

1956 on July 2, 1998 as a Private Limited Company under the name and style of "K.J. Realtors Pvt. Ltd". Subsequently the name of the company was changed to "Vatika Landbase Private Limited" on December 28, 2001. Thereafter the company was converted into a Public Limited Company on February 8, 2007. The name of the company was yet again changed to its present name vide fresh Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi and Haryana on May 28, 2007. The authorised share capital of the transferee company is Rs 11,00,00,000/- divided into 1,10,00,000 equity share of Rs 10/- each. The issued, subscribed and paid up share capital of the company was Rs. 10,73,96,400/- divided into 1,07,39,640 equity share of Rs 10/- each fully paid up.

6. The Official Liquidator in response to the notice served on him has stated that he has looked into the accounts of both the transferor and the transferee companies as on March 31, 2004, 2005, and 2006. He has also enclosed the balance sheets of both the companies for the said periods.

7. The Official Liquidator has stated that he has not received any complaint against the Scheme of Amalgamation from any person/parties interested in the scheme. Rather, on the basis of information submitted by the Companies he has observed that the affairs of the transferor company do not appear to have been conducted in a manner prejudicial to the interest of the members.

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creditors or public interest.

8. Pursuant to the service of notice on the Regional Director (Northern Region) he too has filed a report which is in the form of an affidavit of Shri Rakesh Chandra. Referring to clause 9.1 of part-II of the Scheme of Amalgamation, it is stated that all the employees of the Transferor Company shall become the employees of the Transferee Company without any break or interruption in their services on the sanctioning of the scheme of amalgamation. It has been further stated that the Central Government has no objection to the proposed Scheme of Amalgamation.

9. The petitioner companies have stated that no proceedings are pending against them under Section 235 to 251 of the Companies Act, 1956.

10. In view of the averments made in the petition, the material placed on record and the affidavits filed on behalf of the petitioners, there is no legal impediment to sanction the scheme of amalgamation. Consequently, sanction is hereby granted to the scheme of amalgamation under Section 391 and 394 of the Companies Act, 1956. The Transferee Company will comply with the statutory requirements in accordance with law. Certified copy of this order shall be filed with the Registrar of Companies within five weeks. It is clarified that this order will not be construed as an order granting exemption from payment to stamp duty if payable. Upon the sanction becoming effective and from the appointed date, the Transferor Company shall

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stand dissolved without being wound up.

11. Cost of Rs.20,000/- be paid by the petitioners which will be deposited in the Common Pool of the Official Liquidator.

12. The petition is disposed of with these directions.

OCTOBER 24, 2007

Sd/-

REKHA SHARMA, J.

For VATIKA LIMITED


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IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)
IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
OF

COMPANY PETITION NO.168/2007
CONNECTED WITH COMPANY APPLICATION (M) NO. 68/2007
IN THE MATTER OF Vatika Space Management Private Limited
having its registered office at Second Floor, 98, Sant
Nagar, New Delhi- 110065. ...
Petitioner/Transferor Company

WITH

IN THE MATTER OF Vatika Limited (formerly Vatika Landbase Limited)
having its registered office at Second Floor, 98, Sant
Nagar, New Delhi- 110065. ...
Petitioner/Transferee Company

**BEFORE HON'BLE MS. JUSTICE REKHA SHARMA
DATED THIS THE 24TH DAY OF OCTOBER 2007**

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petition coming up for hearing on 24/10/2007 for sanction of scheme of amalgamation proposed to be made of Vatika Space Management Pvt. Ltd. (hereinafter referred to as the Transferor Company) with Vatika Ltd. (hereinafter referred to as the Transferee Company), upon reading the said petition, the order dt. 18/4/2007 whereby the requirement of convening and holding the meeting of the equity shareholders of the Transferor and Transferee companies was dispensed with and the meetings of secured and unsecured creditors of the Transferor and Transferee Companies were ordered to be convened for the purpose of considering and if though fit approving with or without modification, the scheme of amalgamation annexed to the affidavit of Sh. Rajat Sharma, authorized signatory of the petitioner companies filed on 28th day of March, 2007 and the publication in the newspapers namely (1) Statesman (English) and (2) Veer Arjun (Hindi) both dt. 10/5/2007 each containing the advertisement of the said notice convening the said meetings directed to be held by the said order dt. 18/4/2007, the affidavit of Sh. Jugal Wadhwa, Chairperson filed on 08/06/2007 showing the publication and dispatch of the notices convening the said meetings, the report of the Chairperson of the said meeting as to the result of the said meetings and upon hearing Sh. K.M.

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Rastogi, Advocate for the petitioners, Ms. Manisha Tyagi, Advocate for the Official Liquidator and Mr. R. D. Kashyap, Dy. Registrar of Companies in person and it appearing from the report that the proposed scheme of amalgamation has been approved by requisite majority without any modification by the said secured and unsecured creditors of the Transferor and Transferee Companies present and voting either in person or by proxy and upon reading the affidavit dated 17/9/2007 of Sh. Rakesh Chandra, Regional Director, Northern Region, Ministry of Company Affairs, Noida on behalf of Central Government stating inter-alia that the Central Government has no objection to the proposed scheme of amalgamation; and considering the affidavit of Sh. A. K. Chaturvedi, Official Liquidator filed on 17/9/2007 stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its shareholders or creditors or to public interest; and there being no investigation proceedings pending in relation to the petitioner companies under Section 235 to 251 of the Companies Act, 1956.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF AMALGAMATION setforth in Schedule-I annexed hereto and DOTH HEREBY DECLARE the same to be binding on all the shareholders and creditors of the Transferor and Transferee Companies and all concerned and Doth approve the said scheme of amalgamation with effect from the appointed date i.e. 1.4.2006.

AND THIS COURT DOTH FURTHER ORDER:

1. That all the property, rights and powers of the Transferor Company specified in the First, Second and Third parts of the Schedule-II hereto and all other property, rights and powers of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and
2. That all the liabilities and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and
3. That all the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and

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4. That the Transferee Company do without further application allot to such members of the Transferor Company as have not given such notice of dissent as is required by Clause 11 given in the scheme of amalgamation herein the shares in the Transferee Company to which they are entitled under the said amalgamation; and

5. That the Transferor Company do within five weeks after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without the process of winding up and the Registrar of Companies shall place all documents relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said Transferor and Transferee Companies shall be consolidated accordingly. It is clarified that this order will not be construed as an order granting exemption from payment to stamp duty if payable; and

6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary; and

7. That the scheme of amalgamation has been sanctioned and it has been ordered that the cost of Rs.20,000/- has to be paid by the petitioners to the Official Liquidator, which will be deposited in the Common Pool Fund of the Official Liquidator.

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**SCHEME OF AMALGAMATION
OF
VATIKA SPACE MANAGEMENT PRIVATE LIMITED
(The Transferor Company)
WITH
VATIKA LANDBASE LIMITED
(The Transferee Company)**

PART-I

GENERAL AND DEFINITIONS

1. This Scheme of Amalgamation (hereinafter referred to as the 'Scheme') provides for the merger of Vatika Space Management Private Limited (Transferor Company) with Vatika Landbase Limited (Transferee Company) pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956.
2. In this Scheme unless repugnant to the meaning and context thereof, the following expressions shall have the following meaning:-
 - 2.1 "The Act" or "The said Act" means the Companies Act, 1956 or any statutory modification or re-enactment thereof.
 - 2.2 "The Transferor Company" means Vatika Space Management Private Limited.
 - 2.3 "Appointed Date" means April 01, 2006.
 - 2.4 "The Effective Date" means the day on which the last of the approvals specified in Clause 18 of the Scheme shall have been obtained.

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2.5 "Scheme" means this Scheme of Amalgamation in its present form with any amendments/modifications that may be approved or imposed or directed by the Shareholders/ Hon'ble High Court of Delhi at New Delhi.

2.6 "Undertaking of the Transferor Company" shall mean and include:

- a. the entire business and undertaking of the Transferor Company including all the properties, assets and liabilities of the Transferor Company, as on the Appointed Date, including all rights, powers, interests, authorities, privileges, liberties and all properties and assets, movable or immovable, real or personal, corporeal or incorporeal, in possession or in reversion, present or contingent of whatsoever nature and wherever situate including lease and tenancy rights and all other interests, powers, charges, privileges, benefits, entitlements and rights in or arising out of such properties together with all buildings, plant & machinery, vehicles, equipments, furniture, sundry debtors, investments, cash & bank balances, bills of exchange, deposits, loans & advances, including all intellectual property rights, technical know-how, trade names, privileges, all contracts licenses, permissions, approvals, registration, permits, import/export entitlements and other entitlements, exemptions, consents certificates and certifications, reliefs, benefits under existing agreement, if any, held applied for or as may be obtained hereafter by the Transferor Company or which the Transferor Company is entitled to and all debts, liabilities, duties and obligations of the Transferor Company of whatsoever kind;
- b. all the assets including leasehold assets and movable assets together with all present and future liabilities including any contingent/statutory liabilities and debts and undertaking of the Transferor Company, as per its respective records;
- c. all permanent employees of the Transferor Company and the existing provident fund and pension fund trusts, gratuity, Superannuation Funds and other terminal benefits created by the Transferor Company;

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- d. all application monies, advance monies, earnest monies and/or security deposits paid, payments against other entitlements of the Transferor Company;
- e. all the debts, liabilities, duties, responsibilities and obligations of the Transferor Company on the Appointed Date;

PART -II
SHARE CAPITAL

- 3.1 The capital structure of the Transferor Company and the Transferee Company as on March 31, 2006 (the day previous to the appointed Date) as per their respective Audited Balance Sheets is as under:
 - a. The Authorized Share Capital of the Transferor Company is Rs.2,50,00,000 (Rupees Two Crores Fifty Lacs) only divided into 25,00,000 (Twenty-five Lacs) equity shares of Rs.10/- each. The issued, subscribed and paid up share capital of the Transferor Company is Rs.2,00,00,000 (Rupees Two Crores) only divided into 20,00,000 (Twenty Lacs) equity shares of Rs.10/- each, fully paid up.
 - b. The Authorized Share Capital of the Transferee Company is Rs. 11,00,00,000/- (Rupees Eleven Crores) only divided into 1,10,00,000 (One Crore Ten Lacs) equity shares of Rs.10/- each. The issued subscribed and paid up share capital of the Transferee Company is Rs. 10,73,96,400/- (Ten Crores Seventy Three Lacs Ninety Six Thousand Four Hundred) only divided into 1,07,39,640 (One Crore Seven Lac Thirty Nine Thousand Six Hundred Forty) equity shares of Rs.10/- each, fully paid up. In addition the Transferee Company has received share application money of Rs. 3,76,58,000/- (Rupees Three Crores Seventy Six Lacs Fifty Eight Thousand) only.
 - c. The shareholding pattern of the Transferor Company and the Transferee Company as on the Appointed Date (i.e. 01.04.2006) is as per Annexure -A hereto.

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PART III- TRANSFER OF UNDERTAKINGS:

IN CONSIDERATION OF THE RECIPROCAL PROMISES AND THE ARRANGEMENTS, THE TRANSFEROR COMPANY AND ITS RESPECTIVE SHAREHOLDERS AND THE TRANSFeree COMPANY AND ITS SHAREHOLDERS HAVE PROPOSED THE SCHEME OF AMALGAMATION AS SET OUT HEREIN:

- 4.1 With effect from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, all of the Undertakings and the entire business of the Transferor Company shall without further act or deed be transferred to and be vested or deemed to have been transferred to and vested in the Transferee Company as going concern pursuant to Sections 391 (2) and 394(2) of the Act so as to become as and from the Appointed Date estates, assets, rights, title, interests and undertakings of the Transferee Company.
- 4.2 All the said Liabilities shall, without any further act, instruments or deed, be and stand transferred to the Transferee Company pursuant to the applicable provisions of the said Act, so as to become as from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company.
- 4.3 Subject to Clause 11 of this Scheme, 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 Undertakings after the Appointed Date and prior to the extent they are outstanding on the effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of the Act, 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.

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4.4 Subject to Clause 11 of this Scheme, all estates, assets, rights, title, interests and authorization accrued to or acquired by the Transferor Company in relation to or in connection with the Undertakings 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 the Act, 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, interest and authorization of the Transferee Company.

4.5 With effect from the Effective Date, and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company be required, the reserves of the Transferor Company will be merged with those of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company. In other words, the identity of the reserves of the Transferor Company will be preserved in the hands of the Transferee Company.

The difference between the amounts recorded, as fresh share capital issued by the Transferee Company on amalgamation and the amount of share capital of the Transferor Company will be reflected in the Revenue Reserve of the Transferee Company.

In case of any differences in accounting policy between the Transferor Company & the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted in the Revenue Reserves mentioned earlier to ensure that the financial statements of the Transferee Company reflected the financial position on the basis of consistent accounting policy.

4.6 All assets and liabilities including reserves, of the Transferor Company transferred to the Transferee Company under the Scheme shall be recorded

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in the books of account of the Transferee Company at the book value as recorded in the Transferor Company's books of account.

- 4.7 The transfer and vesting of the undertakings of the Transferor Company under above mentioned Clause(s) and the continuance of the proceedings by the Transferee Company under Clause 10 hereof shall not affect any transactions or proceedings already concluded by the Transferor Company in the ordinary course of business on and after the Appointed Date to the end and intent that the Transferee Company accepts on behalf of itself all acts, deeds and things done executed and all transactions of proceedings already concluded by the Transferor Company.
- 4.8 The Transferee Company shall make suitable additions/changes/alterations to its Memorandum and Articles of Association (if necessary) for proper implementation of this Scheme.
- 4.9 It is clarified that upon coming into effect of the Scheme the assets and liabilities of the Transferor Company as on the Appointed Date which are part of the undertakings of the Transferor Company shall without any further act or deed be vested and stand transferred to the Transferee Company and shall become the assets, liabilities and obligations of the Transferee Company who shall meet, discharge and satisfy the same.

5. OBJECTS OF TRANSFEROR & TRANSFEEE COMPANIES:

TRANSFEROR COMPANY

VATIKA SPACE MANAGEMENT PRIVATE LIMITED

- 5.1. Vatika Space Management Private Limited, having its registered office at Second Floor, 98, Sant Nagar, New Delhi – 110065, was incorporated on 27th day of February 2002 and is engaged *inter alia* in the following business-
- 5.1.1. To carry on in India or elsewhere, either alone or jointly with one or more person, government, local or other bodies the business to manage, control, build, construct, alter, maintain enlarge, pull down, furnish, level, decorate,

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manage facilities in, fabricate, reconstruct, remove or replace any Commercial Complexes, buildings, office, Industries, mills, Shopping Malls, Shops, residential complex, Cineplex's, multiplexes, airports, resorts, restaurants, hotels, bridges, reservoirs, water courses, warehouses, markets, public/private buildings and to do electric and other works and provide conveniences which may seem calculated directly or indirectly to advance the interests of the company.

5.1.2. To carry on the business to construct, execute, carry out, equip, improve, work, develop, administer, manage or control in India or elsewhere in the world public or private works and conveniences of all kinds including sewage, drainage, sanitary, water, gas, electric, air-conditioning, light, telephonic, telegraphic, Computer/Cable internet related, power supply and all conveniences of public utility, whether directly or indirectly either on its own or through some agencies.

5.1.3. To build, plan, establish, maintain, buy, sell, colonise, construct or otherwise, create infrastructures for public conveniences such as electrification, sanitation, roads, subway, play ground, play houses, play rooms, school's and college's building, hospitals and nursing home's building, crutches, hostel's building, community centers, barat ghars and banquet halls, hotels, parks, power stations, bus terminals and such other services as may be required.

TRANSFeree COMPANY

VATIKA LANDBASE LIMITED

5.2. Vatika Landbase Limited, having its registered office at Second Floor, 98, Sant Nagar, New Delhi-110065, was incorporated on 2nd day of July 1998 under the name K. J. Realtors Private Limited which was changed to its current name by the order of Central Government vide letter No. ROC/Approval/21/55-94773/13358 dated 28/12/2001 and became a public Company on February 08, 2007 and is engaged *inter alia* in the following business-

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- 5.2.1. To purchase, sell, own, develop, improve, take on lease, exchange, mortgage, assign, hire or otherwise acquire and/or dispose off lands of any tenure or interest therein and to develop, erect, construct and furnish industrial, residential, agricultural, commercial, social, rural and/or urban townships or estates and to rebuild, enlarge, alter and improve existing structures and works thereon and to act as town planners and civil contractors and to carry on the business of colonizers and for such purpose to prepare estimates, designs, plan and specifications.
- 5.2.2. To purchase, sell, own, develop, improve, take on lease, exchange, mortgage, assign, hire or otherwise acquire and/or dispose off lands and immovable properties of any tenure or interest therein and to develop, erect, construct and furnish house, multistoried flats, building, commercial places or shops and to rebuild, enlarge, alter and improve exiting houses, buildings shop and works thereon and act as building contractors.
- 5.2.3. To build, plan, establish, maintain, buy, sell, colonise, construct or otherwise, create infrastructures for public conveniences such as electrification, sanitation, roads, subways, play ground, play houses, play rooms, schools, colleges, hospitals and nursing home buildings, shops, offices, crutches, hostels, family planning and other centre, community centres, barat ghar and banquet halls, hotel buildings, parks, post offices, dispensaries, telephone exchange, power stations, bus terminals, depots, ration and other fair prices shops, petrol pumps, service stations water works, water ways and such other services as may be required.
- 5.2.4. To act as civil engineers, architects, consultants for building townships.
- 5.2.5. To buy, sell and develop lands in farmhouses, residential, commercial colonies.

6. BENEFIT OF AMALGAMATION:

- 6.1. The businesses of the Transferor Company and of the Transferee Company could be combined in such a manner so as to take up the activities, which relate to the business of the Transferee Company.

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- 6.2. The proposed scheme will result in reduction in overheads and other expenses, reduction in administrative and procedural work, eliminate duplication of work, better and more productive utilization of various resources and will enable the undertakings concerned to effect internal economies and optimize productivity.
- 6.3. The proposed Scheme will result in formation of a larger Company with a larger capital and financial base enabling further growth and development of the businesses of the said companies. The said Scheme will enable the undertakings and business of the said companies to obtain greater facilities possessed and enjoyed by one large Company compared to a number of small companies for raising capital securing and conducting trade and business on favorable terms and other related benefits.
- 6.4. The Scheme will enable the Companies concerned to rationalize and streamline their management, business and finances and lead to a better and more economic control, over the running and management of the businesses and undertakings of the said Companies.
- 6.5. The proposed Scheme will strengthen and consolidate the position of the Transferee Company upon merger to participate more vigorously and profitably in the competitive market.
- 6.6. The business of the Transferor Company and the Transferee Company can be combined conveniently and advantageously and in general, the said business will be carried on more economically and profitably after the proposed amalgamation, under the proposed Scheme.
- 6.7. It would be advantageous to combine the activities of the companies involved in the amalgamation / merger into a single Company. The amalgamation should provide synergistic linkages, besides economies in costs by combining the total business functions and the related activities and thus contribute to the profitability of the amalgamated Company.

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6.8. The proposed Scheme will contribute in furthering and fulfilling the objects of the companies concerned and enabling the optimum growth and development of their combined business.

6.9. With the enhanced capabilities and resources at its disposal, the amalgamated Company will have greater flexibility to market and meet customer needs, and will be able to compete more effectively.

6.10. The proposed Scheme will thus have beneficial results for all the Companies and all concerned.

7. CONTRACTS, DEEDS, BONDS, OTHER INSTRUMENTS AND BENEFITS OR PRIVILEGES:

7.1. Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses, and other assurances in favour of the Transferor Company or powers of authorities granted by or to it) of whatsoever nature to which the Transferor Company is party or to the benefit of which the Transferor Company may be eligible, and instrument or deed, be in full force and effect 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. 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 novations to which the transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.

7.2. Any inter se contacts between the Transferor Company and the Transferee Company shall stand adjusted and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. The share application money if any paid by the Transferee Company to the transferor Company shall accordingly stand nullified.

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- 7.3. The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contracts or arrangement to which the Transferor is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.
- 7.4. All the licenses, permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued, which may accrue to the Transferor Companies shall, pursuant to the provisions of the Act, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date the licenses, permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under law.
- 7.5. All benefits/refund/credits under Income Tax, Excise (including Modvat/Cenvat), Sales Tax (including deferment of Sales Tax), Value Added Tax and Service Tax etc. to which the Transferor Company is entitled to in terms of the various Statutes and/or Schemes of Union and State Governments, shall be available to and vest in the Transferee Company, without any further act or deed. Further, the Transferee Company is also permitted to revise Tax Returns and related TDS Certificates.

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8. OPERATIVE DATE OF THE SCHEME:

- 8.1. The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.

9. TRANSFEROR COMPANYS' STAFF, WORKMEN & EMPLOYEES:

All the staff, workmen and other employees in the service of the Transferor Company as on the basis that::

- 9.1. their service shall have been continuous and shall not have been interrupted by reason of the transfer of the Undertakings and that the terms and conditions of service applicable to the said staff, workmen or employees on the Effective Date as aforesaid shall not in any way be less favourable to them than those applicable to them immediately before the Effective Date; and
- 9.2. It is expressly provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund/Trust created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such funds as per the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds/Trusts shall become those of the Transferee Company and all the rights, duties and benefits of the employees employed in different units of the Transferor Company under such Funds and Trusts shall be protected. It is further clarified that the services of the employees of the Transferor Company will also be treated as having been continuous for the purpose of the aforesaid Funds/Trusts.

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10. LEGAL PROCEEDINGS:

- 10.1. If any suit, writ petition, appeal, revision or other proceedings of whatever nature (hereinafter called "the Proceedings") by or against the Transferor Company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertakings of the Transferor Company or of anything contained in the scheme, but the Proceedings may be continued prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings for and on behalf of the Transferor Company.

11. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY TILL EFFECTIVE DATE:

With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company:

- 11.1. shall carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company and all the profit or incomes accruing or arising to the Transferor Company, or expenditure or losses arising or incurred (including the effect of taxes, if any thereon) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or expenditure or losses or taxes of the Transferee Company, as the case may be (it is clarified that any advance tax paid/TDS Certificates received by the Transferor Company be treated and be deemed to be and accrue as taxes paid by the Transferee Company).
- 11.2. shall not without the written consent of the Transferee Company, undertake any new business;

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11.3. hereby undertake to carry on its businesses with reasonable diligence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantee, indemnities, letter of comfort or commitments, either for itself or any third party save as expressly permitted by this Scheme, alienate, charge, mortgage, encumber or otherwise deal with the said Assets or any part thereof, except in the ordinary course of business, or without the prior written consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date;

11.4. shall discharge all their liabilities and obligations for and on account of the Transferee Company;

11.5. shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business;

11.6. undertake and confirm that the all their profits or incomes accruing or arising or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by Transferor Company shall for all purposes be treated and be deemed to be and accrued as, the profits, or incomes or expenditures or losses of the Transferee Company, as the case may be;

12. **SAVING OF CONCLUDED TRANSACTIONS:**

The transfer of the Undertakings of the Transferor Company under 4 above, the continuance of the proceedings under clause 10 & 11 above and the effectiveness of contracts and deeds under clause 7 above, shall not affect any transaction or the Proceedings already concluded by the Transferor Company on or before the Effective Date and shall be deemed to have been done and executed for and on behalf of the Transferee Company.

13. **REORGANISATION OF CAPITAL**

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13.1 Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the said assets and liabilities of Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act or deed, issue and allot to the Shareholders (except to the extent shares held by the Transferee Company, which shall be automatically cancelled) of the Transferor Company as follows:

(a) One (1) Equity Share of Rs. 10/- each credited as fully paid-up in the Transferee Company for every Two (2) Equity Shares of Rs. 10/- each fully paid-up held by such Shareholder in the Transferor Company.

13.2 The Shareholders of the Transferor Company shall surrender their share certificates for cancellation thereof to the Transferee Company.

13.3 Upon the coming into effect of this Scheme, the Authorised Share Capital of the Transferee Company shall, without any further act or deed, stand enhanced by the amount of Authorised Share Capital of the Transferor Company. The fees/duty paid by the Transferor Company for its authorized share capital shall be deemed to have been paid by the Transferee Company. Accordingly, upon the coming into effect of the Scheme, the Clause V of the Memorandum of Association of the Transferee Company shall, without any further act or deed, be substituted by the following Clause:

"The Authorised Share Capital of the Company is Rs. 13,50,00,000/- (Rupees Thirteen Crores Fifty Lacs only) divided into 1,35,00,000 equity shares of Rs. 10/- each."

13.1.1 The said Equity Shares in the Transferee Company to be issued to the shareholders of Transferor Company shall rank pari passu in all respect to the existing equity shares in the Transferee Company from the Effective Date/Transfer Date.

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13.1.2 The shareholding structure of the Transferee Company, as on the Appointed Date pursuant to the said Scheme of Amalgamation coming into effect, will be as per Annexure-A hereto.

14. DIVIDENDS, PROFITS, BONUS/RIGHT SHARES:

14.1. Subject to the provisions of this Scheme, the profits of the Transferor Company for the period beginning from the Appointed Date shall be deemed to belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being dealt with/disposed of in any manner as it thinks fit including declaration of dividend, issue of Bonus, or for the purpose of issue of right shares by the Transferee Company.

14.2. The opening Balance Sheet shall constitute the restructured balance sheet of the Transferee Company as on the appointed date.

15. GENERAL TERMS AND CONDITIONS

15.1. Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if 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.

15.2. Upon the coming into effect of this Scheme, the Board of Directors (or any committee thereof) of the Transferor Company shall without any further, act, instrument or deed be and stand dissolved.

15.3. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise the sales tax returns and to claim refund/credits etc. on the basis of the Opening Balance Sheet, becoming effective on the Appointed Date pursuant to the terms of this Scheme and its right to make such

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revisions in the Sales Tax returns and to claim refund/credits is expressly reserved.

- 15.4. It is expressly clarified that upon the Scheme becoming effective all taxes payable by the Transferor Company from the Appointed Date onwards including all or any refunds of the claims shall be treated as the tax liability or refunds/claims as the case may be of the Transferee Company.
- 15.5. On the Effective Date all the loans, advances and trade dues extended or promissory notes issued by the Transferee Company to the Transferor Company and vice-versa shall stand cancelled and the Transferor Company and the Transferee Company, as the case may be, shall have no further obligation in that behalf.
- 15.6. If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor company and the Transferee Company effect the validity or implementation of the other parts and/or provisions of this Scheme.
- 15.7. Upon the Scheme becoming effective and without any further act or deed on the part of the Transferor and/or Transferee Company all entitlements as are available/admissible to the Transferor Company, in terms of any scheme of the Government of India/State Governments/ any other body and subsequent modifications/amendments thereto from time to time, shall stand transferred in the name of the Transferee Company and the Transferee Company shall be entitled to enjoy the rights to such entitlements as if the same were originally admissible to the Transferee Company. Further, all guarantees given by the Transferor Company in favour of the said Authorities shall also be deemed to have been given by the Transferee Company upon the Scheme becoming effective.
- 15.8. The Transferee Company is expressly permitted to file and/or revise its Income-tax returns and related TDS Certificates and to claim refunds, advance tax credits etc. on the basis of the Opening Balance Sheet as above,

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becoming effective on the Appointed Date and its right to make such revisions in the Income-tax returns and related TDS Certificates and the right to claim refunds advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective to expressly granted.

- 15.9. With effect from the Effective Date and till such time the names of the banks 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.

16. APPLICATIONS TO HON'BLE HIGH COURT:

- 16.1. The Transferee Company and the Transferor Company shall, with all reasonable dispatch, make necessary applications to the Hon'ble High Court at Delhi, New Delhi for sanction and carrying out of the Scheme and for consequent dissolution of the Transferor Company without winding up or liquidation and apply for and obtain such other approvals, as required by law.

17. MODIFICATIONS/ AMENDMENTS TO THE SCHEME:

- 17.1. The Transferor Company (by its Directors/Authorised Representatives) and the Transferee Company (by its Directors/Authorised Representatives) may assent to any modification or amendment to the Scheme or agree to any terms and/or conditions which the court and/or any other authorities under Law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for setting any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect.

- 17.2. For the purpose of giving effect to the Scheme or to any modification thereof, the Directors/Authorised Representatives of the Transferee Company are

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hereby authorized to give such directions and/or to take such steps as may be necessary or desirable including any directions for setting any question of doubt or difficulty whatsoever that may arise.

18. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS:

The Scheme is conditional upon and subject to:

- 18.1. Approval of the Scheme by the requisite majority of the members of the Transferee Company.
- 18.2. Consent of all shareholders of the Transferor Company obtaining through letter of consent given by them.
- 18.3. Sanction of the Scheme by the Hon'ble High Court of Delhi, New Delhi.
- 18.4. Such other sanctions and approvals including sanctions of any Governmental or Regulatory Authority, as may be required by Law in respect of the Scheme.
- 18.5. The certified copies of the Orders of the Hon'ble High Court at Delhi, New Delhi being filed with the Registrar of Companies, NCT of Delhi and Haryana, New Delhi.

19. EXPENSES CONNECTED WITH THE SCHEME:

- 19.1. All costs, charges and expenses of the Transferor Company and that Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and implementing/ completing the terms and provisions of the Scheme and/or incidental to the completion of amalgamation of the said Undertakings of the Transferor Company in pursuance of the Scheme shall be borne and paid solely by the Transferee Company.

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20. EFFECT OF NON-RECEIPT OF APPROVALS:

20.1. In case the scheme is not sanctioned by the Hon'ble High Court of Delhi at New Delhi or in case any of the consents, approvals, permissions, resolutions, agreements, or conditions enumerated in the scheme not being obtained or complied or compiled or for any other reason the scheme cannot be implemented, the scheme shall become null and void, and in that event no rights and liabilities whatsoever shall accrue to or be incurred to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such a case each Company shall bear its own cost, charges and expenses in connection with the scheme unless otherwise mutually agreed.

21. DISSOLUTION OF TRANSFEROR COMPANIES:

21.1. The Transferor Company shall stand dissolved upon the sanction of the Scheme without the process of winding up.

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Vatika Space Management Pvt. Ltd.

Part-I

Description of the Freehold Property, Fixed Assets, Investments and Current Assets of Vatika Space Management Pvt Ltd. as on 01.04.2006 is as under

1) Free Hold Property: - **NIL**

2) Fixed Assets : Rs.7,98,28,751/- (Rupees Seven Crores Ninety Eight Lacs Twenty Eight Thousands Seven Fifty One Only)

S.No	Particulars	Amount (in Rs)
1	Plant and Machinery	52,371,691
2	Vehicle	3,423,533
3	Furniture and Fixture	23,743,309
4	Computer	290,218
	Total	79,828,751

3) Investments: - Rs Nil

4) Current Assets: Rs 6,13,74,023/- (Rs Six Crores Thirteen Lacs Seventy Four Thousands Twenty Three Only)

S.No	Particulars	Amount (in Rs)
1	Inventories	Nil
2	Sundry Debtors	16,983,330
3	Cash and Bank Balances	13,140,670
4	Loans and Advances	31,250,023
	Total	61,374,023

Part-II

Description of the Leasehold Property
Lease hold Property : **NIL**

Part-III

Description of Shares, Debentures, Other Charges, Unsecured Loans as on 01.04.2006 is as under

PARTICULARS

Shares

AMOUNT (RS.)

Authorised Share Capital:

Rs.2,50,00,000/- (Rupees Two Crores Fifty Lacs Only divided into 25,00,000 Equity Shares of Rs.10/- each)

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**Issues, Subscribed and Paid-up
Share Capital:**

Rs.2,00,00,000/- (Rupees Two Crores
Only divided into 20,00,000 Equity
Shares of Rs.10/- each)

Debentures

N.A.

Other Charges (Secured Loan)

Rs. 5,75,53,868/- (Rupees Five
Crores Seventy Five Lacs Fifty Three
Thousand Eight Hundred and Sixty
Eight Only)

Unsecured Loans

Rs.34,02,469/-
(Rupees Thirty Four Lacs Two
Thousands Four Hundred Sixty Nine
Only)

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