

**SCHEME OF AMALGAMATION**  
**OF**  
**ALVIN MEDICARE PRIVATE LIMITED**  
**("TRANSFEROR COMPANY")**  
**WITH**  
**BABY MEMORIAL HOSPITAL LIMITED**  
**("TRANSFeree COMPANY")**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**  
**(under Section 233 read with Sections 230 to 232 of the Companies Act, 2013)**

**I. PREAMBLE:**

This Scheme of Amalgamation ('Scheme') is presented under Section 233 read with Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and it provides for the amalgamation of Alvin Medicare Private Limited (hereinafter referred as "Transferor company") into Baby Memorial Hospital Limited (hereinafter refer to as "Transferee Company"). This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.



## II. DESCRIPTION OF COMPANIES:

### TRANSFEROR COMPANY:

1. Alvin Medicare Private Limited, a company incorporated under the provisions of the Companies Act, 2013 and presently having its registered office at Room No: 7164 , 1<sup>st</sup> floor, C-Block, Building No 5/3429 Baby Memorial Hospital Building , I.G Road Kozhikode 673004 (hereinafter referred to as "Transferor Company").

#### **Basic Information about the Company:**

- a. Name of the Company: Alvin Medicare Private Limited
- b. Corporate Identification Number: U85110KL2015PTC038100
- c. Permanent Account Number: AANCA7629P
- d. Date of Incorporation: 09 March 2015
- e. Type of the Company (whether public or private or one person company):  
Private Company

The present main objects of Alvin Medicare Private Limited are as follows:

To Acquire, establish, manage and maintain Health care centers for providing medical relief to the public in all branches of medical sciences by all available means and also to maintain clinics, nursing homes, medical stores, laboratories, diagnostic centers, scan centers, nursing schools, old age homes, rehabilitation centers, convalescence centers and centers for imparting education on medical and para-medical courses, health tourism and also to impart technical assistance in any branch of modern medicine.



**TRANSFEEE COMPANY:**

1. Baby Memorial Hospital Limited, a company incorporated under the provisions of the Companies Act, 1956 and presently having its registered office at Building No 5/3429, Indira Gandhi Road, Arayidathapulam, Kozhikode, Kerala 673004 (hereinafter referred to as "Transferee Company")

Basic Information about the Company:

- a. Name of the Company: Baby Memorial Hospital Limited
- b. Corporate Identification Number:U85110KL2009PLC037460
- c. Permanent Account Number:AADCB7392J
- d. Date of Incorporation: 01•April 2009
- e. Type of the Company (whether public or private or one person company):Public Company

The present main objects of Baby Memorial Hospital Limited are as follows:

1. To manage, administer, own and carry the business of running hospitals, clinics, dispensaries, diagnostic centres, cancer treatment centres, rheumatic treatment centres, child welfare and nursing schools.



### III. PURPOSE AND SCOPE OF THE SCHEME OF AMALGAMATION

This Scheme of Amalgamation is presented under Section 233 read with Sections 230 to 232 and other applicable provisions of Companies Act, 2013 and rules made there under, for the proposed amalgamation of Transferor Company Viz., Alvin Medicare Private Limited into the Transferee Company Viz., Baby Memorial Hospital Limited.

The Scheme of Amalgamation has been drawn up to comply with the conditions as specified under section 2(1B) of the Income-tax Act, 1961, such that:

1. All the properties of "Transferor company", immediately before the amalgamation, become the properties of the "Transferee Companies" by virtue of amalgamation.
2. All the liabilities of "Transferor company", immediately before the amalgamation, become the liabilities of the "Transferee Companies" by virtue of amalgamation.

### IV. RATIONALE FOR SCHEME OF AMALGAMATION

1. There would be benefits of operational synergies to the combined entity which can be put to the best advantage of all the stakeholders. It would result in economies of scale, effective coordination and better control;
2. Consolidation and simplification of group structure by eliminating multiple companies;
3. The amalgamation will lead to backward integration and synergies of operations and a stronger and wider capital and financial base for future growth/ expansion



of the Transferee Company along with diversification;

4. Simplification in compliance of various applicable laws and group structuring;
5. The amalgamation is in the interest of the shareholders, creditors and all other stakeholders of the respective companies, and is not prejudicial to the interests of the concerned shareholders, creditors or the general public at large.

**V. THE PARTS OF THE SCHEME OF AMALGAMATION ARE AS UNDER:**

1. **PART-A** deals with the definitions of the terms used in this Scheme and sets out the share capital of the Transferor company and the Transferee Company;
2. **PART- B** deals with the amalgamation of Alvin Medicare Private Limited known as "Transferor company" into Baby Memorial Hospital Limited hereinafter refer to as "Transferee Company"
3. **PART- C** deals with cancellation of investment in the shares of the Transferor Company by the Transferee Company
4. **PART - D** deals with General Terms and Conditions as applicable to this Scheme.



## PART A

### 1. DEFINITIONS

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

- 1.1 "Act" means the Companies Act, 2013 read together with the notified provisions of Companies Act, 2013 including any statutory modifications, re-enactment rules, regulations, notifications, amendments or statutory replacement or re-enactment or amendments thereof.
- 1.2 "Applicable Law(s)" means any statute, notification, bye-laws, rules, regulations, guidelines, or common law, policy, code, directives, ordinance, schemes, notices, orders, or instructions enacted or issued sanctioned by any Appropriate Authorities including any modification or re-enactment thereof for the time being in force.
- 1.3 "Appointed Date" means 01 April 2019 or such other date as may be fixed or approved by the Competent Authority.
- 1.4 "Board of Directors" in relation to Transferor company and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 1.5 "Competent Authority" means the Regional Director ("RD") / National Company Law Tribunal ("NCLT"), as the case may be, as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of amalgamation, arrangement, compromise or reconstruction of companies under the relevant provisions of the Act.



- 1.6 "Effective Date" means the date on which certified copies of the order passed by the Competent Authority of Judicature at Kochi is filed with the Registrar of Companies, Kerala at Ernakulam after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefore.
- 1.7 "Parties" means the Transferor Company and the Transferee Company, together.
- 1.8 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form or with any modifications, imposed or approved or directed by the Board of Directors of the Transferor company or Transferee Company or by members or creditors of the Companies involved submitted to the Competent Authority for sanction or with any modification(s) of this Scheme as approved or imposed or directed by the Competent Authority.
- 1.9 "Transferee Company" means Baby Memorial Hospital Limited, a company incorporated under the Companies Act, 1956, and having its registered office situated at Building No 5/3429, Indira Gandhi Road, Arayidathupalam, Kozhikode KL 673004 India.
- 1.10 "Transferor company" means Alvin Medicare Private Limited, a company registered under the Companies Act 1956 and having its registered office at Room No:7164, 1st Floor, C-Block, Building No 5/3429 Baby Memorial Hospital Building, I.G. Road Kozhikode KL 673004, India.



1.11 "Undertakings" shall mean and include:

- a. All the assets and properties both movable and immovable of the Transferor company as on the Appointed Date (hereinafter referred to as "the said assets")
- b. All the debts, liabilities, duties and obligations including contingent liabilities as on the Appointed Date (hereinafter referred to as "the said liabilities")
- c. Without prejudice to the generality of sub-clause (a) above, the undertaking of the Transferor company, as a going concern, and shall include, all the movable properties, immovable properties, assets including cash in hand, amounts lying in the banks to the credit of the Transferor company, investments, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, club memberships, advantages, leasehold rights, brands, sub-letting tenancy rights, with or without the consent of the landlord as may be required by law, goodwill, other intangibles, permits, authorizations, rights, trademarks, trade names, patents, copyrights, and other intellectual properties and rights of any nature whatsoever including know-how, domain names, or any applications for patents, patent rights, trademarks, trade names, copyrights whether tangible or otherwise and licenses, assignments and grants in respect thereof, right to use and avail of telephones, telex, facsimile and other communication facilities connections, installations and equipment,





rights, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, reserves, provisions, funds, and benefits of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other person including customers, contractors or other counter parties, etc. cash and bank balances, all earnest monies holiday, tax relief under the income Tax Act such as credit for advance and/or deposits, rights, titles, claims and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits, exemptions and approvals of whatsoever nature (including but not limited to benefits of all tax, advance tax, taxes deducted at source, brought forward accumulated tax losses, unabsorbed depreciation etc., benefits under the Sales Tax Act, sales tax balance, benefits of any unutilized MODVAT/CENVAT credits, service tax etc.) and where so ever situate, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor company as on the Appointed Date and thereafter.

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 other statutory modification or re-enactment thereof from time to time.



## 2. SHARE CAPITAL

2.1 The Share Capital of the Transferor Company as on March 31, 2019 is as under:

<b><u>AUTHORISED SHARE CAPITAL</u></b> 25, 00, 000 Equity Shares of Rs.100/- each	<b>Amount (Rs.)</b> 25,00,00,000
<b><u>ISSUED, SUBSCRIBED AND FULLY PAID-UP SHARE CAPITAL</u></b> 24, 28, 038 Equity Shares of Rs.100/- each fully Paid-up	<b>Amount (Rs.)</b> 24,28,03,800

Subsequent to March 31, 2019 there is no change in the Authorized and Paid-up Share Capital of the Transferor Company.

2.2 The Share Capital of the Transferee Company as on March 31, 2019 is as under.

<b><u>AUTHORISED SHARE CAPITAL</u></b> 15, 00, 00, 000 Equity Shares of Rs.10/- each 1, 00, 00, 000 Cumulative Convertible Participating Preference Shares of Rs.10/- each	<b>Amount (Rs.)</b> 150,00,00,000 1,00,00,000
<b><u>ISSUED, SUBSCRIBED AND FULLY PAID-UP SHARE CAPITAL</u></b> 12,54,83,212 Equity Shares of Rs.10/- each fully Paid-up	<b>Amount (Rs.)</b> 125,48,32,120

Subsequent to March 31, 2019, there is no change in the Authorized and Paid-up Share Capital of the Transferee Company.

### 2.3 Effective Date

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



## PART B

### TRANSFER AND VESTING OF UNDERTAKING

#### 3. PART1- TRANSFER AND VESTING OF UNDERTAKING OF TRANSFEROR COMPANYINTOTRANSFEREE COMPANY

3.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and the whole of the Undertaking(s) of the Transferor Company including all the debts, liabilities, duties and obligations, including those arising on account of taxation laws and other allied laws of the Transferor Company of every description and also including the assets/properties of the Company, without limitation, whether movable or immovable, tangible or intangible of the Transferor Company comprising of amongst others, land, all furniture and fixtures, computers/data processing, office equipment, testing equipment, electrical installations, telephones, telex, facsimile and other communication facilities and business licenses, permits, authorizations, approvals, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret or other intellectual property rights, proprietary right, title, interest, contracts, consent, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals whatsoever, shall, pursuant to the provisions of Section 233 read with sections 230 to 232 and other applicable provisions of the Act and pursuant to the Orders of the Competent Authority sanctioning this Scheme, without any further act, deed, matter or



thing, but subject to the existing charges/ hypothecation/ mortgages as on the Effective Date, or in respect of the said Assets or any part thereof of the Transferor Company, stand transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company so as to become properties, assets, rights, business and undertaking(s) of the Transferee Company.

**3.2** It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual or constructive delivery and/ or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of Section 233 read with sections 230 to 232 of the said Act, as an integral part of the undertaking, such transfer being deemed to have taken place at the location of the Registered Office of the Transferee Company without any further act, instrument or deed, be transferred to and vested in and/ or deemed to be transferred and vested in the Transferee Company on the Appointed Date.

**3.3** With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet of the Transferor Company shall also, under the provisions of Section 233 read with sections 230 to 232 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the



Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and 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, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

- 3.4 The Transferee Company, may at any time, after the coming into the effect of this Scheme in accordance with the provisions thereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company 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, under provisions of the Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company, implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company.
- 3.5 With effect from the Appointed Date all statutory licenses, permissions, approvals or consents to carry on the operations of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the Undertaking of the Transferor Company pursuant to this Scheme. The benefit of all statutory and regulatory permissions, factory licenses, environmental approvals and consents, sales



tax registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant to this Scheme.

- 3.6 In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person and availed of by the Transferor Company are concerned, the same shall vest with, and be available to, the Transferee Company on the same terms and conditions.
- 3.7 Loans or other obligations, if any, due between or amongst the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf.
- 3.8 With effect from the Appointed Date, all the Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.
- 3.9 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.



3.10 Where any of the liabilities and obligations/assets attributed to the Transferor Company on the "Appointed Date" has been discharged /sold by the Transferor Company after the "Appointed Date" and prior to the "Effective Date", such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company.

3.11 From the "Effective Date" and till such time that 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 its name, in so far as may be necessary.

#### 4. RECLASSIFICATION OF THE SHARE CAPITAL OF THE TRANSFEEE COMPANY

4.1 Upon the Scheme being effective, the authorized share capital of the Transferor Company will get reclassified and merged with the authorized share capital of the Transferee Company without payment of additional fees and duties as the said fees have already been paid by the Transferor Company and the Authorized Capital of Transferee Company will be increased to that effect without filing any forms and no separate procedure shall be followed under the Act. Consequently, clause V of the Memorandum of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified, reclassified and amended pursuant to section 13, 14, 61, 64, 232 and 233 and other applicable provisions of the Act as follows:



Clause V of Memorandum of Association of Transferee Company shall

read as under:

"The Authorised Share Capital of the Company is Rs.185,00,00,000 (One Hundred and Eighty Five Crores Only) divided into 18,50,00,000 (Eighty Crore and Fifty Lakhs Only) equity shares of Rs.10/- (Rupees ten) each."

The alteration of authorized capital as aforesaid in Clause V of the Memorandum of Association, shall be effected as a part of the Scheme only and approval/ consent to the Scheme by the Competent Authority shall be deemed to be due compliance of the relevant provisions of the Act for alteration of the share capital clause in the Memorandum of Association of the Transferee Company.

- 4.2 The filing fee already paid by the Transferor Company, on its authorized share capital, shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital and accordingly, the Transferee Company shall not be required to pay any fee for such combined authorized share capital.
- 4.3 It shall be deemed that the members of Transferee Company have also resolved and accorded all relevant consents under section 13 and section 14 of the Act. It is clarified that there is no requirement to pass a separate shareholders' resolution as required under section 13 and section 14 of the Act for the amendments of the Memorandum of Association of Transferee Company as above for the combined authorized share capital.





## PART- C

### 5. CANCELLATION OF SHARES BY THE TRANSFEREE COMPANY TO THE SHARE HOLDERS OF TRANSFEROR COMPANY

5.1 The entire issued, subscribed and paid-up equity share capital of the Transferor Company is held by the Transferee Company along with its nominees.

5.2 Upon the scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company and the entire equity shares of the Transferor Company held by the Transferee Company shall stand cancelled.

### 6. ACCOUNTING TREATMENT

Upon the Scheme becoming effective, the Transferee Company shall in respect of its accounts for the financial year commencing from the Appointed Date i.e. 1<sup>st</sup> April 2019, account the transaction in accordance with Accounting Standard - 14, issued by the Institute of Chartered Accountants of India and notified by National Advisory Committee on Accounting Standards such that:

- (a) All assets and the liabilities of the Transferor company, shall be recorded by the Transferee Company at their carrying value.
- (b) The amount of any inter-company balances/ amounts between the Transferor company and the Transferee Company, appearing in the books of account of the respective Transferor company, shall stand cancelled without any further act or deed, upon the Scheme coming into effect.
- (c) In case of any differences in accounting policies between the Transferee



Company and the Transferor company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position on the basis of consistent accounting policies.

- (d) Any share capital held by Transferee Company in the Transferor Company appearing in the books of accounts of the Transferee Company, shall stand cancelled.
- (e) The difference between the book value of the net assets of Transferor Company and value of investment in equity share capital of Transferor Company carried in the books of the Transferee Company, if any, shall be adjusted to the reserves of the Transferor / Transferee Company, as the case may be.

**7. COMPLIANCE AND CONSEQUENTIAL MATTERS RELATING TO TAX:**

7.1 This Scheme has been drawn up in compliance 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 provision at a later date, including resulting from a retrospective amendment of law or for any other reason whatsoever, till the Effective Date, the provisions of Section 2(1B) 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.

7.2 During the period between the Appointed Date and the Effective Date, the



Transferor company shall continue to do all acts necessary and in connection with all tax assessment proceedings / appeals of whatsoever nature, pending and / or arising by or against the Transferor company. With effect from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor company.

7.3 Upon the Effective Date and with effect from the Appointed Date all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, fringe benefit tax, goods and service tax, value added tax, sales tax, service tax, excise duty, customs, entry tax, local body tax, etc.) paid, payable by or refundable to the Transferor company, including all or any refunds or claims shall be treated as having been paid or, as the tax liability or refunds/claims, as the case may be, by/of the Transferee Company and any tax incentives, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Transferor company, shall be available to the Transferee Company.

7.4 Upon the Effective Date and with effect from the Appointed Date, the obligation for deduction of tax at source on any payment made by or to be made by the Transferor company under the Income Tax Act, 1961, or other compliances under income-tax laws, service tax laws, customs law, excise law, central sales tax, state value added tax laws or other applicable laws / regulations dealing with taxes/ duties / levies shall be made or deemed to have been made and duly complied with by the Transferee Company.



7.5 Without prejudice to the generality of the above, all benefits, incentives, losses, credits (including, but not limited to income-tax, minimum alternate tax on book profits, fringe benefit tax, wealth tax, service tax, CENVAT, excise duty, custom duty, value added tax, etc.) to which the Transferor company are entitled to in accordance with applicable laws, shall be available to and vest in the Transferee Company. Subject to provisions of the applicable law, all the transactions of purchase or sale of goods and procurement or rendition of services between the Transferor company or between the Transferee Company and the Transferor company shall not be treated as transactions between two separate entities and consequently, the Transferee Company shall be entitled to claim refund of the taxes so paid on such transactions as it may deem fit.

7.6 The Transferee Company shall be entitled to file/ revise its income tax, goods and service tax, value added tax, sales, central sales tax, excise and service tax returns and other statutory returns/ filings/ records, if required, and shall have the right to claim refunds, CENVAT credit, value added tax credit, advance tax credits, minimum alternate tax credits, or any other credits etc., if any as may be required consequent to this Scheme becoming effective.

7.7 All the tax liabilities under the Income Tax Act, 1961, goods and service tax laws and other applicable laws/ regulations dealing with taxes/ duties/ levies ("Tax Laws") allocable or related to the business of the Transferor company shall be transferred to the Transferee Company.



**8. TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE**

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

- 8.1 The Transferor company shall carry on and be deemed to have carried on their business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of their entire businesses and undertakings for and on account of and in trust for the Transferee Company;
- 8.2 The Transferor company shall carry on its business and activities in the ordinary course of business with reasonable diligence and business prudence;
- 8.3 All the profits or income accruing or arising to the Transferor company or expenditure or losses arising or incurred by the Transferor company shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company; and
- 8.4 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor company.



9. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE:

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

- a) The Transferor company shall carry on and be deemed to have carried 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 profits accruing to the Transferor company or losses arising or incurred by them shall for all purposes be treated as the profits or losses of the Transferee Company, as the case may be;
- b) The Transferor company shall carry on its business and activities with reasonable diligence;
- c) The Transferor Company shall not alter its capital structure either by fresh issue of shares or convertible securities (on a rights basis or by way of bonus shares or otherwise) or by any decrease, reduction, reclassification, sub-division, consolidation, re-organization or in any other manner, except by and with the consent of the Board of Directors of both the Transferor company and the Transferee Company.
- d) The Transferor Company shall not vary the terms and conditions of service of its permanent employees except in the ordinary course of its business; and
- e) The Transferor Company shall not without the prior consent of the Transferee Company, undertake any new business or a substantial expansion of its existing business.



9.2 Without prejudice to the above, the Transferor company from the date of filing this Scheme with the Competent Authority, up to and including the Effective Date shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise) decrease, reduction, reclassification, sub-division or consolidation, reorganisation, or in any other manner except under any of the following circumstances:

- a) By mutual consent of the respective Board of Directors of the Transferor Company and Transferee Company; or
- b) By way of any obligation already subsisting as on the date of filing this Scheme with the Competent Authority.

9.3 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central / State Government(s) and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals, licenses and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

## 10. LEGAL PROCEEDINGS

10.1 Any suit, appeal or other proceedings of whatsoever nature by or against the Transferor Company pending and/or arising on the Appointed Date, as and from the Effective Date shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation or by anything contained in this Scheme but the said suit, appeal or other legal proceedings may be continued and enforced by or against the Transferee



Company, as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company as if this Scheme had not been made.

10.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company after the Appointed Date, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.

10.3 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in above clause transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

## 11. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

11.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, insurance, Letters of Intent, undertakings, arrangements, policies, agreements including the contracts for tenancies and licenses, arrangements and other instruments of whatsoever nature to which the Transferor Company are a party and subsisting or having effect immediately before or after the Effective Date shall remain in full force and effect against or in favour of the Transferee Company and shall be binding on and be enforceable against the Transferee Company as fully and effectually as if, the Transferee Company had been a party thereto.

11.2 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.

11.3 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, agreement, deed or any instrument or beneficial interest to which the Transferor Company are 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.

## **12. EMPLOYEES OF THE TRANSFEROR COMPANY**

12.1 On the Scheme becoming effective, all staff and employees of the Transferor Company who are in service on the date immediately preceding the Effective Date shall, unless otherwise desired by any of the employees, become the employees of the Transferee Company with effect from the Appointed Date or date of joining of respective workmen and employees, whichever is later, without any break or interruption in their service and



on the basis of continuity of service, and the terms and conditions of their employment with Transferee Company shall not be less favorable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.

- 12.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Pension Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of Transferor Company, if any, shall become trusts/ funds of Transferee Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to 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, if any, to the end and intent that all rights, duties, powers and obligations of Transferor Company in relation to such Fund or Funds shall become those of Transferee Company. It is clarified that the services of the staff and employees of Transferor company will be treated as having been continuous for the purpose of the said fund or funds.

### 13. SAVING OF CONCLUDED TRANSACTIONS

The transfer of undertaking under Clause hereinabove and the continuance of proceedings by or against the Transferor Company under Clause herein above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

### 14. DISSOLUTION OF TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor company shall stand dissolved without being wound-up.



**PART-D**

**GENERAL TERMS & CONDITIONS**

**15. MODIFICATION OR AMENDMENTS TO THE SCHEME**

15.1 The Transferor Company and the Transferee Company through their respective Board of Directors , or any person(s) or committee authorized/ appointed by them, in their full and absolute discretion, may assent to any modification or amendment to the Scheme or to any conditions or limitations that the Competent Authority, shareholders of the Transferor Company or the Transferee Company and/ or any other Competent Authority may deem fit to approve/ impose and effect any other modification or amendment which the Boards in the best interests of both the Transferor Company or the Transferee Company may consider necessary or desirable and give such directions as they may consider necessary or desirable for settling any question, doubt or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or insolvent shareholder of the Transferor Company/ or the Transferee Company) and to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect. In the event that any modification or amendment to the Scheme is unacceptable to the Transferor Company and/or the Transferee Company for any reason whatsoever, the Transferor Company and/ or Transferee Company shall be at liberty to withdraw from the Scheme at any time.



- 15.2 The Transferor Company and the Transferee Company shall be at liberty to withdraw from this Scheme, in case of any condition or alteration imposed by the Competent Authority or any other authority or any bank or financial institution is unacceptable to them or otherwise if so mutually agreed.
- 15.3 For the purpose of giving effect to the Scheme or to carry out any modification or amendment thereto, the Board of Directors of the Transferor Company and the Transferee Company or any Committee thereof is authorized to give such directions and/ or to take such steps as may be necessary or desirable including any directions for settling any question, doubt or difficulty whatsoever that may arise.
- 15.4 If any part or provision of this Scheme hereof is invalid, ruled illegal by any Competent Authority, or unenforceable under present or future laws, then it is the intention of the Parties that such part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part or provision, as the case may be, 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.



## **16. CONDITIONALITY OF THE SCHEME**

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

- 16.1** The Scheme being agreed to by the respective requisite majorities of the members of the Transferor company and the Transferee Company, if a meeting of members of the said companies is convened by the Competent Authority, and the sanction of the Competent Authority being accorded to the Scheme.
- 16.2** The sanction by the Court under Section 233 read with sections 230 to 232 and other applicable provisions of the Act being obtained by the Transferor Company and also the Transferee Company.
- 16.3** The Transferor Company and Transferee Company shall file certified copies of the order sanctioning the Scheme of Amalgamation by the Competent Authority with the Registrar of Companies.

## **17. BORROWING, INVESTMENT AND LOAN LIMITS**

- 17.1** Upon this Scheme coming into effect the borrowing limits of the Transferee Company in terms of Section 179 of the Act shall be deemed without any further act or deed to have been enhanced by the aggregate liabilities/ authorized borrowing limits of the Transferor company which is being transferred to the Transferee Company pursuant to the scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.
- 17.2** Upon this Scheme coming into effect, the limits of the Transferee Company



to invest and grant loans, in terms of Section 179 of the Act shall be deemed without any further act or deed to have been enhanced by the aggregate limits of the Transferor Company to invest or grant loans which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

**18. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the Competent Authority and/ or the Order or Orders not being passed within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by its Board of Directors (and which the Board of Directors of the Company are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.



19. APPLICATION TO THE COMPETENT AUTHORITY

The Transferor Company and the Transferee Company shall with all reasonable dispatch make applications and petitions under Section 233 read with sections 230 to 232 of the Act and other applicable provisions of the Act to the Competent Authority and such other Authority for sanctioning of the Scheme, and for dissolution of the Transferor Company without being wound up.

20. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

For ALVIN MEDICARE (P) LTD.

  
Director



For Baby Memorial Hospital Ltd.

  
Dr K G Alexander MD  
Chairman & Managing Director  
DIN : 01209235

