires:

i. the singular shall include the plural and vice versa, and references to one gender include all genders.
ii. references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).
iii. reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law,

Thacker And Company Limited Mumbai

provision, rule or regulation as it may, from time to time, be amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.

2) DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form with or without any modification(s) approved or imposed or directed by the Hon'ble Tribunal or any other competent authority, or made as per the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

Any references in the Scheme to 'upon the Scheme becoming effective' or 'upon this Scheme becoming effective' or 'effectiveness of the Scheme' shall mean the Effective Date.

3) SHARE CAPITAL

3.1. The share capital of Transferor Company as at 31st March, 2022 is as under:

Particulars	**Amount (Rupees)**
Authorized Capital	
100,000 Equity shares of Rs. 10 each 4,00,000 10% Non-Cumulative Preference shares of Rs. 10 each	10,00,000 40,00,000
Total	**50,00,000**
Issued, Subscribed and Paid – up Capital	
1,00,000 Equity Shares of Rs. 10 each	10,00,000

Thacker And Company Limited Mumbai

Total	**10,00,000**

The equity shares of the Transferor Company are not listed on the Stock Exchanges. The entire share capital of the Transferor Company is held by the Transferee Company including Thirty shares jointly held by Transferee Company along with six individuals. The Transferor Company is a wholly owned subsidiary of Transferee Company.

Subsequent to 31st March, 2022 and up to the date of approval of this Scheme by the Board of Transferor Company, there has been no change in the stated capital of Transferor Company.

There are no existing commitments, obligations or arrangements by the Transferor Company as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities.

3.2. The share capital of Transferee Company as at 31st March, 2022 is as under:

Particulars	**Amount (Rupees)**
Authorized Capital	
15,00,000 Equity Shares of Re.1 each	15,00,000
Total	**15,00,000**
Issued, Subscribed and Paid – up Capital	
10,87,719 Equity Shares of Re. 1 each	10,87,719
Add: Forefeited Shares (during F.Y. 2013-14)	225
Total	**10,87,944**

Tracker And Company Limited Mumbai

The equity shares of the Transferee Company are listed on BSE. Subsequent to 31st March, 2022 and up to the date of approval of this Scheme by the Board of the Transferee Company, there has been no change in the Authorised Share Capital, issued, subscribed and paid-up share capital of the Transferee Company. The Transferor Company is a wholly owned subsidiary of the Transferee Company.

There are no existing commitments, obligations or arrangements by the Transferee Company as on the date of approval of this Scheme by the Board of Directors to issue any further shares or convertible securities.

Thacker And Company Limited Mumbai

PART II

MERGER OF FUJISAN TECHNOLOGIES LIMITED WITH THACKER AND COMPANY LIMITED

4) Transfer and vesting

Upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to the sanction of this Scheme by the Tribunal or any other competent authority and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act. the entire business and whole of the Undertaking of the Transferor Company shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

5) Transfer and Vesting of Assets

5.1 Without prejudice to the generality of Clause 4 above, upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of Transferor Company of whatsoever nature and where so ever situate shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any, without any further act, instruments, deed, matter or thing, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as

Thacker And Company Limited Mumbai

and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company.

5.2 All immovable properties of the Transferor Company, if any, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise, and all documents of title, rights and easements in relation thereto shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act, instrument or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the Tribunal and upon the coming into effect of this Scheme in accordance with the terms hereof.

5.3 Without prejudice to the provisions of Clause 5.1 and 5.2 above, in respect of such of the assets and properties of the Transferor Company as are movable in nature including cash in hand or incorporeal property or are otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred or vested by the Transferor Company upon the coming into effect of this Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions

Thacker And Company Limited Mumbai

of Sections 230 to 232 of the Act, without requiring any deed or instrument of conveyance for transfer or vesting of the same.

5.4 In respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in Clause 5.3 above) including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.

5.5 All assets, rights, title, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date or from the date of

their acquisition (after the Appointed Date but before the Effective Date) as the case may be, pursuant to the provisions of Sections 230 to 232 of the Act.

5.6 Upon the coming into effect of the Scheme, and with effect from the Appointed Date, all the profits or income taxes (including but not limited to advance tax, tax deducted at source, tax collected at source, deferred tax, Foreign Tax Credits, MAT credit, dividend distribution tax), all input credit balances (including but not limited to CENVAT/MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the GST laws) or any costs, charges, expenditure accruing to the Transferor Company in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes (including but not limited Advance tax, Tax deducted at source, Tax collected at source, deferred tax, dividend distribution tax & Foreign Tax Credits), tax losses, MAT Credit, income, costs, charges, expenditure or losses of Transferee Company, as the case may be.

5.7 All licenses, permits, registrations, quotas, entitlements, approvals, permissions, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, including income tax benefits and exemptions, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and

Thacker And Company Limited Mumbai

stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions. In so far as the various incentives, subsidies, rehabilitation scheme, special status and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other person, or availed by the Transferor Company, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as applicable to the Transferor Company, as if the same had been allotted and/ or granted and/ or sanctioned and/ or allowed to the Transferee Company.

5.8 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date until such times the names of the bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of Transferor Company for such time as may be determined to be necessary by the Transferee

Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company.

6) **Contracts, Deeds and other Instruments.**

6.1 Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements (including Leave and License Agreement), schemes, arrangements, insurance, letters of Intent, memorandums of understanding, offer letters, undertaking, policies and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company concerned, the Transferee Company had been a party or beneficiary or oblige thereto or thereunder.

6.2 Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company 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 arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such

Fulcrum And Company Limited Mumbai

formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

6.3 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee 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 Transferee Company.

7) **Transfer and Vesting of Liabilities**

7.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date all debts and liabilities of the Transferor Company including all secured and unsecured debts (in whatsoever currency), liabilities (including contingent liabilities), duties and obligations of the Transferor Company of every kind, nature and description whatsoever whether present or future, and howsoever arising, along with any charge, encumbrance, lien or security thereon (herein referred to as the "Liabilities") shall, pursuant to the sanction of this Scheme by the Tribunal and under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date, so as to become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were

applicable to the Transferor Company, and the Transferee Company shall 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 Liabilities have arisen in order to give effect to the provisions of this Clause 7.

7.2 Where any such debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged by such Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.

7.3 All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

7.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time from the Appointed Date to the Effective Date

become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

8) Encumbrances

8.1 The transfer and vesting of the assets comprised in the Undertaking to the Transferee Company under Clause 4, Clause 5 and Clause 6 of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.

8.2 All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date, provided that if any of the assets of the Transferor Company have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above. Furthermore, no duty (including stamp duty), levy, cess of any nature will be payable by the Transferee Company at the time of transfer of the encumbrance, charge and/or right covered above with respect to the immovable property.

Thacker And Company Limited Mumbai

8.3 The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the Liabilities of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

8.4 Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and their respective assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

8.5 Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.

8.6 It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.

8.7 The provisions of this Clause 8 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of

Thacker And Company Limited Mumbai

sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

PART III

GENERAL CLAUSES, DISSOLUTION OF TRANSFEROR COMPANY AND TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

9) Employees of Transferor Company

9.1 Upon the coming into effect of this Scheme, all Employees of the Transferor Company shall become the employees of the Transferee Company, on same terms and conditions and shall not be less favorable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the merger of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity, superannuation and other terminal benefits, the past services of such Employees with the Transferor Company and such benefits to which the Employees are entitled in the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.

9.2 It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits (including employee stock options) that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless

Thacker And Company Limited Mumbai

otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Transferor Company with any employee of the Transferor Company.

9.3 Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund, contribution towards employee state insurance fund, labour welfare fund and any other funds or trusts created or existing or benefits created by the Transferor Company for their Employees or to which the Transferor Company is contributing for the benefit of its Employees (collectively referred to as the "Funds") are concerned, the Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Funds for the benefit of the Employees, accretions thereto and the investments made by the Funds in relation to the Employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be merged with the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Transferee Company creates its own funds, at which time the Funds and the investments and contributions pertaining to the Employees shall be merged with the funds created by the Transferee Company.

Thacker And Company Limited Mumbai

9.4 In relation to those Employees for whom the Transferor Company is making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Company as the case may be in relation to such schemes/ Funds shall become those of the Transferee Company.

10) <u>Legal, Taxation and other Proceedings</u>

10.1 Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company pending on the Effective Date shall be continued and/ or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferee Company.

10.2 If any suit, appeal, revision or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

Thacker And Company Limited

10.3 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company, Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Transferee Company.

10.4 All Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company, pending or arising as at the Effective Date, shall be continued and/or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the merger of the Transferor Company with the Transferee Company or anything contained in this Scheme.

11) <u>Conduct of Business until the Effective Date</u>

From the date on which the Boards of Directors of the Transferor Company and the Transferee Company approve this Scheme until the Effective Date:

11.1 the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all their estates, assets, rights, title, interest, authorities, contracts and investments for and on account of, and in trust for, the Transferee Company;

11.2 The Transferor Company shall carry on their business and activities with due business prudence and diligence and shall not, without prior written consent of the Transferee Company or pursuant to any preexisting obligation, sell transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with any part of their assets nor incur or

The Ticker And Company Limited Mumbai

accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of business.

11.3 all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company;

11.4 any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and

11.5 all taxes (including, without limitation, income tax, deferred tax, minimum alternate tax, dividend distribution tax, sales tax, service tax, VAT, excise and custom duties, Central Goods and Service Tax law (CGST), State Goods and Service Tax law (SGST) and Integrated Goods and Service Tax law (IGST), foreign taxes, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, deferred tax, minimum alternate tax, dividend distribution tax, sales tax, service tax, VAT, excise and custom duties, CGST, SGST, IGST, foreign taxes, etc.), whether by way of deduction at source, tax collected at source, advance tax or

Chhacker And Company Limited Mumbai

otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

11.6 If and to the extent there are inter-corporate loans, deposits or balances as between the Transferor Company and Transferee Company, the obligations in respect thereof shall, on and from the Appointed Date, shall stand cancelled and there shall be no obligation/ outstanding balance in that behalf.

11.7 Pending sanction of the Scheme, the Transferor Company shall not, except by way of issue of shares / convertible debentures to the Transferee Company, increase its capital (by fresh issue of shares, convertible debentures or otherwise).

11.8 Without prejudice to the provisions of Clauses 4 to 8 and this Clause 11, 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 from the Appointed Date.

11.9 For the avoidance of doubt, it is hereby clarified that nothing in the scheme shall prevent the Transferee Company and / or the Transferor Company from declaring and paying dividends, whether interim or final, to its equity shareholders.

11.10 For the avoidance of doubt, it is hereby further clarified that nothing in the scheme shall prevent the Transferee Company from issuance of bonus

Thacker And Company Limited Mumbai

shares, rights issue, splitting or consolidation of its shares, making investments or undertaking merger or demerger or any other mode of restructuring.

12) Consideration

The Transferor Company is a wholly owned subsidiary of Transferee Company. Accordingly, upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of the Transferee Company in the Transferor Company (held directly and jointly with individuals and the nominee shareholder) and the issued and paid-up capital of the Transferor Company shall stand cancelled on the Effective Date without any further act, instrument or deed.

13) Re-organization and Increase in Authorised Share Capital and Alteration of Memorandum of association of Transferee Company.

13.1 Upon this Scheme becoming effective, and as an integral part of the Scheme, the authorized share capital of the Transferor Company of Rs. 10,00,000/- (Rupees Ten Lakhs only) comprising of 1,00,000 (One Lakh only) Equity Shares of Rs. 10/- (Rupees Ten only) each shall be sub-divided into 10,00,000 (Ten Lakhs only) Equity shares of Re. 1/- (Rupees One Only) each amounting to Rs. 10,00,000/- (Rupees Ten Lakhs only) and Rs. 40,00,000 (Rupees Forty Lakhs Only) comprising of 4,00,000 (Four Lakhs only) 10% Non-Cumulative Preference shares of Rs. 10/- (Rupees Ten Only) each shall be sub-divided into 40,00,000 (Forty Lakhs Only) 10% Non-Cumulative Preference shares of Re. 1/- (Rupees One Only) each and the consent of the shareholders of the Transferor and Transferee Company to the Scheme, whether at a meeting or otherwise, shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14, 61 of the

Thacker And Company Limited Mumbai

Companies Act 2013 and section 232 of the Companies Act 2013 and other applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose.

13.2 As a part of this Scheme, and, upon the coming into effect of this Scheme, the authorised share capital of the Transferee Company shall automatically stand increased and modified, without any further act, instrument or deed on the part of the Transferee Company, if any, including payment of stamp duty and fees payable to Registrar of Companies, by clubbing with the Transferee Company the Authorised Share Capital of the Transferor Company which as on the Effective Date, as such fees and duties in respect of such authorized share capital of the Transferor Company have already been paid by the Transferor Company, the benefit of which stands vested in the Transferee Company upon this Scheme becoming effective as per Section 232(3)(i) of the Companies Act 2013 and no separate procedure or further resolution under Section 55 and 62 of the Act or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.

13.3 Consequent to the clubbing of the Authorised Share Capital of the Transferor Company with the Transferee Company, the Authorised Share Capital of the Transferee Company shall be increased to Rs. 65,00,000 (Rupees Sixty Five Lakhs Only) divided into 25,00,000 (Twenty Five Lakhs Only) Equity Shares of Re. 1/- each and 40,00,000 (Forty Lakhs Only) 10% Non-Cumulative Preference shares of Re. 1/- each.

13.4 The consent/resolution approving the Scheme shall be deemed to be the approval for clubbing of the Authorised Share Capital of the Transferee Company under Section 13 and other applicable provisions of the

Thacker And Company Limited Mumbai

Companies Act, 2013. The words and figures in Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall without any further act, instrument be and stand clubbed pursuant to Section 13, 14, 55, 61, 62 and 64 of the Companies Act, 2013 and other applicable provisions of the Act.

13.5 The capital clause V of the Memorandum of Association of the Transferee Company shall, as a part of and, upon the coming into effect of this Scheme and without any further act, instrument or deed, be replaced by the following clause:

MEMORANDUM OF ASSOCIATION

"V. The Authorised Share Capital of the Company is Rs. 65,00,000 (Rupees Sixty-Five Lakhs Only) divided into 25,00,000 (Twenty Five Lakhs Only) Equity Shares of Re.1/- each and 40,00,000 (Forty Lakhs Only) 10% Non-Cumulative Preference shares of Re. 1/- each

13.6 It is clarified that for the purposes of Clauses 13.1 to 13.5 above, the stamp duties and fees (including registration fee) paid on the authorised share capital of the Transferor Company shall be utilized and applied to the increased authorised share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee (including registration fee) by the Transferee Company for increase in the authorised share capital to that extent. The Transferee Company shall file requisite forms with the concerned Registrar of Companies.

14) Amendment to Memorandum of Association of the Transferee Company

Thacker And Company Limited Mumbai

i. In order to carry on the activities currently being carried on by the Transferor Company upon coming into effect of the Scheme, applicable main objects in the memorandum of association of the Transferor Company shall be added to the matters which are necessary for furtherance of the objects of the memorandum of association of the Transferee Company, to the extent such objects are not already covered by those of the Transferee Company. The objects clause as set out in **Schedule 1** shall be added to the memorandum of association of the Transferee Company.

ii. It shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant Consents under section 13 of the Act. It is clarified that there will be no need to pass a separate shareholder's resolution as required under section 13 of the Act for the amendment to the memorandum of association of the Transferee Company.

15) <u>Tax Treatment</u>

15.1 The provisions of this Scheme as they relate to the merger of Transferor Company with Transferee Company has been drawn up to comply with the conditions relating to 'amalgamation' as defined under Section 2(1B) of the (Indian) Income-tax Act, 1961 (hereinafter referred to as Income Tax Act). If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section

Thacker And Company Limited Mumbai

2(1B) of the Income-tax Act. Such modification will, however, not affect the other parts of the Scheme.

15.2 Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act irrespective of the time limits prescribed under the Income Tax Act (including for minimum alternate tax purposes, carry forward and set-off of tax losses and tax benefits), deferred tax, service tax, sales tax, VAT, excise and customs laws, as may be applicable, CGST, SGST, IGST and other tax laws and to claim refunds and/or credits for taxes paid by Transferor Company (including but not limited to minimum alternate tax, dividend distribution tax and foreign taxes), and to claim tax benefits, under the Income Tax Act and other tax laws etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.

15.3 Upon the Scheme coming into effect, all taxes (direct and/or indirect)/ cess/ duties payable by or on behalf of the Transferor Company from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with any Governmental Authority, and including the right to claim credit for minimum alternate tax, set-off and carry forward of accumulated losses, foreign taxes, deferred tax, dividend distribution tax, deferred revenue expenditure, deduction, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India and unutilized CENVAT credit, VAT credit, input tax credit for CGST, SGST and IGST etc shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims, accumulated losses and

Thakker And Company Limited Mumbai

unutilized CENVAT credits, VAT credit, CGST, SGST and IGST credits and rights to claim credit or refund etc of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns, wealth tax returns, sales tax returns, excise and CENVAT returns, service tax returns, other statutory returns, CGST returns, SGST returns, IGST returns irrespective of the time limits prescribed under the Income Tax Act and the Central Goods and Service Tax Act, 2017 and to claim refunds/ credits (including, but not limited to Foreign Tax Credit, deferred tax, dividend distribution tax and minimum alternate tax), pursuant to the provisions of this Scheme,

15.4 The Transferee Company shall also be permitted to claim refunds / credits in respect of any transaction between the Transferor Company and the Transferee Company. Without prejudice to the generality of Clause 15.3 above, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns irrespective of the time limits prescribed under the Income Tax Act and related withholding tax certificates, including withholding tax certificates, relating to transactions between the Transferor Company and the Transferee Company, and to claim refunds, advance tax and withholding tax credits, benefit of credit for minimum alternate tax (including, but not limited to any credit for foreign taxes and dividend distribution tax) and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme,

15.5 The withholding tax/ tax collected at source/ advance tax/ deferred tax/ minimum alternate tax/ dividend distribution tax, foreign taxes, if any, paid by the Transferor Company under the Income Tax Act, 1961 or any

Thacker And Company Limited Mumbai

other statute for the period commencing from the Appointed Date shall be deemed to be the tax deducted from/advance tax/ deferred tax/ dividend distribution tax/ foreign taxes paid by the Transferee Company and credit for such withholding tax/ tax collected at source/ advance tax/deferred tax/minimum alternate tax/ dividend distribution tax/ foreign taxes shall be allowed to the Transferee Company notwithstanding that certificates or challans for withholding tax/ tax collected at source/ advance tax/deferred tax/ minimum alternate tax/ dividend distribution tax/ foreign tax are in the name of the Transferor Company's and not in the name of the Transferee Company.

15.6 The service tax, VAT, sales tax, excise and custom duties under the pre – GST regime and in the GST regime, CGST, SGST and IGST paid by the Transferor Company under the Finance Act, 1994 and/ or Central Goods and Service Tax Act, Integrated Goods and Service Tax Act and Union Territory Goods and Service Tax Act in respect of services provided by the Transferor Company for the period commencing from the Appointed Date shall be deemed to be the service tax, sales tax, excise and custom duties, CGST, SGST, IGST paid by the Transferee Company and credit for such service tax CGST, SGST, IGST shall be allowed to the Transferee Company notwithstanding that challans for service tax payments, CGST payment, SGST payment, IGST payment are in the name of the Transferor Company and not in the name of the Transferee Company.

15.7 All tax assessment proceedings / appeals (including application and proceedings in relation to advance ruling) of whatsoever nature by or against the Transferor Company pending and / or arising at the Appointed Date and relating to the Transferor Company shall be continued and / or enforced until the Effective Date as desired by the Transferee Company.

Thacker And Company Limited Mumbai

As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the Merger of the Transferor Company with the Transferee Company or anything contained in the Scheme.

15.8 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company including but not limited to obligation under the Income Tax Act, Service Tax laws, Customs law, Goods and Service tax law or other applicable laws / regulations dealing with taxes / duties / levies shall be made or deemed to have been made and duly complied with by the Transferee Company.

15.9 Any refund under the Income Act, 1961 or any other Tax laws related to or due to the Transferor Company, including those for which no credit is taken as on the date immediately preceding the Effective Date, shall also belong to and be received by the Transferee Company.

16) <u>Accounting Treatment</u>

16.1 Notwithstanding anything to the contrary herein, on the coming into effect of this Scheme, the Transferee Company shall account for the Merger by Absorption of the Transferor Company in its books of accounts with effect from the Appointed Date as per "Pooling of Interest Method" provided in Appendix C of Indian Accounting Standard 103 (Business combinations of entities under common control) notified under the provisions of the Companies Act, 2013.

16.2 All assets and liabilities are taken over at carrying value of the Transferor Company by the Transferee Company except investment in Pudumjee paper product limited is taken over at cost by Transferee Company to harmonize accounting policies with Transferee Company as per Appendix C of Indian Accounting Standard - 103 (Business Combinations of entities under common control).

16.3 The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company. Except adjustment to be made in FVOCI ("Fair Value through Other Comprehensive Income"), to harmonize accounting policies with Transferee Company, investment in shares of Pudumjee paper product limited is taken at cost, to transferor as per appendix C of Indian Accounting Standard - 103 (Business Combinations of entities under common control).

16.4 If there are any loans, advances, or other obligations (including but not limited to any guarantees, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) that are due between the Transferor Company and the Transferee Company or between any of the Transferor Company inter-se, if any, shall ipso facto, stand discharged and come to end and the same shall be eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.

16.5 The financial statements of the Transferee Company will reflect the financial position on the basis of consistent accounting policies. In case of any difference in any of the accounting policies between the Transferor Company and Transferee Company, the accounting policies followed by

Thacker And Company Limited Mumbai

the Transferee Company will prevail and impact of the same as on the Appointed Date will be quantified and adjusted in the Reserve to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

16.6 In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

17) <u>Resolutions</u>

17.1 Upon the 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 deemed to have authorized any Director of the Transferee Company or such other person(s) as authorized by any two Directors of the Transferee Company to do all acts, deeds, things as may be necessary to give effect to these Resolutions, without any further acts to be done by 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.

17.2Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 180 of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Company which are being transferred to the

Mumbai

Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

18) Savings of concluded transactions

The transfer and vesting of undertaking under Clause 4 above and the continuance of proceedings by or against the Transferee Company under clause 10 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 the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

19) Dissolution of the Transferor Company

Upon the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up without any further act, instrument or deed. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

20) Conditionality to the scheme

a. The effectiveness of the Scheme is conditional upon and subject to:

   i. The requisite sanction or approval from Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, Regional Director, Official Liquidator, or any of the Government authority, statutory agencies as may be applicable or as may be directed by the Tribunal or which by law may be applicable for implementation of the Scheme.

   ii. this Scheme being approved by the respective requisite majorities of the of shareholders/creditors of the Transferor Company and the

Transferee Company if required under the Act and/ or as may be directed by the Tribunal and the requisite orders of the Tribunal being obtained.

iii. Intimations to the Stock Exchange as may be required as per SEBI circular or direction in respect of this Scheme.

iv. The certified copy of the order of the Tribunal under Section 230 to 232 and other applicable provisions of the Act sanctioning the scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by Transferor Company and Transferee Company.

b. On the approval of this Scheme by the shareholders of the Transferor Company and the Transferee Company, if required, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the merger set out in this Scheme, related matters and this Scheme itself.

21) <u>Effect of Non-Receipt of Approvals/Sanctions</u>

21.1 In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the Tribunal or such other Appropriate Authority and / or the Order not being passed as aforesaid within such period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their Board of Directors (and which the Board of Directors of the Transferor Company and Transferee Company are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation) failing which 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.

21.2 If any part of this Scheme hereof is invalid, held illegal or unenforceable, under any present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.

22) <u>Applications/Petitions to the Tribunal</u>

Transferor Company and the Transferee Company, if required shall, make applications/ petitions to the Tribunal under Section 230 to 232 and other applicable provisions, of the Act or such other authority in respect of the Transferor Company and Transferee Company, for sanctioning of this Scheme.

The Transferor Company shall take all necessary steps for sanctioning of this Scheme and for its dissolution without winding up, and apply for and obtain such other approvals, if any, required under the law.

23) <u>Modifications or amendments to the Scheme</u>

23.1 The Transferor Company and the Transferee Company, through their respective Board of Directors or authorized persons so nominated in that behalf, may assent from time to time on behalf of all the persons concerned to any modifications or amendments or additions to this Scheme subject to approval of the Tribunal or to any conditions or limitations which the Tribunal and/or any other competent authorities, if any, under the law may deem fit and approve of or impose and which the Transferor Company and the Transferee

Thacker And Company Limited Mumbai

Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise for carrying out this Scheme and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Boards of Directors, a Committee of the concerned Board or any Director or Company Secretary or any other officer, authorized in that behalf by the concerned Board of Directors (hereinafter referred to as the 'delegate').

23.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate of the Transferor Company or the Transferee Company may give and is hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties in the same manner as if the same were specifically incorporated in this Scheme.

24) <u>Costs, Charges and Expenses</u>

All costs, charges, taxes, including stamp duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company.

Schedule 1 –

The following objects clause of the Transferor Company shall be added to the main objects of memorandum of association of the Transferee Company:

To carry on the business of buying, selling, importing, exporting, manufacturing, processing, assembling, designing, developing, marketing or otherwise carry on agency business in all kind of computers, digital diaries, computer peripherals including floppy disc drives, hard disc drives, floppy disc, CDs, CD readers and writers, printers, all kinds of monitors, computer accessories and all kinds of electric and electronic equipment pertaining to computer systems, data storing and data processing devices.

CERTIFIED TRUE COPY

For Thacker And Co. Ltd.

Company Secretary

Thacker And Company Limited Mumbai