

**NOTICE OF MEETING OF THE SECURED CREDITORS OF
KHAZANA JEWELLERY PRIVATE LIMITED**

IN THE MATTER OF Scheme of Amalgamation and Composite Arrangement of **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** with **KHAZANA JEWELLERY PRIVATE LIMITED**

Day	Date	Time	Venue
WEDNESDAY	26.09.2018	11.00 A.M.	252A, TTK Road, Alwarpet Chennai -600018

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FORM NO CAA.2
[pursuant to section 230(3) and rule 6 and 7]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH, CHENNAI

COMPANY APPLICATION NO. CA/147/CAA/2018

In the matter of Sections 230 to 240 and other applicable provisions of the Companies Act,
2013 And

In the matter of Scheme of Amalgamation and Composite Arrangement of **KHAZANA
JEWELLERY EXPORTS PRIVATE LIMITED** with **KHAZANA JEWELLERY PRIVATE
LIMITED**

KHAZANA JEWELLERY PRIVATE LIMITED

A Company incorporated under the Companies
Act, 1956, and having its Registered Office at
252A, TTK Road, Alwarpet Chennai -600018
Represented by its Managing Director
KISHOREKUMAR JAIN

DIN: 00051756

....APPLICANT/ TRANSFEREE COMPANY

NOTICE CONVENING THE MEETING OF SECURED CREDITORS

To
Secured Creditors,
KHAZANA JEWELLERY PRIVATE LIMITED,
Chennai.

Notice is hereby given that by order dated 23.08.2018, the Chennai Bench of the National Company Law Tribunal has directed a meeting to be held of Secured creditors and unsecured creditors of the above said company for the purpose of considering, and if thought fit, approving with or without modification, the amalgamation proposed to be made between the said company and **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** (Transferor Company).

In pursuance of the said orders and as directed therein, notice is hereby given that the meeting of the Secured Creditors of the said company will be held on 26th September 2018, at 11.00 AM at 252A, TTK Road, Alwarpet Chennai -600018, where the said secured creditors are requested to attend.

Copies of the said amalgamation, and of the statement under section 230 can be obtained free of charge at the registered office of the Company or at its authorized representatives **Shri. A.M.ILANGO**, Counsel for Applicant, Suite No.103, First Floor, Kaveri Complex, 96/104, Nungambakkam High Road, Nungambakkam, Chennai - 600 034 . 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 of the Company at not later than 48 hours before the meeting.

Forms of the Proxy can be had at the registered office of the Company.

The tribunal has appointed Mr. KISHOREKUMAR JAIN, MANAGING DIRECTOR as Chairperson of the said meeting. The above mentioned amalgamation, if approved by the meeting will be subject to the subsequent approval of the tribunal.

Dated this 24th day of August 2018.

S/d

Kishorekumar Jain

Chairperson appointed for the meeting

Registered office address:

252A, TTK Road, Alwarpet Chennai -600018

FORM NO CAA.2

[pursuant to section 230(3) and rule 6 and 7]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

CHENNAI BENCH, CHENNAI

COMPANY APPLICATION NO. CA/147/CAA/2018

In the matter of Sections 230 to 240 and other applicable provisions of the Companies Act,
2013
And

In the matter of Scheme of Amalgamation and Composite Arrangement of **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** with **KHAZANA JEWELLERY PRIVATE LIMITED**

KHAZANA JEWELLERY PRIVATE LIMITED

A Company incorporated under the Companies Act, 1956, and having its Registered Office at 252A, TTK Road, Alwarpet Chennai -600018

Represented by its Managing Director

KISHOREKUMAR JAIN

DIN: 00051756

....APPLICANT/ TRANSFEREE COMPANY

EXPLANATORY STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013 AND RULES 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. By order dated **23.08.2018**, made by the National Company Law Tribunal, Chennai Bench, in **Company Application CA/146/CAA/2018**, the National Company Law Tribunal, Chennai Bench had dispensed with the convening, holding and conducting a meeting of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** (Transferor Company) for the purpose of considering and approving, the Scheme of Arrangement.
2. **KHAZANA JEWELLERY PRIVATE LIMITED**, the Transferee Company had filed Application with the National Company Law Tribunal, Chennai Bench, to order for convening, holding and conducting a meeting of the secured creditors and unsecured creditors of the Transferee Company for the purpose of considering and approving, the Scheme of Amalgamation and Composite Arrangement. Accordingly the National Company Law Tribunal, Chennai Bench under Application **CA/147/CAA/2018** vide order dated **23.08.2018** had directed convening of meeting of Secured Creditors of the Transferee Company.
3. In this Statement, **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** herein after referred to as "Transferor Company" and **KHAZANA JEWELLERY PRIVATE LIMITED** is hereinafter referred to as "Transferee Company".
4. **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** was incorporated in Chennai in the State of Tamil Nadu on 21.03.1995. The Certificate of Incorporation No. of this Company is U51909TN1995PTC030587, Permanent Account Number AAACK2565R. There is no change in the status of the Company.
5. The Registered office of the above Transferor Company is situated at 36, Cathedral Road, Chennai, TN 600086.

6. The Authorised Share Capital of the Transferor Company as on 31.03.2018 is Rs. 5,00,00,000/- divided into 50,00,000 Equity Shares of Rs. 10/- each. The issued, subscribed and paid up capital of the Applicant Company as on 31st March 2018 is Rs. 1,52,23,430/- divided into 15,22,343 Equity Shares of Rs.10/- each.
7. **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** was incorporated inter alia:
- a. To take over the existing business of KHAZANA GOLD HOUSE, 52, NSC Bose Road, Madras – 600 079, a partnership firm as a running concern with all assets and liabilities including tenancy rights, patent rights, brand rights and bank liabilities.*
 - b. Export, Import and Exchange of Gold and Silver jewellery.*
 - c. To carry on the business of goldsmiths, silversmiths jewellers, silver platers, electroplaters and to manufacture, repair, alter, gold and silver jewellery of all kinds, cutlery, presents and gifts.*
 - d. To deal in, manage, purchase or otherwise acquire and sell dispose of, import, export, exchange, hold and deal in diamonds, gems, stones, jewellery, bullion, precious metals, precious stones, pearls, coins, medals, valuables, shields, curious articles of virtue, and antiques and to manufacture and establish factories of or manufacturing goods for the above business.*
 - e. To store or keep in safe custody the jewellery, silver wares, diamonds, gems, stones, bullion, precious metals, pearls and other valuable.*
8. **KHAZANA JEWELLERY PRIVATE LIMITED** [Transferee Company] was incorporated in Chennai in the State of Tamil Nadu on 30.03.1992 under the Certificate of Incorporation No U36999TN1992PTC022434, Permanent Account Number AAACK2564Q. There is no change in status of the company.
9. The Registered office of the above Transferee Company is situated at 252A, TTK Road, Alwarpet, Chennai, TN 600018
10. The Authorised Share Capital of the Transferee Company as on 31.03.2018 is Rs. 67,11,00,000 /- divided into 2,91,70,000 Equity Shares of Rs. 10/- each and 37,94,000 Preference shares of Rs.100/- each. The issued, subscribed and paid up capital of the Applicant Company as on 31st March 2018 is Rs. 56,25,30,700 /- divided into 2,63,13,070 Equity Shares of Rs.10/- each and 29,94,000 preference of Rs.100/- each.
11. **KHAZANA JEWELLERY PRIVATE LIMITED** was mainly incorporated inter alia:
- a. To carry on the business of goldsmiths, silversmiths jewellers silver platers, electroplater and to manufacture, repair, alter, gold and silver jewellery of all kinds cutlery, presents and gifts.*
 - b. To deal in, manage, purchase or otherwise acquire and sell dispose of, import, export, exchange, hold and deal in diamonds, gems, stones, jewellery, bullion, precious metals, precious stones, pearls, coins, medals, valuables, shields, curious articles of virtue, and antiques and to manufacture and establish factories of or manufacturing goods for the above business.*
 - c. To store or keep in safe custody the jewellery, silver wares, diamonds, gems, stones, bullion, precious metals, pearls and other valuable.*

12. Details of Promoters of Transferor Company & Transferee Company:

KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED (Transferor Company)

SL NO	NAME OF THE PROMOTERS	ADDRESS
1	MR. KISHORE KUMAR JAIN	NO. 62B, E V K, SAMPATH ROAD, VEPERY, CHENNAI - 600007 TN

KHAZANA JEWELLERY PRIVATE LIMITED (Transferee Company)

SL NO	NAME OF THE PROMOTERS	ADDRESS
1	MR. KISHORE KUMAR JAIN	NO. 62B, E V K, SAMPATH ROAD, VEPERY, CHENNAI - 600007 TN

13. List of Directors as on 31.03.2018 of Transferor Company & Transferee Company are as follows.

TRANSFEROR COMPANY

Name of Directors	Address	Designation	Date of Appointment
KISHOREKUMAR JAIN	NO. 62B, E V K SAMPATH ROAD, VEPERY, CHENNAI 600007 TN IN	Managing Director	21/03/1995
RAMILA JAIN	62 B, E.V.K. SAMPATH ROAD, VEPERY, CHENNAI 600007 TN IN	Director	30/11/1998

TRANSFEEEE COMPANY

Name of Directors	Address	Designation	Date of Appointment
KISHOREKUMAR JAIN	NO. 62B, E V K SAMPATH ROAD, VEPERY, CHENNAI 600007 TN IN	Managing Director	30/03/1992
RAMILA JAIN	62 B, E.V.K. SAMPATH ROAD, VEPERY, CHENNAI 600007 TN IN	Director	30/11/1998
AMITABHA GUHA	DL-182, SALT LAKE, SECTOR II BIDHANNAGAR (EAST), NORTH 24 PARGANAS KOLKATA 700091, WB, IN	Additional Director	22/11/2017

14. The Board of Directors of **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** in their Board meeting held on 07.07.2018, and **KHAZANA JEWELLERY PRIVATE LIMITED** in their Board Meeting held on 07.07.2018, have approved and adopted the proposed Scheme of Amalgamation and Composite Arrangement respectively and none of the Directors opposed the same.

15. **Appointed Date** means the date from which this Scheme shall become operative viz 1st April, 2018 or if the Board of Directors of the Transferor Company and the Transferee Company require any other date prior or subsequent to 01st April, 2018

and/or the Tribunal modifies the Appointed Date to such other date, then the same shall be the Appointed Date.

16. **Effective Date** means the last of the dates on which the Order of the NCLT and/or Central Government sanctioning the Scheme of Amalgamation is filed by Transferor Company and Transferee Company and the Transferee Company with Registrar of Companies, Chennai, Tamil Nadu. Any references in this Scheme to the date of “coming into effect of the Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date.

17. **Share Exchange Ratio** : “SHARE EXCHANGE RATIO” shall have the meaning ascribed to it in Part II, Section 10, Sub-section 1 (a) of the Scheme.

18. THE SALIENT FEATURES OF THE SCHEME ARE AS FOLLOWS:

a. With effect from the appointed date and upon the Scheme becoming effective, whole of the assets and properties, both movable and immovable, investments, rights, title and interests comprised in the Undertaking of the Transferor Company shall pursuant to the Scheme being sanctioned by the National Company Law Tribunal / Central Government under Sections 230 to 240 of the Companies Act, 2013 and without any further act or deed be transferred to, and vested in, or deemed to have been transferred to, and vested in, the Transferee Company so as to become as and from the Appointed Date, the estate, assets, rights, title, goodwill and interests of the Transferee Company. With effect from the Appointed Date and upon the Scheme becoming effective and without any further act or deed, The Transferee Company shall derive all the rights in respect of immovable properties of Transferor Company and to change those properties in its name in revenue records and the rights conferred through this scheme shall among other things include rights to deal with Revenue Department, Local Planning Authority (LPA), Chennai City Corporation, Local body, registering authority or any other agencies and the Transferee Company shall have all the rights to deal with departments, local bodies concerned for Plan approval, extension of permit and the Joint venture partners of Transferor Company shall be authorised to carry on its activities in respect of the transferor Company with transferee Company after the amalgamation of the Transferor Company with Transferee Company.

b. With effect from the Appointed Date and upon the Scheme becoming effective, all rights and licenses relating to trademarks, know-how, technical know-how, software, trade names, descriptions, trading style, franchises, labels, label designs, colour schemes, utility models, holograms, bar codes, designs, patents, copyrights, privileges and any rights, title or interest in intellectual property rights (including applications submitted to the registration authorities on or before the Effective Date by the Transferor Company), tenancies with the consent of the landlord wherever necessary, powers, facilities of every kind and description of whatsoever nature in relation to the Undertaking of the Transferor Company to which the Transferor Company is a party or to the benefit of which the Transferor Company may be entitled / eligible and which are subsisting or have effect immediately before the Appointed Date, shall be in full force and effect on, or against, or in favour of, the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.

c. The transfer/vesting, as aforesaid, shall be subject to existing as may be subsisting charges/hypothecation/mortgage (if any) over or in respect of the said assets or any part thereof. Provided, however, that any reference in any security documents or arrangements to which the Transferor Company is a party, to such assets of the Transferor Company offered or agreed to be offered as security for any financial assistance both availed and to be availed up to any limit for which sanctions have already been obtained by the Transferor Company shall be construed as reference only to the assets pertaining to the Transferor Company as are vested in the Transferee Company by virtue of this Clause to the end and intent that such security, mortgage and/or charge shall not extend or be deemed to extend to any of the assets or to any of the other units or divisions of the Transferee Company, unless specifically agreed to by the Transferee Company with such secured creditors.

d. In particular, with effect from the Appointed Date and upon the Scheme becoming effective, all licences, sanctions, consents, authorization, approvals and permissions (whether statutory or otherwise) of the Transferor Company pertaining to the conduct of its business (including, without limitation, benefits, remissions, special reservations) available to the Transferor Company, under any extant law including but not limited to revenue laws, shall vest in the Transferee Company and the concerned licensors and grantors of such approvals or permissions, shall endorse and record the Transferee Company on such approvals and permissions so as to empower and facilitate the approval and vesting of the Undertaking of the Transferor Company in the Transferee Company without hindrance or let from the Appointed Date.

e. All assets and properties as are moveable in nature, including investments, or are otherwise capable of transfer by physical delivery or by endorsement and delivery, shall stand so transferred by the Transferor Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly and such transfer shall be deemed to have taken place at the Registered Office of the Transferee Company in the State of Tamil Nadu.

f. All debts, outstanding and receivables of the Transferor Company shall accordingly, on and from the Appointed Date and upon the Scheme becoming effective, stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (though the Transferee Company may if it deems appropriate, give notice to the debtors that the debts stand transferred and vested in the Transferee Company) and the debtors shall be obliged to make payment to the Transferee Company after the Effective Date.

g. From the "Effective Date" and till such time the names of the bank accounts of the Transferor Company are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company, in so far as may be necessary.

h. The Transferor Company shall have taken all steps as may be necessary to ensure that vacant, lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Transferee Company.

5.2 With effect from the Appointed Date

a. With effect from the Appointed Date and upon the Scheme becoming effective, all debts (whether secured or unsecured), liabilities (including contingent liabilities, whether disclosed or undisclosed), taxes, duties and obligations of every kind, nature and description of the Transferor Company along with any charge, encumbrance, lien or security thereon shall also be vested and stand transferred to and be deemed to be and stand vested in the Transferee Company without any further act, or instrument or deed pursuant to the Scheme being sanctioned by the National Company Law Tribunal/Central Government under Sections 230 to 240 of the Companies Act, 2013 so as to become the debts, liabilities, duties and obligations of the Transferee Company from the Appointed Date and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause.

b. To the extent that there are any loans, outstandings or balances due from the Transferor Company to the Transferee Company or vice versa the obligations in respect thereof shall be extinguished upon the merger of interest between the creditor and debtor and corresponding effect shall be given in the books of account and records of the Transferee Company.

c. Where any of the liabilities and obligations of the Transferor Company as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

d. All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Section 230 to 240 of the Companies Act, 2013, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

e. All estates, assets, rights, title, goodwill, interests and authorities accrued to and/or acquired by the Transferor Company in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall have been deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 240 of the Companies Act, 2013, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, rights, title, interests and authorities of the Transferee Company.

19. Upon the coming into effect of this Scheme:

a. All permanent employees of the Transferor Company as on the Effective Date shall as from such date, become employees of the Transferee Company in such position, rank and designation as may be determined by the Transferee Company with the benefit of continuity of service and such that the terms and conditions of their employment with the Transferee Company are not less favorable than those applicable to them as employees of the Transferor Company on such date. With regard to provident fund, gratuity fund, or any other special fund created or existing for the benefit of such employees of the Transferor Company, from the Effective Date the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever in relation to the administration or operation of such fund or funds and the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds or other documents provided that if the Transferee Company considers it desirable for the smooth administration, management, operation and uniformity of such funds, the same may be merged with similar funds of the Transferee Company. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid schemes, funds and trusts.

b. In the event that trustees are constituted as holders of any securities, trust funds or trust monies, in relation to any provident fund trust, gratuity fund trust or superannuation fund trust of the Transferor Company, such funds shall be transferred by such trustees of the trusts of the Transferor Company, to separate trusts and the trustees of the Transferee Company set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882, and the Income Tax Act, 1961 and relevant stamp legislations as applicable provided that if the Transferee Company considers it desirable for the smooth administration, management, operation and uniformity of such trusts of the Transferor Company, the same may be merged with similar trusts of the Transferee Company. Appropriate deeds of trusts and/or documents for transfer of trust properties shall be simultaneously executed upon the sanction of the Scheme in accordance with the terms hereof by the trustees of such trusts in favour of the trusts of the Transferee Company so as to continue the benefits of the employees. The provident fund trust, gratuity fund trust or superannuation fund trust of the Transferor Company shall continue to hold such securities, trust funds and/or trust monies as hitherto fore, till such time as the transfer to the trustees of the Transferee Company employee trust is made.

c. The Transferee Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into by the Transferor Company with any employees of the Transferor Company. The Transferee Company agrees that for the purpose of payment of any retrenchment, compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

d. The Transferor Company shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.

20. With effect from the Appointed Date and up to and including the Effective Date:

The Transferor Company shall carry on its business activities with reasonable diligence and business prudence and shall conduct its business in the ordinary course consistent with past practice.

Until the Effective Date and subject to such consents as may be necessary:

a. the Transferor Company shall carry on and be deemed to have carried on its business and activities and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking of the Transferor Company on account of and in trust for the Transferee Company; and

b. all the profits or incomes accruing or arising to the Transferor Company or expenditure or losses incurred by the Transferor Company shall for all purposes be treated and be deemed to be and accrue as profits or incomes or expenditure or losses of the Transferee Company.

c. The Transferee Company shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required / granted under any law for time being in force for carrying on business of Transferor Company by the Transferee Company.

d. The Transferor Company shall carry on their business activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its subsidiaries, or sell, transfer, alienate, charge, mortgage or encumber or deal with the undertaking, save and except, in each, in the following circumstances:

i. if the same is in the ordinary course of business as carried on by it as on the date of filing this Scheme with the National Company Law Tribunal/Central Government; or

ii. if the same is required for this Scheme; or

iii. if the same is expressly permitted by this Scheme; or

iv. if written consent of transferee company has been obtained.

v. Pending sanction of the Scheme, the Transferor Company shall not make any change in their respective capital structure either by any increase, (by issue of equity shares on a rights basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner which may, in any way, affect the Share Exchange Ratio, except by mutual consent of the respective Boards of Directors of the Transferor and Transferee Company or as may be expressly permitted under this Scheme.

21. ACCOUNTING TREATMENT

- a. Upon the Scheme becoming effective, with effect from the Appointment Date for the purpose of accounting for and dealing with the value of assets and liabilities of the Transferor Company, the Transferee Company shall account for the amalgamation in accordance with Pooling of Interest Method in accordance with Appendix C of Ind AS 103 notified under the provisions of the Act, read with relevant rules framed there under and other applicable accounting standards prescribed under the Act.
- b. The Transferee Company shall record the assets, liabilities and reserves relating to the Transferor Company vested in it pursuant to this Scheme, at their respective carrying amounts.
- c. The identity of the reserves of the Transferor Company if any, shall be preserved and they shall appear in the financial statements of the Transferor Company in the same form and manner in which they appeared in the financial statements of the Transferor company.
- d. Upon coming into effect of this Scheme, to the extent that there are inter-company loans, advances, deposits balances or other obligations as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for reduction of any assets or liabilities, as the case may be. Further no interest shall be provided on loans and advances or any outstanding loans and advances, if any, after Appointed Date. All inter party transactions between the Transferor Company and the Transferee Company shall be treated as intra party transactions for all purposes and intercompany balances shall stand cancelled.
- e. The shares held by Transferee Company in Transferor Company and vice versa shall stand cancelled and there shall be no further obligation in that behalf.
- f. The difference between the value of assets over the value of liabilities including reserves of the Transferor Company transferred to the Transferee Company pursuant to the order of the Tribunal , after adjusting for the investments in share capital of the Transferee company shall be adjusted against Capital Reserve of the Transferee company and will be presented separately from other capital reserves.
- g. In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the transferee Company shall prevail and the difference till Appointed Date would be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the Financial position on the basis of consistent accounting policy.
- h. For any matter arising in connection with the accounting treatment, the board of directors of Transferor Company and Transferee Company would deal with the same in consultation with the experts on the said matter.

22. ISSUE OF EQUITY SHARES BY THE TRANSFEE COMPANY

- a. Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the undertaking of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall subject to the provisions of this Scheme and without any further application or action or deed, issue at par and allot to the shareholders of the Transferor Company whose names are found in the Register of Members of the Transferor Company on a date after the effective date to be fixed by the Board of Directors of the Transferee Company (hereinafter called the "Record Date") as per the recommended exchange ratio on the basis of the fair valuation of the equity shares of the Transferee Company and the equity shares of the Transferor Company in the following manner:

11 (Eleven) Equity Shares of Transferee Company of Rs 10/- each for every 1 (One) Equity shares of Rs 10/- each of Transferor Company. Fractional entitlements will be dealt in the manner specified in Part II, Section 10, Subsection 2, Clause (iv) of this scheme of amalgamation.

b. Cross holding of shares held by Companies comprised in this scheme, if

any in other companies comprised in this scheme shall be cancelled and Corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.

c. The equity shares and preference shares held by the Transferor Company in the Transferee Company shall as a consequence of the amalgamation of the Transferor Company with the Transferee Company be cancelled without any further act or deed.

d. The reduction of the equity share capital and preference share capital of the Transferee Company as provided under Clause (b) (c) and (d) above does not involve any diminution of liability of unpaid capital nor is there any financial outlay/outgo on the part of the Transferee Company. The Transferee Company has sufficient assets including cash and bank balances to satisfy all its creditors and the proposed restructuring would not prejudice or effect the rights of the creditors of the Transferee Company. The reduction of the share capital does not in any way adversely affect the ordinary operations of or the ability of the Transferee Company to honor its commitments or to pay its debts in the ordinary course of business.

e. The reduction of the issued, subscribed and paid-up equity share capital and preference share capital of the Transferee Company as above shall be treated as an integral part of the Scheme itself and shall be deemed to be in accordance with the provisions of Sections 66 of the Act as the same does not involve diminution of liability in respect of unpaid share capital. The order of the Tribunal sanctioning the scheme shall be deemed to be an order under section 66 of the Act confirming the reduction without imposing a condition on the Company to add to its name the words "and reduced".

f. Upon the Equity Shares being issued and allotted, as aforesaid by the Transferee Company, the Equity Shares issued by the Transferor Company and held by their shareholders, shall be deemed to have been automatically cancelled and of no effect.

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE ENTIRE SCHEME

23. MODIFICATIONS / AMENDMENTS TO THE SCHEME

(a) The Transferor Company and the Transferee Company may jointly assent from time to time on behalf of all persons concerned to any modifications or amendments or additions to the Scheme or to any conditions or limitations which the National Company Law Tribunal and/or the other competent authorities, if any, under any law, may deem fit and approve of or impose and which the Transferor Company and the Transferee Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise for carrying out the Scheme and do and execute all acts, deeds, matters and things necessary for bringing the Scheme into effect. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Board of Directors, a Committee of the concerned Board or any Director (hereafter referred as the "delegates").

(b) For the purpose of giving effect to the Scheme or any modifications or amendments thereof or additions thereto the delegate(s) of the Transferor Company and the Transferee Company may jointly give and are hereby authorised to determine and give all such directions as are necessary including directions for settling or removing any difficulties towards implementation of the sanctioned Scheme, as the case may be, which shall be binding on all parties in the same manner as if the same were specifically incorporated in the Scheme.

(c) The Transferor Company and the Transferee Company acting through their respective Board of Directors or other persons, duly authorized by their respective board in this regard, shall be authorized, to take such steps, as may be necessary, desirable or proper to resolve any doubts, difficulties or questions that may arise, whether by reason of any order of the National Company Law Tribunal or of any directive or order of central government or any other authorities or otherwise, in connection with this Scheme and/or matters concerning or connected therewith.

(d) If any part of this Scheme hereof is ruled illegal or invalid by or is not sanctioned by any National Company Law Tribunal or central government or is unenforceable

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

(e) This scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961.

24. SCHEME CONDITIONAL UPON

This Scheme is conditional upon the following approvals / events and the Scheme shall be deemed to be effective on obtaining last of the following approvals and the occurrence of the last of the following events:

(a) The approval of the Scheme by the requisite majority of the members of the Transferor and Transferee Companies respectively as required under Section 230 to 240 of the Companies Act, 2013;

(b) The approval of the Scheme by the requisite majority of the creditors of the Transferor and Transferee Companies respectively;

(c) The sanction of the Scheme by the National Company Law Tribunal/ Central Government under Sections 230 to 240 of the Companies Act, 2013 and other applicable provisions of the Act, Rules and Regulations;

(d) Certified copies of the National Company Law Tribunal / Central Government orders being filed with the Registrar of Companies concerned by the respective companies. The Scheme shall become operative on the date or the last of the dates on which the certified copies of the orders of the National Company Law Tribunal sanctioning the Scheme are filed by the Transferor company and the Transferee Company with the respective Registrar of Companies and such date shall be known as the Effective Date.

(e) Compliance with such other conditions as may be imposed by the National Company Law Tribunal/ Central Government.

25. COSTS, CHARGES AND EXPENSES

Upon the Scheme becoming effective, all costs, charges, taxes, levies and all other expenses, if any, of the Transferor Company and the Transferee Company arising out of/ or incurred after the Effective Date for carrying out and implementing the Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company (save as otherwise expressly agreed).

26. SANCTION AND APPROVALS NOT FORTHCOMING

(i) In the event of this Scheme failing to take effect as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each Company shall bear its own costs or as may be mutually agreed.

(ii) 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 as is specifically provided in the Scheme or as may otherwise arise in law, the

Scheme shall stand revoked, cancelled and be of no effect if the events or sanctions and approvals referred to in Part IV, Section 3 have not occurred.

27. The Scheme would not be prejudicial to the interests of the Creditors of the Company.

28. Amount due to Secured Creditors of **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** as on 31.03.2018 is Nil and accordingly meeting of Secured Creditors has been dispensed with by the National Company Law Tribunal, Chennai Bench, Chennai vide order dated **23.08.2018 in CA/146/CAA/2018** and Amount due to unsecured creditors as on 31.03.2018 is Rs.7,15,22,801/-. The Company has obtained consent from 100% of the unsecured Creditors and the meeting of unsecured creditors has been dispensed with by the National Company Law Tribunal, Chennai Bench, Chennai vide order dated **23.08.2018 in CA/146/CAA/2018**. The company has 7 equity shareholders and obtained consent of its Equity Shareholders and accordingly meeting of Equity shareholders has been dispensed with by the National Company Law Tribunal, Chennai Bench, Chennai vide order dated **23.08.2018 in CA/146/CAA/2018**.

29. There are total 7 Equity Shareholders 2 preference Shareholders for the Transferee Company **KHAZANA JEWELLERY PRIVATE LIMITED**. The Company had filed application with National Company Law Tribunal, Chennai Bench, Chennai for dispensing the convening, holding and conducting of the meeting of Equity shareholders of the company. Accordingly the National Company Law Tribunal, Chennai Bench under Application **CA/147/CAA/2018** vide order dated **23.08.2018** had directed to dispense the meeting of Equity Shareholders and preference shareholders of the Transferee Company.

30. Amount due to Secured creditors of **KHAZANA JEWELLERY PRIVATE LIMITED** as on 31.03.2018 is Rs. 1261.98/- Crores. The Company has filed application with National Company Law Tribunal, Chennai Bench, Chennai for ordering for holding, convening and conducting the meeting of secured creditors of the company. Accordingly the National Company Law Tribunal, Chennai Bench under Application **CA/147/CAA/2018** vide order dated **23.08.2018** had directed convening of meeting of Secured Creditors of the Transferee Company.

31. Amount due to Unsecured creditors of **KHAZANA JEWELLERY PRIVATE LIMITED** as on 31.03.2018 is Rs. 53,25,01,187/-. The Company had filed application with National Company Law Tribunal, Chennai Bench, Chennai for ordering for holding, convening and conducting the meeting of Unsecured Creditors of the company. Accordingly, National Company Law Tribunal, Chennai Bench under Application **CA/147/CAA/2018** vide order dated **23.08.2018** had directed convening of meeting of unsecured creditors of the Transferee Company.

32. The Resolution proposed to be considered in the above meeting, is given hereunder:

“RESOLVED THAT the Scheme of Amalgamation and Composite Arrangement between **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** and **KHAZANA JEWELLERY PRIVATE LIMITED**, placed before the meeting and initialled by the Chairman for the purpose of identification, be and is hereby approved by the Secured creditors of **KHAZANA JEWELLERY PRIVATE LIMITED”**.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to make and / or consent to any modifications, alterations or amendments in the scheme, which are desired, directed or imposed by the National Company Law Tribunal, Chennai Bench, and to take all such steps as may be necessary and desirable to implement the Scheme and to give effect to this resolution.”

33. None of the Directors, promoters, creditors and employee of Transferor Companies and Transferee Company shall be affected as a result of proposed scheme Amalgamation and Composite Arrangement.
34. The company does not have depositors, debenture holders, deposit trustee and debenture trustee.
35. The Directors of the Transferor Company and Transferee Companies are of the opinion that there is no likelihood that interest of any shareholder, directors, promoters, employee or creditor of the Transferor Company and Transferee Companies would be prejudiced as a result of the scheme. The scheme of Amalgamation and Composite Arrangement will not impose any additional burden on the members of the Transferee Company.
36. There are no contracts or agreements which are material to the proposed scheme of Arrangement.
37. Other regulatory approvals or sanctions are not applicable in relation to proposed scheme of Arrangement.
38. The companies submit that there are no proceedings pending under Sections 206 to 229 of the Companies Act, 2013 against the Transferor Company/ Transferee Company.

The following documents will be open for obtaining extract or for making or obtaining copies of or for inspection at the Registered Office of the Applicant Company between 10.00 A.M to 05.00 P.M on any working day of the Applicant Company except Saturday and Sunday upto the date of the next hearing:

1. The Balance Sheet and Profit and Loss Account of **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** and **KHAZANA JEWELLERY PRIVATE LIMITED** for the year ended 31st March 2018;
2. Copy of the Board resolutions dated 07.07.2018 passed by all the Companies approving the Scheme of Amalgamation and Composite Arrangement.
3. Proposed Scheme of amalgamation and Composite Arrangement.
4. Register of Directors' shareholdings of the Transferor and Transferee Companies.
5. Copy of the Order dated **23.08.2018** passed by the National Company Law Tribunal, Chennai Bench, Chennai.
6. The certificate issued by Auditor for the Companies to the effect that the accounting treatment, if any, proposed in the scheme of Amalgamation and Composite Arrangement is in conformity with the Accounting Standards prescribed under section 133 of the Companies Act, 2013.

For KHAZANA JEWELLERY PRIVATE LIMITED

**KISHOREKUMAR JAIN
CHAIRMAN APPOINTED FOR THE MEETING**

**SCHEME OF AMALGAMATION
AND COMPOSITE ARRANGEMENT
BETWEEN
KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED
(Transferor Company)
AND
KHAZANA JEWELLERY PRIVATE LIMITED
(Transferee Company)**

1. PREAMBLE

KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED (“KJEPL”) was incorporated in Chennai in the State of Tamil Nadu on 21st March, 1995 under the name **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED**. The Company is carrying on the business of goldsmiths, silversmiths jewellers, silver platers, electroplaters, manufacture, repair, alter, gold and silver jewellery of all kinds, cutlery, presents and gifts and export, Import and Exchange of Gold and Silver jewellery and other business in connection with Jewellery business.

KHAZANA JEWELLERY PRIVATE LIMITED (“KJPL”) was incorporated in Chennai in the State of Tamil Nadu on 30th March, 1992. The Company is carrying on the business of goldsmiths, silversmiths jewellers, silver platers, electroplaters, manufacture, repair, alter, gold and silver jewellery of all kinds, cutlery, presents and gifts. and purchase or otherwise acquire and sell dispose of, import, export, exchange, hold and deal in diamonds, gems, stones, jewellery, bullion, precious metals, precious stones, pearls, coins, medals, valuables, shields, curious articles of virtue, are and antiques and to manufacture and establish factories of or manufacturing goods for the above business and to carry on other business in connection with Jewellery business.

The proposed amalgamation of **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED (“KJEPL”)** and **KHAZANA JEWELLERY PRIVATE LIMITED (“KJPL”)** is in line with the global trends to achieve size, integration and greater financial strength with a view to enhancing shareholders’ wealth. The combination of the operations will create a unique level of integration and will enable substantial savings in cost and will enhance the value of the Company. The Amalgamation will also enhance the scale of operations thereby providing significant impetus to the growth of the companies. The amalgamated Company will have the benefit of the combined reserves, assets and cash flows of the Companies. The combined resources of the amalgamated Company will be conducive to enhance its capabilities to face competition in the market place more effectively. If the said Companies are merged there will be greater cost benefits and economies, which will accrue to the amalgamated company. Both the transferor and the transferee companies will reap the following benefits if the proposed amalgamation takes place.

1. *Result in improved shareholder value for all the Companies by way of improved financial structure and cash flows, increased asset base and stronger consolidated revenue and profitability and higher net worth of combined entity.*
2. *Reducing multiple layer of inefficiencies and compliances*
3. *Administrative convenience*

After extensive discussions and deliberations, the Board of Directors of the Companies have decided to amalgamate **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED (“KJEPL”)** with **KHAZANA JEWELLERY PRIVATE LIMITED (“KJPL”)** which not only benefits the Companies but also its shareholders, employees and customers.

The Scheme is divided into the following parts:

Part I, which deals with definitions.

Part II, which deals with amalgamation of **KJEPL** with **KJPL**.

Part III, which deals with position of Authorised share capital of the Transferor Company and Transferee Company.

Part IV, which deals with the general terms and conditions applicable to the entire Scheme.

Part II, and Part III shall be given effect chronologically in the same order as set out above.

PART – I

1. DEFINITIONS

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

- 1.1 **“Transferor Company”** means **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED (“KJEPL”)** a Company incorporated under the Companies Act, 1956 and having its Registered Office at 36, Cathedral Road Chennai, Tamilnadu.
- 1.2 **“Transferee Company”** means **KHAZANA JEWELLERY PRIVATE LIMITED (“KJPL”)** a company incorporated under the Companies Act, 1956 having its Registered Office at 252A, TTK Road, Alwarpet Chennai Tamilnadu
- 1.3 **“Act”** means the Companies Act, 2013 and the relevant rules made thereunder.
- 1.4 **“Appointed Date”** means the date from which this Scheme shall become operative viz **1st April 2018** or if the Boards of Directors of the Transferor Company and the Transferee Company require any other date prior or subsequent to **1st April 2018** and/or the NCLT and/or Central Government modifies the Appointed Date to other date, then such other date shall be the Appointed Date.
- 1.5 **“Effective Date”** means the last of the dates on which the Order of the NCLT and/or Central Government sanctioning the Scheme of Amalgamation is filed by Transferor Company and Transferor Company and the Transferee Company with Registrar of Companies, Chennai, Tamil Nadu. Any references in this Scheme to the date of **“coming into effect of the Scheme”** or **“effectiveness of this Scheme”** or **“Scheme taking effect”** shall mean the Effective Date.
- 1.6 **“NCLT”** includes the National Company Law Tribunal, Chennai Bench & the National Company Law Appellate Tribunal (“NCLAT”) constituted under the Companies Act, 2013 and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230 to 240 of the Companies Act, 2013 and any other applicable provisions of Companies Act, 2013 subject to any additional compliance/procedures as provided.
- 1.7 **“Record Date”** means the date or dates to be fixed by the Board of Directors of the Transferee Company or any Committee thereof in consultation with the Board of Directors of the Transferor Company for the purpose of issue of shares to the shareholders of the Transferor Company pursuant to this Scheme.
- 1.8 **“Scheme”** or **“Scheme of Amalgamation”** means this Scheme of Amalgamation and Composite Arrangement as submitted in the present form to the National Company Law Tribunal and/or Central Government together with any modification(s) approved or imposed or directed by the National Company Law Tribunal and/or Central Government.
- 1.9 **“Undertaking”** in relation to the Transferor Company shall mean and include all the undertakings and businesses of the Transferor Company as a going concern comprising :
 - (a) all the assets and properties of the Transferor Company as on the Appointed Date;
 - (b) all debts, liabilities, duties, responsibilities and obligations of the Transferor Company as on the Appointed Date;
 - (c) Without prejudice to the generality of the above, the assets and properties of the Transferor Company shall include the entire business and all rights, privileges, powers and authorities and all property, movable or immovable real, corporeal or incorporeal, in possession or reversion, present or contingent of whatever nature and wheresoever situate, including fixed assets, capital work in progress, current assets, investment of all kind,

approvals, permissions, consents, exemptions, registrations, no-objection certificates and certifications, permits, quotas, rights, entitlements, tenancies, roof rights, trademarks, service marks, know-how, technical know-how, trade names, descriptions, trading style, franchises, labels, label designs, colour schemes, utility models, holograms, bar codes, designs, patents, copyrights, privileges and any rights, title or interest in intellectual property rights, benefits of security arrangements, contracts, agreements and all other rights including lease rights, licenses including those relating to trademarks, or service marks, easements, advantages, exemptions, benefits, powers and facilities of every kind, nature and description whatsoever of the Transferor Company or to which the Transferor Company is entitled including right to use of telephones, telex, facsimile connections and installations, electricity, power lines, communication lines and other services, reserves, deposits, provisions, funds, subsidies, grants, tax credits, and any accretions or additions arising to any of the foregoing after the Appointed Date; and

- (d) all the debts, liabilities, duties, responsibilities and obligations of Transferor Company shall include all obligations of whatsoever kind including liabilities for payment of gratuity, provident fund, service tax and other statutory dues, if any.

1.10 “**SHARE EXCHANGE RATIO**” shall have the meaning ascribed to it in Part II, Section 10, Sub-section 1 (a).

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

1.12 “**CENTRAL GOVERNMENT**” for the purpose of this scheme means Regional Director, Southern Region , Chennai authorized as per the provisions of the Companies Act, 2013 in accordance with Notification dated 19th December, 2016 issued by Ministry of Corporate Affairs, New Delhi or such other authority as may be authorized by Ministry of Corporate Affairs for approving any scheme of arrangement, compromise or reconstruction of companies under Section 233 of the Companies Act, 2013 subject to any additional compliance/procedures as provided.

PART – II
AMALGAMATION OF KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED (“KJEPL”) WITH KHAZANA JEWELLERY PRIVATE LIMITED (“KJPL”)

SECTION 1 -SHARE CAPITAL AND MAIN OBJECTS OF KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED (“KJEPL”) – TRANSFEROR COMPANY

KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED (“KJEPL”) [Transferor Company] was incorporated in Chennai in the State of Tamil Nadu on 21st March,1995 with CIN: U51909TN1995PTC030587

As per the Balance Sheet as on 31.03.2017, the share capital of **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED (“KJEPL”)** is as under:

	Amount in Rupees
Authorised Capital:	
50,00,000 equity shares of Rs. 10/- each	Rs. 500,00,000
Issued, Subscribed and Paid-up Capital:	
15,22,343 equity shares of Rs. 10/- each	Rs. 152,23,430

Subsequent to 31.03.2018, there has been no change in authorised, issued and paid-up capital of (“KJEPL”).

KJEPL was mainly incorporated inter alia:

1. To take over the existing business of KHAZANA GOLD HOUSE, 52, NSC Bose Road, Madras – 600 079, a partnership firm as a running concern with all assets and liabilities including tenancy rights, patent rights, brand rights and bank liabilities.

2. Export, Import and Exchange of Gold and Silver jewellery.

3. To carry on the business of goldsmiths, silversmiths jewellers, silver platers, electroplaters and to manufacture, repair, alter, gold and silver jewellery of all kinds, cutlery, presents and gifts.

4. To deal in, manage, purchase or otherwise acquire and sell dispose of, import, export, exchange, hold and deal in diamonds, gems, stones, jewellery, bullion, precious metals, precious stones, pearls, coins, medals, valuables, shields, curious articles of virtue, and antiques and to manufacture and establish factories of or manufacturing goods for the above business.

5. To store or keep in safe custody the jewellery, silver wares, diamonds, gems, stones, bullion, precious metals, pearls and other valuable.

SECTION 2 - SHARE CAPITAL AND MAIN OBJECTS OF KHAZANA JEWELLERY PRIVATE LIMITED (“KJPL”) – TRANSFEREE COMPANY

KHAZANA JEWELLERY PRIVATE LIMITED (“KJPL”) [Transferee Company] was incorporated under the name and style of **KHAZANA JEWELLERY PRIVATE LIMITED** in the State of Tamil Nadu on 30th March 1992 under CIN U36999TN1992PTC022434

As per the latest audited balance sheet as on 31st March 2018, the share capital of **KHAZANA JEWELLERY PRIVATE LIMITED (“KJPL”)** is as under:

	Amount in Rupees
Authorised Capital:	
2,91,70,000 Equity shares of Rs. 10/- each	Rs. 29,17,00,000
37,94,000 Preference Shares of Rs. 100/- each	Rs. 37,94,00,000
Issued, Subscribed and Paid-up Capital:	
2,63,13,070 Equity shares of Rs. 10/- each	Rs. 26,31,30,700
29,94,000 Preference shares of Rs. 100/- each	Rs. 29,94,00,000

Subsequent to 31.03.2018, there has been no change in authorised, issued and paid-up capital of (“KJPL”).

KHAZANA JEWELLERY PRIVATE LIMITED (“KJPL”) was mainly incorporated inter-alia:

1. To carry on the business of goldsmiths, silversmiths jewellers, silver platers, electroplater and to manufacture, repair, alter, gold and silver jewellery of all kinds cutlery, presents and gifts.

2. To deal in, manage, purchase or otherwise acquire and sell dispose of, import, export, exchange, hold and deal in diamonds, gems, stones, jewellery, bullion, precious metals, precious stones, pearls, coins, medals, valuables, shields, curious articles of virtue, and antiques and to manufacture and establish factories of or manufacturing goods for the above business.

3. To store or keep in safe custody the jewellery, silver wares, diamonds, gems, stones, bullion, precious metals, pearls and other valuable.

SECTION 3 - TRANSFER OF ASSETS

- (a) With effect from the appointed date and upon the Scheme becoming effective, whole of the assets and properties, both movable and immovable, investments, rights, title and interests comprised in the Undertaking of the Transferor Company shall pursuant to the Scheme being sanctioned by the National Company Law Tribunal / Central Government under Sections 230 to 240 of the Companies Act, 2013 and

without any further act or deed be transferred to, and vested in, or deemed to have been transferred to, and vested in, the Transferee Company so as to become as and from the Appointed Date, the estate, assets, rights, title, goodwill and interests of the Transferee Company. With effect from the Appointed Date and upon the Scheme becoming effective and without any further act or deed, The Transferee Company shall derive all the rights in respect of immovable properties of Transferor Company and to change those properties in its name in revenue records and the rights conferred through this scheme shall among other things include rights to deal with Revenue Department, Local Planning Authority (LPA), Chennai City Corporation, Local body, registering authority or any other agencies and the Transferee Company shall have all the rights to deal with departments, local bodies concerned for Plan approval, extension of permit and the Joint venture partners of Transferor Company shall be authorised to carry on its activities in respect of the transferor Company with transferee Company after the amalgamation of the Transferor Company with Transferee Company.

- (b) With effect from the Appointed Date and upon the Scheme becoming effective, all rights and licenses relating to trademarks, know-how, technical know-how, software, trade names, descriptions, trading style, franchises, labels, label designs, colour schemes, utility models, holograms, bar codes, designs, patents, copyrights, privileges and any rights, title or interest in intellectual property rights (including applications submitted to the registration authorities on or before the Effective Date by the Transferor Company), tenancies with the consent of the landlord wherever necessary, powers, facilities of every kind and description of whatsoever nature in relation to the Undertaking of the Transferor Company to which the Transferor Company is a party or to the benefit of which the Transferor Company may be entitled / eligible and which are subsisting or have effect immediately before the Appointed Date, shall be in full force and effect on, or against, or in favour of, the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.
- (c) The transfer/vesting, as aforesaid, shall be subject to existing as may be subsisting charges/hypothecation/mortgage (if any) over or in respect of the said assets or any part thereof. Provided, however, that any reference in any security documents or arrangements to which the Transferor Company is a party, to such assets of the Transferor Company offered or agreed to be offered as security for any financial assistance both availed and to be availed up to any limit for which sanctions have already been obtained by the Transferor Company shall be construed as reference only to the assets pertaining to the Transferor Company as are vested in the Transferee Company by virtue of this Clause to the end and intent that such security, mortgage and/or charge shall not extend or be deemed to extend to any of the assets or to any of the other units or divisions of the Transferee Company, unless specifically agreed to by the Transferee Company with such secured creditors.
- (d) In particular, with effect from the Appointed Date and upon the Scheme becoming effective, all licences, sanctions, consents, authorization, approvals and permissions (whether statutory or otherwise) of the Transferor Company pertaining to the conduct of its business (including, without limitation, benefits, remissions, special reservations) available to the Transferor Company, under any extant law including but not limited to revenue laws, shall vest in the Transferee Company and the concerned licensors and grantors of such approvals or permissions, shall endorse and record the Transferee Company on such approvals and permissions so as to empower and facilitate the approval and vesting of the Undertaking of the Transferor Company in the Transferee Company without hindrance or let from the Appointed Date.
- (e) All assets and properties as are moveable in nature, including investments, or are otherwise capable of transfer by physical delivery or by endorsement and delivery, shall stand so transferred by the Transferor Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly and such transfer shall be deemed to have taken place at the Registered Office of the Transferee Company in the State of Tamil Nadu.
- (f) All debts, outstanding and receivables of the Transferor Company shall accordingly,

on and from the Appointed Date and upon the Scheme becoming effective, stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (though the Transferee Company may if it deems appropriate, give notice to the debtors that the debts stand transferred and vested in the Transferee Company) and the debtors shall be obliged to make payment to the Transferee Company after the Effective Date.

- (g) From the "Effective Date" and till such time the names of the bank accounts of the Transferor Company are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company, in so far as may be necessary.
- (h) The Transferor Company shall have taken all steps as may be necessary to ensure that vacant, lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Transferee Company.

SECTION 4- TRANSFER OF LIABILITIES

- (a) With effect from the Appointed Date and upon the Scheme becoming effective, all debts (whether secured or unsecured), liabilities (including contingent liabilities), taxes, duties and obligations of every kind, nature and description of the Transferor Company along with any charge, encumbrance, lien or security thereon shall also be vested and stand transferred to and be deemed to be and stand vested in the Transferee Company without any further act, or instrument or deed pursuant to the Scheme being sanctioned by the National Company Law Tribunal/Central Government under Sections 230 to 240 of the Companies Act, 2013 so as to become the debts, liabilities, duties and obligations of the Transferee Company from the Appointed Date and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause.
- (b) To the extent that there are any loans, outstandings or balances due from the Transferor Company to the Transferee Company or vice versa the obligations in respect thereof shall be extinguished upon the merger of interest between the creditor and debtor and corresponding effect shall be given in the books of account and records of the Transferee Company.
- (c) Where any of the liabilities and obligations of the Transferor Company as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- (d) All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Section 230 to 240 of the Companies Act, 2013, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- (e) All estates, assets, rights, title, goodwill, interests and authorities accrued to and/or acquired by the Transferor Company in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall have been deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 240 of the Companies Act, 2013, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, rights, title, interests and authorities of the Transferee Company.

SECTION 5 - CONTRACTS AND INTELLECTUAL PROPERTY RIGHTS

- (a) With effect from the Appointed Date and subject to the provisions of this Scheme and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments (including all tenancies, leases, licenses, Joint ventures, power of attorneys and other assurances in favour of the Transferor Company or powers or authorities granted by or to it of whatsoever nature in relation to the Undertaking of the Transferor Company to which the Transferor Company is a party or to the benefit of which the Transferor Company may be entitled/eligible, and which are subsisting or have effect immediately before the Appointed Date, shall be in full force and effect on, or against, or in favour of, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. The Transferee Company shall, at any time prior to the Effective Date, wherever necessary, enter into, and/or issue and/or execute deeds, writings, confirmations, any tripartite arrangements or notations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.
- (b) For the avoidance of all doubt, it is expressly made clear that the dissolution of the Transferor Company without the process of winding up as contemplated hereafter, shall not affect the previous operation of any contract, agreement, joint venture, deed or any instrument or the like to which the Transferor Company is a party or is the beneficiary of (as the case may be) and any reference in such agreements, contracts, joint ventures, deeds and instruments to the Transferor Company shall be construed as reference only to the Transferee Company with effect from the Appointed Date.
- (c) As a consequence of the amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme, the recording of change in name from the Transferor Company to the Transferee Company, whether for the purposes of any licence, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.
- (d) For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Company without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, joint venture, agreement, deed or any instrument or beneficial interest to which the Transferor Company is a party thereto and shall not affect any right, privilege, obligations or liability, acquired, or deemed to be acquired prior to Appointed Date and all such references in such agreements, contracts and instruments to the Transferor Company shall be construed as reference only to the Transferee Company with effect from the Appointed Date.

SECTION 6 - LEGAL PROCEEDINGS

- (a) On and from the Appointed Date and upon the Scheme becoming effective, all suits, actions and other legal proceedings by or against the Transferor Company under any statute or otherwise, whether pending, or arising, before the Appointed Date shall be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- (b) The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause (a) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

SECTION 7 - EMPLOYEES

Upon the coming into effect of this Scheme:

- (a) All permanent employees of the Transferor Company as on the Effective Date shall as from such date, become employees of the Transferee Company in such position, rank and designation as may be determined by the Transferee Company with the

benefit of continuity of service and such that the terms and conditions of their employment with the Transferee Company are not less favorable than those applicable to them as employees of the Transferor Company on such date. With regard to provident fund, gratuity fund, or any other special fund created or existing for the benefit of such employees of the Transferor Company, from the Effective Date the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever in relation to the administration or operation of such fund or funds and the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds or other documents provided that if the Transferee Company considers it desirable for the smooth administration, management, operation and uniformity of such funds, the same may be merged with similar funds of the Transferee Company. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid schemes, funds and trusts.

- (b) In the event that trustees are constituted as holders of any securities, trust funds or trust monies, in relation to any provident fund trust, gratuity fund trust or superannuation fund trust of the Transferor Company, such funds shall be transferred by such trustees of the trusts of the Transferor Company, to separate trusts and the trustees of the Transferee Company set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882, and the Income Tax Act, 1961 and relevant stamp legislations as applicable provided that if the Transferee Company considers it desirable for the smooth administration, management, operation and uniformity of such trusts of the Transferor Company, the same may be merged with similar trusts of the Transferee Company. Appropriate deeds of trusts and/or documents for transfer of trust properties shall be simultaneously executed upon the sanction of the Scheme in accordance with the terms hereof by the trustees of such trusts in favour of the trusts of the Transferee Company so as to continue the benefits of the employees. The provident fund trust, gratuity fund trust or superannuation fund trust of the Transferor Company shall continue to hold such securities, trust funds and/or trust monies as hitherto fore, till such time as the transfer to the trustees of the Transferee Company employee trust is made.
- (c) The Transferee Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into by the Transferor Company with any employees of the Transferor Company. The Transferee Company agrees that for the purpose of payment of any retrenchment, compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
- d) The Transferor Company shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.

SECTION 8 - BUSINESS AND PROPERTY IN TRUST FOR THE TRANSFEEE COMPANY:

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

The Transferor Company shall carry on its business activities with due diligence and business prudence and shall conduct its business in the ordinary course consistent with past practice.

Until the Effective Date and subject to such consents as may be necessary:

- (i) the Transferor Company shall carry on and be deemed to have carried on its business and activities and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking of the Transferor Company on account of and in trust for the Transferee Company; and

- (ii) all the profits or incomes accruing or arising to the Transferor Company or expenditure or losses incurred by the Transferor Company shall for all purposes be treated and be deemed to be and accrue as profits or incomes or expenditure or losses of the Transferee Company.
- (iii) The Transferee Company shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required / granted under any law for time being in force for carrying on business of Transferor Company by the Transferee Company.
- (iv) The Transferor Company shall carry on their business activities with due diligence and business prudence and shall not undertake any additional financial commitments, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its subsidiaries, or sell, transfer, alienate, charge, mortgage or encumber or deal with the undertaking, save and except, in each, in the following circumstances:
 - (a) if the same is in the ordinary course of business as carried on by it as on the date of filing this Scheme with the National Company Law Tribunal/Central Government; or
 - (b) if the same is required for this Scheme; or
 - (c) if the same is expressly permitted by this Scheme; or
 - (d) if written consent of transferee company has been obtained.
 - (e) Pending sanction of the Scheme, the Transferor Company shall not make any change in their respective capital structure either by any increase, (by issue of equity shares on a rights basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner which may, in any way, affect the Share Exchange Ratio, except by mutual consent of the respective Boards of Directors of the Transferor and Transferee Company or as may be expressly permitted under this Scheme.

SECTION 9 – ACCOUNTING TREATMENT

- a. Upon the Scheme becoming effective, with effect from the Appointment Date for the purpose of accounting for and dealing with the value of assets and liabilities of the Transferor Company, the Transferee Company shall account for the amalgamation in accordance with Pooling of Interest Method in accordance with Appendix C of Ind AS 103 notified under the provisions of the Act, read with relevant rules framed there under and other applicable accounting standards prescribed under the Act.
- b. The Transferee Company shall record the assets, liabilities and reserves relating to the Transferor Company vested in it pursuant to this Scheme, at their respective carrying amounts.
- c. The identity of the reserves of the Transferor Company if any, shall be preserved and they shall appear in the financial statements of the Transferor Company in the same form and manner in which they appeared in the financial statements of the Transferor company.
- d. Upon coming into effect of this Scheme, to the extent that there are inter-company loans, advances, deposits balances or other obligations as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for reduction of any assets or liabilities, as the case may be. Further no interest shall be provided on loans and advances or any outstanding loans and advances, if any, after Appointed Date. All inter party transactions between the Transferor Company and the Transferee Company shall be

treated as intra party transactions for all purposes and inter company balances shall stand cancelled.

- e. The shares held by Transferee Company in Transferor Company and vice versa shall stand cancelled and there shall be no further obligation in that behalf.
- f. The difference between the value of assets over the value of liabilities including reserves of the Transferor Company transferred to the Transferee Company pursuant to the order of the Tribunal , after adjusting for the investments in share capital of the Transferee company shall be adjusted against Capital Reserve of the Transferee company and will be presented separately from other capital reserves.
- g. In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the transferee Company shall prevail and the difference till Appointed Date would be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the Financial position on the basis of consistent accounting policy.
- h. For any matter arising in connection with the accounting treatment, the board of directors of Transferor Company and Transferee Company would deal with the same in consultation with the experts on the said matter.

SECTION 10 - ISSUE OF EQUITY SHARES BY THE TRANSFEE COMPANY

SUB-SECTION 1 CONSIDERATION

- (a) Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the undertaking of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall subject to the provisions of this Scheme and without any further application or action or deed, issue at par and allot to the shareholders of the Transferor Company whose names are found in the Register of Members of the Transferor Company on a date after the effective date to be fixed by the Board of Directors of the Transferee Company (hereinafter called the "Record Date") as per the recommended exchange ratio on the basis of the fair valuation of the equity shares of the Transferee Company and the equity shares of the Transferor Company in the following manner:
11 (Eleven) Equity Shares of Transferee Company of Rs 10/- each for every 1 (One) Equity shares of Rs 10/- each of Transferor Company. Fractional entitlements will be dealt in the manner specified in Part II, Section 10, Subsection 2, Clause (iv) of this scheme of amalgamation.
- (b) Cross holding of shares held by Companies comprised in this scheme, if any in other companies comprised in this scheme shall be cancelled and Corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- (c) The equity shares and preference shares held by the Transferor Company in the Transferee Company shall as a consequence of the amalgamation of the Transferor Company with the Transferee Company be cancelled without any further act or deed.
- (d) The reduction of the equity share capital and preference share capital of the Transferee Company as provided under Clause (b) (c) and (d) above does not involve any diminution of liability of unpaid capital nor is there any financial outlay/outgo on the part of the Transferee Company. The Transferee Company has sufficient assets including cash and bank balances to satisfy all its creditors and the proposed restructuring would not prejudice or effect the rights of the creditors of the Transferee Company. The reduction of the share capital does not in any way adversely affect the ordinary operations of or the ability of the Transferee Company to honor its commitments or to pay its debts in the ordinary course of business.
- (e) The reduction of the issued, subscribed and paid-up equity share capital and preference share capital of the Transferee Company as above shall be treated as an integral part of the Scheme itself and shall be deemed to be in accordance with the provisions of Sections 66 of the Act as the same does not involve diminution of liability in respect of unpaid share capital. The order of the Tribunal sanctioning the scheme shall be deemed to be an order under section 66 of the Act confirming the reduction without imposing a condition on the Company to add to its name the words "and reduced".

- (f) Upon the Equity Shares being issued and allotted, as aforesaid by the Transferee Company, the Equity Shares issued by the Transferor Company and held by their shareholders, shall be deemed to have been automatically cancelled and of no effect.

SUB-SECTION 2 – NEW EQUITY SHARES

- a) The new equity shares to be issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall inter-se rank paripassu in all respects with the existing equity shares of the Transferee Company, including in respect of voting rights and dividend, if any, that may be declared by the Transferee Company on or after the Effective Date.
- (b) The shares and share certificates of the Transferor Company held by the members of the Transferor Company shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and non-negotiable and be of no effect on and from the Record Date.

iv) Fractional Entitlement:

No fractional certificates shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Company are entitled on the issue and allotment of equity shares by the Transferee Company in accordance with this Scheme. The Board of Directors of the Transferee Company shall instead round off such equity shares to the nearest number and issue those equity shares to the concerned shareholders of the transferor company.

SUB SECTION 3 - DECLARATION OF DIVIDEND:

- (a) With effect from the date of filing of this Scheme with the National Company Law Tribunal/Central Government and up to and including the Effective Date, the Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective equity shareholders as on the respective record dates for the purpose of dividend. Provided that the Transferor Company shall declare a dividend only after obtaining the prior permission of the Transferee Company and the shareholders of the Transferor Company shall not be entitled to dividends, if any, declared by the Transferee Company prior to the "Effective Date".
- (b) Until the coming into effect of this Scheme, the holder of equity shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including their right to receive dividend.
- (c) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and / or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Transferor Company and the Transferee Company and subject, wherever necessary to the approval of the shareholders of the Transferor Company and the Transferee Company, respectively.

PART III

POSITION OF SHARE CAPITAL OF THE TRANSFEROR COMPANY AND TRANSFEE COMPANY.

1. Upon coming into effect of this Scheme:

- (a) The Authorised Share Capital of the Transferor Company, shall stand combined with the Authorised Share Capital of the Transferee Company which shall be aggregating to Rs. 72,11,00,000/-(Rupees Seventy Two Crores Eleven Lakhs only) that is divided into 3,41,70,000 equity shares of Rs. 10 each and 37,94,000 Preference Shares of Rs. 100/- each. The filing fees and stamp duty, if any, paid by the

transferor company on their Authorised Share Capital, shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and the Transferee Company shall pay required fee / stamp duty for its increased Authorised Share Capital of the Transferee Company which shall be Rs. 72,11,00,000/-(Rupees Seventy Two Crores Eleven Lakhs only) that is divided into 3,41,70,000 equity shares of Rs. 10 each and 37,94,000 Preference Shares of Rs. 100/- each aggregating to Rs. 72,11,00,000/-(Rupees Seventy Two Crores Eleven Lakhs only) in accordance with the provisions of Section 232 (3) of Companies Act, 2013.

- (b) Clause V of the Memorandum of Association of the Transferee Company shall, after the payment of above fee/stamp duty, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to applicable provisions of the Act by deleting the existing Clause and replacing it by the following:

V. The Authorised Share Capital of the Company is Rs. 72,11,00,000/- (Rupees Seventy Two Crores Eleven Lakhs only) divided into 3,41,70,000 (Three Crores and Forty one Lakhs and Seventy Thousand only) equity shares of Rs. 10 each and 37,94,000 (Thirty Seven Lakhs and Ninety Four Thousand) Preference Shares of Rs. 100/- each.

- (c) The approval of this Scheme by the shareholders of the Transferee Company under Sections 230 to 240 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 whether at a meeting or otherwise, shall be deemed to have the approval under Sections 4,12,13,61, and other applicable provisions of the Companies Act, 2013 and any other consents and approvals required in this regard.

PART IV

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE ENTIRE SCHEME

SECTION 1 - DISSOLUTION OF THE TRANSFEROR COMPANY:

- (a) Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- (b) The Transferor Company and the Transferee Company shall, with reasonable dispatch, apply to the National Company Law Tribunal/Central Government for necessary orders or directions for holding meetings of the members of the Transferor Company and the Transferee Company for sanctioning this Scheme of Amalgamation under Section 230 to 240 of the Companies Act, 2013 or for dispensing the holding of such meetings and orders under Section 230 of the Companies Act, 2013, for carrying this Scheme into effect and for dissolution of the Transferor Company and Transferor Company without winding up.
- (c) Subject to an order being made by the National Company Law Tribunal/Central Government under Section 230 to 240 of the Companies Act, 2013, the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made thereunder.

SECTION 2 - APPROVALS AND MODIFICATIONS:

- (a) The Transferor Company and the Transferee Company may jointly assent from time to time on behalf of all persons concerned to any modifications or amendments or additions to the Scheme or to any conditions or limitations which the National Company Law Tribunal and/or the other competent authorities, if any, under any law, may deem fit and approve of or impose and which the Transferor Company and the

Transferee Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise for carrying out the Scheme and do and execute all acts, deeds, matters and things necessary for bringing the Scheme into effect. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Board of Directors, a Committee of the concerned Board or any Director (hereafter referred as the "delegates").

- (b) For the purpose of giving effect to the Scheme or any modifications or amendments thereof or additions thereto the delegate(s) of the Transferor Company and the Transferee Company may jointly give and are hereby authorised to determine and give all such directions as are necessary including directions for settling or removing any difficulties towards implementation of the sanctioned Scheme, as the case may be, which shall be binding on all parties in the same manner as if the same were specifically incorporated in the Scheme.
- (c) The Transferor Company and the Transferee Company acting through their respective Board of Directors or other persons, duly authorized by their respective board in this regard, shall be authorized, to take such steps, as may be necessary, desirable or proper to resolve any doubts, difficulties or questions that may arise, whether by reason of any order of the National Company Law Tribunal or of any directive or order of central government or any other authorities or otherwise, in connection with this Scheme and/or matters concerning or connected therewith.
- (d) If any part of this Scheme hereof is ruled illegal or invalid by or is not sanctioned by any National Company Law Tribunal or central government or is unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part or provision.
- (e) This scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961.

SECTION 3 - SCHEME CONDITIONAL UPON

This Scheme is conditional upon the following approvals / events and the Scheme shall be deemed to be effective on obtaining last of the following approvals and the occurrence of the last of the following events:

- (a) The approval of the Scheme by the requisite majority of the members of the Transferor and Transferee Companies respectively as required under Section 230 to 240 of the Companies Act, 2013;
- (b) The approval of the Scheme by the requisite majority of the creditors of the Transferor and Transferee Companies respectively;
- (b) The sanction of the Scheme by the National Company Law Tribunal/ Central Government under Sections 230 to 240 of the Companies Act, 2013 and other applicable provisions of the Act, Rules and Regulations;
- (c) Certified copies of the National Company Law Tribunal / Central Government orders being filed with the Registrar of Companies concerned by the respective companies. The Scheme shall become operative on the date or the last of the dates on which the certified copies of the orders of the National Company Law Tribunal sanctioning the Scheme are filed by the Transferor company and the Transferee Company with the respective Registrar of Companies and such date shall be known as the Effective Date.
- (d) Compliance with such other conditions as may be imposed by the National Company Law Tribunal/ Central Government.

SECTION 4 - COSTS, CHARGES AND EXPENSES

Upon the Scheme becoming effective, all costs, charges, taxes, levies and all other expenses, if any, of the Transferor Company and the Transferee Company arising out of/or incurred after the Effective Date for carrying out and implementing the Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company (save as otherwise expressly agreed).

SECTION 5 - SANCTION AND APPROVALS NOT FORTHCOMING

- (i) In the event of this Scheme failing to take effect as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each Company shall bear its own costs or as may be mutually agreed.
 - (ii) 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 as is specifically provided in the Scheme or as may otherwise arise in law, the Scheme shall stand revoked, cancelled and be of no effect if the events or sanctions and approvals referred to in Part IV, Section 3 have not occurred.
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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

CHENNAI BENCH, CHENNAI

COMPANY PETITION NO. CA/147/CAA/2018

In the matter of Sections 230 to 240 and other applicable provisions of the Companies Act, 2013 And

In the matter of Scheme of Amalgamation and Composite Arrangement of **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** with **KHAZANA JEWELLERY PRIVATE LIMITED**

KHAZANA JEWELLERY PRIVATE LIMITED

A Company incorporated under the Companies Act, 1956, and having its Registered Office at 252A, TTK Road, Alwarpet Chennai -600018

Represented by its Managing Director

KISHOREKUMAR JAIN

DIN: 00051756

....**APPLICANT/ TRANSFEREE COMPANY**

FORM OF PROXY

I/We, the undersigned Secured Creditor(s) of **KHAZANA JEWELLERY PRIVATE LIMITED** hereby appoint _____ of _____ and failing him/her _____ of _____ as my/our proxy to act for me / us on my /our behalf at the **Meeting of the Secured Creditor(s) KHAZANA JEWELLERY PRIVATE LIMITED** to be held on **26.09.2018** at **11.00 a.m.** at for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Amalgamation and Composite Arrangement between **KHAZANA JEWELLERY EXPORTS PRIVATE LIMITED** and **KHAZANA JEWELLERY PRIVATE LIMITED**, at such meeting and at any adjournment or adjournments thereof to vote for me/us and in my/our name _____, (here, if 'for', insert 'for', if 'against' insert 'against', and in the latter case, strike out the words below after "Scheme of Amalgamation and Composite Arrangement") relating to the said Scheme of Amalgamation and Composite Arrangement and the resolution, either with or without modification, as my/our proxy may approve.

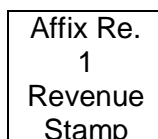
[Strike out what is not necessary]

Dated this _____ day of _____

Name: _____

Address:

Signature



Note : 1. All alterations made in the Form of Proxy should be initialed.

2. Proxy, in order to be effective, to be deposited at the registered office of the Company at 252A, TTK Road, Alwarpet Chennai -600018.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

CHENNAI BENCH, CHENNAI

COMPANY PETITION NO. CA/147/CAA/2018

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LIMITED**

KHAZANA JEWELLERY PRIVATE LIMITED

A Company incorporated under the Companies
Act, 1956, and having its Registered Office at
252A, TTK Road, Alwarpet Chennai -600018

Represented by its Managing Director

KISHOREKUMAR JAIN

DIN: 00051756

....APPLICANT/ TRANSFEREE COMPANY

SECURED CREDITORS

ATTENDANCE SLIP

MEETING OF THE SECURED CREDITORS ON **26.09.2018** at **11.00 a.m.** at 252A, TTK
Road, Alwarpet Chennai -600018.

NAME OF THE SECURED CREDITOR/PROXY HOLDER	
ADDRESS	
AMOUNT DUE	
SIGNATURE	

I certify that I am a registered Secured Creditor /proxy for the registered Creditor of the
Company.

I hereby record my presence at the **MEETING OF THE SECURED CREDITORS** of
KHAZANA JEWELLERY PRIVATE LIMITED held on **26.09.2018** at **11.00 a.m.** at the
252A, TTK Road, Alwarpet Chennai -600018

Signature of Secured Creditor / Proxy