


COMPREHENSIVE SCHEME OF AMALGAMATION**BETWEEN****A.M. BROS. FINTRADE PRIVATE LIMITED****AND****DHANUKA FINVEST PRIVATE LIMITED****AND****DHANUKA AGRITECH LIMITED****AND****THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS****PREAMBLE****(A) BACKGROUND AND DESCRIPTION OF COMPANIES WHO ARE PARTIES TO THE SCHEME**

1. **A.M. Bros. Fintrade Private Limited** (hereinafter called 'AMB'), has its registered office at 31-B/12, Rajpur Road, Civil Lines, New Delhi - 110054. AMB holds equity shares of Dhanuka Agritech Limited ('DAL') and it is not listed on any stock exchange. Entire share capital and management control of AMB is with the promoters of DAL.
2. **Dhanuka Finvest Private Limited** (hereinafter called 'DFPL'), has its registered office at 861-862, Dhanuka House, Joshi Road, Karol Bagh, New Delhi-110005. DFPL is the holding company of DAL and it is not listed on any stock exchange. Entire share capital and management control of DFPL is with the promoters of DAL.
3. **Dhanuka Agritech Limited** (hereinafter called 'DAL'), has its registered office at 861-862, Dhanuka House, Joshi Road, Karol Bagh, New Delhi -

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110005. DAL is engaged in the business of manufacturing and marketing of Agro-chemical products. The equity shares of DAL are presently listed on the National Stock Exchange of India Limited (hereinafter called 'NSE') and the 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 391 to 394 read with Section 100 to 103 and other applicable provisions, if any, of the Companies Act, 1956 and corresponding sections of the Companies Act, 2013 (as and when such corresponding sections are notified in the Official Gazette by the Central Government) for amalgamation of DFPL and AMB with DAL.

DFPL and AMB hold shares in DAL and constitute the Promoter Group of DAL. DFPL holds 3,09,58,890 equity shares in DAL constituting 61.89% of DAL's paid-up equity share capital and AMB holds 55,33,350 equity shares in DAL constituting 11.06% of DAL's paid-up equity share capital. Pursuant to the proposed amalgamation of DFPL and AMB with DAL, the Trusts of individual promoters ('Promoters') would directly hold shares in DAL and there would be no holding company of DAL.

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 DAL.

There would be no change in the promoter shareholding of DAL. The promoters would continue to hold the same percentage of shares in DAL, pre and post the amalgamation of DFPL and AMB with DAL.

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 thereto shall be borne by the Promoters and/or

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DFPL and AMB. No cost, charges, taxes pertaining to the Scheme shall be borne by DAL.


Further, the Scheme also provides that Promoters shall indemnify DAL and keep DAL 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 DAL and are directly relatable to DFPL and AMB or which may devolve on DAL on account of this amalgamation.

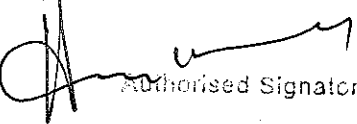
In consideration of the above mentioned rationale and related benefits, this Scheme between DFPL, AMB and DAL is being proposed in accordance with the terms set out hereunder.

(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 A.M. Bros. Fintrade Private Limited (AMB) and Dhanuka Finvest Private Limited (DFPL) with Dhanuka Agritech Limited (DAL);
3. **PART III** – General Terms and Conditions.

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PART – I

DEFINITIONS AND SHARE CAPITAL

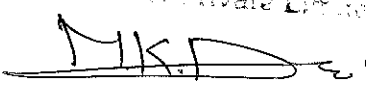
1. DEFINITIONS

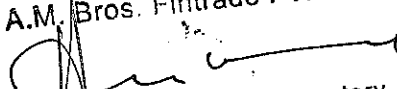
In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned therein below:

- 1.1 **“Act” or “The Act”** means the Companies Act, 1956, including the rules and regulations made thereunder and will include any statutory modifications, re-enactments and / or amendments thereof and also mean and refer to corresponding sections of the Companies Act, 2013 as and when such corresponding sections are notified in the Official Gazette by the Central Government.
- 1.2 **“Amalgamating Companies”** means Dhanuka Finvest Private Limited and A.M. Bros. Fintrade Private Limited.
- 1.3 **“AMB” or “Amalgamating Company-1”** means A.M. Bros. Fintrade Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 31-B/12 Rajpur Road, Civil Lines, New Delhi – 110054.
- 1.4 **“Appointed Date”** means January 01, 2015 or such other date as may be fixed or approved by the Hon’ble High Court of Delhi at New Delhi or National Company Law Tribunal or any other appropriate authority.
- 1.5 **“DAL” or “Amalgamated Company”** means Dhanuka Agritech Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 861-862, Dhanuka House, Joshi Road, Karol Bagh, New Delhi - 110005.
- 1.6 **“DFPL” or “Amalgamating Company-2”** means Dhanuka Finvest Private Limited, a company incorporated under the Companies Act, 1956 and having

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its registered office at 861-862, Dhanuka House, Joshi Road, Karol Bagh, New Delhi - 110005.

1.7 **"Effective Date"** means the date on which certified copy(s) of the Order of the Hon'ble High Court of Delhi at New Delhi or National Company Law Tribunal or any other appropriate authority sanctioning this Scheme are filed with the Registrar of Companies, NCT of Delhi.

1.8 **"High Court"** or **"Court"** means the High Court of Delhi at New Delhi and shall include National Company Law Tribunal ("NCLT"), if applicable.

1.9 **"Record Date"** means:

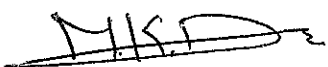
1.9.1 For the purposes of Part II of this Scheme, the date to be fixed by the Board of Directors (or its committee thereof) of the Amalgamating Company-1, Amalgamating Company-2 and the Amalgamated Company for the purpose of determining the members of the Amalgamating Company-1 and Amalgamating Company-2 to whom shares will be allotted pursuant to Clause 5.1 of this Scheme.

1.10 **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this 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.

1.11 In this Scheme, unless the context otherwise requires:

- a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- c) words in the singular shall include the plural and vice versa;
- d) any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date; and
- e) 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

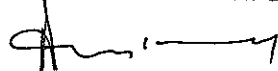
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* M. S. Dhanuka Sd/-

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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

2.1 The Scheme set out herein in its present form or with any modification(s) approved or directed by the High Court or 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 AMB as on March 31, 2014 is as under:

Particulars	As at March 31, 2014 (Rs.)
Authorized Share Capital	
10,00,000 Equity Shares of Rs. 10/- each	1,00,00,000
Total	1,00,00,000
Issued, Subscribed and Paid-up	
20,000 Equity Shares of Rs. 10/-each fully paid up	2,00,000
Total	2,00,000

Subsequent to the Balance Sheet date, pursuant to the High Court Order dated April 30, 2014, the authorized share capital of Rs. 1,00,00,000 of the transferor companies have been merged with AMB and 2,00,000 Redeemable Preference Shares have been issued by AMB to the shareholders of transferor companies as consideration. The revised share capital of AMB is given below:

Particulars	As at September 30, 2014 (Rs.)
Authorized Share Capital	
17,50,000 Equity Shares of Rs. 10/- each	1,75,00,000
2,50,000 Redeemable Non-Cumulative Preference Shares of Rs. 10/- each	25,00,000

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6

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Total	2,00,00,000
Issued, Subscribed and Paid-up	
10,00,000 Equity Shares of Rs. 10/-each fully paid up	1,00,00,000
2,00,000 Redeemable Non-Cumulative Preference Shares of Rs. 10/- each	20,00,000
Total	1,20,00,000

3.2 The Share Capital of DFPL as on as on March 31, 2014 is as under:

Particulars	As at March 31, 2014 (Rs.)
Authorized Share Capital	
10,00,000 Equity Shares of Rs. 10/- each	1,00,00,000
Total	1,00,00,000
Issued, Subscribed and Paid-up	
10,00,000 Equity Shares of Rs. 10/-each fully paid up	1,00,00,000
Total	1,00,00,000

Subsequent to the Balance Sheet date, pursuant to the High Court Order dated March 26, 2014, the authorized share capital of Rs. 12,00,00,000 of the transferor companies have been merged with DFPL and 3,25,788 Redeemable Preference Shares have been issued by DFPL to the shareholders of transferor companies as consideration. The revised share capital of DFPL is given below:

Particulars	As at September 30, 2014 (Rs.)
Authorized Share Capital	
1,26,70,000 Equity Shares of Rs. 10/- each	12,67,00,000

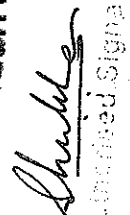
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3,30,000 Redeemable Non-Cumulative Preference Shares of Rs. 10/- each	33,00,000
Total	13,00,00,000
Issued, Subscribed and Paid-up	
10,00,000 Equity Shares of Rs. 10/-each fully paid up	1,00,00,000
3,25,788 Redeemable Non-Cumulative Preference Shares of Rs. 10/- each	32,57,880
Total	1,32,57,880

3.3 The Share Capital of DAL as on March 31, 2014 is as under:

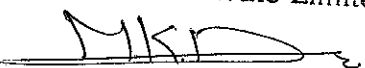
Particulars	As at March 31, 2014 (Rs.)
Authorized Share Capital	
7,00,00,000 Equity Shares of Rs. 2/- each	14,00,00,000
Total	14,00,00,000
Issued, Subscribed and Paid-up	
5,00,19,500 Equity Shares of Rs. 2/-each fully paid up	10,00,39,000
Total	10,00,39,000

Subsequent to March 31, 2014, there has been no change in the issued, subscribed and paid-up capital of DAL.

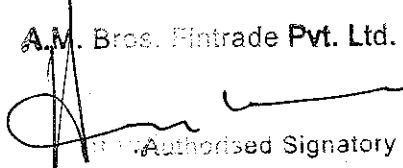
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PART – II

AMALGAMATION OF THE AMALGAMATING COMPANIES WITH THE AMALGAMATED COMPANY

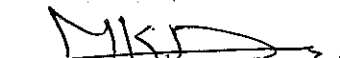
4. TRANSFER AND VESTING OF BUSINESS AND UNDERTAKING

4.1 With effect from the Appointed Date or such other date as may be fixed or approved by the High Court or 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 391 to 394 of the Companies Act, 1956 and other applicable provisions, if any, of the Act, and pursuant to the order of the High Court or 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:

4.2.1 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

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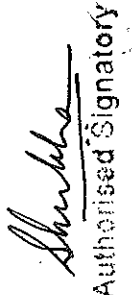

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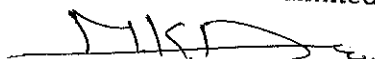
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communication facilities, any registrations, copyrights, permits, approvals, all rights or title or interest in property(ies) by virtue of any court order or decree, contractual arrangement, allotment, grant, lease, possession or otherwise, memorandum 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 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 391 to 394 of the Companies Act, 1956 and any other applicable provisions of the Act, and pursuant to the order of the High Court 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.

4.2.2 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

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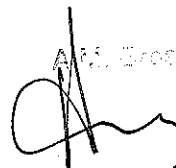
same shall be so transferred to the Amalgamated Company and deemed to have been handed over by physical delivery or by endorsement and delivery or novation and delivery, as the case may be, to the Amalgamated Company to the end and intent that the property and benefit therein passes to the Amalgamated Company with effect from the Appointed Date.

4.2.3 In respect of the movable assets owned by the Amalgamating Companies as on the Effective Date, other than those mentioned in Clause 4.2.2 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 High Court or 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 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.

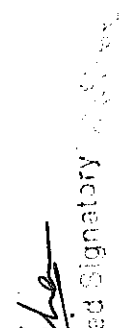
4.2.4 All assets and properties which are acquired by the Amalgamating Companies on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of the Amalgamated Company and shall under the provisions of Sections 391 to 394 of the Companies Act, 1956 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and

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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 391 to 394 of the Companies Act, 1956 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.

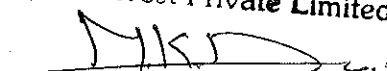
4.3 With effect from the Appointed Date, all debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of the Amalgamating Companies shall be transferred or be deemed to have been transferred to the Amalgamated Company, to the extent they are 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

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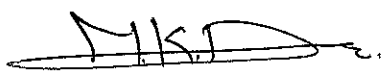
Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Amalgamated Company, and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing shall stand transferred to the Amalgamated 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

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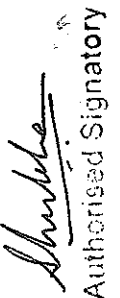

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13


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share capital at par, (hereinafter referred as New Equity Shares) in the following proportion:

5.1.1 55,33,350 (Fifty Five Lakh, Thirty Three Thousand and Three Hundred Fifty) fully paid up Equity Shares of the face value of Rs. 2/- (Rupees Two) 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.

5.1.2 3,09,58,890 (Three Crore, Nine Lakh, Fifty Eight Thousand and Eight Hundred Ninety) fully paid up Equity Shares of the face value of Rs. 2/- (Rupees Two) 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.

5.1.3 The fractional entitlement, if any, to which shareholders of the Amalgamating Companies may become entitled to upon issue of New Equity Shares pursuant to clause 5.1.1 and 5.1.2 above would be rounded off by the Amalgamated Company to the nearest integer. 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.

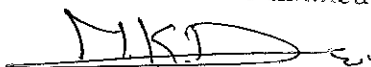
5.2 The New Equity Shares in the Amalgamated Company, to be issued to the members of the Amalgamating Companies pursuant to Clause 5.1 above, shall be subject to the Memorandum and Articles of Association of the Amalgamated Company and shall rank pari passu, with the existing equity shares of the Amalgamated Company.

5.3 Upon New Equity Shares being issued and allotted by the Amalgamated Company to the shareholders of the Amalgamating Companies, in

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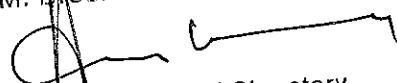

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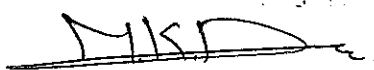
accordance with clause 5.1 above, the investment held by the Amalgamating Companies in the share capital of the Amalgamated Company shall, without any further application, act, instrument or deed stand cancelled. The shares held by the Amalgamating Companies in dematerialized form shall be extinguished, 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 High Court sanctioning the Scheme shall be deemed to be an order under Section 100-103 of the Companies Act, 1956 and any other applicable provisions of the Act confirming the reduction. The Amalgamated Company shall not be required to add the words "and reduced" as a suffix to its name consequent upon such reduction.

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 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

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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 NSE and 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 Exchanges. On such formalities being fulfilled the said Stock Exchanges 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.

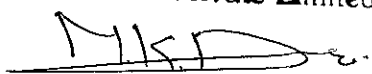
6. INCREASE IN AUTHORISED SHARE CAPITAL OF THE AMALGAMATED COMPANY

- 6.1 Upon the Scheme becoming effective, the authorized share capital of the Amalgamated Company in terms of its Memorandum of Association and Articles of 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 Companies of Rs.15,00,00,000 (Rupees Fifteen Crores) and the Memorandum of Association and Articles of Association of the

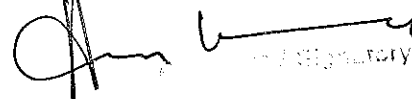
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Amalgamated Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution(s) under Section 13, 14 and 61 of the Companies Act, 2013 and Section 394 of the Companies Act, 1956 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.

- 6.2 Accordingly, in terms of the Scheme, the authorized share capital of the Amalgamated Company shall stand enhanced to an amount of Rs. 29,00,00,000/- (Rupees Twenty Nine Crores) divided into 14,21,00,000 (Fourteen Crores and Twenty One Lakhs) equity shares of Rs. 2/- (Two) each and 5,80,000 (Five Lakhs and Eighty Thousand) Redeemable Non-Cumulative Preference 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:

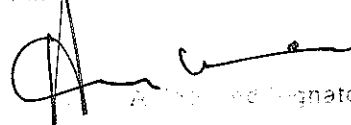
"The Authorized Share Capital of the Company is Rs. 29,00,00,000/- (Rupees Twenty Nine Crores) divided into 14,21,00,000 (Fourteen Crores and Twenty One Lakhs) equity shares of Rs. 2/- (Two) each and 5,80,000 (Five Lakhs and Eighty Thousand) Redeemable Non-Cumulative Preference Shares of Rs. 10/- (Ten) each."


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

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Amalgamated Company


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For Director: 
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7. ACCOUNTING TREATMENT

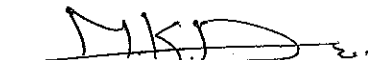
With effect from the Appointed Date and upon the Scheme becoming effective, the Amalgamated Company shall account for the amalgamation of the Amalgamating Companies in its books of accounts as per the 'Purchase Method', as described in Accounting Standard – 14 "Accounting for Amalgamations" issued by the Institute of Chartered Accountants of India, such that:

- 7.1 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.
- 7.2 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
- 7.3 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.
- 7.4 The excess of Net Assets of the Amalgamating Companies as per clause 7.2 over the amount credited by the Amalgamated Company to the Share Capital Account as per Clause 7.3 and adjusted for cancellation of the investments in the equity share capital of the Amalgamated Company as mentioned in Clause 7.1, would be recorded as Capital Reserve. The shortfall, if any shall be debited to the Goodwill Account of the Amalgamated Company.
- 7.5 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 till the Appointed Date will be quantified and will be adjusted in accordance with Accounting Standard - 5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting

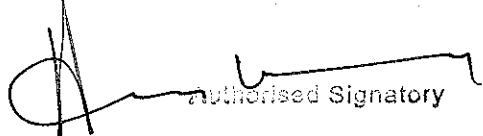
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Policies" to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy.

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.

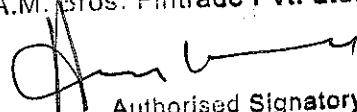
8.2 It is expressly provided that, on the Scheme becoming effective, Provident Fund, Gratuity Account, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of the Amalgamating Companies shall be transferred to and shall get consolidated 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

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19


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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

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.

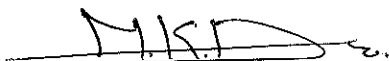
9.3 After the Effective Date, the Promoters undertake to keep harmless and indemnify and keep indemnified from time to time the Amalgamated Company from and against any contingent liabilities and obligations relatable to the Amalgamating Companies including all demands, claims, suits, proceedings and the like which have, shall or may be made or instituted by any person, authority, Government of India, firm, company, body corporate or organisation 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

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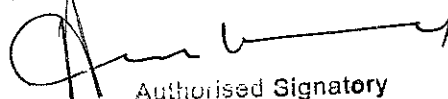
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20



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Amalgamating Companies into the Amalgamated Company under and pursuant to this Scheme.

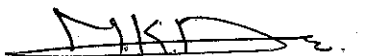
10. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC

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.

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

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21

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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 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

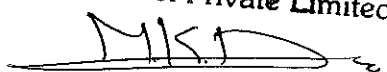
With effect from the Appointed Date and upto and including the Effective Date:

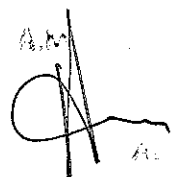
12.1 The Amalgamating Companies undertake to preserve and carry on the business with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof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

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- (a) 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 High Court; or
- (b) if the same is expressly permitted by this Scheme; or
- (c) 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.

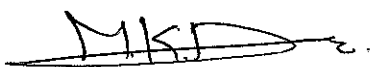
12.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes, if any, thereon), by the Amalgamating Companies, shall for all purposes, be treated as the profits or cash or losses, of the Amalgamated Company.

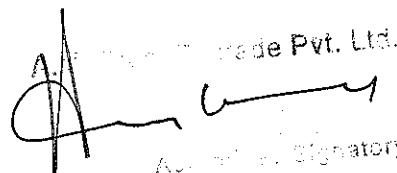
12.4 All accretions and depletions to the Amalgamating Companies shall be for and on account of the Amalgamated Company.

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.

Witnessed by _____




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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

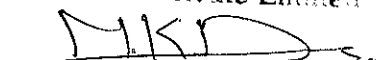
15.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by the Amalgamating Companies from the Appointed Date onwards shall be treated as the tax liability of the Amalgamated Company. Similarly all credits for tax deduction at source on income of the Amalgamating Companies 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, Sales Tax, Service Tax etc. or any tax deduction or collection at source, relating to the period after the

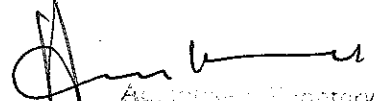
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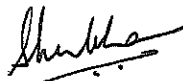
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Appointed Date up to the Effective Date shall be deemed to have been on account of or paid by the Amalgamated Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the passing of the orders on this Scheme by the Court and upon relevant proof and documents being provided to the said authorities.

- 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, value Added Tax or any other disputed amount under appeal, if any, upon this scheme being effective.

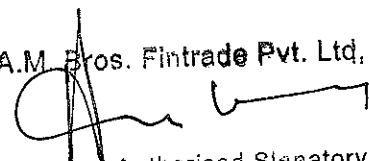
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PART – IV
GENERAL TERMS AND CONDITIONS

16. APPLICATION TO THE HIGH COURT OR NCLT


The Amalgamating Companies and the Amalgamated Company shall, with all reasonable dispatch, make applications or petitions under Sections 391-394 of the Companies Act, 1956 and other applicable provisions of the Act to the High Court of Delhi at New Delhi or NCLT or any other appropriate authority, for sanction of this Scheme under the provisions of law.

17. APPROVAL OF THE SCHEME THROUGH POSTAL BALLOT

The approval of shareholders of the Amalgamated Company shall be obtained through a Special Resolution passed through Postal Ballot and 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 the Securities and Exchange Board of India ("SEBI") circular no. CIR/CFD/DIL/5/2013 issued on February 04, 2013 and SEBI circular no. CIR/CFD/DIL/8/2013 issued on May 21, 2013 subject to modification, if any, in accordance with any subsequent circulars and amendment that may be issued by SEBI from time to time.

18. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

18.1 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 Court and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the their respective

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26


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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.

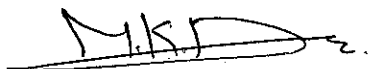
- 18.2 The term 'any other appropriate Authority' referred to in the Clause 16 above, shall specifically include the Stock Exchanges with which the shares of the Amalgamated Company are listed and with which the Amalgamated Company will file a copy of the Scheme under sub-clause (f) of Clause 24 of the Listing Agreement of the respective Stock Exchanges.

19. CONDITIONALITY OF THE SCHEME

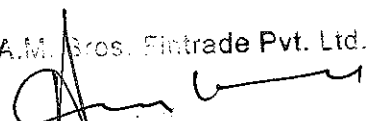
This Scheme is and shall be conditional upon and subject to:

- 19.1 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 High Court or NCLT or any other appropriate authority as may be applicable.
- 19.2 The sanction of this Scheme by the High Court or NCLT or any other appropriate authority under Sections 391 to 394 and other applicable provisions, if any of the Act in favour of the Amalgamating Companies and the Amalgamated Company.
- 19.3 Certified or authenticated copy of the order of the High Court or NCLT sanctioning the Scheme being filed with the Registrar of Companies,

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NCT of Delhi by the Amalgamating Companies and the Amalgamated Company, respectively.

- 19.4 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.

20. SEVERABILITY

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.


21. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 19 not being obtained and / or the Scheme not being sanctioned by the High Court or 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.

22. 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

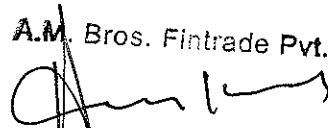
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28

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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.


23. COSTS, CHARGES AND EXPENSES


On sanction and approval of the Scheme by the High Court or 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.

Dhanuka Finvest Private Limited


Authorised Signatory

A.M. Bros. Fintrade Pvt. Ltd.


Authorised Signatory

For DHANUKA AGRITECH LTD.

Authorised Signatory