

Annexure I

SCHEME OF MERGER BY ABSORPTION
OF
MENTHOL DEVELOPERS PRIVATE LIMITED
AND
FLAGSHIP INFRASTRUCTURE PRIVATE LIMITED
BY
PARANJAPE SCHEMES (CONSTRUCTION) LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS

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The Scheme of Merger by Absorption is presented under Section 230 to 232 of the Companies Act, 2013 ("the Act") and other related provisions of the Act and the Rules framed thereunder for the amalgamation of Menthol Developers Private Limited, the First Transferor Company and Flagship Infrastructure Private Limited, the Second Transferor Company with Paranjape Schemes (Construction) Limited, the Transferee Company. (Hereinafter the First Transferor Company and Second Transferor Company are collectively referred as "Transferor Companies".)

TRANSFEROR COMPANIES

MENTHOL DEVELOPERS PRIVATE LIMITED was incorporated on 7th March 1997 by the Registrar of Companies, Mumbai under the Companies Act, 1956. Subsequently, it shifted its registered office from Mumbai to Pune. Its present Registered Office is situated at Avanish, D Building, S. R. No. 23/2/B, Kothrud, Pune - 411 029, Maharashtra, India. It is primarily engaged in the business of promotion, construction and development of integrated township, residential & commercial complexes, multistoried buildings, flats, houses, apartments, shopping malls etc. Menthol Developers Private Limited is a wholly owned subsidiary of Paranjape Schemes (Construction) Limited.

FLAGSHIP INFRASTRUCTURE PRIVATE LIMITED was company incorporated on 18th November 2005 by the Registrar of Companies, Mumbai under the Companies Act, 1956, and its Registered Office is situated at 101, Somnath, CTS No. 988, Ram Mandir Road, Near Tilak Mandir, Vile Parle (East), Mumbai - 400 057, Maharashtra, India. It is primarily engaged in the business of promotion, construction and development of integrated township, residential & commercial complexes, multistoried buildings, flats, houses, apartments, shopping malls etc. Flagship Infrastructure Private Limited is a subsidiary of Paranjape Schemes (Construction) Limited and currently, Flagship Infrastructure Private Limited is in the process of converting into a public limited company.

TRANSFEREE COMPANY

PARANJAPE SCHEMES (CONSTRUCTION) LIMITED was incorporated on 18th September 1987 as a private limited company by the Registrar of Companies; Mumbai under the

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Companies Act, 1956 under the name and style "Paranjape Schemes (Construction) Private Limited. Subsequently, it was converted into a public company and name was changed to its present name and a Certificate of Change of Name was issued by the Registrar of Companies, Mumbai on 13th April 2005. Its Registered Office is situated at Plot 1, Somnath, CTS No. 988 Ram Mandir Road, Vile Parle (East) Mumbai - 400 057, Maharashtra, India. It is primarily engaged in the business of promotion, construction and development of integrated township, residential & commercial complexes, multistoried buildings, flats, houses, apartments, shopping malls etc.

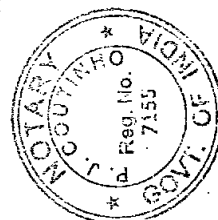
RATIONALE FOR THE SCHEME

The Transferor Companies and Transferee Company are under same control and management of the Paranjape Group, Pune, which is engaged in real estate development business.

Paranjape Schemes (Construction) Limited holds 100% of equity share capital of Menthol Developers Private Limited and holds 58.41% of the equity share capital of Flagship Infrastructure Private Limited.

As all the companies are under common control and management, it is proposed to amalgamate Menthol Developers Private Limited and Flagship Infrastructure Private Limited with Paranjape Schemes (Construction) Limited. The proposed amalgamation will be beneficial to the Transferor Companies, the Transferee Company, their respective shareholders and creditors, employees and other stakeholders and will have following benefits:

- (a) Integration of business operations.
- (b) Synergies in operation arising from consolidation of various projects leading to efficient utilization of resources.
- (c) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund growth opportunities.
- (d) Garner the benefits arising out of economies of large scale and lower operating costs.
- (e) Pooling of talents in terms of manpower, management, administration etc. to result in savings of costs.
- (f) Avoidance of duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances.
- (g) Integrated operational and marketing strategies, inter-transfer of resources / costs will result in optimum utilization of assets.
- (h) Bring uniformity in corporate policy.
- (i) Benefit of operational synergies to the combined entity and greater leverage in operations, planning and process optimization.



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The creditors whether secured or unsecured are not affected by the proposed amalgamation as their debts will be duly met.

The Scheme is divided in the following Parts:

Part A - deals with Definitions and Share Capital;

Part B - deals with Merger by Absorption of Menthol Developers Private Limited and Flagship Infrastructure Private Limited by Paranjape Schemes (Construction) Limited;

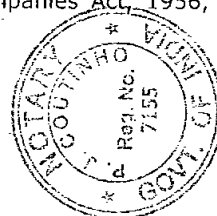
Part C - deals with General Clauses, Terms and Conditions.

PART A – DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

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

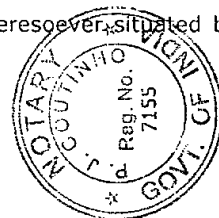
- 1.1 **"Act" or "the Act"** means the Companies Act, 2013 and applicable rules made thereunder including any statutory modifications, reenactments or amendments thereof.
- 1.2 **"Appointed Date"** for the purpose of this Scheme shall mean 1st April, 2017.
- 1.3 **"Board of Directors" or "Board"** shall mean the respective Board of Directors of the Transferor Companies or the Transferee Company, as the case may be or any committee thereof duly constituted or any other person duly authorised by the Board for the purpose of this Scheme.
- 1.4 **"Effective Date"** means the last of the dates on which all necessary conditions, matters and filings referred to in Clause 17 hereof have been fulfilled and necessary consents, approvals, sanctions and orders referred to therein have been obtained, passed and completed. Any reference in this Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "upon the coming into effect of the Scheme" shall mean the Effective Date.
- 1.5 **"Record Date"** means the date to be fixed by the Board of the Transferee Company in consultation with the Board of the Second Transferor Company for the purpose of reckoning names of the equity shareholders of the Second Transferor Company who shall be entitled to shares of the Transferee Company in accordance with this Scheme.
- 1.6 **"Scheme", "The Scheme" or "This Scheme"** means this Scheme of Merger by absorption of Transferor Companies by the Transferee Company for sanction or as may be modified from time to time or as may be approved or directed by the Tribunal or any other appropriate authority.
- 1.7 **"The First Transferor Company"** means **MENTHOL DEVELOPERS PRIVATE LIMITED**, a company incorporated under the Companies Act, 1956, and having its



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Registered Office situated at Avanish, D Building, S. R. No. 23/2/B, Kothrud, Pune - 411 029, Maharashtra, India.

- 1.8 "The Second Transferor Company" means **FLAGSHIP INFRASTRUCTURE PRIVATE LIMITED**, a company incorporated under the Companies Act, 1956, and having its Registered Office situated at 101, Somnath, CTS No. 988, Ram Mandir Road, Near Tilak Mandir, Vile Parle (East), Mumbai - 400 057, Maharashtra, India.
- 1.9 "Transferor Companies" means the First Transferor Company and Second Transferor Company collectively or in one or more combination.
- 1.10 "The Transferee Company" means **PARANJAPE SCHEMES (CONSTRUCTION) LIMITED**, a company incorporated under the Companies Act, 1956, and having its Registered Office situated at Plot 1, Somnath, CTS No. 988 Ram Mandir Road, Vile Parle (East) Mumbai - 400 057, Maharashtra, India.
- 1.11 "Tribunal or NCLT" shall for the purpose of this Scheme, mean the National Company Law Tribunal, Mumbai Bench empowered to sanction the Scheme as per the provisions of the Act.
- 1.12 "Undertaking" shall mean entire business of the Transferor Companies on a going concern basis and shall include (without limitation):
- (a) all the assets wherever situated, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal present or contingent, of whatsoever nature, wherever situated including furniture, fixtures, office equipment, software, computers, leasehold improvements, appliances, accessories, inventories, stock-in-trade, debtors, current assets, fixed assets, capital work-in-progress including expenses incurred to be capitalized and advances for assets, cash and bank balances including all rights, title, interest, covenants, undertakings.
 - (b) all investments, if any, in shares, stocks, warrants, debentures, bonds and other such securities, whether encumbered or unencumbered, whether in certificate form or in dematerialized form and agreements to purchase, sell, assign, mortgage in relation thereto, loans and advances including accrued interest thereon.
 - (c) all credits, advances, loans, fixed deposits, earnest monies, security deposits, provisions, commitments appertaining or relating to the Transferor Companies.
 - (d) all debts, liabilities, loans, advances borrowings, bills payable, public deposits, interest accrued, contingent liabilities and all other liabilities, duties, undertakings, contractual obligations, guarantees given and duties and obligations of the Transferor Companies.
 - (e) all powers, authorities, allotments, approvals, consents, rights, licenses, FSI, TDR, permits, quotas, subsidies and incentives, registrations, contracts, engagements, liberties, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated 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 Companies, including but without being limited to all patents, trademarks, trade names, copyrights, designs and other commercial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, leasehold rights, ownership flats, easements, authorizations, rights and benefits of all agreements, goodwill, receivables, benefits of any deposits, including any tax direct or indirect including advance tax paid, refund receivable, credit for minimum alternate tax, credit for input tax / service tax / CENVAT credit / CGST, SGST, IGST, tax deducted in respect of any income received, exemptions, benefits, concessions, incentives, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and electronic and other services, reserves, provisions, funds, benefits of all agreements, contracts and arrangements, letters of intent, memorandum of understanding, expressions of interest whether under agreement or otherwise and all other interests belonging to or in the ownership, power or possession or in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies.

- (f) all necessary records, files, papers, computer programmes, websites, domain names, manuals, data, catalogues, quotations, sales and advertising materials, lists present and former customers, customer credit information, customer pricing information and all other records, whether in physical form or electronic form in connection with or relating to the Transferor Companies and
- (g) all employees of the Transferor Companies as on the Effective Date.

The words importing the singular include the plural; words importing any gender include every gender.

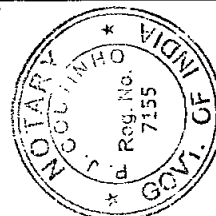
Any word or expression used and not defined in the Scheme but defined in the Act shall have meaning respectively assigned to them in the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. SHARE CAPITAL

First Transferor Company

- 2.1 As per the audited financial statement for FY 2016-17, the authorized, issued, subscribed and paid-up share capital of the First Transferor Company is as under:

Particulars	Amount in INR
<i>Authorized Share Capital:</i>	
50,000 Equity Shares of INR 10/- each	5,00,000
Total	5,00,000



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<i>Issued, Subscribed and Paid -up:</i>	
10,000 Equity Shares of INR 10/- each	1,00,000
Total	1,00,000

Subsequent to 31 March 2017, there has been no change in the authorized, issued, subscribed and paid-up capital till date.

As on 1 April 2017, the entire equity share capital is held by the Transferee Company.

Second Transferor Company

2.2 As per the audited financial statement for FY 2016-17, the authorized, issued, subscribed and paid-up share capital of the Second Transferor Company is as under:

Particulars	Amount in INR
<i>Authorised Share Capital:</i>	
99,99,990 Equity Shares of INR 10/- each	9,99,99,900
10 Class B Equity Shares of INR 10/- each	100
Total	10,00,00,000
<i>Issued, Subscribed and Paid -up:</i>	
23,30,324 Equity Shares of INR 10/- each	2,33,03,240
10 Class B Equity Shares of INR 10/- each	100
Total	2,33,03,340

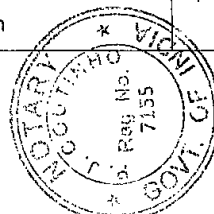
Subsequent to 31 March 2017, there has been no change in the authorized, issued, subscribed and paid-up capital till date.

As on 1 April 2017, 58.41% of equity share capital of Second Transferor Company is held by the Transferee Company.

Transferee Company

2.3 As per the audited financial statement for FY 2016-17, The authorized, issued, subscribed and paid-up share capital of the Transferee Company is as under:

Particulars	Amount in INR
<i>Authorised Share Capital:</i>	
14,85,00,000 Equity Shares of INR 10/- each	148,50,00,000
150,000 Cumulative Convertible Preference Shares of INR 100/- each	1,50,00,000
Total	150,00,00,000
<i>Issued, Subscribed and Paid -up:</i>	
9,47,33,335 Equity Shares of INR 10/- each	94,73,33,350



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Total	94,73,33,350

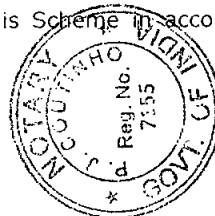
Subsequent to 31 March 2017, there has been no change in the authorized, issued, subscribed and paid-up capital till date.

PART-B – AMALGAMATION OF TRANSFEROR COMPANIES WITH THE TRANSFEREE COMPANY

3. TRANSFER OF UNDERTAKING

3.1 Upon this Scheme coming into effect on and from the Appointed Date, and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertaking of the Transferor Companies shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- (a) With effect from the Appointed Date the whole of the business and the Undertakings of the Transferor Companies except for such of the assets as specified in sub-clause (b) and sub-clause (c) below, shall, under the provisions of Section 230-232 and all other applicable provisions, if any of the Act, without any further act or deed be transferred to and vested in and deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as from the Appointed Date, the assets and liabilities of the Transferee Company and to vest all the rights, titles interest, and authorities therein to the Transferee Company.
- (b) With effect from the Appointed Date, all the investments of the Transferor Companies, if any, whether held as long term or short term or stock-in-trade shall, without any further act or deed, be and stand transferred to the Transferee Company and also all the moveable assets including cash in hand, if any, of the Transferor Companies, capable of transfer by manual delivery or by endorsement and/or delivery shall be so delivered or endorsed and/or delivered as the case may be to the Transferee Company to the end and intent that the property therein passes to the Transferee Company, on such delivery or endorsement and delivery in pursuance of the provisions of Section 230-232 and other applicable provisions of the Act.
- (c) In respect of the movable properties of the Transferor Companies [other than those specified in clause 3.1(b) above], including sundry debtors, receivables, bills, credits, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies or with any company or other person, they shall without any further act, instrument, deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company on the Appointed Date pursuant to the provisions of section 230-232 of the Act and the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the

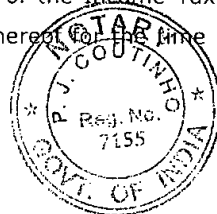


provisions hereof, if so required, under any law or otherwise, give notice in such form as it may deem fit and proper, to each person, debtor or depositee, as the case may be, that pursuant to the NCLT having sanctioned the Scheme, the said debt, loan, advance, bank balance, or deposit be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Companies to recover or realize all such debts (including the debts payable by such person or depositee to the Transferor Companies) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in its books to record the aforesaid change.

- (d) The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation / notice in favour of any other party to any contract or arrangement to which the Transferor Companies are party in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Companies and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Companies to be carried out or performed.
- (e) With effect from the Appointed Date, all debts, loans, whether secured and unsecured, liabilities, duties, obligations of every kind, nature and description of the Transferor Companies shall, under the provisions of sections 230-232 of the Act without any further act or deed be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, loans, liabilities, duties, obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, loans, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause.

It is clarified that the provision of this Scheme shall not extend to the personal guarantees, if any, provided by the directors of the Transferor Companies which have been subsequent to the Appointed Date either released or waived by the parties. It is further clarified that the personal guarantees issued for and on behalf of the Transferor Companies if not waived or released will continue to bind the guarantors

- (f) All the licenses, permits, quotas, approvals, permissions, incentives, tax exemptions, benefits, concessions or deferrals, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued, which may accrue to the Transferor Companies whether on, before or after the Appointed Date and prior to the Effective Date in connection or in relation to the operation of the Undertakings of the Transferor Companies, including income tax benefits credits and exemptions under the provisions of the Income Tax Act, 1961 (or any statutory modification or re-enactment thereof for the time being in force)

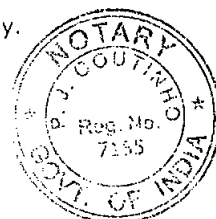


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shall, pursuant to the provisions of Section 232(4) of the Act and all other applicable provisions, if any, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date the licenses, permits, quotas, approvals, permissions, incentives, tax exemptions, tax credits, benefits, concessions or deferrals, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under law.

- (g) All taxes including without limitation Income Tax, Sales Tax, Service Tax, VAT, Central Sales Tax, Central Goods and Service Tax law (CGST), State Goods and Service Tax law (SGST) and Integrated Goods and Service Tax law (IGST) , Custom Duty etc. paid or payable by the Transferor Companies in respect of the operations and / or the profits of the business before the Appointed Date shall be on account of the Transferor Companies and, in so far it relates to the tax payment including, without limitation, Income Tax, Sales Tax, Service Tax, VAT, Central Sales Tax, Central Goods and Service Tax law (CGST), State Goods and Service Tax law (SGST) and Integrated Goods and Service Tax law (IGST) , Custom Duty etc. whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business of the Undertaking with effect from the Appointed Date, the same shall be deemed to be corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.
- (h) Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor 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 Transferee Company.
- (i) The Transferor Companies shall at its discretion give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the NCLT having sanctioned the Scheme, the said debt, loan, advance or deposit shall be paid or made good or held on account of the Transferee Company and that thereafter the right of the Transferor Companies to recover or realize the same stands extinguished.

3.2 If and to the extent there are inter - corporate loans, deposits, receivables, payables or balances by and between or amongst the Transferor Companies and the Transferee Company, the obligations in respect thereof shall, on and from the Appointed Date, come to an end and suitable effect shall be given in the books of accounts and records of the Transferee Company for such adjustments of debts or liabilities, as the case may be. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of any such inter-corporate loans, deposits or balances *inter se*, between the Transferor Companies and the Transferee Company.

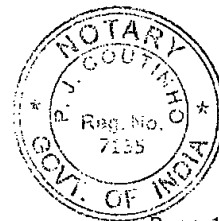


- 3.3 The transfer and / or vesting of the properties as aforesaid shall be subject to the existing charges, hypothecation and mortgages, if any, in respect of all the aforesaid assets or any part thereof of the Transferor Companies.

Provided however, that any reference in any security documents or arrangements, to which the Transferor Companies is a party, to the assets of the Transferor Companies which it has offered or agreed to be offered as security for any financial assistance or obligations, to the secured creditors of the Transferor Companies, if any, shall be construed as reference only to the assets pertaining to the assets of the Transferor Companies as are vested in the Transferee Company by virtue of the aforesaid clause, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend, to any of the assets or to any of the other units or divisions of the Transferee Company, unless specifically agreed to by the Transferor Companies with such secured creditors.

Provided that the Scheme shall not operate to enlarge the security of any loan, deposit or facility created by or available to the Transferor Companies which shall vest in the Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further or additional security thereof after the Scheme has become effective or otherwise.

- 3.4 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date have been discharged by the Transferee Company after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferor Companies.
- 3.5 All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies in relation to or in connection with the Undertaking on and after the Appointed Date and prior to the Effective Date subject to the provisions of this Scheme shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferor Companies and to that extent they are outstanding on the Effective Date shall upon the coming into effect of this Scheme pursuant to the provisions of Section 232 and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to and vested in the Transferee Company and shall become the debts, duties, undertakings, liabilities and obligations of the Transferee Company.
- 3.6 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorized to carry on the business which was carried on by the Transferor Companies in addition to the business of the Transferee Company.
- 3.7 The Scheme is not likely to impose any additional burden / hardship on the members of Transferor Companies or the Transferee Company nor will it affect the interests of any of classes of members / creditors of the Transferor Companies and the Transferee Company.
- 3.8 The transfer and / or vesting of all the properties, assets and liabilities of the Transferor Companies to the Transferee Company and the continuance of all the contracts or proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the assets or the liabilities already concluded by the Transferor Companies on or after the Appointed Date.



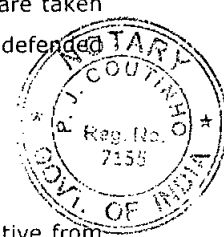
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4. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

Subject to all the provisions of this Scheme, all contracts, deeds, bonds, agreements, incentives, engagements, registrations, benefits, FSI, TDR, exemptions, entitlements, arrangements and other instruments of whatsoever nature, including all the bids and tenders which have been submitted and / or accepted, in relation to the Transferor Companies to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be enforced as fully and effectively as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which the Transferor Companies will, if necessary, also be a party in order to give formal effect to this Clause if so required or become necessary.

5. LEGAL PROCEEDINGS

- 5.1 Upon the coming into effect of this Scheme, all suits, actions, writ petitions, revisions and proceedings including legal and taxation proceedings (hereinafter called "the Proceedings") of whatever nature by or against the Transferor Companies, whether pending and / or arising on or before the Effective Date shall not abate, or be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Companies pursuant to this Scheme but be continued, prosecuted and enforced by or against the Transferee Company as effectually as if the same had been pending and / or arising against the respective Transferee Company as effectually and in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Companies as if the Scheme had not been made.
- 5.2 On and from the Effective Date, the Transferee Company may initiate and/or continue any Proceedings which were earlier in the name of the Transferor Companies.
- 5.3 After the Appointed Date and before the Effective Date, if any Proceedings are taken by or against the Transferor Companies, the same shall be instituted and/or defended by the Transferor Companies for and on behalf of the Transferee Company.



6. OPERATIVE DATE OF THE SCHEME

The Scheme, though effective from the Appointed Date, shall become operative from the Effective Date.

7. CONDUCT OF BUSINESS BY TRANSFEROR COMPANIES TILL EFFECTIVE DATE

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

- 7.1 The Transferor Companies shall carry on or deemed to have carried on all their respective businesses and activities as hitherto and shall be deemed to have held or stood possessed of and shall hold and stand possessed of all the said assets for and on account of and in trust for the Transferee Company. The Transferor Companies hereby

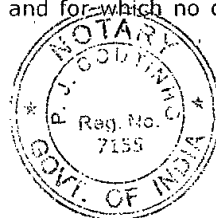
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undertakes to hold the assets, properties and liabilities with utmost prudence until the Effective Date.

- 7.2 All the profits or income accruing or arising to the Transferor Companies or expenditure or losses arising or incurred by the Transferor Companies shall for all purposes be treated and be deemed to be and accrued as the profits and income or expenditure or losses of the Transferee Company, as the case may be.
- 7.3 The Transferor Companies shall carry on their business activities with reasonable diligence, business prudence and shall not alienate, charge, mortgage, pledge, encumber or otherwise deal with the said assets or any part thereof, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken by the Transferor Companies prior to the Appointed Date and except with prior written consent of the Transferee Company.
- Provided however, the Transferor Companies shall in the ordinary course of business be entitled to borrow in the form of loans if deemed necessary by it and further consent for this purpose will not be required of the Transferee Company in that behalf.
- 7.4 The Transferor Companies shall not, without prior written consent of the Transferee Company, undertake any new business activity outside its ordinary course of business.
- 7.5 The Transferor Companies shall not, without prior written consent of the Transferee Company, take any major policy decisions in respect of management of the Company and for the business of the Company and shall not change their present capital structure.
- 7.6 Subject to the terms of the Scheme, the transfer and vesting of the Undertaking of the Transferor Companies as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Transferor Companies on or before the Appointed Date 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 made, done and executed by the Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

8. TREATMENT OF TAXES

- 8.1 Any tax liabilities / refunds / credits / claims relating thereto under the Income-Tax Act, 1961, Customs Act, 1962, State Sales Tax Laws, Central Sales Tax Act, 1956, Finance Act, 1994, Goods and Services Tax Laws or other Applicable Laws / regulations dealing with taxes / duties / levies [hereinafter in this Clause referred to as "Tax Laws"] allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be treated as liabilities / refunds / credits / claims of the Transferee Company and shall be transferred to Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and tax deducted at source, credit for Minimum Alternate Tax (MAT)/ service tax as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
- 8.2 Any refund under the Tax Laws due to Transferor Companies consequent to the assessments made on Transferor Companies and for which no credit is taken in the



Accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

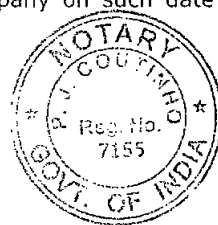
- 8.3 Without prejudice to the generality of the above, all benefits, credits, refunds, exemptions, incentives or concessions under Tax Laws as may be applicable to which the Transferor Companies is entitled to in terms of the applicable Tax Laws of the Union and State Governments of India, shall be available to and vest in the Transferee Company.
- 8.4 The Transferee Company shall be entitled to file / revise its Income Tax returns, Withholding Tax returns, Service Tax returns, Value Added Tax returns, Central Sales Tax returns, Good and Services Tax return, Tax Deducted at Source certificates, Tax Deducted at Source returns and other statutory returns and filings, if required under the Tax Laws, and shall have the right to claim set-off and/ or refund, advance tax credits, credit for Minimum Alternate Tax (MAT) / tax deducted at source / foreign taxes withheld/ paid, input tax credits etc. if any, under any of the aforesaid tax laws as may be required consequent to implementation of this Scheme.
- 8.5 Upon Scheme coming into effect, any obligation for deduction of tax at source on any payments made by or to be made by the Transferor Companies shall be made or deemed to have been made and duly complied with by Transferee Company.
- 8.6 All intangible assets (including but not limited to goodwill) belonging to but not recorded in the books of account of the Transferor Companies and all intangible assets (including but not limited to goodwill) arising or recorded in the process of amalgamation in the books of account of Transferee Company shall, for all purposes, be regarded as an intangible asset in terms of Explanation 3(b) to Section 32(1) of the Income Tax Act, 1961 and Transferee Company shall be eligible for depreciation there under at the prescribed rates.

9. TREATMENT OF SCHEME FOR THE PURPOSES OF THE INCOME TAX ACT, 1961

This Scheme has been drawn up to comply and come within the definition and conditions relating to "Amalgamation" as specified under Section 2(1B) and Section 47(vi) of the Income Tax Act, 1961. The carried forward depreciation under Income Tax Act, 1961 of the Transferor Companies would be carried forward and available to the Transferee Company subject to Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Sections of the Income Tax Act, 1961, at a later date, including resulting from an amendment of law or for any other reason whatsoever, the Scheme shall stand modified / amended to the extent necessary to comply and come within the definition and conditions relating to "Amalgamation" as specified in the Income Tax Act, 1961. In such an event the clauses which are inconsistent shall be modified or if the need arises be deemed to be deleted and such modification / deemed deletion shall however not affect the other parts of the Scheme.

10. STAFF, WORKMEN AND EMPLOYEES OF THE TRANSFEROR COMPANIES

- 10.1 All employees of the Transferor Companies in service on the Effective Date shall become employees of the Transferee Company on such date without any break or



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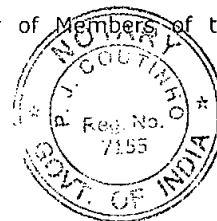
interruption in service and on terms and conditions as to remuneration not less favorable than those subsisting with reference to the Transferor Companies as on the said date.

- 10.2 It is provided that so far as the Provident Fund or any other Special Scheme(s) /Fund(s), if any, created or existing for the benefit of the employees, if any of the Transferor Companies are concerned, upon the coming into effect of this Scheme, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever related to the administration or operation of such Schemes or Funds or in relation to the obligation to make contributions to the said Schemes/Funds in accordance with provisions of such Schemes/Funds as per the terms provided in the respective Trust Deeds, to the end and intent that all the rights, duties, powers and obligations of the Transferor Companies in relation to such Schemes/Funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Companies will be treated as having been continuous for the purpose of the aforesaid Schemes/Funds.
- 10.3 The Transferee Company shall continue to abide by any agreements/ settlement entered into by the Transferor Companies with any of its employees. The Transferee Company agrees that for the purpose of payment of any retrenchment, compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor Companies shall also be taken into account.

11. ISSUE OF SHARES BY THE TRANSFEREE COMPANY

On the Scheme becoming effective and upon the transfer and vesting of the business and undertaking of the Transferor Companies in Transferee Company, the consideration in respect of such transfer shall be as detailed below:

- 11.1 The First Transferor Company, being wholly owned subsidiary of Transferee Company, upon this Scheme coming into effect, no shares of Transferee Company shall be issued and the entire equity shares held by the Transferee Company in the First Transferor Company shall stand cancelled and extinguished. The share certificates, if any, and/ or shares in electronic form representing the shares held by the Transferee Company and its nominee in the First Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company and shall cease to be in existence accordingly.
- 11.1.1 The Second Transferor Company and the Transferee Company are part of the same group of companies. The Board of Directors of the Second Transferor Company and the Transferee Company have recommended the fair equity share exchange ratio of 4,230 (Four Thousand Two Hundred and Thirty) equity share of Rs. 10 each of the Transferee Company for every 100 (Hundred) equity shares of Rs. 10 each of the Second Transferor Company based on the valuation report recommending the fair equity share exchange ratio given by M/s BANSI S. MEHTA & CO. Chartered Accountants. Accordingly, the Transferee Company shall, without any further application or deed, issue and allot to the members of the Second Transferor Company (except for shares held by the Transferee Company itself) whose names appear in the Register of Members of the Second Transferor

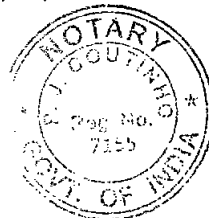


Company as on the Record Date (hereinafter called the "New Equity Shares") shares in above ratio. It is hereby clarified that the shares held by the Transferee Company in the Second Transferor Company shall stand cancelled upon Amalgamation.

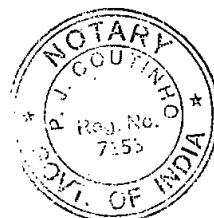
- 11.2 The New Equity Shares shall have rights attached thereto as under:
- 11.2.1 The New Equity Shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of the Transferee Company.
- 11.2.2 Subject to the provisions of this Scheme, the New Equity Shares to be issued and allotted to the shareholders of the Second Transferor Company pursuant to this Scheme shall in all respects, rank *pari passu* with the existing equity shares of the Transferee Company in respect of dividend, bonus, right shares, voting rights and other corporate benefits with effect from the date of allotment. Until the Effective Date, the holders of the equity shares of the Second Transferor Company shall continue to enjoy their rights under their Articles of Association, including the right to receive dividend if any, declared in accordance with the Act and the Articles of Association of the Second Transferor Company.
- 11.2.3 Upon the Scheme coming into effect, all the shareholders of Second Transferor Company holding shares in physical form shall surrender their share certificates to the Transferee Company for cancellation thereof. Notwithstanding the foregoing, upon the New Equity Shares being issued and allotted, as aforesaid, the share certificates in respect of the equity shares held in Second Transferor Company shall be deemed to have been automatically cancelled and of no effect and the Transferee Company instead of requiring surrender of such certificates may directly issue and dispatch fresh share certificates in respect of the New Equity Shares issued and allotted by the Transferee Company.
- 11.2.4 The fraction, if any, shall be rounded off to next number and Transferee Company shall issue the New Equity Shares accordingly.
- 11.2.5 The Transferor Companies may declare and pay dividend, subject to the provisions of the Act, to their respective equity shareholders for the financial year(s) ending prior to the Effective Date provided the Board of Directors of the Transferor Companies have obtained the prior consent and approval of the Board of Directors of the Transferee Company before making such recommendation.
- 11.2.6 The Transferee Company may declare and pay dividend, subject to the provisions of the Act, to its equity shareholders for the financial year ending prior to the Effective Date and no such dividend shall be payable to the shareholders of the Second Transferor Company in respect of their shareholding or their entitlement to the New Equity Shares pursuant to this Scheme if such dividend is declared prior to the Effective Date.

12. ACCOUNTING TREATMENT

Upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of account with effect from the Appointed Date as under:



- 12.1 The Transferee Company shall account for the amalgamation in accordance with "Pooling of Interest Method" laid down by Appendix C of Ind AS 103 (Business combinations of entities under common control) notified under the provisions of the Companies Act, 2013.
- 12.2 Upon the Scheme becoming effective and with effect from the Appointed Date, all the assets and liabilities pertaining to the Transferor Company, transferred to the Transferee Company under the Scheme shall be recorded in the books of the Transferee Company at the value and in the same form as recorded in the books of Amalgamating Company as per Ind AS.
- 12.3 The balance of the retained earnings appearing in the financial statements of the Transferor Company determined as per Ind AS, shall be aggregated with the corresponding balance of retained earnings appearing in the financial statements of the Transferee Company.
- 12.4 The identity of the reserves standing in the books of the Transferor Company determined as per Ind AS shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in and at the same values at which they appeared in the financial statements of the Transferor Company.
- 12.5 The consideration issued to the shareholders of the Transferor Company in the form of equity shares of the Transferee Company shall be credited to share capital account at the nominal value of the equity shares issued by it.
- 12.6 The difference between the carrying amount in the books of the Transferee Company of its investment in the Equity share capital of the Transferor Company which shall stand cancelled consequent to this Scheme and the aggregate face value of such Equity Share Capital shall, subject to the other provisions contained herein, be adjusted to the reserves of the Transferee Company.
- 12.7 The deficit / surplus arising after recording the entries above shall be transferred to Capital Reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.
- 12.8 If and to the extent there are inter-corporate loans, deposits or balances as between the Transferor Company and the Transferee Company, the obligations in respect thereof on and from the Appointed Date, shall stand cancelled and there shall be no obligation / outstanding in that behalf.
- 12.9 In case of any differences in accounting policy between the Transferor Company and Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted to the Reserves of the Transferee Company, to ensure that upon the coming into effect of this Scheme, the financial statements of the Transferee Company reflect the financial position on the basis of a consistent accounting policy.



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- 12.10 All costs and expenses incurred in connection with the Scheme and to put it into operation and any other expenses or charges attributable to the implementation of the Scheme shall be debited to the statement of profit & loss of the Transferee Company.
- 12.11 Comparative accounting period presented in the financial statements of Transferee Company shall be restated for the accounting impact of amalgamation of Flagship Infrastructure Private Limited (being under common control), as stated above, as if the amalgamation had occurred from the beginning of the comparative period in the financial statements since company is under common control from the date of the transition.
- 12.12 In respect of Menthol Developers Private Limited, since the company came under common control from 1st April 2017, the financial statements of Transferee Company shall include the accounting impact of amalgamation of Menthol Developers Private Limited from 1st April 2017.

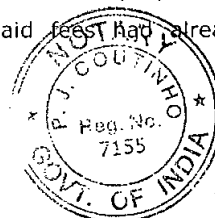
13. INCREASE IN AUTHORISED CAPITAL

Increase in authorized capital of the Transferee Company

- 13.1 Upon sanction of this Scheme, the Authorized Share Capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed by the Authorized Share Capital of the Transferor Companies amounting to INR 10,05,00,000/- (Rupees Ten Crores Five Lakhs Only) divided into 1,00,50,000 (One Crores Fifty Thousand) Equity Shares of INR 10/- (Rupees Ten Only) each and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 13, 14, 61 and 232(3)(i) of the Companies Act, 2013.
- 13.2 Consequent upon the amalgamation, the Authorized Share Capital of the Transferee Company (as increased) shall be as under:-

Authorized Share Capital	Amount in INR
15,85,50,000 Equity Shares of INR 10/- each	158,55,00,000
150,000 Cumulative Convertible Preference Shares of INR 100/- each	1,50,00,000
Total	160,05,00,000

Upon coming into effect of this Scheme, the Transferee Company shall not be required to file any form, document or intimation concerning the increase in its authorized share capital or for that purpose make payment of any fee to the Office of the Registrar of Companies, Maharashtra or for that purpose payment of any stamp duty to the State of Maharashtra as the said fees had already been paid by the



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Transferor Companies and the authorized share capital of the Transferee Company shall, without any further act or deed or payment of fee or duty shall be increased automatically.

It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

14. DISSOLUTION WITHOUT WINDING UP OF THE TRANSFEROR COMPANIES

The Transferor Companies shall be dissolved without the process of being wound up on an order made by the Tribunal under Section 232 of the Act.

PART-C - GENERAL CLAUSES, TERMS AND CONDITIONS:

15. APPLICATION TO THE TRIBUNAL

15.1 The Transferor Companies and the Transferee Company shall with all reasonable dispatch, make joint application/petition under Sections 230 to 232 and other applicable provisions of the Act to the Tribunal at Mumbai seeking orders for dispensing with or convening, holding and conducting of the meetings of the members and/or creditors of the Transferor Companies and the Transferee Company as may be directed by the Tribunal.

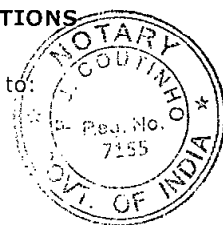
15.2 On the Scheme being agreed to by the requisite majorities of the members and/or creditors of the Transferee Company and the Transferor Companies as directed by the Tribunal, the Transferee Company and the Transferor Companies shall, with all reasonable dispatch, apply to the NCLT for sanctioning of this Scheme and for dissolution of the Transferor Companies without winding up under the provisions of the Act.

16. MODIFICATIONS, AMENDMENTS TO THE SCHEME

Subject to approval of the NCLT, the respective Boards or the respective authorized representative appointed by the Board of the Transferee Company and the Transferor Companies may assent to any modifications, alterations or amendments of this Scheme or any conditions which the NCLT and / or any other competent authority may deem fit to direct or impose and the said respective Boards may do all such acts, things and deeds necessary in connection with or to carry out the Scheme into effect and take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any order of the NCLT or any directions or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and / or matters concerned or connected therewith.

17. SCHEME CONDITIONAL UPON APPROVALS / SANCTIONS

This Scheme is specifically conditional upon and subject to:



- 17.1 Approval of, and agreement to, the Scheme by the requisite majorities of members of the Transferor Companies and Transferee Company as may be directed by the Tribunal on the applications made for directions under Section 230 of the said Act for calling or dispensing with meetings and necessary resolutions being passed under the Act for the purpose, if required.
- 17.2 The approval of Maharashtra Real Estate Regulatory Authority being obtained under Real Estate (Regulation and Development) Act 2016 for the transfer of projects of the Second Transferor Company to the Transferee Company.
- 17.3 The sanctions of the Tribunal and any other Authority being obtained under Sections 230 to 232 and other applicable provisions of the Act on behalf of the Transferor Companies and Transferee Company.
- 17.4 Certified copies of the Order of the Tribunal sanctioning this Scheme being filed with the Registrar of Companies, Maharashtra, Mumbai by the Transferor Companies and Transferee Company.

18. EFFECT OF NON-RECEIPT OF APPROVAL/SANCTION

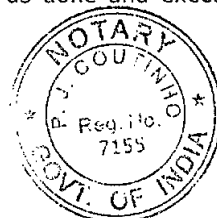
In the event of any of the aforesaid sanctions and approvals referred to in Clause 17, not being obtained and / or the Scheme not being sanctioned by the Tribunal within 12 months of passing of resolution by the Board of Directors of the Transferor Companies and the Transferee Company approving this Scheme or within such further period or periods as the Board of Directors of the Transferor Companies and Transferee Company may agree, the Scheme shall stand revoked, cancelled and become null and void and no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person.

19. BOARD OF DIRECTORS OF THE TRANSFEROR COMPANIES

The Board of Directors (or any committee / sub-committee thereof) of the Transferor Companies, upon the Scheme becoming effective, shall without any further act, instrument and deed stand dissolved. All the Directors of the Transferor Companies shall cease to be Directors of the Transferor Companies on coming into effect of this Scheme without affecting their rights as shareholders, if any. However, if any such Director is a Director of the Transferee Company, he would continue to hold his office in the Transferee Company.

20. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of businesses under Clause 3 and the continuance of proceedings by or against the Transferor Companies above shall not affect any transaction or proceedings already concluded by the Transferor Companies on or before 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 Companies in respect thereto as done and executed on behalf of itself.



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
21. SEVERABILITY

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

22. EXPENSES CONNECTED WITH THE SCHEME

All cost, charges and expenses in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this Scheme and/or incidental to the completion of amalgamation of the Transferor Companies in pursuance of the Scheme shall be borne and paid by the Transferee Company. Similarly, the Transferee Company shall alone bear any duties, stamp duty or taxes leviable, if any, in pursuance to or as a consequence of the Scheme of Merger by absorption.

For Menthol Developers Pvt. Ltd.

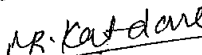

Director

For Menthol Developers Pvt. Ltd.

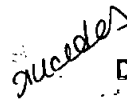

Director

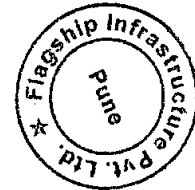


For Flagship Infrastructure Pvt. Ltd.


Director

For Flagship Infrastructure Pvt. Ltd.

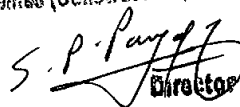

Director



Paranjape Schemes (Construction) Ltd.


Director

Paranjape Schemes (Construction) Ltd.


Director

