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COMPANY INFORMATION

NCLT CONVENED MEETING OF EQUITY SHAREHOLDERS

BOARD OF DIRECTORS

MR. JAGANNATH SHINDE

MR. RAVEENDRAN BALKRISHNAN

MR. RAVINDRA SAVANT

MR. JASHVANT P. PATEL

MR. R. B. PURI

MR. AJIT PARAKH

CHAIRMAN & MANAGING DIRECTOR

INDEPENDENT DIRECTOR

INDEPENDENT DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR & CFO

CORPORATE INFORMATION

COMPANY SECRETARY

Ms. Reema Shitole

STATUTORY AUDITORS

MITESH MEHTA AND ASSOCIATES

432, Lamington Road,
2nd Floor, Opera House Mumbai: 400 004.
Tel: 49737733

PRINCIPAL BANKERS

HDFC BANK
BANK OF INDIA
YES BANK

REGISTERED & CORPORATE OFFICE

6th Floor, Corporate Park – II,
V. N. Purav Marg, Chembur,
Mumbai – 400 071.
Tel : +91 022 67730000
Fax : +91 022 25273473
Website: www.aiocdltd.in
CIN: U74110MH2007PLC167578

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400 083
Tel No: +91 22 49186270
Fax: +91 22 49186060
E-mail id : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

**NOTICE OF MEETING OF THE EQUITY SHAREHOLDERS OF
ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED
AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

Meeting of Equity Shareholders of All Indian Origin Chemists & Distributors Limited		
Day	:	FRIDAY
Date	:	20 th NOVEMBER 2020
Time	:	1PM
Venue	:	Club Emerald, Emerald Leisures Ltd., 366/13, Near Shushrut Hospital, Siddharth Colony, Chembur (East), Mumbai, Maharashtra 400071

FORM NO. CAA-2

[Pursuant to section 230 (3) and Rules 6 and 7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

COMPANY SCHEME APPLICATION NO. 77 OF 2019

In the matter of Companies Act, 2013

AND

In the matter of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013

AND

In the matter of Scheme of Merger including Amalgamation and Capital Reduction

AMONGST

All Indian Origin Chemists & Distributors Limited

AND

Maharashtra Safe Chemists and Distributors Alliance Limited

Their respective Shareholders and Creditors

**ALL INDIAN ORIGIN CHEMISTS &
DISTRIBUTORS LIMITED**

)

A Company incorporated under the provisions of
Companies Act, 1956, having its registered office
at 6th Floor, Corporate Park- II, V. N. Purav Marg,
Chembur, Mumbai – 400071, India.

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)

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)..... First Applicant Company

**NOTICE OF THE NCLT CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF
ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED AS PER THE DIRECTIONS OF
THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

Notice is hereby given that by an order dated 05th March, 2020, the Mumbai Bench of the National Company Law Tribunal (NCLT) has directed a meeting to be held of Equity Shareholders of the First Applicant Company (hereinafter referred to as the Applicant Company) for the purpose of considering, and if thought fit, approving, with or without modification, the arrangement embodied in the Scheme of Merger amongst ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED and MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED and their respective Shareholders and Creditors ('the Scheme').

In pursuance of the said order, and as directed therein further notice is hereby given that a meeting of Equity Shareholders of the Applicant Company will be held on Friday, 20th day of November, 2020 at 1 p.m. at **Club Emerald, Emerald Leisures Ltd., 366/13, Near Shushrut Hospital, Siddharth Colony, Chembur (East), Mumbai, Maharashtra 400071** to transact the following business:

ITEM 1: TO APPROVE THE SCHEME OF MERGER AND ARRANGEMENT OF ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LTD. (AIOC DL) AND MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LTD. (MSCDAL)

To consider and, if thought fit, approve with or without modification(s), the following Special Resolution under Section 230 to Section 232 read with Section 66 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions of Companies Act, 2013, and the provisions of the Memorandum and Articles of Association of the Company for approval of the arrangement embodied in the Scheme:

“RESOLVED THAT pursuant to the provisions of Section 230 to Section 232 read with Section 66 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and other applicable provisions of the Companies Act, 2013 and the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Mumbai Bench of the National Company Law Tribunal (the 'NCLT'), and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other statutory authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (herein after referred to as the “Board”, which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement

embodied in the Scheme of Arrangement amongst All Indian Origin Chemists & Distributors Limited And Maharashtra Safe Chemists And Distributors Alliance Limited and their respective Shareholders and Creditors ('**the Scheme**') as placed before this meeting and initialed by the Chairman of this meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT the Board do take on record the Appointed Date for the said Scheme of Merger as 1st April 2020 or such other date as the NCLT may direct or approve under the relevant provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of scheme of merger of All Indian Origin Chemists & Distributors Limited and Maharashtra Safe Chemists and Distributors Alliance Limited based on Valuation Report of Mr. Pradip Shroff (Managing Director of V.B. Desai Financial Services Ltd., Chartered Accountants, being valuer appointed for the purpose of the scheme, the following share exchange / entitlement ratio is approved as under:

“100 fully paid up Equity Shares (Face Value of INR 6/- each) of Maharashtra Safe Chemists And Distributors Alliance Limited to be issued and allotted for every 250 Equity Shares held by the Shareholders of All Indian Origin Chemists & Distributors Limited in the event of Merger of All Indian Origin Chemists & Distributors Limited And Maharashtra Safe Chemists And Distributors Alliance Limited.

RESOLVED FURTHER THAT Mr. Jagannath Shinde, Chairman and Managing Director, of the Company be and is hereby authorised to take all necessary steps including but not limited to:

- a) to make modifications, amendments, revisions, edits and all other actions as may be required to finalize the Scheme;
- b) to file necessary applications, with the Central/State government, or any body, authority or agency and to obtain sanction or approval to any provisions of the Scheme and where necessary to take steps to convene and hold such meetings as per the directions of the NCLT to give effect to the Scheme;
- c) to file applications with the NCLT or such other competent authority for directions to hold or to exempt the holding of meetings of the shareholders and / or creditors and / or such other classes as may be concerned with the Scheme and where necessary to take steps to convene and hold such meetings as per the directions of the NCLT to give effect to the Scheme;
- d) to file petitions for confirmation of the Scheme with the NCLT or such other competent authority;
- e) to file affidavits, petitions, pleadings, applications or any other proceedings incidental or deemed necessary or useful in connection with the above proceedings and to engage Counsels, Advocates, Solicitors, Chartered Accountants and other professionals, and to sign and execute vakalatnama where necessary or incidental to the

- said proceedings for obtaining confirmation by the NCLT to the said Scheme and for giving effect to the Scheme;
- f) take all steps as may be required, including without limitation for obtaining approvals and/or consents of the shareholders, creditors, banks, financial institutions, and other regulatory authorities or entities or agencies as may be applicable from time to time in that regard;
 - g) to settle any question or difficulty that may arise and give any directions necessary with regard to the implementation of the above Scheme, and to give effect to the above resolution;
 - h) to make any alterations /changes to the Scheme as may be expedient or necessary which does not materially change the substance of the Scheme, particularly for satisfying the requirements or conditions imposed by the Central / State Government or the NCLT or shareholders or any other authority;
 - l) to suspend, withdraw or review the Scheme from time to time as may be specified by any statutory authority or as may be suo motu decided by the Board in its absolute discretion;
 - j) to take all steps necessary or incidental and considered appropriate in this regard to the above applications or petitions and implementation of the orders passed thereon and generally for putting through the Scheme and completing the same;
 - k) to sign all applications, petitions, documents, or to issue public advertisement and notices relating to the Scheme or delegate such authority to another person by a valid Power of Attorney;
 - l) to do all further acts, deeds, matters and things as may be necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto;
 - m) take all such actions and steps in the above matter, as may be required from time to time to give effect to the above resolutions including resolving difficulties, if any, as and when arises.

RESOLVED FURTHER THAT any of the Director(s) of the Company be and are hereby authorised to sign copy of this resolution as certified true copy thereof and furnish the same to whomsoever concerned.

RESOLVED FURTHER THAT any of the Director(s) of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as maybe required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper.”

The Explanatory Statement under Sections 230, 232 read with Section 102 of the Companies Act, 2013, Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable rules, the Scheme and the other enclosures as indicated in the index are enclosed.

Persons entitled to attend and vote at the meeting, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the registered office as mentioned above not later than 48 hours before the

meeting.

Forms of proxy can be obtained at the registered office of the Applicant Company.

Copies of the said Scheme can be obtained free of charge during the office hours from the registered office at 6th Floor, Corporate Park- II, V. N. Purav Marg, Chembur, Mumbai - 400071.

The Tribunal has appointed Mr. Jagannath Shinde, Chairman and Managing Director of the Applicant Company, and failing him, any of the Director(s) of the Applicant Company, to be appointed as the Chairperson for the meeting of the Equity Shareholders. The abovementioned arrangement, if approved by the meeting, will be subject to the subsequent approval of the Tribunal.

**For and on behalf of the Board of Directors of
All Indian Origin Chemists & Distributors Limited**

Sd/-

**Mr. Jagannath Shinde
Chairman and Managing Director
DIN: 01435827
Chairperson appointed for the meeting**

Place: Mumbai

Date: 30th September, 2020

A route map to reach the venue of the meeting is annexed with this notice

NOTES

1. In compliance with provisions of Section 108 of Companies Act 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
2. The Notice calling the NCLT convened Meeting has been uploaded on the website of the Company at www.aiocdltd.in.
3. A registered equity shareholder entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself and a proxy need not be a member. The instrument appointing a proxy should however be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
4. A person can act as proxy for and on behalf of members not exceeding 50 members and holding in aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. Member holding more than 10 percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member
5. The registered Equity Shareholders of the Applicant Company whose names are appearing in the records of the Company as on 13th November 2020 shall be eligible to attend and vote at the said meeting or cast their votes using Remote e-voting facility provided by the Company.
6. The Authorized Representative of a body corporate which is a registered Equity Shareholder of the Company may attend and vote at the said meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend at the meeting is deposited at the Registered Office of the Company and the same to be mailed to the Scrutiniser at jaymehtaandassociates@gmail.com, not later than 48 hours before the schedule time of the commencement of meeting.
7. In case of joint holders attending the meeting, only such joint holders whose name stands first in the Register of Members of the Company in respect of such joint holding will be entitled to vote. The notice is being sent to all equity shareholders, whose name appeared in the register of members as on 30th September 2020.

8. The Notice is being sent to the Members whose names appear on the register of members/list of beneficial owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) (collectively, the "Depositories") as on 30th September 2020. The Notice is also being sent to Members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding)/the Company's Registrar and Share Transfer Agents (in case of physical shareholding).
9. Members are provided with the facility for voting through ballot paper at the Meeting and Members attending the meeting who have not already cast their vote by remote e-voting are eligible to exercise their right to vote at the Meeting. Members who have cast their vote by remote e-voting prior to the Meeting are also eligible to attend the meeting but shall not be entitled to cast their vote again.
10. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
11. The National Company Law Tribunal has appointed Mr. Jay Mehta, Practicing Company Secretary (Membership No. 8672) as the scrutinizer to scrutinize the votes cast at the said meeting and submit the report on the same.
12. Members are requested to bring their Attendance Slip along with their copy of this Report to the Meeting.
13. Shareholders desirous of obtaining any information / clarification on the accounts and operations of the Company are requested to send in written queries to the Company, at least one week before the date of the meeting. Replies will be provided only in respect of such written queries received, at the meeting.
14. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, along with applicable rules thereunder and provisions of Sections 230 and 232 of the Companies Act, 2013 setting out material facts forms part of this Notice.
15. The Chairman shall, at the Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use ballot paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
16. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting and, thereafter, unblock the votes cast through remote e-voting and also count the votes received through Ballot Forms, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two

days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

17. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website viz. www.aiocdltd.in and on the website of NSDL immediately after the declaration of the result by the Chairman or a person authorized by him in writing.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on 17th November, 2020 at 9:00 A.M. and ends on 19th November, 2020 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:
<https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 114681 then user ID is 114681001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

- a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-Voting will open

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- 1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- 2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- 3. Select “EVEN” of company for which you wish to cast your vote.
- 4. Now you are ready for e-Voting as the Voting page opens.
- 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password

2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to NSDL at evoting@nsdl.co.in

➤ **General Guidelines for shareholders**

- Members are requested to:

- a) Contact the Company at cs@aiocd/02267730000 in case of any queries pertaining to the shares or updation of their address/email id in the records of the Company.
- b) Quote their Name, Contact Number and Folio Number, in all correspondence.
- c) Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.
- d) Members holding shares in single name are advised to make nomination in respect of their shareholding in the Company.
- e) Convert their physical holding into Demat form.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

MUMBAI BENCH

COMPANY SCHEME APPLICATION NO. 77 OF 2019

In the matter of Companies Act, 2013

AND

In the matter of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions
of the Companies Act, 2013

AND

In the matter of Scheme of merger including Amalgamation and Capital Reduction

AMONGST

All Indian Origin Chemists & Distributors Limited

AND

Maharashtra Safe Chemists and Distributors Alliance Limited

AND

Their respective Shareholders and Creditors

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED)

A Company incorporated under the provisions of)

Companies Act, 1956, having its registered office)

at 6th Floor, Corporate Park- II, V. N. Purav Marg,)

Chembur, Mumbai – 400071, India.)

)..... First Applicant Company

EXPLANATORY STATEMENT UNDER SECTION 230(3) READ WITH SECTION 102 OF THE COMPANIES ACT, 2013 FOR THE MEETING OF EQUITY SHAREHOLDERS OF ALL INDIAN ORIGIN CHEMISTS AND DISTRIBUTORS LIMITED CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL

1. In this statement, ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED is hereinafter referred to as 'Applicant Company' or 'the Transferor Company', MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED is hereinafter referred to as 'the Applicant Company' or 'the Transferee Company' (collectively hereinafter also referred to as 'the Companies' or 'the Applicant Companies'). The other definitions contained in the Scheme will apply to this Explanatory Statement also. The following statement as required under Section 230 (3) read with Section 102 of the Companies Act, 2013 sets forth the details of the proposed Scheme, its effects.
2. Pursuant to an Order dated 05th March, 2020 passed by the National Company Law Tribunal Bench at Mumbai in the Company Scheme Application No. 77 of 2019 referred to hereinabove, a meeting of the Equity Shareholders of All Indian Origin Chemists & Distributors Limited is being convened and held on Friday, 20th day of November, at 1 P.M. at **Club Emerald, Emerald Leisures Ltd., 366/13, Near Shushrut Hospital, Siddharth Colony, Chembur (East), Mumbai, Maharashtra 400071** approving with or without modification(s), the proposed Scheme of Merger amongst ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED and MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED and their respective shareholders and creditors ('the Scheme').
3. The proposed Scheme of Merger was placed before the Board of Directors of both the Companies at their respective meetings of the Board of Directors held on 8th December 2017, and the same was approved by the Board.
4. Based on the evaluations, the Board of Directors of the Applicant Companies have come to the conclusion that the Scheme is in the best interest of the Company and its shareholders.
5. A copy of the Scheme which has been approved by the Board of Directors of the Company is enclosed herewith. The other definitions contained in the Scheme shall also apply to this Explanatory Statement.
6. Notice of the said meeting together alongwith a copy of the Scheme of Merger is attached herewith. This statement explaining the terms of the Scheme of Amalgamation is being furnished as required under Sections 230 and 232 of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 of the Companies Act, 2013
7. **BACKGROUND OF THE COMPANIES INVOLVED IN THE SCHEME:**
Background of the Companies involved in the Scheme of Merger is as under:
 - **All Indian Origin Chemists & Distributors Limited (“Applicant Company” or “Transferor Company”):**
 - a) The Applicant Company/Transferor Company was incorporated under the provisions of Companies Act, 1956 on 05th February, 2007 under the name and style of 'All Indian Origin Chemists & Distributors Limited'. Its Corporate

Identity Number is U74110MH2007PLC167578 and Permanent Account Number is AAGCA3536J.

- b) The Registered Office of the Applicant Company is situated at 6th Floor, Corporate Park - II, V.N. Purav Marg, Chembur, Mumbai - 400071, Maharashtra, India and its registered e-mail id is cs@aiocd.com.
- c) The details of the issued, subscribed and paid-up share capital of the Applicant Company as on 31st March, 2020 are as under:

Particulars	Amount in (Rs.)
Authorised Capital	
2,00,00,000 Equity Shares of Rs. 10/- each	20,00,00,000
Total	20,00,00,000
Issued, Subscribed and Paid-up	
1,59,78,880 Equity Shares of Rs. 10/- each fully paid up	15,97,88,800
Total	15,97,88,800

Subsequent to 31st March 2020, there has been no change in the Authorized, Issued, Subscribed and Paid-up capital till date.

- d) The shares of the Applicant Company are not listed on any Stock Exchange.
- e) The objects for which the Applicant Company has been established are set out in its Memorandum of Association. The main objects of the Applicant Company are as hereunder:
1. *To carry on the business as the manufactures, producers, dealers, distributors, importers, exporters, agents of all kinds of Pharmaceutical and Neutraceutical products, Drugs including generic drugs, medicines all types (including Allopathic, Homeopathic, Ayurvedic, Unani, Siddha, Herbal,) Dietary and food supplements of any nature and kind, Surgical instruments, medical devices, instruments, meters as well as implants, dressings and related material, plazma, products of bio technology, genetic engineering, tissue culture, monoclonal antibodies, all chemical products including cosmetic, organic, inorganic, aromatic, laboratory and to build, setup, establish, promote, own, operate, manage and and conduct a chain of shops/ shopping centers, malls for any or all of the above mentioned products.*
 2. *To carry on the business as the manufactures, producers, dealers, distributors, importers, exporters, agents of all kinds of fast moving consumer products like processed and unprocessed food items, toiletries and all other allied goods, items, things and articles and to build set-up, establish, promote, own, operate a chain of shops/shopping centers, malls for any or all of the above mentioned products.*
 3. *To carry on, undertake, set up, establish, pursue, provide services, manage, or otherwise deal in all respects, in, the business of designing and development of Information Technology, including but not limited to computer software, for application in the field of pharmaceutical/ healthcare services singly or jointly with others by entering into any partnership or any arrangement for sharing profits, joint venture, reciprocal concession or otherwise with any*

person(s) including body (ies) corporate *(Inserted vide special resolution dated 24th February 2017)

➤ **Maharashtra Safe Chemists And Distributors Alliance Limited (“Second Applicant Company” or “Transferee Company”):**

- a) The Second Applicant Company/Transferee Company was incorporated under the provisions of Companies Act, 1956 on 10th October, 2006 under the name and style of 'Maharashtra Safe Chemists And Distributors Alliance Limited'. Its Corporate Identity Number is U24239MH2006PLC165149 and Permanent Account Number is AAECM8288K.
- b) The Registered Office of the Second Applicant Company is situated at 6th Floor, Corporate Park- II, V.N. Purav Marg, Chembur, Mumbai – 400071 and its registered e-mail id is cs@aiocd.com.
- c) The details of the issued, subscribed and paid-up share capital of the Applicant Company/Transferee Company as on 31st December, 2019 are as under:

Particulars	Amount in (Rs.)
Authorised Capital	
3,60,00,000 Equity Shares of Rs. 10/- each	36,00,00,000
2,00,00,000 Preference Shares of Rs. 10/- each	20,00,00,000
Total	56,00,00,000
Issued, Subscribed and Paid-up	
3,50,46,195 Equity Shares of Rs. 10/- each	35,04,61,950
1.51,69,995, 8% Non-Cumulative Non-convertible Preference Shares of Rs.10/- each	15,16,99,950
Total	50,21,61,900

Subsequent to 31st March 2020, there has been no change in the Authorized, Issued, Subscribed and Paid-up capital till date.

- d) The shares of the Second Applicant Company are not listed on any Stock Exchange.
- e) The objects for which the Second Applicant Company has been established are set out in its Memorandum of Association.

The main objects of the Second Applicant Company are as under:

- To carry on the business as the dealers, distributors, importers, exporters, agents of all kinds of Pharmaceutical and Nutraceutical products, Drugs including generic drugs, medicines all types (including Allopathic, Homeopathic, Ayurvedic, Unani, Siddha, Herbal,) Dietary and food supplements of any nature and kind, Surgical Instruments, implants, dressing and related material, plazma Products of biotechnology, genetic engineering, tissue culture, monoclonal antibodies, all chemical products including cosmetic, organic, inorganic, aromatic, laboratory.*
- To carry on the business as the dealers, distributors, importers, exporters, agents of all kinds of fast moving consumer*

products like processed and unprocessed food items, toiletries.

2A. *To carry on in India or elsewhere the business as the dealers, distributors, importers, exporters, agents, lessors, developers, manufacturers, centralized purchaser and otherwise in all capacities and to deal in all respects in all kinds of information technology system including carrying out automated centralized purchase and providing computer system for organized retail including computers, printers, scanners, software on sale, lease or otherwise to any person.*

8. BACKGROUND AND RATIONALE OF THE SCHEME

8.1 The Transferor Company and Transferee Company are primarily engaged in the business activities of Pharmaceutical Distribution and other related products and services in its business line.

8.2 The Board of each of the Applicant Companies have approved the Scheme at their respective Board meetings held on 08th December 2017.

8.3 The Appointed Date of the Scheme is 1st April, 2020.

8.4 The Scheme deals with the following:

8.4.1 Amalgamation of All Indian Origin Chemists & Distributors Limited into Maharashtra Safe Chemists And Distributors Alliance Limited.

8.4.2 Reorganization of share capital of All Indian Origin Chemists & Distributors Limited (After giving effect to Merger of the Scheme):

Conversion of Equity Share Capital of All Indian Origin Chemists & Distributors Limited from **Rs. 1,59,78,880/-** divided into **15,97,888** Equity Shares of Rs. 10/- each to **Rs. 3,22,58,112/-** divided into **53,76,352** fully paid up Equity Shares of Rs. 6/- each of Maharashtra Safe Chemists And Distributors Alliance Limited .

8.4.3 Reorganization of Share Capital of Maharashtra Safe Chemists And Distributors Alliance Limited (After giving effect to Merger of the Scheme):

Reduction of Equity Share Capital of Maharashtra Safe Chemists And Distributors Alliance Limited from **Rs. 35,04,61,950/-** divided into **3,50,46,195** Equity Shares of Rs. 10/- each to **Rs. 20,70,37,170/-** divided into **3,45,06,195** fully paid up Equity Shares Rs. 6/- each.

– Conversion of Preference Share Capital of Maharashtra Safe Chemists And Distributors Alliance Limited from **Rs. 15,16,99,950/-** divided into **1,51,69,995** Non Cumulative Non Convertible Preference Shares of Rs. 10/- each to **Rs. 3,53,75,988/-** divided into **58,95,998** fully paid up Equity Shares Rs. 6/- each.

– There will be no cash payout to the shareholders of Maharashtra Safe Chemists And Distributors Alliance Limited.

8.4.4 Change in the name of the Companies after giving effect to Merger and Capital Reduction of the Scheme:

– The name of Maharashtra Safe Chemists And Distributors Alliance Limited post Scheme will be changed to 'All Indian Origin Chemists & Distributors Limited'.

8.4.5 The Scheme is in the interest of the shareholders, creditors, employees and all concerned. The restructuring will unlock value for the shareholders of the Applicant Companies and would facilitate greater business focus for the Companies.

9. SALIENT FEATURES OF THE SCHEME:

9.1 The Scheme is presented under Sections 230 to 232 of the Companies Act, 2013, read with Section 66 and any corresponding provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in connection with the Scheme of Merger including Amalgamation and Capital Reduction.

9.2 For sake of convenience, the Scheme is divided into following parts:

9.2.1 **Part I** - deals with Definitions and Share Capital;

9.2.2 **Part II** – deals with the amalgamation of All Indian Origin Chemists & Distributors Limited into Maharashtra Safe Chemists And Distributors Alliance Limited;

9.2.3 **Part III** - deals with reorganization of share capital of Maharashtra Safe Chemists And Distributors Alliance Limited after merger as envisaged in Part II of the Scheme; and

9.2.4 **Part IV** - the general terms and conditions that would be applicable to the Scheme.

9.2.5 Part II and III of the Scheme are interdependent and not severable. Each part shall be deemed to have taken effect as per the chronology specifically provided for in the Scheme.

9.3 **“Appointed Date”** for the purpose of this Scheme means 1st April 2020 or such other date(s) as the National Company Law Tribunal may direct / approve.

9.4 **“Effective Date”** or **“Coming into effect of the Scheme”** means the last of the dates on which the sanctions, approvals or orders specified in this Scheme have been fulfilled or waived, as the case may be, and approvals and consents, referred to herein, have been obtained and the date on which the certified copy of the Order of the National Company Law Tribunal at Mumbai, Maharashtra is filed with the Registrar of Companies (as hereinafter defined);

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient extracts thereof.

10. DETAILS OF CAPITAL STRUCTURING

10.1 Details of Capital Restructuring (capital structure - pre and post arrangement):

➤ **Applicant Company / Transferor Company:**

Particulars	Pre Arrangement (Before Merger & Reduction of share capital)		Post Arrangement (After Merger & Reduction of share capital)	
	No. of shares	Amount	No. of shares	Amount
Authorised Share Capital				
Equity Shares of Rs. 10/- each	2,00,00,000	20,00,00,000	NIL	NIL
Issued, Subscribed and Paid -up Share Capital				
Equity Shares of Rs. 10/- each fully paid-up	1,59,78,880	15,97,88,800	NIL	NIL

➤ Second Applicant Company / Transferee Company:

Particulars	Pre Arrangement(Before Merger & Reduction of share capital)	
	No. of shares	Amount
Authorised Share Capital		
3,60,00,000 Equity Shares of Rs. 10 each	3,60,00,000	36,00,00,000
2,00,00,000 - 8% Preference Shares of Rs.10/- each	2,00,00,000	20,00,00,000
Issued, Subscribed and Paid-up Share Capital		
3,50,46,195 Equity Shares of Rs. 10 each fully paid-up	3,50,46,195	35,04,61,950
1,51,69,995 – 8% Preference Shares of Rs.10/- each fully paid-up	1,51,69,995	15,16,99,950

Particulars	Post Arrangement (After Merger & Reduction of share capital)	
	No. of shares	Amount
Authorised Share Capital		
3,60,00,000 Equity Shares of Rs. 6/- each	1,26,66,66,666	76,00,00,000
Issued, Subscribed and Paid-up Share Capital		
4,57,78,545 Equity Shares of Rs. 6/- each fully paid-up	4,57,78,545	27,46,71,270

10.2 CONSIDERATION:

- a) The Board of Directors of the Applicant Company/Transferor Company and Second Applicant Company / Transferee Company have approved fair equity share exchange ratio of 1 (One) equity share of Face Value of Rs. 6/- each in the Resulting Company for every 2.5 (Two and half) equity shares of face value of Rs. 10/- each held in by them in Merged Company based on the Valuation Report recommending the fair equity share exchange ratio given by M/s. V.B. Desai Financial Services Ltd, Chartered Accountants.

10.3 Basis of Valuation:

- For the purpose of arriving at the share exchange ratio in respect of **Part II of the Scheme**, an independent Valuation Report from M/s. V.B. Desai Financial Services Ltd, Chartered Accountants, has been obtained. Basis of valuation for Merger of both the Companies is 'Adjusted Net Asset Value Method (NAV)' and 'Discounted Cash Flow Method (DCF).'

- Copy of the Valuation Report is enclosed herewith and also available for inspection at the Registered Office of the Company.

11. DISCLOSURES

11.1 DISCLOSURE OF INTEREST, EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY-MANAGERIAL PERSONNEL:

The Directors and Key Managerial Personnel (KMP) and their respective relatives, of all the companies may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in their respective companies, or to the extent the said directors/KMP are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust that hold shares in any of the companies, if applicable. Save as aforesaid, none of the directors or KMP of any of the companies have any material interest in the Scheme.

11.2 DISCLOSURE REGARDING BENEFITS AND EFFECTS OF THE SCHEME TO THE MEMBERS, CREDITORS, DEBENTUREHOLDERS, EMPLOYEES AND OTHERS:

- Since both the Companies are being controlled by the same management, it is expected that benefits which are foreseen for the Company will lead to increase in equity wealth thereby benefiting the promoters and non-promoter members.
- Rights of creditors will remain unaffected since there is no compromise or arrangement with creditors.
- Employees of the Transferor Company will become employees of the Transferee Company / Resulting Company without any break or interruption in service and on terms and conditions as to remuneration not less favorable than those subsisting with reference to the Transferor Company.
- There will be no effect on Key Managerial Personnel (KMP) and Directors.
- There are no debenture holders, deposit trustees and debenture trustees.

12. GENERAL

12.1 It may be noted that all the Companies are Public Limited Companies.

12.2 The Applicant Companies filed the Company Scheme Application before the National Company Law Tribunal on 7th December 2018.

12.3 There are no Secured Creditors in the Applicant Company. However, the amount due to Unsecured Creditors is **Rs. 1,92,65,199/-** (Rs. One Crore Ninety Two Lacs Sixty Five Thousand One Hundred and Ninety Nine Only) as on 31.03.2020.

12.4 There are no Secured Creditors in the Second Applicant Company. However, the amount due to Unsecured Creditors is **Rs. 3,26,96,654/-** (Rs. Three Crores Twenty Six Lacs Ninety Six Thousand Six Hundred and Fifty Four only) as on 31.03.2020.

- 12.5 The rights and interests of the creditors of all the companies will not be prejudicially affected by the Scheme as no sacrifice or waiver is called from them nor their rights sought to be modified in any manner and post the Scheme, the Transferee Company/ Resulting Company will be able to meet its liabilities as they arise in the ordinary course of business.
- 12.6 None of the Directors, Promoters, Non-Promoter Members, KMP of the Applicant Companies or their respective relatives is in any way connected or interested in the aforesaid resolution.
- 12.7 There is no likelihood that any unsecured creditor of the concerned companies would lose or be prejudiced as a result of this Scheme being passed since no sacrifice or waiver is called for from them nor are their rights sought to be modified in any manner. Hence, the arrangement will not cast any additional burden on the shareholders or creditors of either company, nor will it affect the interest of any of the shareholders or creditors.
- 12.8 There are no winding up proceedings pending against the Company as of date.
- 12.9 No investigation proceedings are pending or are likely to be pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of the Company.
- 12.10 The Company is required to intimate the details of the Scheme to the regulatory and governmental authorities such as the Registrar Of Companies, Regional Director, Income Tax Authority, Reserve Bank of India and Central Drugs Standard Control Organization (CDSCO) (in case of Transferee Company) and will furnish the same at the relevant time.
- 12.11 Names and Addresses of the Directors and Promoters of the First Applicant Company/ Transferor Companies as on 31st March 2020 are as under:

Sr. No.	Name of the Director(s)	Address
1.	MR. JAGANNATH S.SHINDE	Shinde Building, Narveer Tanaji Chowk, Kolse Wadi, Kalyan East, District Thane, Kalyan, 42 1306, Maharashtra.
2.	MR. RAVEENDRAN BALAKRISHNAN	A-2/2-4, Alak Housing Society, Sector 19A, Nerul East, Navi Mumbai-400706, Maharashtra.
3.	MR. RAVINDRA M. SAVANT	19, Kala Nagar, Bandra East, Mumbai -400051, Maharashtra.
4.	MR. RAVI B. PURI	60/182 Mansarovar, Rajatpath, Jaipur 302020, Rajasthan.
5.	MR. JASHVANT P. PATEL	31, Paras Status, Jalaram Paroatha Gali, Science City, Sola, Ahmedabad -380060, Gujarat.
6.	MR. AJIT S. PARAKH	Sai Anand Pimpalwadi Rd., Nr. Narayan Baba Asram, At Post, Shirdi, Taluka Rahata, Ahmednagar, Shirdi 423109, Maharashtra.

NCLT Convened Meeting - 2020

Sr. No.	Name of the Promoter(s)	Address
1.	MR. JAGANNATH S.SHINDE	Shinde Building, Narveer Tanaji Chowk, Kolse Wadi, Kalyan East District Thane, Kalyan, 421306, Maharashtra.
2.	MR. ANIL HARIKISHAN NAVANDAR	B/2, Mahesh Apts Rallis Plots, Shegaon Road, Khamgaon- 444303.
3.	MR. VINAY S. SHROFF	1696-B, Gulwadi, Behind Emporium, Nandurbar- 425412.
4.	MR. A.N. MOHANAKURUP	Poonam, Mannath Lane, Thrissur-680001, Kerala.
5.	MR. ANDRADE V. BARTOLOMEW	M-9, Housing Board Colony, Gogol Margao, Goa - 403601.
6.	MR. PARSAN KUMAR SINGH	Bhardwas Bhavan Patna-3,Bihar.

12.12 Names and Addresses of the Directors and Promoters of the Second Applicant Company/ Transferee Company as on 31st March, 2020 are as under:

Sr. No.	Name of the Director(s)	Address
1.	MR. JAGANNATH S.SHINDE	Shinde Building, Narveer Tanaji Chowk, Kolse Wadi, Kalyan East District Thane, Kalyan, 421306, Maharashtra.
2.	MR. DEVESH AMUBHAI PATHAK	51 Udyognagar Society, Nr. Ayurvedic College, Outside Panigate, Vadodara- 390019.
3.	MR. PARARI ATHMARAM PATIL	S/O Venkatraman Patil, Opp Apna Sahakari Bank, C 502 Eden - 4, Hiranandani Garden, Powai, Mumbai 400076.
4.	MR. JUGALKISHOR KISANLAL TAPADIYA	1357, Sadashiv Peth, Flat No. 16/17, Sathe Complex, Pune 411030.
5.	MR. VIJAY PANDURANG PATIL	Yashwant Nagar, Mayani Road, Vita, Ainwadi Sangli 415311.

Sr. No.	Name of the Promoter(s)	Address
1.	MR. JAGANNATH S.SHINDE	Shinde Building, Narveer Tanaji Chowk, Kolse Wadi, Kalyan East District Thane, Kalyan, 421306, Maharashtra.
2.	MR. ANIL HARIKISHAN NAVANDAR	B/2, Mahesh Aprtments Rallis Plots, Shegaon Road, Khamgaon- 444303.
3.	MR. VAIJANATH EKNATH JAGUSHTE	Jagushte House, Sanmitra Nagar, Ozare Road, Taluka Sangameshwar Devrukh- 415611 District -Ratanagiri.
4.	MR. VINAY SHASHIKANT SHROFF	1696-B, Gulwadi, Behind Emporium, Nandurbar- 425412.

12.13 The Board of Directors of the First Applicant Company approved the Scheme at their meeting on 8th December 2017. Details of directors of the First Applicant Company who voted in favour / against / did not vote or participate in the meeting of the Board of Directors of the First Applicant Company are given below:

Sr. No.	Name of Director	Voted in favour / against / did not participate
1.	MR. JAGANNATH S.SHINDE	VOTED IN FAVOUR
2.	MR. RAVEENDRAN BALAKRISHNAN	VOTED IN FAVOUR
3.	MR. DEVESH A. PATHAK	VOTED IN FAVOUR
4.	MR. RAVI B. PURI	VOTED IN FAVOUR
5.	MR. JASHVANT P. PATEL	VOTED IN FAVOUR
6.	MR. AJIT S. PARAKH	VOTED IN FAVOUR
7.	MR. VINAY S. SHROFF	GRANTED LEAVE OF ABSENCE

12.14 The Board of Directors of the Second Applicant Company approved the Scheme at their meeting held on 8th December 2017. Details of directors of the Second Applicant Company who voted in favour / against / did not vote or participate in the meeting of the Board of Directors of the Second Applicant Company are given below:

Sr. No.	Name of Director	Voted in favour / against / did not participate
1.	MR. JAGANNATH S.SHINDE	VOTED IN FAVOUR
2	MR. RAVINDRA M. SAVANT	VOTED IN FAVOUR
3.	MR. PARARI ATHMARAM PATIL	VOTED IN FAVOUR
4.	MR. JUGALKISHOR KISANLAL TAPADIYA	VOTED IN FAVOUR

12.15 This statement may be treated as an Explanatory Statement under Section 230 (3) read with Section 102 of the Companies Act, 2013.

12.16 Inspection of the following documents specified under Rule 6(3)(ix) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, may be carried out by the Equity Shareholders / Creditors of the Company at the Registered Office at 6th Floor, Corporate Park -II, V.N. Purav Marg, Chembur, Mumbai - 400071, Maharashtra, India on any working days (except Saturday) prior to the date of the meeting between 12:00 noon and 02:00 p.m.

- a) Copy of the Order dated 05th March, 2020 of the Hon'ble Tribunal passed in Company Scheme Application No. 77 of 2019 directing the convening of the meeting of the Equity Shareholders of both the Applicant Companies;
- b) Pre and Post Merger Capital Structure and Shareholding Pattern of all the Companies;
- c) Memorandum and Articles of Association of the First Applicant Company;
- d) The Audited Financial Statement of the all the Applicant Companies for the last three financial years ended 31st March 2019, 31st March 2018 and 31st March 2017;
- e) Copy of Scheme of Arrangement;

- f) Register of Directors' Shareholding;
- g) Valuation report issued by M/s. V.B. Desai Financial Services Ltd, Chartered Accountants;
- h) Certificate issued by auditor of the Company to the effect that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013;

**For and on behalf of the Board of Directors of
All Indian Origin Chemists & Distributors Limited**

Sd/-

**Mr. Jagannath Shinde
Chairman and Managing Director
DIN: 01435827**

Chairperson appointed for the meeting

Place: Mumbai

Date: 30th September, 2020

Route Map for NCLT Convened Meeting of Equity Shareholders of AIOCDL

Club Emerald, Emerald Leisures Ltd., 366/13, Near Shushrut Hospital, Siddharth
Colony, Chembur (East), Mumbai, Maharashtra 400071



**SCHEME OF ARRANGEMENT AND AMALGAMATION
BETWEEN
ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED (AIOCDL)
AND
MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED (MSCDAL)
AND
THEIR RESPECTIVE SHAREHOLDERS**

PREAMBLE

This Composite Scheme of Arrangement and Amalgamation is presented pursuant to Sections 230 to 232, together with sections 13, 14, 48, 55, 61, 62, 66 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Section 2(1B), 47 and other relevant provisions of the Income-Tax Act, 1961 for:

- (I) Amalgamation of “All Indian Origin Chemists & Distributors Limited” (“AIOCDL” or “Transferor Company”) with “Maharashtra Safe Chemists and Distributors Alliance Limited” (“MSCDAL” or “Transferee Company”) on a going concern basis;
- (ii) Reorganization of share capital of the Transferee Company by converting its Non-Cumulative Non-Convertible Preference Shares into Equity Shares and for other matters consequential, supplemental and/or otherwise integrally connected therewith (referred to as “Conversion of Preference Shares of the Transferee Company”); and
- (iii) Reduction of Share Capital of the Transferee Company or otherwise the re-organization of issued, subscribed and paid up Equity Share Capital of the Company by reducing facevalue of and paid-up value of equity shares capital of Rs.10/- each to Rs.6/- each in terms of Part V of the Scheme (referred to as “Reduction of Share Capital of the Transferee Company”)

This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

PARTS OF THE SCHEME

Though this Scheme is divided into various parts, for the purpose of convenience, it is to be implemented as a single inseparable comprehensive Composite Scheme of Arrangement. This Composite Scheme of Arrangement and Amalgamation is divided into the following parts:

- I. Part I deals with Definitions, Introduction, Nature of Business and Share Capital Structure;
- II. Part II deals with the Rationale of the Scheme;
- III. Part III deals with Amalgamation of the Transferor Company into the Transferee Company;
- IV. Part IV deals with Reorganization of Share Capital by Conversion of Non-Cumulative Non-Convertible Preference Shares into Equity Shares of the Transferee Company;

V. Part V deals with Reduction of Share Capital of the Transferee Company

VI. Part VI deals with general terms and conditions applicable to the Scheme.

Part III, Part IV and Part V of the Scheme shall be deemed to have occurred and shall become effective and operative only in the sequence and order mentioned in the Scheme. Parts IV & V of the Scheme are conditional upon Part III of the Scheme being implemented.

PART I DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS:

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

- 1.1. "Act" means the Companies Act, 2013 and the Rules and Regulations made thereunder shall include any statutory modification(s), alteration(s), re-enactment(s) or amendment(s) thereof for the time being in force.
- 1.2. "Appointed Date" means 1st April 2020 or such other date as the National Company Law Tribunal (NCLT) or other competent authority may otherwise direct/fix.
- 1.3. "Board of Directors" or "Board" means the Board of Directors of the All Indian Origin Chemists & Distributors Limited and Maharashtra Safe Chemists and Distributors Alliance Limited, as the case may be, and unless repugnant to the subject, context or meaning thereof, shall be deemed to include every committee including any committee of Directors or any person authorized by the Board of Directors or by any such committee.
- 1.4. "Effective Date" or "coming into effect of this Scheme" means the date on which the Certified copies of National Company Law Tribunal order(s) vesting the assets, properties, liabilities, rights, duties, obligations and the like of the Transferor Company in the Transferee Company are filed with the appropriate Registrar of Companies.
- 1.5. "Intellectual Property" means all patents, copyrights, designs, trademarks, trade names, service marks, service names, domain names, email addresses, websites including all contents of websites, trade dress, logos and corporate names, both primary and secondary, trade secrets, know-how, inventions, processes, systems, computer software, data, reports, instructions, source code, machine code, documentation, manuals, algorithms, flow-charts, diagrams, drawings, notes, exploitation of any present or future technologies, other confidential information, including proposals, financial and accounting data, business and marketing plans, customers and suppliers list, sales targets, sales statistics, market share statistics, marketing surveys and reports, marketing research and any advertising or other promotional and related information and any database (electronic or otherwise) containing any of the foregoing, and all rights or forms of protection having equivalent or similar effect to any of the foregoing which may subsist in India or in any other part of the world including registrations and applications for registrations of any of the foregoing in any jurisdiction and the rights to apply for the same, in each case by whatever name called and whether or not registered.

- 1.6. "Governmental Authority" means any applicable Central, State or Local Government, Legislative body, Regulatory or Administrative Authority, Agency or Commission or any Court, Tribunal, Board, Bureau or instrumentality thereof or Arbitration or Arbitral Body having jurisdiction and shall include any other Authority which supersedes the existing Authority.
- 1.7. "National Company Law Tribunal" or "NCLT" shall mean the National Company Law Tribunal, Mumbai Bench.
- 1.8. "Preference Shares" means the 8% Redeemable Non-Cumulative Non-Convertible Preference Shares issued by the Maharashtra Safe Chemists and Distributors Alliance Limited redeemable on 14th April, 2021.
- 1.9. "Record Date" means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the shareholders of the Transferor Company to whom the shares would be issued in accordance with Clause 12.1 of this Scheme.
- 1.10. "Registrar of Companies" or "ROC" means the Registrar of Companies, Mumbai at Maharashtra.
- 1.11. "Scheme" or "the Scheme" or "this Scheme" or "this Scheme of Arrangement and Amalgamation" means this Scheme of Arrangement and Amalgamation in its present form (along with any Annexures/Schedules etc., annexed/attached hereto) or with any modification(s) and amendment(s) made under Clause 33 of this Scheme from time to time and with appropriate approvals and sanctions as imposed or directed by the National Company Law Tribunal or such other Competent Authority, as may be required under the Act, as applicable, and under all other applicable laws.
- 1.12. "Transferee Company" means "Maharashtra Safe Chemists and Distributors Alliance Limited" (MSCDAL), a Public Company Incorporated under the Companies Act 1956, CIN: U24239MH2006PLC165149, having its Registered Office situated at 6th Floor, Corporate Park - II, V.N. Purav Marg, Chembur, Mumbai – 400071 at Maharashtra.
- 1.13. "Transferor Company" means "All Indian Origin Chemists & Distributors Limited" (AIOCDL), a Public Company Incorporated under the Companies Act 1956, CIN: U74110MH2007PLC167578, having its Registered Office situated at 6th Floor, Corporate Park - II, V.N. Purav Marg, Chembur, Mumbai – 400071 at Maharashtra.
- 1.14. "Transferred Undertaking" means and includes the whole of the undertaking of Transferor Company, as on the Appointed Date and includes (without being limited to) the following:
- (a) all assets of Transferor Company, wherever situated, as are movable in nature, whether present, future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal, including without limitation, current assets, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, utilities, actionable claims, earnest monies, security deposits and sundry debtors, bills of exchange, inter corporate deposits, financial assets and accrued benefits thereto, insurance claims recoverable, prepaid expenses, outstanding loans and advances recoverable in cash or in kind or for value to be received (including capital

advances), provisions, receivables, funds, cheques and other negotiable instruments, cash and bank balances and deposits including accrued interests thereto with Governmental Authority, other authorities, bodies, customers and other persons, benefits of any bank guarantees, performance guarantees, corporate guarantees, letters of credit and tax related assets (including service tax, input credits, CENVAT credits, value added tax, sales tax, entry tax credits or set-offs and any other tax benefits, exemptions and refunds); (hereinafter referred to as the "Assets");

- (b) all present and future liabilities including loans, debts, borrowings, obligations, duties, forward contract liability, cash credits, bills discounted, deferred income, contingent liability and liabilities (including present, future and contingent liabilities) pertaining to or arising out of activities or operations of the Transferor Company, including obligations relating to guarantees in respect of borrowings and other guarantees, whether provided for or not in the books of account of the Transferor Company and whether disclosed or undisclosed in its balance sheet (hereinafter referred to as "Liabilities");
- (c) all immovable properties (i.e., land together with the buildings and structures standing thereon or under construction) (whether freehold, leasehold, leave and licensed or otherwise) including any tenancies in relation to office space, guest houses and residential premises including those provided to/occupied by the employees of the Transferor Company and documents of title, rights and easements in relation thereto;
- (d) all investments of the Transferor Company including in the form of shares, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates and other securities and instruments, including all rights, interest and entitlement in relation thereto and rights and options exercised and application or subscription made for or in relation thereto ("Investments");
- (e) all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates, exemptions, approvals, consents, subsidies, tenancies, benefit of any deposits, privileges, all other rights and exemptions and other benefits of any application made therefore of the Transferor Company including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereof, including applications made in relation thereto and the right to use and avail of telephones, telexes, facsimile connections and installations, and other communication facilities, power lines, water pipelines, and all other utilities and services of every kind, nature and description whatsoever held by the Transferor Company or to which the Transferor Company is entitled to as on the Appointed Date ("Licenses");
- (f) all benefits, entitlements, incentives and concessions under incentive schemes and policies including under customs, excise, service tax, VAT, sales tax and entry tax and income tax laws, subsidy receivables from Government, grants from any Governmental Authority, benefit availed under any incentives scheme of the Government, all other direct tax benefit/ exemptions/ deductions, sales tax deferrals, to the extent statutorily available to the Transferor Company, along with associated obligations ("Benefits");

- (g) all contracts, agreements, memoranda of understanding, bids, tenders, expressions of interest, letters of intent, commitments including to clients, and other third parties, hire and purchase arrangements, other arrangements, undertakings, deeds, bonds, investments and interest in projects undertaken by the Transferor Company, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, to which the Transferor Company are a party, or to the benefit of which the Transferor Company may be eligible (“Contracts”);
- (h) all intellectual property rights of the Transferor Company, including pending applications (including hardware, software, source codes, parameterization and scripts), registrations, goodwill, logos, trade names, trademarks, service marks, copyrights, patents, technical knowhow, trade secrets, domain names, computer programmes, moral rights, development rights, finished and ongoing research and development programs and all such rights of whatsoever description and nature, whether or not registered, owned or licensed, including any form of intellectual property which is in progress (“Intellectual Property”);
- (i) all employees of the Transferor Company, whether permanent or temporary, engaged in or in relation to the Transferor Company as on the Effective Date and whose services are transferred to the Transferee Company (“Transferred Employees”), all provisions and benefits made in relation to such employees including provident funds, registrations and reserves and contributions, if any, made towards any provident fund, employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees of the Transferor Company (“Funds”), together with such of the investments made by these Funds, which are referable to such employees;
- (j) all legal (whether civil or criminal), taxation or other proceedings or investigations of whatsoever nature (including those before any Governmental Authority) that pertain to the Transferor Company, initiated by or against the Transferor Company or proceedings or investigations to which the Transferor Company are a party to, whether pending as on the Appointed Date or which may be instituted any time in the future (“Proceedings”);
- (k) all taxes, duties, cess, etc., that are allocable, referable or related to the Transferor Company, including all credits under Income tax Act, including MAT credit, book losses (if any), all or any refunds, interest due thereon, credits and claims relating thereto;
- (l) all books, records, files, papers, engineering and process information, databases, catalogues, quotations, advertising materials, lists of present and former credit, and all other books and records, whether in physical or electronic form, of the Transferor Company; and
- (m) all other interest, provisions, benefits and advantages of agreements, contracts, deeds, leases, allotments, arrangements, authorizations, concessions, easements, engagements, exemptions, liberties, and all other interests wheresoever situated, belonging to or in the ownership, power or possession and under the control of or vested in or, granted in favor of or enjoyed by or arising to the Transferor Company;

1.15. "Tribunal" means the National Company Law Tribunal, Mumbai Bench having jurisdiction in relation to the Transferor Company and Transferee Company.

2. INTERPRETATION:

In this Scheme, unless the context otherwise requires:

- 2.1. References to "Persons" shall include Individuals, Bodies Corporate (wherever incorporated), Un-incorporated Associations and Partnerships;
- 2.2. The headings are inserted for case of reference only and shall not affect the construction or interpretation of the relevant provision of this Scheme;
- 2.3. Any Phrase introduced by the terms "including", "include" or any similar expression shall be construed without limitation;
- 2.4. References to one gender includes all genders; and
- 2.5. Words in the singular shall include the plural and vice-versa.
- 2.6. When the number of days prescribed in this Scheme, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day does not fall on a business day, in which case the last day shall be the next succeeding day that is a business day.
- 2.7. The Schedules/Annexures to this Scheme form an integral and inseparable part of this Scheme.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

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

4. INTRODUCTION:

- 4.1. ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED ("AIOCDL" or "Transferor Company") was originally incorporated under the Companies Act 1956 under the name and style of "ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED" on 5th February 2007 with the CIN: U24232MH2007PLC167578, having its Registered Office originally at 201, Safalya Building, 2nd Floor, Baburao Parulekar Marg, Dadar (W), Mumbai – 400028, at Maharashtra. The Company had changed its Object Clause i.e. Nature of business w.e.f. 24th February 2017 and altered its Memorandum of Association and that the Registrar of Companies, Mumbai confirmed the same and allotted new Registration Number to the Company vide CIN: U74110MH2007PLC167578. The Registered Office of the Company is presently situated at 6th Floor, Corporate Park - II, V.N. Purav Marg, Chembur, Mumbai – 400071 at Maharashtra.

4.2. MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED (“MSCDAL” or “Transferee Company”) was originally incorporated under the Companies Act 1956 under the name and style of “MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED” on 16th October 2006 with CIN: U24239MH2006PLC165149, having its Registered Office originally at 201 Safalya Building, 2nd Floor, Baburao Parulekar Marg, Dadar (W), Mumbai – 400028, at Maharashtra. The Company had changed its Object Clause i.e. Nature of business w.e.f. 20th August 2009 and altered its Memorandum of Association and that the Registrar of Companies, Mumbai confirmed the same. The Registered Office of the Company is presently situated at 6th Floor, Corporate Park - II, V.N. Purav Marg, Chembur, Mumbai – 400071 at Maharashtra.

5. NATURE OF BUSINESS:

The Transferor Company and Transferee Company are primarily engaged in the business activities of Pharmaceutical Distribution and other related products and services in its business line.

6. CAPITAL STRUCTURE:

6.1. The Share Capital of the Transferor Company as on 31st March, 2018 is as under:

Particulars		Amount (in Rs.)
Authorized Share Capital: 200,00,000 Equity Shares of Rs.10/- each		20,00,00,000
	TOTAL	20,00,00,000
Issued, Subscribed and Paid up Share Capital: 1,59,78,880 Equity Shares of Rs.10/ each		15,97,88,800
	TOTAL	15,97,88,800

Subsequent to the balance sheet date, there is no change in the Authorized, Issued, Subscribed and Paid up Capital of the Transferor Company.

6.2 The Share Capital of Transferee Company as on 31st March, 2018 is as under:

Particulars		Amount (in Rs.)
Authorized Share Capital : 3,60,00,000 Equity Shares of Rs.10/- each		36,00,00,000
2,00,00,000 - 8% Preference Shares of Rs.10/- each		20,00,00,000
	TOTAL	56,00,00,000
Issued, Subscribed and Paid-up Share Capital: 3,50,46,195 Equity Shares of Rs.10/- each		35,04,61,950
1,51,69,995 – 8% Preference Shares of Rs.10/- each		15,16,99,950
	TOTAL	50,21,61,900

Subsequent to the balance sheet date, there is no change in the Authorized, Issued, Subscribed and Paid up Capital of the Transferee Company

PART II
RATIONALE OF THE SCHEME

7. RATIONALE:

7.1. The Amalgamation of the Transferor Company with the Transferee Company would inter *alia* have the following benefits:

- a) The primary objective behind the merger of AIOCDL with MSCDAL is to reap the benefits of economies of scale as both the companies are engaged in business operations of similar line of business i.e. pharmaceutical distribution;
- b) The Amalgamation is expected to be beneficial to the shareholders of both companies;
- c) Greater size, scale integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value;
- d) The synergies that exist between the two entities in terms of products and resources can be put to the best advantage of all stakeholders;
- e) The amalgamated entity will have operational business synergies which would enable leveraging the existing dealer network of AIOCDL and servicing/marketing setup for better penetration on a pan India level leading to increased competitive strength and efficiencies;
- f) The amalgamated entity will have the ability to leverage on its large asset base to enhance shareholder value;
- g) The amalgamation will result in increased financial strength and flexibility, and enhance the ability of the amalgamated entity to undertake large projects on a pan India basis, thereby contributing to enhancement of future business potential;
- h) Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, improved procurement and the elimination of duplication;
- i) The amalgamated entity will benefit from improved organizational capability and leadership arising from combination of people who have the diverse skills, to compete successfully in an increasingly competitive industry;
- j) The amalgamated entity would enable transfer/leverage of knowledge between the various functional teams for improving productivity, MIS, cost reduction and inventory management initiatives;
- k) General and administrative cost reduction and productivity gains by pooling of financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Parties.

7.2. The reorganization of Share Capital of the Transferee Company by converting its Preference Shares into Equity Shares for following reasons:

- a) The Preference Shares are redeemable in terms of the issue. Since the Transferee Company has been incurring losses over the past few years. Based on the level of activity, the Transferee Company is unlikely to generate sufficient funds in the near future and hence, redemption of all the 8% Redeemable Non-

Cumulative Non-Convertible Preference Shares can be a challenge. Even though the Company may turn around post Amalgamation, it would not be possible to redeem the Preference Shares out of profits within required time-frame. A fresh issue of capital for purposes of redemption would not be feasible at that stage. Further, no infusion of further capital is also envisaged. That being the case, MSCDAL may not be in a position to redeem all the Preference Shares.

- b) Accordingly, and with a view to retaining the resources in the Company on a permanent basis, the Company proposes this Scheme whereunder the Company intends to convert the Preference Shares into appropriate number of Equity Shares based on an independent valuation report.
- c) The Scheme, under Section 230 to 232 of the Act, would provide greater level of transparency and openness and secure full involvement of all the Preference Shareholders.
- d) The Scheme is being filed in its present form as conversion of Preference Shares into Equity of the Transferee Company, is conditional upon the Amalgamation becoming effective. A single composite scheme involving both Amalgamation and conversion of the Preference Share Capital of the Transferee Company will ensure that there is no time lag and following the Amalgamation, the conversion of the Preference Share Capital of the Transferee Company can be efficiently and immediately completed.

7.3. In addition to the above, the proposed Scheme will, inter-alia, result in the following benefits:

- a) The net worth of the Company will not be affected by the proposed conversion of Preference Shares to Equity Shares under this Scheme;
- b) The Equity Shareholders will be benefited as the Company will be able to conserve the resources which would otherwise have been utilized in payment of dividend and redemption of Preference Shares;
- c) For Equity Shareholders, there will be no prior claims on account of Preference Shares at the time of distribution of profits or repayment of capital;
- d) The Company will be able to discharge its redemption liability to the extent of the Preference Shares, which would be beneficial for its Equity shareholders.

7.4. The reduction of Share Capital of the Transferee Company for following reasons:

- a) The objective of the Scheme is to re-organize the capital structure of the Transferee Company so as to represent the realistic value for the shares of the Transferee Company.
- b) The Scheme is being filed in its present form as, Reduction of Share Capital of Transferee Company, is conditional upon the Amalgamation becoming effective as a result of which the net impact of the aggregate Accumulated Losses of both the Transferor Company and Transferee Company on the net worth of the Transferee Company, as reflected in its financial statements, upon amalgamation has to be taken into account.
- c) The Transferee Company has accumulated loss of Rs.4,20,04,281/- as appearing in the Unaudited Balance Sheet as on 30th November, 2017 and the continuous losses have substantially wiped off the value represented by the Share Capital. Thus, the financial statements do not reflect the correct picture of

health of the Transferee Company. The Transferor Company has accumulated loss of Rs. 14,75,07,692/- as appearing in the Unaudited Balance Sheet as on 30th November, 2017. The aggregate accumulated losses of the Transferor Company and Transferee Company as on 30th November, 2017 amount to Rs.18,95,11,973/- For ensuring that the financial statement of the Transferee Company upon amalgamation reflects the real picture and the Capital lost is not continued to be shown on the face of the balance sheet, it is necessary to carry out reduction of capital of the Transferee Company.

- d) The combined accumulated losses of the Transferor Company and Transferee Company upon amalgamation shall wipe out most of the net worth of the Transferee Company. The Transferee Company shall, therefore, be unable to raise any finance from the Capital Markets or from the Financial Institutions whether in the form of Equity or Debt or undertake business activities on a larger scale.

7.5. Further the proposed Scheme would also have the following benefits which are, inter alia, as follows:

- a) By the Scheme, inter alia, providing for Reduction of Capital, the financial statements of the Transferee Company upon amalgamation will represent true financial position which would benefit both shareholders as their holding will yield better results and value and also enable the Company to explore opportunities for the benefit of the shareholders of the Company including in the form of dividend payment as per the applicable provisions of the Act.
- b) The Scheme does not involve any substantial financial outlay/outgo and therefore, would not affect the ability or liquidity of the Transferee Company to meet its obligations/commitments in the normal course of business. Further, this Scheme would also not in any way adversely affect the ordinary operations of the Company.
- c) The Scheme shall enable the Transferee Company to foresee business opportunity that it may be unable to take advantage because of its Accumulated Losses.
- d) The true financial statement of the Transferee Company would ensure the Transferee Company to expand and smoothen the business activity and to attract new source of revenue and in turn enhancement of its shareholders' value.
- e) The Scheme is only reduction of capital of the Transferee Company and it does not envisage transfer or vesting of any properties and/ or liabilities to or in favor of the Company. Therefore, the proposed reduction will be for the benefit of the Company and the shareholders, creditors and all concerned as a whole.
- f) Mere infusion of further funds into the Transferee Company will not benefit any existing shareholder even if the Company registers profits in coming years since no dividend can be paid out of profits unless accumulated losses are wiped out.

PART III
AMALGAMATION

8. AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFeree COMPANY

8.1. Transfer and Vesting of the Transferor Company

Upon this Scheme becoming effective, on and from the Appointed Date, the Transferred Undertaking of Transferor Company shall, together with all its Assets, rights, Benefits, interests, Licenses, Contracts, Investments, Intellectual Property, Liabilities, Proceedings, Transferred Employees and obligations, subject to the provisions of Clause 8.2 hereof in relation to the mode of vesting, and without any further deed or act and in accordance with Sections 230 to 232 of the Companies Act, 2013 and all other applicable provisions of law, be transferred to and vested in and be deemed to have been transferred to and vested in, the Transferee Company, as a going concern so as to become on and from the Appointed Date the estates, assets, rights, claims, title, interest and authorities of the Transferee Company.

8.2. Without prejudice to the generality of the foregoing and to the extent applicable, unless otherwise stated herein, upon the order of the NCLT sanctioning this Scheme, the following shall become effective, on and from the Appointed Date:

8.3. ASSETS

- a) In respect of such assets of the Transferor Company as are moveable in nature or are otherwise capable of transfer by delivery of possession (including cash in hand), payment or by endorsement and delivery, the same shall stand transferred to and be vested in the Transferee Company and shall become the property of the Transferee Company. The vesting pursuant to this clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title and ownership to the property shall be deemed to have been transferred accordingly, without requiring execution of any deed or instrument of conveyance for the same.
- b) In respect of such assets of the Transferor Company as are or represent Investments registered and/or held in any form by or beneficial interest of which is owned by the Transferor Company, the same shall stand transferred/transmitted to and be vested in and/or be deemed to have been transferred/transmitted to and vested in the Transferee Company, together with all rights, benefits and interest therein or attached thereto, without any further act or deed and thereupon the Transferor Company shall cease to be the registered and/or the beneficial owner of such investments. The Transferor Company shall be deemed to be holding such investments for and on behalf of and in trust for and for the benefit of the Transferee Company and all profits or dividends and other rights or benefits accruing/paid/distributed on such investments and all taxes thereon, or losses arising or expenses incurred relating to such investments, shall, for all intent and purposes, be treated as the profits, dividends, rights, benefits, taxes, losses or expenses, as the case may be, of the Transferee Company.

- c) In respect of such of the moveable assets belonging to the Transferor Company other than those specified in Clause 8.3(a) and 8.3(b) hereof, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities, bodies and customers, etc., the same shall (notwithstanding whether there is any specific provision for transfer of credits, assets or refunds under the applicable laws, wherever applicable), without any further act, instrument or deed by the Transferor Company or the Transferee Company or the need for any endorsements, stand transferred from the Transferor Company to and in favour of the Transferee Company. Any security, lien, encumbrance or charge created over any assets in relation to the loans, debentures or borrowings or any other dues of the Transferor Company, shall, without any further act or deed, stand transferred to the benefit of the Transferee Company and the Transferee Company will have all the rights of the Transferor Company to enforce such security, lien, encumbrance or charge, by virtue of this Scheme.
- d) All immovable properties of the Transferor Company (i.e., land together with the buildings and structures standing thereon or under construction) (whether freehold, leasehold, leave and licensed or otherwise) including any tenancies in relation to warehouses, office space, guest houses and residential premises including those provided to/occupied by the Transferred Employees and all documents of title, rights and easements in relation thereto and all plant and machineries constructed on or embedded or attached to any such immovable properties and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties, shall stand transferred to and be vested in and be deemed to have been transferred to and vested in the Transferee Company, without any further act or deed done/executed or being required to be done/executed by the Transferor Company or the Transferee Company or both. The Transferee Company shall be entitled to exercise and enjoy all rights and privileges attached to the immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations and be entitled to all rights in relation to or as applicable to such immovable properties.

8.4. LICENSES

All Licenses relating to the Transferor Company shall stand transferred to and be vested in the Transferee Company, without any further act or deed done by the Transferor Company or the Transferee Company and be in full force and effect in favor of the Transferee Company, as if the same were originally given to, issued to or executed in favor of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

8.5. BENEFITS, ENTITLEMENTS, INCENTIVES AND CONCESSIONS

All Benefits, entitlements, incentives and concessions under incentive schemes and policies that the Transferor Company is entitled to, including under customs, excise, service tax, VAT, sales tax and entry tax and Income tax laws, Goods and service Tax, subsidy receivables from Government, grants from any governmental authority,

direct tax benefit/ exemptions/ deductions, shall, to the extent statutorily available and along with associated obligations, stand transferred to and be available to the Transferee Company as if the Transferee Company was originally entitled to all such benefits, entitlements, incentives and concessions.

8.6. CONTRACTS

- a) All Contracts of the Transferor Company which are subsisting or having effect immediately before the Effective Date, shall stand transferred to and vested in the Transferee Company and be in full force and effect in favor of the Transferee Company and may be enforced by or against it as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.
- b) The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangement, confirmations or novations in order to give formal effect to the provisions of this clause if so required or if it becomes necessary.
- c) Any inter-se contracts between the Transferor Company on one hand and the Transferee Company on the other hand shall stand cancelled and cease to operate upon the coming into effect of this Scheme.
- d) All guarantees provided by any bank in favor of the Transferor Company outstanding as on the Effective Date, shall vest in the Transferee Company and shall ensure to the benefit of the Transferee Company and all guarantees issued by the bankers of the Transferor Company at the request of the concerned Transferor Company favoring any third party shall be deemed to have been issued at the request of the Transferee Company and continue in favor of such third party till its maturity or earlier termination.

8.7. INTELLECTUAL PROPERTY

All Intellectual Property of the Transferor Company shall stand transferred to and be vested in the Transferee Company and be in full force and effect in favor of the Transferee Company and may be enforced by or against it as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.

8.8. TRANSFERRED EMPLOYEES

- a) All Transferred Employees of the Transferor Company shall be deemed to have become the employees and staff of the Transferee Company with effect from the Appointed Date, and shall stand transferred to the Transferee Company without any interruption of service and on terms and conditions no less favorable than those on which they are engaged by the Transferor Company, as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefit, incentive plans, terminal benefits, gratuity plans, provident plans and any other retirement benefits.
- b) The Transferee Company agrees that the services of all Transferred Employees with the Transferor Company prior to the transfer, shall be taken into account for the purposes of all benefits to which such

Transferred Employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans and other retirement benefits and accordingly, shall be reckoned from the date of their respective appointment in the Transferor Company. The Transferee Company undertakes to pay the same, as and when payable under applicable laws. For avoidance of doubt, in relation to those Transferred Employees for whom the Transferor Company are making contributions to the Government Provident Fund, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including in relation to the obligation to make contributions to such Funds in accordance with the provisions of such Funds, bye-laws, etc. in respect of the Transferred Employees.

- c) All contributions made by the Transferor Company on behalf of the Transferred Employees and all contributions made by the Transferred Employees including the interests arising thereon, to the Funds and standing to the credit of such Transferred Employees' account with such Funds, shall, upon this Scheme becoming effective, be transferred to the funds maintained by the Transferee Company along with such of the investments made by such Funds which are referable and allocable to the Transferred Employees and the Transferee Company shall stand substituted for the Transferor Company with regard to the obligation to make the said contributions.
- d) The terms and conditions of service applicable to the Transferred Employees, on the Effective Date will not in any way be less favorable to them than those applicable to them immediately before the Effective Date.
- e) The contributions made by the Transferor Company under applicable law in connection with the Transferred Employees, to the Funds, for the period after the Appointed Date shall be deemed to be contributions made by the Transferee Company.
- f) The Transferee Company shall continue to abide by the agreement(s) and settlement(s) entered into with the employees by the Transferor Company, if any, in terms of such agreement(s) and settlement(s) subsisting on the Effective Date, in relation to the Transferred Employees.

8.9. LIABILITIES AND SECURITY

- a) All Liabilities of the Transferor Company, shall, pursuant to the provisions of Section 232(4) and other applicable provisions of the Companies Act, 2013, to the extent they are outstanding as on the Effective Date, without any further act, instrument or deed, stand transferred to and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations, etc., as the case may be, of the Transferee Company and shall be exercised by or against the Transferee Company, as if it had incurred such Liabilities.
- b) The Transferee Company alone shall be liable to meet, discharge and satisfy the Liabilities as the borrower/creditor in respect thereof.
- c) This Scheme shall not operate to enlarge or extend the security for any of the Liabilities and the

Transferee Company shall not be obliged to create any further or additional securities after the Effective Date, unless otherwise agreed to by the Transferee Company with such secured creditors and subject to the consent and approval of the existing secured creditors of the Transferee Company, if any. Further, this Scheme shall not operate to enlarge or extend the security for any loan, deposit, credit or other facility availed by the Transferee Company, in as much as the security shall not extend to any of the assets forming part of the Transferred Undertaking.

- d) In so far as the existing security in respect of the Liabilities is concerned, such security shall, without any further act, instrument or deed, be modified and shall be extended to and shall operate only over the assets forming part of the Transferred Undertaking of the Transferor Company, which have been charged and secured and subsisting as on the Effective Date, in respect of the Liabilities. Provided that if any of the assets forming part of the Transferred Undertaking of the Transferor Company have not been charged or secured in respect of the Liabilities, such assets shall remain unencumbered and the existing security referred to above shall not be extended to and shall not operate over such assets.
- e) It shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this clause.
- f) It is expressly provided that, same as mentioned in this clause 8.9 , no other term or condition of the Liabilities is modified by virtue of this Scheme, except to the extent that such amendment is required by necessary implication.
- g) The Liabilities, if any, due or which may at any time in the future become due only inter-se the Transferor Company and the Transferee Company, shall stand discharged and there shall be no liability in that behalf on either company and corresponding effect shall be given in the books of account and records of the Transferee Company.
- h) The Scheme shall not in any manner affect the rights and interests of the creditors of the Transferor Company or be deemed to be prejudicial to their interests and in particular the secured creditors of the Transferor Company (if any) shall continue to enjoy and hold charge upon their respective securities and properties.

8.10. LEGAL AND OTHER SUCH PROCEEDINGS

All Proceedings transferred to the Transferee Company pursuant to the Scheme, shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Transferor Company or by anything contained in this Scheme and the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted or enforced by or against the Transferor Company, as if this Scheme had not been made. The Transferee Company undertakes to have such Proceedings relating to or in connection with the Transferor Company, initiated by or against the Transferor Company, transferred in the name of the Transferee Company as soon as possible, after the Effective Date, and to have the same continued, prosecuted and enforced by or against

the Transferee Company. The Transferee Company also undertakes to pay all amounts including interest, penalties, damages, etc., which the Transferor Company may be called upon to pay or secure in respect of any liability or obligation relating to the Transferor Company for the period from the Appointed Date up to the Effective Date and any costs incurred by the Transferor Company in respect of such proceedings started by or against it relating to the period from the Appointed Date up to the Effective Date upon submission of necessary evidence by the Transferor Company to the Transferee Company for making such payment.

8.11. TAX TREATMENT

- a) The Tax Deducted at Source ("TDS")/advance tax/ self-assessment tax, if any, paid by the Transferor Company under the Income-tax Act, 1961 or any other statute in respect of income of the Transferor Company assessable for the period commencing from the Appointed Date shall be deemed to be the tax deducted from/advance tax/ self-assessment tax paid by the Transferee Company and credit for such TDS/advance tax/self-assessment tax shall be allowed to the Transferee Company notwithstanding that certificates or challans for TDS/advance tax/self-assessment tax are in the name of the Transferor Company and not in the name of the Transferee Company.
- b) The income tax, if any, paid by the Transferor Company on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of the Transferee Company. The Transferee Company shall, after the Effective Date, be entitled to file the relevant returns with the authorities concerned for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further, the Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company for any year, if so necessitated or consequent to this Scheme notwithstanding that the time prescribed for such revision may have elapsed.
- c) Similarly, any other taxes including but not limited to service tax, value added tax, sales tax, goods and service tax paid by the Transferor Company on or after the Appointed Date, in respect of the period after such date shall be deemed to have been paid by or for the benefit of the Transferee Company. The Transferee Company shall be entitled to file the relevant returns with the authorities concerned for the period after the Appointed Date, notwithstanding that the time prescribed for filing such return may have elapsed. Further, the Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company for any year, if so necessitated or consequent to this Scheme notwithstanding that the time prescribed for such revision may have elapsed.
- d) Without prejudice to generality of the aforesaid, any concessional or statutory forms under the laws of the Central or State Sales Tax or Value Added Tax, Goods and Service Tax or local levies or any other tax related assets issued or received by the Transferor Company, if any, in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to the Transferor Company.

8.12. BOOKS AND RECORDS

All books, records, files, papers, engineering and process information, catalogues, quotations, advertising materials, if any, lists of present and former clients and all other books and records, whether in physical or electronic form, of the Transferor Company, to the extent possible and permitted under applicable laws, be handed over by them to the Transferee Company.

8.13. CONDUCT OF BUSINESS

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

- a) The Transferor Company shall carry on its business with reasonable diligence and commercial prudence and in the same manner as it had been doing hitherto;
- b) The Transferor Company shall carry on and shall be deemed to have carried on all their business activities and shall hold and stand possessed and shall be deemed to have held and stood possessed of all the said assets, rights, title, interests, authorities, Contracts, investments and decisions, benefits for and on account of and in trust for the Transferee Company;
- c) All obligations, liabilities, duties and commitments attached, related or pertaining to the Transferor Company shall be undertaken and shall be deemed to have been undertaken for and on account of and in trust for the Transferee Company;
- d) All the profits and incomes accruing or arising to the Transferor Company and all expenditure or losses arising or incurred by the Transferor Company shall, for all purposes, be treated and be deemed to be the profits and incomes or expenditures and losses, as the case may be, of the Transferee Company;

8.14. The Transferor Company 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:

- 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 NCLT; or
- b) if the same is expressly permitted by this Scheme; or
- c) if the prior written consent of the Board of Directors of the Transferee Company has been obtained.

8.15. All Assets acquired, leased or licensed, Licenses obtained, benefits, entitlements, incentives and concessions granted, Contracts entered into, Intellectual Property developed or registered or applications made thereto, Liabilities incurred and Proceedings initiated or made party to, between the Appointed Date and till the Effective Date by the Transferor Company shall be deemed to be transferred and vested in the Transferee Company. For avoidance of doubt, where any of the Liabilities as on the Appointed Date (deemed to have been transferred to the Transferee Company) have been discharged by the Transferor Company on or after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company for all intent and purposes and under all applicable laws. Further, in connection with any transactions

between the Transferor Company and the Transferee Company between the Appointed Date and upto the Effective date, if any service tax has been paid by the Transferor Company, then upon this Scheme becoming effective, the Transferee Company shall be entitled to claim refund of such service tax paid by the Transferor Company.

- 8.16. With effect from the Effective Date, the Transferee Company shall carry on and shall be authorized to carry on the business of the Transferor Company and till such time as the name of account holder in the bank accounts of the Transferor Company is substituted by the bank in the name of the Transferee Company, the Transferee Company shall be entitled to operate such bank accounts of the Transferor Company, in its name, in so far as may be necessary.
- 8.17. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Transferor Company occurs by virtue of Part III of this Scheme itself, the Transferee Company may, at any time after the Effective Date, in accordance with the provisions hereof, if so required under applicable law or otherwise, give notice in such form, as may be required or as it may deem fit and proper or enter into or execute deeds (including deeds of adherence), confirmations, novations, declarations or other writings or documents as may be necessary and carry out and perform all such formalities and compliances, for and on behalf of the Transferor Company, including, with or in favor of and required by
- (i) any party to any Contract to which the Transferor Company is a party; or
 - (ii) any Governmental Authority or non-government authority, in order to give formal effect to the provisions of this Scheme.
- Provided however, that execution of any confirmation or novation or other writings or arrangements shall in no event postpone the giving effect to this Scheme from the Effective Date.
- 8.18. To the extent possible, pending sanction of this Scheme, the Transferor Company or the Transferee Company shall be entitled to apply to the relevant Government Authorities and other third parties concerned, as may be necessary under any law or contract for transfer or modification of such consents, approvals and sanctions which the Transferee Company may require to own and carry on the business of the Transferor Company with effect from the Effective Date and subject to this Scheme being sanctioned by the Hon'ble NCLT.
- 8.19. For the purpose of giving effect to the order passed under Sections 230 to 232 of the Companies Act, 2013 in respect of this Scheme by the NCLT, the Transferee Company shall, upon the Scheme becoming effective, be entitled to get the record of the change in the legal right(s) standing in the name of the Transferor Company, in its favor in accordance with such order and the provisions of Sections 230 to 232 of the Companies Act, 2013.

9. CONCLUDED MATTERS:

The transfer and vesting of the assets and the liabilities in the Transferee Company and the continuance of contracts or proceedings by or against the Transferee Company as provided in this Scheme shall not affect any contract or proceedings relating to the assets and the liabilities, fully performed and completed by the Transferor Company before the Appointed Date and the Transferee Company accepts and adopts all such acts, deeds, matters and things done and/or executed by the Transferor Company in this regard.

10. DISSOLUTION OF THE TRANSFEROR COMPANY:

On the Scheme becoming effective, Transferor Company shall stand dissolved without being wound up, without any further acts by parties and its names shall be struck off from the list of Companies maintained by the Registrar of Companies, Maharashtra.

11. COMBINATION OF AUTHORIZED SHARE CAPITAL:

11.1. Upon sanction of this Scheme, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including filing of statutory forms with the Registrar of Companies and payment of stamp duty and fees payable to the Registrar of Companies, in respect of the authorized share capital of the Transferor Company as on the Effective Date, as such fees and duties in respect of such authorized share capital of the Transferor Company have already been paid by the Transferor Company, the benefit of which stands vested in the Transferee Company pursuant to the Scheme becoming effective.

11.2. The Memorandum of Association of the Transferee Company (clause relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 230 to Section 232 of the Companies Act, 2013 read with Sections 13, 14, 61, 64 and section 232(3)(i) of the Companies Act, 2013 and other applicable provisions of the Act as the case may be and for this purpose the stamp duties and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and no payment of any extra stamp duty and/or fee shall be made by the Transferee Company for increase in the authorized share capital to that extent.

11.3. Clause V of the Memorandum of Association of the Transferee Company shall stand amended to give effect to the relevant provisions of this Scheme as appearing in Clause 26.3 of the Scheme.

12. CONSIDERATION:

12.1. Upon this Scheme becoming effective and in consideration for merger of the Transferor Company with the Transferee Company, including the transfer and vesting of the Transferred Undertaking in the Transferee Company, the Transferee Company shall, without any application or deed, issue and allot shares, credited as fully

paid up, to the extent indicated below, to the members of the Transferor Company whose names appear in the register of members, on the Effective Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title, as the case may be, recognized by the Board of Directors of the Transferee Company in the following proportion viz:

For Equity Shareholders of the Transferor Company:

“For every 250 Equity Share, each having a face value of Rs.10/- each, in the Transferor Company, 100 fully paid up Equity Shares, each having a face value of Rs.6/-each, of the Transferee Company as computed in clause 26.6 of the scheme”.

(New equity shares to be issued as above are hereinafter referred to as “New Equity Shares”).

- 12.2. No coupons shall be issued in respect of fractional entitlements, if any, by the Transferee Company, to the Equity Shareholders of the Transferor Company at the time of issue and allotment of equity shares under Clause 13.1. In case any equity shareholder's holding in the Transferor Company is such that the shareholder becomes entitled, pursuant to Clause 13.1 above, to a fraction of equity share of the Transferee Company, the Transferee Company shall round off the said entitlement to the nearest integer and allot equity shares accordingly.
- 12.3. The Equity Shares in the capital of the Transferee Company issued to the shareholders of the Transferor Company, as aforesaid, shall rank pari passu in all respects with the existing equity shares of the Transferee Company, from the Appointed Date.
- 12.4. The Equity Shareholders of the Transferor Company whose Demat account details may be available with either the Transferor Company and/or with the Transferee Company, or who may provide such details to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferee Company in this regard, shall be issued the equity shares of the Transferee Company (as they may be entitled to pursuant to this Scheme) in the dematerialized form, and the remaining equity shareholders of the Transferor Company shall be issued physical equity share certificates with regard to the equity shares of the Transferee Company as they may be entitled to pursuant to this Scheme.
- 12.5. Such physical Equity Share Certificates (if any) shall be sent by the Transferee Company to each of the equity shareholders of the Transferor Company at their respective registered addresses, as appearing in the Register of Members maintained by such Transferor Company with respect to its shareholders and the Transferee Company shall not be responsible for any loss in transit.
- 12.6. The Transferee Company shall, if and to the extent required, apply for and obtain all necessary approvals from Appropriate Authorities for the issue and allotment by the Transferee Company of New Equity Shares to the Equity Shareholders of the Transferor Company under the Scheme.

12.7. Approval of this Scheme by the Equity Shareholders of the Transferor Company and by the shareholders of the Transferee Company shall be deemed to be due compliance of the provisions of Section 62 and Section 42 of the Companies Act, 2013 and other relevant and applicable provisions of the Companies Act, 2013 and rules made thereunder for the issue and allotment of New Equity Shares issued by the Transferee Company to the Equity Shareholders of the Transferor Company, as provided in this Scheme.

13. CHANGE IN NAME OF THE TRANSFEE COMPANY:

13.1. The Transferee Company post amalgamation would change its name to “ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED” or such other name as may be decided by the Board of Directors or a Committee thereof and approved by the Ministry of Corporate Affairs, the Office of the Registrar of Companies for following reasons:

- a) Both the Transferor Company and Transferee Company are operating in the same industry and dealing in similar products in the pharmaceutical segment. Presently, the Transferee Company has business operations confined to the State of Maharashtra as reflected in its name viz. MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED. The Transferor Company has business operations across pan India as reflected in its name viz. ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED.
- b) Upon amalgamation, the Transferee Company will have operational business synergies which would enable leveraging the existing dealer network of Transferor Company and servicing/marketing setup for better penetration on a pan India level. Therefore, it becomes imperative that the name of the Transferee Company be changed so as to prominently reflect the territorial jurisdiction in which it will be conducting its business activities.
- c) The justification and reason for the change of name of the Transferee Company to “ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED” is that the proposed new name of the Transferee Company visibly identifies the territory in which the business activity of the Transferee Company shall be conducted after the sanction of the Scheme. The proposed new name shall conspicuously reflect that the Company provides services on a pan India basis.

13.2. Upon the coming into the effect of the Scheme, it is proposed that the name of the Transferee Company shall be changed to “ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED” or such other name as may be decided by the Board of Directors or a Committee thereof and approved by the Ministry of Corporate Affairs, the Office of the Registrar of Companies. Further, the name “ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LIMITED” wherever occurs in the Memorandum & Articles of Association of the Transferee Company, shall be substituted by such name.

13.3. For the purpose of complying with the provisions of the Act, the consent of the Shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purpose of effecting this amendment for change

of name, and no further special Resolution(s) under Section 13 and any other relevant applicable provisions of the Companies Act 2013 would be required to be separately passed for the alteration in the Memorandum & Articles of Association, as provided in the Scheme.

- 13.4. The Company shall use the new name only after the requisite form is filed before the Registrar of Companies, Mumbai and the same is approved.
- 13.5. It is clarified that the approval of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent/ approval also to the alteration of the Memorandum of Association and Articles of Association of the Transferee Company as required under Sections 13 ,14 and other applicable provisions of the Act.

14. CHANGE OF OBJECTS OF THE TRANSFEREE COMPANY:

Upon the Scheme coming into effect, without any further act or deed and without following the procedure laid down under Sections 13, 14 and other applicable provisions, if any, of the Companies Act, 2013, the Main Objects of the Transferor Company as mentioned herein below shall stand inserted in Clause III (A) i.e. Main Objects of the Memorandum of Association of the Transferee Company after the existing sub-clause 2:

“3. To carry on, undertake, set up, establish, pursue, provide services, manage or otherwise deal in all respects, in the business of designing and development of information Technology, including but not limited to computer software, for application in the field of pharmaceutical healthcare services singly or jointly with others by entering into any partnership or any arrangement for sharing profits, joint venture, reciprocal concession or otherwise with any person(s) including body(ies) corporate.”

It is clarified that the Transferee Company, for the purpose of amendment in the Memorandum of Association with respect to change in the Object Clause, shall not be required to pass a separate special resolution under Section 13,14 or any other provisions of the Act. On the approval of the Scheme by members of Transferee Company, it shall be deemed that the shareholders of the Transferee Company have given their consent for the amendment in Memorandum of Association.

15. ACCOUNTING TREATMENT:

- 15.1. The Transferee Company shall, upon the Scheme becoming operative, record the assets and liabilities of the Transferor Company vested in it pursuant to this Scheme in accordance with the method of accounting as prescribed for the “Pooling of Interest Method” under Accounting Standard 14 'Accounting for Amalgamations' or as per INDAS 103 'Business Combinations' notified under section 133 of the Companies Act, 2013.
- 15.2. All Assets, Liabilities and Reserves recorded in the books of account of the Transferor Company shall be transferred and recorded in the books of the Transferee Company pursuant to this Scheme, at their existing

carrying amounts and in the same form.

- 15.3. The balance of accumulated losses in Profit and Loss account of the Transferor Company should be aggregated with the balance of the Profit and Loss Account of the Transferee Company.
- 15.4. Loans, advances or payables or receivables of any kind, held inter-se, if any between the Transferee Company and the Transferor Company (including share application money, if any) as appearing in their respective books of accounts shall stand cancelled as on the Appointed Date.
- 15.5. The Transferee Company shall credit its issued and paid up equity share capital by the aggregate face value of Equity Shares issued by it pursuant to Clause 19.1 of this Scheme.
- 15.6. Any excess/deficit being the difference, if any, between the value of net assets of the business transferred from the Transferor Company and the amount credited to Share capital shall be adjusted in the Goodwill Account of the Transferee Company.
- 15.7. The Transferee Company shall record in its books of accounts, all transactions of the Transferor Company in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date.

16. CANCELLATION OF CROSS HOLDING SHARES:

- 16.1. Transferor Company (AIOCDL) holds 5,40,000 equity shares and 4,30,000 preference shares in Transferee Company (MSCDAL).
- 16.2. Transferee Company (MSCDAL) holds 25,38,000 equity shares in Transferor Company (AIOCDL).
- 16.3. Upon the Scheme becoming effective, the cross holding shares as mentioned in clause 16.1 & 16.2 shall stand cancelled and no shares shall be allotted for the said shares under the Scheme by the Transferee Company and the investments of Transferee Company, as appearing on the Asset side of the Balance Sheet of Transferee Company, shall stand cancelled to the extent of book value of the equity shares of the Transferor Company.
- 16.4. The Share Capital of Transferor Company and Transferee Company post cancellation cross holding of shares shall be as under:
 - a) Share capital of Transferor (AIOCDL) company after cancellation of 25,38,000 equity shares:

Particulars	Amount (in Rs.)
Issued, Subscribed and Paid-up Share Capital:	
1,34,40,880 Equity Shares of Rs.10/- each	13,44,08,800

- b) Share Capital of Transferee company (MSCDAL) after cancellation of 5,40,000 equity shares and 4,30,000 Preference Shares :

Particulars	Amount (in Rs.)
Issued, Subscribed and Paid-up Share Capital:	
3,45,06,195 Equity Shares of Rs.10/- each	34,50,61,950
1,47,39,995 Non - cumulative Non -convertible preference shares of Rs.10/- each	14,73,99,950

PART IV**CONVERSION OF PREFERENCE SHARES INTO EQUITY SHARES****17. REORGANIZATION OF SHARE CAPITAL BY CONVERSION OF 8 % REDEEMABLE NON-CUMULATIVE NON-CONVERTIBLE PREFERENCE SHARES INTO EQUITY SHARES OF THE TRANSFEEE COMPANY**

17.1. The Scheme, inter alia, envisages the following:

- The reclassification of Authorized Share Capital of the Transferee Company and consequent alteration of the Memorandum of Association of the Company as per Clause 11 of the Scheme without the need to pass a separate resolution under Sections 13, 14, 61, 64 or any other applicable provisions of the Act;
- Issuance of Equity Shares of the Company as per Clause 19.1 of the Scheme without the need to pass a separate resolution under Section 42, 62 and other applicable provisions of the Act; and
- Cancellation of the Preference Share Capital and consequent reduction of the Preference Share Capital upon conversion of the Preference Shares into Equity Shares as per Clause 19 of the Scheme without the need to pass a separate resolution under Section 66 or any other provisions of the Act.

In view of the above, the resolution which approves the Scheme shall also be deemed to approve, inter alia, the above actions without the need to pass separate resolutions.

17.2. This proposed Scheme would enable all the Preference Shareholders to convert their respective Preference Shares into Equity Shares.

17.3. The Transferee Company has issued and allotted 1,51,64,795 (One Crore Fifty One Lacs Sixty Four Thousand Seven Hundred and Ninety Five Only) 8% Non-Cumulative Non-Convertible Redeemable Preference Shares, with a view to improving its net worth, on 18th April 2007 and further allotment of 5,200 (Five Thousand Two Hundred only) 8% Non-Cumulative Non-Convertible Redeemable Preference Shares on 5th March 2008.

17.4. In terms of Section 55 of the Act, the Preference Shares can be redeemed only out of the profits which would

otherwise be available for dividend or by fresh issue of shares, made for the purpose of the redemption, by the Company.

- 17.5. In view of the sustained losses incurred by the Transferee Company during the previous years, it will take a while for the Transferee Company to turn around and a fresh issue of capital for purposes of redemption would not be feasible in the near future.
- 17.6. With a view to retaining the resources in the Transferee Company on a permanent basis, the Transferee Company proposes this Scheme to convert the Preference Shares into appropriate number of Equity Shares based on an independent valuation report.
- 17.7. The New Equity Shares, when issued pursuant to this Scheme, will be duly and validly issued and fully paid-up and shall rank paripassu with the existing Equity Shares of the Company in all respects, including with respect to entitlement to dividend.
- 17.8. In view of the aforesaid, including clause 16.4(b) of the scheme the Transferee Company considers it appropriate to convert, post cancellation of cross holding, 1,47,39,995 (One Crore Forty Seven Lacs Thirty Nine Thousand Nine Hundred And Ninety Five) 8% Non-Cumulative Non-Convertible Redeemable Preference Shares and discharge the redemption liability to the extent of the Preference Shares in terms of Part IV of the Scheme.
- 17.9. According to the Valuation Report of the registered valuer in terms of section 247 of the Act, upon conversion, 100 Equity shares will be allotted for every 250 preference shares held by the Preference Shareholder. The aforesaid Valuation Report forms an integral part of this Scheme.
- 17.10. Upon conversion of the Preference Shares into Equity Shares in terms of Clause 19.1 of the Scheme, there would be cancellation of the Preference Share Capital of the Transferee Company and consequent reduction of the Preference Share Capital. The said reduction does not involve either diminution of any liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital. The creditors of the Transferee Company are in no way affected by the proposed reduction as there is no reduction in the amount payable to any of the creditors. Further, the proposed reduction would not in any way adversely affect the ordinary operations of the Transferee Company or the ability of the Transferee Company to honour its commitments or to pay its debts in the ordinary course of business. The reduction of the Preference Share Capital shall be effected as an integral part of the Scheme itself by way of composite order from the NCLT without the need to pass a separate resolution under Section 48 and/or 66 and without following a separate procedure in this behalf.
- 17.11. There is no likelihood that any creditor of the Transferee Company would lose or would be prejudiced as a result of the Scheme being passed since no sacrifice or waiver is at all being called for from them nor is their rights sought to be modified in any manner.

18. RECLASSIFICATION OF SHARE CAPITAL:

- 18.1. Upon the Scheme being effective and pursuant to the reorganization/ reduction of Share Capital in terms of Part V of the Scheme the Authorized Share Capital of the Company, without any further application, act, instrument or deed, shall be reclassified into Equity Share Capital in entirety.
- 18.2. Consequent upon the reclassification of Authorized Share Capital under Clause 18.1 above and upon the Scheme being effective, Clause V of the Memorandum of Association of the Company (relating to the Authorized Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 230 to Section 232 of the Companies Act, 2013 read with Sections 13, 14, 61 and 64 of the Companies Act, 2013 and other applicable provisions of the Act as the case may be as appearing in clause 26.3 of the Scheme.
- 18.3. It is hereby clarified that for the purposes of clause 18.2 above, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the above reclassification in Authorized Share Capital of the Company, and no further resolution under 13, 14, 61 and 64 of the Companies Act, 2013 or any other applicable provisions of the Act, would be required to be separately passed.
- 18.4. Upon the Scheme being effective, the Company shall file necessary form for the reclassification of the Authorized Share Capital with the Registrar of Companies, Mumbai. Further there would be no requirement for any further payment of stamp duty and/or fee (including registration fee) by the Company for the reclassification to the Authorized Share Capital.

19. CONVERSION OF PREFERENCE SHARES INTO EQUITY SHARES AND CONSEQUENTIAL REDUCTION

- 19.1. Upon the Scheme being effective, the nominal face value of the 8% Non-Cumulative Non-Convertible Preference Shares held by the Preference Shareholders (excluding preference shares held by AIOCDL) on the Effective Date shall be converted into same number of Equity Shares of Rs.6/-each fully paid up, as computed in clause no.26.6 of the scheme without any further act, instrument or deed, and the Company shall, consequent to aforesaid conversion, issue and allot the Equity Shares (credited as fully paid up) to the Preference Shareholders in proportion to their respective holding of Preference Shares in the Company, free and clear of all liens and charges. Any fractional entitlement of Equity Share arising on such conversion will be ignored.
- 19.2. Upon allotment of Equity Shares as aforesaid under Clause 19.1, the Preference Share Certificates held by the Preference Shareholders shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and be of no effect on and from the Effective Date.
- 19.3. The Equity Shares to be allotted pursuant to Clause 19.1 shall be issued in electronic form for which purpose the Preference Shareholder shall intimate the particulars of his Demat account along with the details of the Depository Participant and such other confirmations as may be required, and the Company will arrange to credit the requisite numbers of Equity Shares allotted to the concerned Preference Shareholder to the said Demat account and the

remaining Preference shareholders of the Transferee Company shall be issued physical equity share certificates as they may be entitled to pursuant to this Scheme.

- 19.4. Such physical Equity Share Certificates (if any) shall be sent by the Transferee Company to each of the Preference Shareholders of the Transferee Company at their respective registered addresses, as appearing in the Register of Members maintained by the Transferee Company with respect to its Preference Shareholders and the Transferee Company shall not be responsible for any loss in transit.
- 19.5. The Transferee Company shall, if and to the extent required, apply for and obtain all necessary approvals from Appropriate Authorities for the issue and allotment by the Transferee Company of new Equity Shares to the Preference Shareholders of the Transferor Company under the Scheme.
- 19.6. Upon issue of the new Equity Shares in accordance with Clause 19.1 above, the new Equity Shares shall be deemed to have been vested in the name of the relevant Preference Shareholder (in proportion to the Preference Shares cancelled by the Company of such Preference Shareholder), without any further act or deed by the Company or any Preference Shareholder. Further upon allotment of the Equity Shares in the manner provided in Clause 19.1 above, the rights of the Preference Shareholders to the extent of the Preference Shares so cancelled shall cease and such Preference Shareholders shall acquire the rights of holders of Equity Shares. The new Equity Shares, when issued pursuant to this Scheme, will be duly and validly issued and fully paid up, and shall rank pari passu with the existing Equity Shares of the Company in all respects, including with respect to entitlement to dividend.
- 19.7. It is clarified that no special resolution under Section 42, 48, 62 and other applicable provisions of the Act shall be required to be passed by the Company separately in a general meeting for issue of Equity Shares to the Preference Shareholders in terms of Clause 19.1 above and on the shareholders of the Company approving this Scheme, it shall be deemed that they have given their consent to the issue of Equity Shares of the Company to the Preference Shareholders in terms of Clause 18.1 above.
- 19.8. Upon conversion of the Preference Shares into Equity Shares in terms of Clause 19.1 above, there would be cancellation of the Preference Share Capital of the Company and consequent reduction of the Preference Share Capital. Since the said reduction is an integral part of the Scheme, it is hereby provided that the same shall become operative by virtue of the fact that the shareholders of the Company, while approving the Scheme, have also resolved and accorded their consent as required under Section 55, 66 or any other provisions of the Act and shall not be required to pass separate resolution in this respect. Further as the said reduction does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital, the provisions of section 66 of the Act shall not be applicable. The order of the NCLT sanctioning the Scheme shall also be deemed to be an order under section 66 of the Act confirming the reduction.

- 19.9. Notwithstanding the conversion of Preference Share Capital into Equity Shares and consequent reduction as mentioned above, the Company shall not be required to add “and reduced” as a suffix to its name and the Company shall continue in its existing name.
- 19.10. Pursuant to the cancellation and conversion of Preference Shares as stated in Clause 19.2 of the Scheme, any arrears of dividend on the Preference Shares or any other liability, whether present or contingent, of the Transferee Company, pertaining to the Preference Shares shall, upon the scheme being effective, abate and that there shall be no liability of the Transferee Company in respect of the Preference Shares so cancelled.

20. ACCOUNTING TREATMENT:

- 20.1. The Transferee Company shall, upon the Scheme becoming operative, record the reorganization of share capital by conversion of 8% Redeemable non-cumulative non-convertible preference shares into equity shares of the transferee company pursuant to this Scheme in accordance with the applicable accounting standards notified under section 133 of the Companies Act, 2013.
- 20.2. Upon the Scheme being effective and on conversion of Preference Shares into Equity Shares in terms of Clause 19.1 above, the Transferee Company shall, without any further application, act or deed, credit to its new Equity Share Capital Account in its accounting records the aggregate par value of Equity Shares allotted on conversion of Preference Shares pursuant to this Scheme and debit the Preference Share Capital Account with the aggregate paid-up amount on Preference Shares. The proposed accounting entries shall be effected as an integral part of the Scheme itself and the order of the National Company Law Tribunal sanctioning the Scheme shall be deemed to be an order under Section 230 of the Act confirming such credit.

PART V
REDUCTION OF SHARE CAPITAL

21. REDUCTION OF SHARE CAPITAL OF THE TRANSFEREE COMPANY:

- 21.1. This Scheme seeks to reduce or otherwise alter the issued, subscribed and paid-up capital of the Transferee Company and the same will therefore remain altered as a result of the Scheme.
- 21.2. As on 30th November, 2017 as per the Unaudited Financial Statements of the Transferee Company, the total accumulated losses and share capital unrepresented by available assets of the Transferee Company are Rs. 4,20,04,281/- as against the Paid-up Equity Share Capital of Rs. 35,04,61,950/-.
- 21.3. As on 30th November 2017 as per the Unaudited Financial Statements of the Transferor Company, the total accumulated losses and share capital unrepresented by available assets of the Transferor Company are Rs. 14,75,07,692/- as against the Paid-up equity share capital of Rs. 15,97,88,800/-.
- 21.4. Upon the Scheme becoming effective in terms of Part III (Amalgamation of the Transferor Company into the Transferee Company) and Part IV (Reorganization of Share Capital by Conversion of Preference Shares into Equity Shares of the Transferee Company), the aggregate accumulated losses and share capital unrepresented by available assets of the Transferee Company (Amalgamated Company) are Rs. 18,95,11,973/- as against the Paid-up equity share capital of Rs. 45,77,85,450/-.
- 21.5. On the effective date and the Scheme becoming effective in terms of Part III and Part IV of the Scheme, it is proposed that the Transferee Company shall write off the accumulated losses of amounting to Rs.18,31,14,180/- against its paid-up Equity Share Capital through the Reduction of Share Capital.
- 21.6. The above set off will result in reduction of the paid-up share capital of the Transferee Company from Rs. 45,77,85,450/-(Rupees Forty Five Crores Seventy Seven Lacs Eighty Five Thousand Four Fifty Only) to Rs. 27,46,71,270/- (Rupees Twenty Seven Crores Forty Six Lakhs Seventy One Thousand Two Hundred Seventy Only).
- 21.7. The reconstruction/restructuring of the capital shall not cause any shareholder to hold any fractional shares in the Company.
- 21.8. The Reduction of Share Capital does not envisage transfer or vesting of any properties and/or liabilities to or in favor of the Transferee Company.
- 21.9. The Reduction of Share Capital does not involve any conveyance or transfer of any property and consequently, further the Order of the Hon'ble National Company Law Tribunal approving the Scheme will not attract stamp duty

under the Maharashtra Stamp Act, 1958.

21.10. The reduction of capital in the manner proposed will enable the Transferee Company to have a rational capital structure which is commensurate with its remaining business and assets.

22. SHAREHOLDING PATTERN UPON EFFECT OF THE SCHEME:

22.1. The proposed reduction of paid-up equity share capital against accumulated losses pursuant to the Scheme shall be reflected in the books of accounts of the Transferee Company, on the effective date in the following manner:

Particulars	Prior to the Scheme of Capital Reduction	Set off as per the Scheme of Capital Reduction	Post Scheme of Capital Reduction
No. of Equity Shares	4,57,78,545	4,57,78,545	4,57,78,545
Face Value of Each Share	10/-	4/-	6/-
Total Paid Up Share Capital	45,77,85,450/-	18,31,14,180/-	27,46,71,270/-
As on 30th November, 2017			
Amount available from paid -up equity share capital post Scheme of Reduction of Share Capital			27,46,71,270/-
Balance of carry forward loss post setting off			(63,97,793)

23. CANCELLATION OF SHARES:

The Share Certificates in relation to the shares held by Equity Shareholders whose names appear in the register of Members as on the Effective Date shall, without any further application, Act, instrument or deed, be deemed to have been automatically cancelled and new share certificates with the revised number of shares will be issued by the Company. It is clarified that the number of shares held in dematerialized form will be reduced automatically and it will be deemed that on such reduction, the shares were reduced in accordance with the Scheme.

24. IMPACT OF THE REDUCTION OF CAPITAL

24.1. The proposed reduction will be for the benefit of the Company and its shareholders, creditors and all concerned as a whole.

24.2. The Reduction of Capital will not affect any of the Company's Secured Creditors/Banks/Financial Institutions.

24.3. The Scheme shall not have any adverse impact on the employees/workers of the Transferee Company and they would in fact be generally benefitted as the infusion of fresh funds into the Company after the Scheme would help it

to deploy the same in its business and thereby improve its financial position.

- 24.4. The reduction of capital does not involve either the diminution of any liability in respect of unpaid capital or the payment to any shareholder of any paid-up capital.
- 24.5. Further the proposed adjustment would not in any way adversely affect the ordinary operations of the Company or the ability of the Transferee Company to honor its commitments or to pay its debts in the ordinary course of business.

25. ACCOUNTING TREATMENT:

- 25.1. The Transferee Company shall, upon the Scheme becoming operative, record the reduction of share capital pursuant to this Scheme in accordance with the applicable accounting standards notified under section 133 of the Companies Act, 2013.
- 25.2. The Transferee Company will comply with the accounting standards for writing off debit balance of Profit and Loss Account.
- 25.3. The Equity Share Capital to the extent of Rs. 45,77,85,450/- (Rupees Forty five Crores Seventy Seven Lacs Eighty Five Thousand Four Fifty Only) will be reduced to Rs. 27,46,71,270/- (Rupees Twenty Seven Crores Forty Six Lacs Seventy One Thousand Two Hundred and Seventy Only) write-off the accumulated losses to the extent of Rs.18,31,14,180/- (Rupees Eighteen Crores Thirty One Lacs Fourteen Thousand One Hundred And Eighty Only)
- 25.4. The Transferee Company will make and pass appropriate entries for all notional adjustments in a prudent and commercially accepted manner.

26. SEQUENCE OF CHANGE IN AUTHORISED SHARE CAPITAL OF TRANSFEREE COMPANY

Upon this Scheme becoming effective, the Authorized Capital of the Transferee Company shall stand altered in the following manner:

- 26.1. Upon the Amalgamation of the Transferor Company with the Transferee Company in terms of Part III of the Scheme, the entire authorized share capital of AIOCDL equal to INR 20,00,00,000 (divided into 2,00,00,000 Equity Shares of Rs.10 each) shall stand combined with the authorized share capital of INR 56,00,00,000 of MSCDAL (divided into 5,60,00,000 shares of INR 10 each).
- 26.2. Upon the addition of Authorized Share Capital of AIOCDL as also pursuant to Conversion of Preference Share into Equity Shares in terms of Part IV of the Scheme, the authorized share capital of MSCDAL shall stand reclassified as 7,60,00,000 Equity Shares of Rs.10/- each.

For the purpose of smooth implementation of the scheme, the Authorised share capital of MSCDAL shall stand

reorganised from Rs. 76,00,00,000 divided in to 7,60,00,000 Equity shares of Rs. 10/- each into

(i) 12,00,00,000 Equity Shares of Rs. 6/- each aggregating to Rs. 72,00,00,000 and

(ii) 40,00,000 Unclassified shares of Rs. 10/- each aggregating to Rs. 4,00,00,000.

- 26.3. Upon the reclassification of Share Capital of the Transferee Company in terms of Part V of the Scheme, and upon the Scheme being effective, Clause V of the Memorandum of Association of the Company (relating to the Authorized Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 230 to Section 232 of the Companies Act, 2013 read with Sections 13, 14, 61 and 64 of the Companies Act, 2013 and other applicable provisions of the Act as the case may be and be replaced by the following clause:

“The Authorized Share Capital of the Company is INR 76,00,00,000 (Rupees Seventy Six Crores Only) divided into 12,00,00,000 (Twelve Crores) Equity Shares of Rs. 6/- each, and 40,00,000 (Forty Lacs) Unclassified shares of Rs. 10/- each.”

- 26.4. The Stamp Duty or filing fees paid on the authorised share capital of the Transferor Company shall be deemed to have been so paid by the Transferee Company and accordingly is permitted to be utilized and applied towards increase in the Authorised Share Capital of the Transferee Company in accordance with this clause 26.3 and no additional stamp duty or filing fee shall be payable to any regulatory authorities in relation to such increase in the Authorised Share Capital of the Transferee Company. The Transferee Company shall file the requisite documentation with the relevant Registrar of Companies, which has jurisdiction over the Transferee Company, for the increase of the Authorised Share Capital of the Transferee Company as aforesaid. It is hereby clarified that for the purposes of increasing the authorised share capital in accordance with this clause 26.3, the sanction of the NCLT shall be deemed to be sufficient for the purposes of effecting this amendment.
- 26.5. It is clarified that the Transferee Company, for the purpose of combination in the authorised share capital and consequent amendment in the Memorandum of Association of the Transferee Company, shall not be required to pass a separate resolution under Section 13, Section 14, Section 61 and any other applicable provisions of the Companies Act, 2013 and on the members of the Transferee Company giving their consent to the Scheme, it shall be deemed that the members of the Transferee Company have given their consent for combination of the authorised share capital and consequent amendment in Memorandum of Association and Articles of Association of the Transferee Company as required under Section 13, Section 14, Section 61 and any other applicable provisions of the Companies Act, 2013. The Transferee Company shall file with the Registrar of Companies, Mumbai, all requisite forms and complete the compliance and procedural requirements under the Companies Act, 2013 if any.

26.6. COMPUTATION OF POST SANCTION PAID UP EQUITY SHARE CAPITAL OF THE TRANSFEREE COMPANY

Keeping in view

(I) Post cancellation Equity paid up share capital of MSCDAL as computed in clause 16.4.b of the scheme,

(ii) Proposed allotment of Equity shares by MSCDAL to the Equity shareholders of AIOCDL in the ratio as mentioned in clause no. 12.1 of the scheme.

(iii) Proposed conversion of 8% Non Cumulative Non Convertible Preference Shares issued by MSCDAL in to Equity Shares to be issued by MSCDAL.

(iv) Subsequent reduction of capital,

Post Sanction paid up Equity Share Capital of MSCDAL shall be as follows:

Sr. no.	Particulars	Face value Per share (Rs)	No. of Equity Shares	Share capital Rs.
1.	Post cancellation Equity share capital of MSCDAL as per clause 16.4(b)	Rs. 10/-	3,45,06,195	34,50,61,950
2.	Allotment of Equity Shares to the shareholders of AIOCDL holding post cancellation 1,34,40,880 Equity Shares pursuant to clause 16.4(a) of the scheme in the ratio of 1 Equity share of Rs. 10/- each by MSCDAL for every 2.5 Equity Shares held of AIOCDL	Rs. 10/-	53,76,352	5,37,63,520
3.	Conversion of post cancellation 1,47,39,995 Non cumulative Non Convertible Preference share of Rs. 10/- each (NCNCP) as computed in clause no. 16.4(b) of the scheme issued by MSCDAL into Equity shares in the ratio of 1 Equity Share of Rs. 10/- each by MSCDAL for every 2.5 NCNCP shares of Rs. 10/- each held by MSCDAL.	Rs. 10/-	58,95,998	5,89,59,980
4.	Total capital before reduction of capital	Rs. 10/-	4,57,78,545	45,77,85,450
5	(Less): Carried forward losses set off	(Rs. 4/-)	4,57,78,545	(18,31,14,180)
6	Post merger post	Rs. 6/-	4,57,78,545	27,46,71,270

26.7. SHARE CAPITAL OF TRANSFEREE COMPANY POST SANCTION OF THE SCHEME

Upon sanction of the Scheme by the Hon'ble NCLT, the Share Capital of MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED (Transferee Company) as on the Effective Date shall appear as under:

Particulars	Amount (in Rs.)
<u>Authorized Share Capital:</u>	
i. 12,00,00,000 Equity Shares of Rs. 6/- each aggregating to Rs. 72,00,00,000	76,00,00,000
ii. 40,00,000 Unclassified shares of Rs . 10/- each aggregating to Rs. 4,00,00,000	
<u>Issued, Subscribed and Paid-up Share Capital:</u>	
4,57,78,545 Equity Shares of Rs.6/- each	27,46,71,270

PART VI
GENERAL TERMS AND CONDITIONS

27. TREATMENT OF SCHEME FOR THE PURPOSES OF THE INCOME-TAX ACT, 1961:

- 27.1. 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 of the Income-tax Act, 1961.
- 27.2. 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 any Applicable Law or for any other reason whatsoever, the Scheme shall stand modified/amended to the extent determined 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 read down or if the need arises be deemed to be deleted and such modification/reading down or deemed deletion shall however not affect the other parts of the Scheme.

28. APPLICATION(S) TO THE NCLT

The Transferor Company and the Transferee Company shall make application/petition under Section 230 to 232 and other applicable provisions of the Companies Act to the NCLT, as necessary, inter alia, to seek order for dispensing with or for convening, holding or conducting of the meetings of their respective shareholders and creditors, sanctioning of this Scheme and for consequent actions including for dissolution of the Transferor Company without winding up and further application/petition under Sections 230 to 232 and other applicable provisions of the Companies Act including for sanction/confirmation/clarification of the Scheme or connected therewith, as necessary.

29. CONDITIONALITY OF THE SCHEME

This Scheme is conditional upon and subject to the following:

- 29.1. This Scheme being approved by the respective requisite majorities of the various classes of shareholders and/or creditors, as applicable, of AIOCDL and MSCDAL required under the Companies Act 2013, as applicable, and the requisite order of the Hon'ble NCLT being obtained, or dispensation having been received from the NCLT in relation to obtaining such consent from various classes of creditors, as applicable; such other approvals and sanctions including sanction of any Appropriate Authority, as may be required in respect of any of the matters in respect of which such sanction or approval is required. In respect of the Scheme;
- 29.2. The Hon'ble NCLT having accorded sanction to the Scheme and if any modifications have been prescribed the same being acceptable to AIOCDL and MSCDAL.

29.3. Certified copy of the order of the NCLT sanctioning the Scheme being jointly filed by the Transferor Company and the Transferee Company, with the Registrar of Companies, Mumbai.

29.4. Notwithstanding anything to the contrary contained herein, the non-receipt of any sanctions or approvals for transfer of a particular asset or liability forming part of the Transferor Company to the Transferee Company pursuant to this Scheme, shall not affect the effectiveness of this Scheme, if the Board of Directors of the Transferor Company and the Transferee Company so decide.

30. REVISION OF ACCOUNTS AND TAX FILINGS, MODIFICATION OF CHARGE

30.1. Upon this Scheme becoming effective and from the Appointed Date, the Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, including tax deducted at source returns, services tax returns, excise tax returns, sales tax and value added tax returns, goods and service tax returns as may be applicable and has expressly reserved the right to make such provisions in its returns and to claim refunds or credits etc., if any. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have lapsed.

30.2. Filing of the certified copy of the order of the NCLT sanctioning this Scheme with the relevant Registrar of Companies shall be deemed to be sufficient for creating or modifying the charges in favor of the secured creditors, if any, of the Transferor Company, as required as per the provisions of this Scheme.

31. MUTATION OF PROPERTY AND STAMP DUTY

31.1. Upon the Scheme becoming effective and with effect from the Appointed Date, the title to the immovable properties of the Transferred Undertaking shall be deemed to have been mutated and recognized as that of the Transferee Company and the mere filing of the certified true copy of the vesting order of the NCLT sanctioning the Scheme with the appropriate Registrar or Sub-registrar of Assurances or with the relevant Government agencies shall suffice as record of continuing title of the immovable properties of the Transferred Undertaking with the Transferee Company pursuant to the Scheme becoming effective and shall constitute a deemed mutation and substitution thereof.

31.2. Since all movable properties belonging to the Transferor Company shall be transferred by way of delivery and possession, no stamp duty shall be payable on transfer of such properties to Transferee Company in terms of the Scheme.

32. DIVIDEND

32.1. The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to the irrespective shareholders, as may be decided by their respective Board of Directors, in respect of the accounting period prior to the EffectiveDate.

32.2. It is clarified that the aforesaid provisions in respect of declaration of dividends is an enabling provision only and shall not be deemed to confer any right on any shareholder of the Transferor Company or the Transferee Company to demand or claim any dividends, which subject to the provisions of the Companies Act, shall be entirely at the discretion of the Board of Directors of the Transferor Company and the Transferee Company, as the case may be, subject to such approval of the respective shareholders, as may be required.

33. MODIFICATIONS AND AMENDMENTS TO THE SCHEME

33.1. Notwithstanding anything to the contrary contained in this Scheme, the Transferor Company and the Transferee Company (acting through their respective Board of Directors or a committee thereof or authorised representatives) may make or assent, from time to time, to any modifications, amendments, clarifications or confirmations to this Scheme, which they deem necessary and expedient or beneficial to the interests of the stakeholders and the NCLT.

33.2. The Transferor Company and the Transferee Company (acting through their respective Board of Directors or a committee thereof or authorised representatives) shall be authorised to take all such steps and give such directions, as may be necessary, desirable or proper, to resolve any doubts, difficulties or questions that may arise in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected therewith, whether by reason of any directive or orders of the NCLT or any other authorities or otherwise, howsoever arising out of or under or by virtue of this Scheme or any matter concerned or connected therewith and to do and execute all acts, deeds, matters and things necessary for giving effect to this Scheme.

33.3. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate of the Transferor Company and the Transferee Company may give and are hereby authorised to determine and give all such directions as are necessary and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

34.4. All the aforesaid amendments/modifications shall be subject to approval of the Hon'ble Tribunal.

34. REVOCATION AND WITHDRAWAL OF THIS SCHEME

The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel, withdraw and declare this Scheme to be of no effect at any stage, but before the Effective date, and where applicable re-file, at any stage in case:

- a) This Scheme is not approved by the Hon'ble NCLT or if any other consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not received or delayed;
- b) Any condition or modification imposed by the Hon'ble NCLT and/or any other authority is not acceptable;
- c) The coming into effect of this Scheme in terms of the provisions hereof or filing of the drawn up order(s)

with any Governmental Authority could have adverse implication on the Transferor Company and/or the Transferee Company; or

- d) For any other reason whatsoever, and do all such acts, deeds and things as they may deem necessary and desirable in connection therewith and incidental thereto. On revocation, cancellation or withdrawal, this Scheme shall stand revoked, cancelled or withdrawn and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each party shall bear its own costs, unless otherwise mutually agreed.

35. SEVERABILITY

If any part of this Scheme is held invalid, ruled illegal by any court of competent jurisdiction, or becomes unenforceable for any reason, whether under present or future laws, then it is the intention of both the Transferor Company and the Transferee Company that such part of the Scheme shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part of the Scheme shall causes this Scheme to become materially adverse to either the Transferee Company or the Transferor Company, in which case the Transferor Company and the Transferee Company shall attempt to bring about a modification in this Scheme, as will best preserve for the parties the benefits and obligations of this Scheme, including but not limited to such part of the Scheme.

36. COSTS AND EXPENSES

All costs, expenses, charges, taxes, fees and all other expenses, if any, including stamp duty and registration charges, if any, arising out of or incurred in carrying out and implementing the terms of this Scheme and the incidentals thereto shall be borne and paid by the Transferee Company.

V. B. Desai Financial Services Limited

Category I Merchant Banker-SEBI Registration No. INM 000002731

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To,

**The Board of Directors,
Maharashtra Safe Chemists and Distributors
Alliance Limited**

6th Floor, Corporate Park-II,
V.N. Purav Marg, Chembur,
Mumbai- 400071

**The Board of Directors,
All Indian Origin Chemists & Distributors Ltd.**

6th Floor, Corporate Park-II,
V.N. Purav Marg, Chembur,
Mumbai - 40007 1

Dear Sirs,

Sub: Recommendation of Fair Share Exchange Ratio for the proposed amalgamation between Maharashtra Safe Chemists and Distributors Alliance Limited and All India Organisation of Chemists and Druggists Ltd.

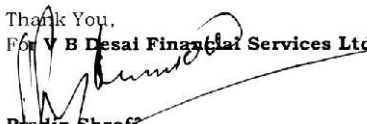
Valuation Date: December 07, 2017

We refer to our discussions on the afore-mentioned subject. As per the scope of work, we have summarized our Valuation Analysis of Maharashtra Safe Chemists and Distributors Alliance Limited (hereinafter referred to as "MSCDAL") and All Indian Origin Chemists & Distributors Ltd. (hereinafter referred to as "AIOCDL") to recommend fair share exchange ratio for the proposed amalgamation of AIOCDL with MSCDAL (hereinafter collectively referred to as the "Companies"), together with the description of the methodology used and limitations.

We understand that the management of the above Companies is considering a proposal for the amalgamation of AIOCDL with MSCDAL (hereinafter referred to as "Amalgamation") pursuant to the scheme of Amalgamation under the provisions of Sections 230 to 232 read with Section 52 and other applicable provisions of the Companies Act 2013, including rules and regulations made there under (hereinafter referred to as "Scheme"). Subject to necessary approvals, AIOCDL would be amalgamated with MSCDAL, with effect from appointed date of 1st December 2017.

We have been appointed to provide assistance in determining the Fair Share Exchange Ratio for the proposed Amalgamation between the Companies. In our opinion the fair exchange ratio of equity shares of MSCDAL and AIOCDL is as under:

"100 equity share of MSCDAL of Rs 10 each fully paid up for every 250 equity shares of AIOCDL of Rs. 10 each fully paid up."

Thank You,
For **V B Desai Financial Services Ltd**

Pradip Shroff
Managing Director

V. B. Desai Financial Services Limited

VALUATION REPORT**1. BRIEF BACKGROUND OF THE COMPANIES:****Maharashtra Safe Chemists and Distributors Alliance Limited**

It is a fast growing pharmaceutical distribution company, established in 2006, managed by experienced professionals and supported by world class systems and processes.

The main business verticals of the company are:

- Distribution of pharmaceutical products of various companies (Including AIOCDL Ltd's Generic Pharmaceutical products) in Maharashtra.
- Supply and delivery of Oncology, Nephrology, Anti Retro Viral Products.
- The company has world class cold chain facility, which ensures that products are maintained under appropriate environment.
- Having invested heavily on world class infrastructure, systems, processes and people the company is committed towards providing high quality products to its customers.

The capital structure of MSCDAL as on 30th November 2017 (i.e. as per the latest unaudited accounts) is as under:

Particulars	Amount (in Rs.)
Authorized Share Capital :	
3,60,00,000 Equity Shares of Rs.10/- each	36,00,00,000
2,00,00,000 - 8% Preference Shares of Rs.10/- each	20,00,00,000
TOTAL	56,00,00,000
Issued, Subscribed and Paid-up Share Capital:	
3,50,46,195 Equity Shares of Rs.10/- each	35,04,61,950
1,51,69,995 – 8% Preference Shares of Rs.10/- each	15,16,99,950
TOTAL	50,21,61,900

All Indian Origin Chemists & Distributors Ltd.

- a) It is a fast growing pharmaceutical distribution company, managed by experienced professionals and supported by world class systems and processes. It has launched a nation -wide unique service for the complete distribution of pharma products. The comprehensive logistics function includes:

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- National Distributor / CFA / Consignee Agent for Pharmaceutical Companies
- Warehousing & Cold Chain Management
- Transportation
- Debtors management
- Reverse Logistics & Waste management

- b) Generic Division: AIOCDL is engaged in marketing its own branded generic products on pan India basis through its own Distribution Network and wishes to increase its range of niche products by collaborating with national and international companies.
- c) Pharmaceutical Market Data: AIOCDL has formed the Joint Venture company AIOCD . Pharma Softech A WACS Private Ltd, with the aim of providing high quality market research data of the Indian Pharmaceutical industry.

The capital structure of AIOCDL as on 30th November 2017 (*i.e. as per the latest unaudited accounts*) is as under:

Particulars	Amount (in Rs.)
Authorized Share Capital: 200,00,000 Equity Shares of Rs.10/- each	20,00,00,000
TOTAL	20,00,00,000
Issued, Subscribed and Paid-up Share Capital: 1,59,78,880 Equity Shares of Rs.10/- each	15,97,88,800
TOTAL	15,97,88,800

2. RATIONALE OF SCHEME OF PROPOSED AMALGAMATION:

- The primary objective behind merging of AIOCDL with MSCDAL is to reap the benefits of economies of scale as both the companies are engaged in business operations of similar line of products i.e. pharmaceutical products.
- The Amalgamation is expected to be beneficial to the shareholders of both, AIOCDL and MSCDAL. The Amalgamation of the AIOCDL with MSCDAL would inter alia have the following benefits:
 - a. Greater size, scale integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value;
 - b. The synergies that exist between the two entities in terms of products and resources can be put to the best advantage of all stakeholders;

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- c. The amalgamated entity will have operational business synergies which would enable leveraging the existing dealer network of AIOCDL and servicing/ marketing setup for better penetration on a pan India level leading to increased competitive strength and efficiencies;
- d. The amalgamated entity will have the ability to leverage on its large asset base to enhance shareholder value;
- e. The Amalgamation will result in increased financial strength and flexibility, and enhance the ability of the amalgamated entity to undertake large projects on a pan India basis, thereby contributing to enhancement of future business potential;
- f. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, improved procurement and the elimination of duplication

3. PURPOSE OF VALUATION:

We understand that the management of the above Companies is considering a proposal for the Amalgamation of AIOCDL with MSCDAL pursuant to the Scheme. Subject to necessary approvals, AIOCDL would be amalgamated with MSCDAL, with effect from appointed date of 1st December 2017.

The valuation is purely for indicative purpose and it is the prerogative of parties to the transaction to decide about the transaction price. The actual transaction price may vary from our indicative analysis of value depending upon the circumstances of the transaction. The final transaction value is something that the parties would have to decide upon.

4. BASIS OF INFORMATION

In preparation of this report we have relied on following information provided by the management:

- Audited financials of Companies for last 3 years i.e. FY 2015, FY 2016 and FY 2017.
- Financial projections of Companies prepared by the management from FY 2018 to FY 2020.
- Valuation report dated 4th December, 2017 of MSCDAL prepared by Asmita Consultants Chartered Engineers.
- Draft Scheme of Amalgamation of AIOCDL with MSCDAL approved by management of Companies.
- Discussion with management and other information and explanation provided by the management both written and verbal during the course of this assignment.

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5. VALUATION METHODOLOGY

- The fair market value is the price exchanged between a willing and not anxious buyer and a willing, but not anxious seller, taking into account the knowledge that the buyer and the seller have, as a consequence of their respective positions, as at the date of transaction.
- Valuation is a relative concept and not a precise science. This is because, value can be perceived differently by different people, depending upon their circumstances and their understanding of the other party's circumstances.
- There is no mathematically accurate formula of valuation. Different valuation techniques give different range of values. In other words, there is no indisputable single value.
- There are various methods of valuation namely 1) Adjusted Net Asset Value (NAV) Method, 2) Comparable Multiples method 3) Discounted Cash Flow Method (DCF). Since MSCDAL and AIOCDL are not listed and appropriate listed comparables are also not available, Comparable Multiples method has not been considered for arriving at value per share.
- Considering the several factors and given nature of the business in which the Companies are engaged, we have thought fit to use "Adjusted Net Asset Value (NAV) Method" and "Discounted Cash Flow Method (DCF)" method for the current valuation exercise.
- We also understand that the management of MSCDAL intends to convert 8% Non-cumulative and non-convertible Preference Shares of Rs. 10 each fully paid up in the ratio of 1:2.5 to appropriate number of Equity Shares of Rs.10 each fully paid up pursuant to the proposed scheme of Amalgamation to retain the resources in the company on a permanent basis.

Adjusted Net Asset Value (NAV) Method

- The Adjusted NAV is the sum total of value of all assets at market prices minus Debt. It measures past performance and represents net worth of business.
- This method, however, does not capture earning potential of the company and is used primarily as a cross check in going concern valuations.
- The net-worth of both the companies is computed based on latest audited financial statements for the year ended 31-3-2017.
- We have considered the fair market value of the commercial office premises at 6th floor, Corporate Park, Chembur based on the report prepared by Asmita Consultants Chartered Engineers, govt. approved valuers for MSCDAL.

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- In the opinion of management, current Assets, loans & advances are fully realizable in the ordinary course of business. Therefore, they are taken at book value.
- We have been informed that contingent liabilities are not likely to crystalize and therefore they are not deducted from the NAV.

DISCOUNTED CASH FLOW METHOD (DCF)

- Under the DCF approach, the value of business is usually computed by discounting future cash flows to valuation date plus terminal value or also called continuing value at the end of explicit forecast period.
- The Discount Free Cash Flow method is one of the most rigorous approaches to valuation of business. In this method, the projected free cash flows from business operations are discounted at the weighted average cost of capital and sum of such discounted free cash flows is value of business.
- Use of Discounted Free Cash Flow method involves determining the following:
 - Estimated future cash flows;
 - Number of years cash flows used in the study;
 - Appropriate discount rate to be applied to cash flows;
 - The continuing value i.e. the cumulative value of free cash flows beyond the explicit forecast period;
 - Value of Net Debt, if any.
- The value of the company is obtained by discounting expected cash flows to the company i.e. the residual cash flows after meeting all operating expenses, reinvestment needs and taxes, but prior to any payment to either debt or equity holders, at the weighted average cost of capital, which is the cost of the different components of financing used by the Company, weighted by their market value proportions.
- The weighted average cost of capital is the discount factor used to arrive at the value of company. Discounting free cash flow to the company at the cost of capital will yield the value of operating assets of the company. To arrive at the company value of non-operating assets will have to be added. Non- operating assets include cash, marketable securities and holding in other companies.
- Terminal value is the present value at a future point in time all future cash flows when we expect stable growth rate forever. To arrive at the terminal value, the Perpetually Growth Model is used which accounts for the value of free cash flow in the first year beyond the projection horizon (N+1) is used. This value is divided by the discount rate minus the assumed perpetuity growth. $TO = FCF_{N+1} / (k-g)$. TO is the value of future cash flows at a future point in time which is immediately prior to N+1 or at the end of period N, which is the final year in the projection period, k being discount rate and g being the perpetual growth rate. This equation is perpetuity, uses a geometric series to determine the value of a series of growing future cash flows.

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V. B. Desai Financial Services Limited

COMPOSITE METHOD

- The fair exchange ratio of equity shares has been arrived at on the basis of fair equity valuation of the companies and is based on the various methodologies explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations.
- To arrive at a fair value, we have assigned weights to the values under the NAV and DCF methods based on the characteristic and the importance of the method and keeping in mind the facts of the Companies.
- According to our analysis, in our opinion and to the best of our information and according to the explanations given to us by the management, value per share of MSCDAL and AIOCDL is as below:

S.No.	Name of the Company	Fair Value per equity share of Rs.10 each
1	Maharashtra Safe Chemists and Distributors Alliance Limited	Rs. 25 per share
2	All India Organisation of Chemists and Druggists Ltd.	Rs. 10 per share

6. EXCLUSIONS AND LIMITATIONS

- Our report is subject to scope limitations detailed hereinafter. As such, the report is to be read in totality and not in parts, in conjunction with relevant documents referred to herein.
- We have not independently verified the underlying data, projections and assumptions in preparation of this financial information. We have used and relied solely on the data, material and other information furnished and made available by the Companies. Our conclusions are dependent on such information being accurate and complete in all material aspects.
- Our work did not constitute an audit, due diligence or validation of financial statements of the Companies. Our work did not constitute independent valuation of any assets or liabilities of the Companies.

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V. B. Desai Financial Services Limited

- In the opinion of management, current assets, loans & advances as appearing in balance sheet as of 31st March 2017 are fully realizable in the ordinary course of business.
- We have relied on the judgment of the management that contingent liabilities as appearing in balance sheet as of 31st March 2017 are not likely to crystallize.
- Our conclusion of fair value assumes that the title to assets and liabilities of the Companies as reflected in balance sheet is intact.
- We have assumed that the final terms of the Scheme will not materially vary from those set forth in the draft reviewed by us.
- We have not conducted visit to locations of production and /or point of sales of the Companies. The robustness of the analysis is highly dependent on reasonableness, commercial viability and achievability of assumptions underlying the forecast. We are not required to and have not validated the reasonableness and commercial viability underlying the forecasts and assumptions.
- The synergic benefits accruing out of proposed Amalgamation have not been estimated and therefore they are not captured in our calculation.
- The realization of the projections is dependent on the continuing validity of assumptions. Our review cannot be directed to providing any assurance about the achievability of the final projections. Since projections relate to future, the actual results are likely to be different from projected results and differences may be material.
- No responsibility is assumed for information furnished by the Companies and such information is believed to be reliable.
- This report is confidential being for use of the person to whom it is issued. It is not to be used other than for the purpose outlined in Section 3 above. It is not to be distributed for any other purpose or to any other person without our consent. It does not form part of any offer or invitation to any section of public to subscribe for or purchase equity shares or assets or liabilities of the Companies or lend money to the Companies with or without security or lend money against the security of equity shares of the Companies.
- It is to be noted that valuation is not a precise science and the responsibility for any decision would remain with the decision maker.
- This valuation report at best is only an 'opinion'. It is neither a recommendation nor advice to the parties to the Amalgamation to conclude Amalgamation as contemplated in this report. The parties to the Amalgamation may do so at their risk and responsibility after undertaking necessary due diligence and evaluation.
- No responsibility is accepted towards any shareholder, employees, tax authorities or other third parties in respect of, or arising out of or in connection with our valuation.

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- Our liability if any shall be restricted to fees received by us for this assignment.
- We assume no responsibility to update report based on changes in projections and/or their achievement in future.
- This valuation report has reference date of December 07, 2107 (i.e. valuation date).

7. RECOMMENDATION

In our opinion the fair exchange ratio of equity shares of Maharashtra Safe Chemists and Distributors Alliance Limited and All Indian Origin Chemists & Distributors Ltd. is as under:

“100 equity share of MSCDAL of Rs 10 each fully paid up for every 250 equity shares of AIOCDL of Rs. 10 each fully paid up.”

Thank You,
For **V B Desai Financial Services Ltd**


Pradip Shroff
Managing Director .



NCLT Convened Meeting - 2020

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LTD
Registered office: - 6th Floor, Corporate Park II , V.N. Purav Marg, Chembur, Mumbai 400 071
Form No: MGT-11

PROXY FORM

NCLT Convened Meeting of the Equity Shareholders
on Friday, 20th November, 2020, at 1 P.M.

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN: U74110MH2007PLC167578

Name of the Member(s) :
Registered address:
E-mail Id:
Folio No. / . :

I / We, being the member(s) of Shares of the above named Company, hereby appoint

Name:	Address:
E-mail Id:	Signature

Or failing him

Name:	Address:
E-mail Id:	Signature

Or failing him

Name:	Address:
E-mail Id:	Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **NCLT Convened Meeting of the Equity Shareholders of the Company to be held on Monday, 20th November, 2020, at 1 P.M. Club Emerald, Emerald Leisures Ltd., 366/13, Near Shushrut Hospital, Siddharth Colony, Chembur (East), Mumbai, Maharashtra - 400071** and at any adjournment thereof in respect of such resolution as are indicated below:

Resolutions		For (√)	Against(×)
1.	To approve the Scheme of Merger of Arrangement and Merger of All Indian Origin Chemists & Distributors Limited (AIOCDL) and Maharashtra Safe Chemists and Distributors Alliance Limited (MSCDAL)		

Signed this day of 2020

Signature of shareholder..... Signature of Proxy holder(s).....

Affix a Revenue Stamp of Re 1/-
--

NOTES: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



NCLT Convened Meeting - 2020

ALL INDIAN ORIGIN CHEMISTS & DISTRIBUTORS LTD.
CIN: U74110MH2007PLC167578

Registered office: - 6th Floor, Corporate Park II, V.N. Purav Marg, Chembur,
Mumbai 400 071

ATTENDANCE SLIP
NCLT Convened Meeting of the Equity Shareholders
on Friday, 20th November, 2020, at 1 P.M.

Please fill this attendance slip and hand it over at the entrance of the meeting hall.

Sr No:

Regd. Folio No.	
Name & Registered Address of the Sole/first named Member	
Name(s) of the Joint Holder(s), if any	
No. of Shares held	
Name of the Member/ Proxy holder	

I hereby record my presence at the **NCLT Convened Meeting of the Equity Shareholders** of the Company on **Friday, 20th November, 2020, at 1 P.M.** held at **Club Emerald, Emerald Leisures Ltd., 366/13, Near Shushrut Hospital, Siddharth Colony, Chembur (East), Mumbai, Maharashtra 400071**

Signature of Shareholder / proxy

NOTE: -

1. Only Member/Proxyholder can attend the Meeting.
2. Member/ Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting.
3. Member/Proxyholder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting.

X-----X-----X-----

ELECTRONIC VOTING PARTICULARS		
REVEN (Remote E-voting Event Number)	USER ID	PASSWORD/PIN
114681		

*Please read the instructions given in the notice carefully before e-voting

