

**SCHEME OF AMALGAMATION
[MEGER BY ABSORPTION]**

(PURSUANT TO SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013
AND RULES FRAMED THEREUNDER)

Of

KOPRAN LABORATORIES LIMITED
(Transferor Company)

With

KOPRAN LIMITED
(Transferee Company)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS





For Koprان Limited

**Company Secretary &
Compliance Officer**

PREAMBLE

A. (a) AN OVERVIEW OF SCHEME OF AMALGAMATION (MERGER BY ABSORPTION)

- (i) This Scheme of Amalgamation is presented under Sections 230 to 232, of the Companies Act, 2013 (the “Act”) and other applicable provisions of the Act for amalgamation of Kopran Laboratories Limited (hereinafter referred to as “Transferor Company”) into Kopran Limited (hereinafter referred to as “Transferee Company”).
 - (ii) In addition, this Scheme of Amalgamation also provides for various other matters consequential or otherwise integrally connected herewith.
- (b) The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, under Sections 230 to 232 and other relevant provisions of the Companies Act, 2013, shall take place with effect from the Appointed Date and shall be in compliance with Section 2(1B) of the Income Tax Act, 1961 as may be amended from time to time.

B. RATIONALE FOR THE SCHEME:

- a) In order to consolidate the different segments of business in the same industry carried on by the Companies and effectively manage the Transferor Company and Transferee Company as a single entity which shall provide several benefits including streamlined group structure by reducing the number of legal entities and reducing the multiplicity of legal and regulatory compliances, rationalizing costs, it is intended to amalgamate the Transferor Company with the Transferee Company in accordance with the terms hereof.
- b) In particular, the scheme is expected to have the following benefits:
 - (i) The merger will allow Transferee Company to capitalize on Transferor Company’s relationships and team for marketing Transferee



Company's product into hospitals and government institutions.

- (ii) Transferee Company will leverage its manufacturing capabilities to repack and manufacture diagnostic kits thereby increasing margins and profitability.
- (iii) This will take Transferee Company one step further in becoming an integrated health care and pharma company.
- (iv) Benefit to the shareholders, employees and other stakeholders of the respective companies by consolidating and simplifying the group structure, and business operations.
- (v) Enable pooling of resources and provide optimal utilization of financial, human or other resources;
- (vi) Economies in administrative and managerial costs by consolidating operations and would substantially reduce duplication of administrative responsibilities and multiplicity of records and legal and regulatory compliances;
- (vii) Enhance growth prospects, reduce overheads, administrative, managerial and other costs and expenditure and remove inefficiencies and bring operational rationalization and organizational efficiency;
- (viii) Build strong capability to effectively meet future challenges in competitive business environment;
- (ix) Result in improved shareholder value for the shareholders of the respective companies, thus providing a stronger and wider capital and financial base for future growth /expansion of the Transferee Company.

C. PARTS OF THE SCHEME:

This scheme of Amalgamation is divided into the following parts:

- a) **Part I** deals with the definitions of the Scheme.
- b) **Part II** sets-forth the Share Capital Structure of the Transferor Company with the Transferee Company;



- c) **Part III** deals with the amalgamation of the Transferor Company with the Transferee Company, in accordance with sections 230 to 232 of the Act;
- d) **Part IV** deals with consideration, accounting and tax treatments in the Financial Statements of the Transferee Company pursuant to the amalgamation of the Transferor Company with Transferee Company and in terms of this Scheme; and
- e) **Part V** deals with general/residuary terms and conditions.

PART - I
DEFINITIONS

1. DEFINITIONS:

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

- i) "**Act**" means the Companies Act, 2013 and rules, regulations, circulars and notifications issued thereunder, each as amended from time to time and to the extent in force and any statutory modification or re-enactments thereof, References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 2013 unless stated otherwise.
- ii) "**Appointed Date**" means the 1st January, 2025.
- iii) "**Board of Directors**" or "**Board**" means the Board of Directors of Transferor company or Transferee company, as the case may be, and shall include a duly constituted committee thereof;
- iv) "**Effective Date**" means the date on which the certified copy of the order sanctioning this Scheme of Amalgamation, passed by the National Company Law Tribunal ("NCLT") at Mumbai or such other competent authority, as may be



applicable, are filed by Transferor and Transferee Companies with the Registrar of Companies, Mumbai, Maharashtra;

- v) **“Central Government”** means the government of India
- vi) **“Regional Director”** means the Regional Director (Western Region), Ministry of Corporate Affairs at Mumbai, having jurisdiction over the Transferee Company.
- vii) **“Registrar and Transfer Agent” (RTA)** means the share transfer agent of the Transferee Company ‘Bigshare Services Private Limited’ having SEBI registration no. INR000001385 (or any other change in RTA appointed on the future date by the Transferee Company) for carrying all the function for the merger of the companies.
- viii) **“Tribunal”** means National Company Law Tribunal, Mumbai Bench or such other court, Tribunal forum or authority having jurisdiction over companies involved in the scheme, depending on the context and applicability.
- ix) **“Registrar of Companies” or “ROC”** means the Registrar of Companies at Mumbai.
- x) **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- xi) **“LODR Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and includes all the amendments or statutory modifications thereto or re-enactments thereof.
- xii) **“Stock Exchanges”** means BSE Limited and the National Stock Exchange of India (“NSE”). 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, the Securities Contracts (Regulations) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws,



as the case may be or any statutory modification or re-enactment thereof from time to time.

xiii) **“Transferor Company”** means KOPRAN LABORATORIES LIMITED (CIN: U24230MH1986PLC040602), a Company incorporated on 12.08.1986 under the Companies Act, 1956 and having its registered office at Parijat House 1076 DR E Moses RD Worli, Mumbai, Maharashtra, India, 400018.

xiv) **“Transferee Company”** means KOPRAN LIMITED (CIN: L24230MH1958PLC011078), a Company incorporated on 26.04.1958 under the Companies Act, 1956 and having its registered office at Parijat House 1076 DR E Moses Road Worli, Mumbai, Maharashtra, India, 400018. The Equity Shares of the Transferee Company are listed on the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”) (hereinafter collectively referred as the “Stock Exchanges”).

xv) **“Scheme”** means this Scheme of Amalgamation of the Transferor Company with the Transferee Company in its present form or with such modification (s) as may be made by members and/or creditors of respective Companies or such modification (s) as may be imposed by any competent authority and accepted by the board of directors of respective companies and/or directed to be made by the tribunal while sanctioning the scheme.

xvi) **“Undertaking of the Transferor Company”** means and includes:

- (a) **All the properties, assets, rights and powers of the Transferor Company;**
and
- (b) **All the debts, liabilities, duties and obligations of the Transferor Company.**

Without prejudice to the generality of the foregoing clause the said Undertaking shall include all rights, powers, interests, authorities, privileges, liberties and all properties and assets, real or personal, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and wherever situate



including all lands, buildings, plant and machinery, office equipments, inventories, investments in shares, debentures, bonds and other securities, sundry debtors, cash and bank balances, loans and advances, leases and all other interests and rights in or arising out of such property together with all liberties, easements, advantages, exemptions, approvals, licenses, trademarks, patents, copyrights, import entitlements and other quotas, if any, held, applied for or as may be obtained hereafter by the Transferor Company or which the Transferor Company are entitled to together with the benefit of all respective contracts and engagements and all respective books, papers, documents and records of the Transferor Company.

xvii) **"Rules"** includes rules, circulars and notifications in force and issued from time to time under the provisions of the Companies Act, 2013, and any statutory modification or re-enactments thereof, unless stated otherwise.

Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto.

2. DATE OF TAKING EFFECT:

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

PART - II

SHARE CAPITAL STRUCTURE

1) SHARE CAPITAL

1.1 The Authorised, Issued, Subscribed and Paid-Up Share Capital of Transferor



Company as on the date of the meetings of the Board of Directors of the said Company considering and approving this Scheme, i.e. as on March 20, 2025:

a) **Kopran Laboratories Limited** - Transferor Company

As per Audited Balance Sheet as on 31.03.2024

Particulars	Amount (INR)
<u>Authorised Capital:</u>	
20,00,000 Equity Shares of Rs. 10/- each	2,00,00,000
Total	2,00,00,000
<u>Issued, Subscribed and Paid-up Capital:</u>	
15,00,000 Equity Shares of Rs. 10/- each, fully paid up	1,50,00,000
Total	1,50,00,000

As per Audited Balance Sheet as on 31.12.2024

Particulars	Amount (INR)
<u>Authorised Capital:</u>	
80,00,000 Equity shares of Rs. 10/- each	8,00,00,000
Total	8,00,00,000
<u>Issued, Subscribed and Paid-up Capital:</u>	
53,03,160 Equity shares of Rs. 10/- each, fully paid up	5,30,31,600
Total	5,30,31,600

NOTE:

1) Authorised Capital has been increased from Rs. 2,00,00,000 (20,00,000 Equity



Shares of Rs. 10/- each) to Rs. 8,00,00,000 (80,00,000 Equity Shares of Rs. 10/- each) as on September 13, 2024.

- 2) Right Issue made on October 21, 2024 of 38,03,160 Equity shares included in Issued Capital as on 31.12.2024.

Note:

- 1) There is no change in the Capital structure of the Transferor Company from 31.12.2024 till the date of filing this scheme.
- 2) The Transferor Company is engaged in the business of marketing diagnostic equipment's, consumables and automation solutions to pathlabs and hospitals.

1.2 The Authorized, Issued, Subscribed and Paid-Up Share Capital of Transferee Company as on the date of the meeting of the Board of Directors of the said Company considering and approving this Scheme, i.e. as on March 20, 2025:

a) Kopran Limited- Transferee Company

As per Audited Balance Sheet as on 31.03.2024

Particulars	Amount (INR)
<u>Authorised Capital:</u>	
5,62,50,000 Equity Shares of Rs. 10/- each	56,25,00,000
1,37,50,000 Preference Shares of Rs. 10/- each	13,75,00,000
TOTAL	70,00,00,000
<u>Issued Capital:</u>	



4,82,12,601 Equity Shares of Rs. 10/- each, fully paid up	48,21,26,010
TOTAL	48,21,26,010
<u>Subscribed and Paid-up Capital:</u>	
4,82,10,605 Equity Shares of Rs. 10/- each, fully paid up	48,21,06,050
	48,21,06,050

**As per Unaudited Balance Sheet (but Limited Review by Auditor) as on
31.12.2024**

Particulars	Amount (INR)
<u>Authorised Capital:</u>	
5,62,50,000 Equity Shares of Rs. 10/- each	56,25,00,000
13,75,000 Preference Shares of Rs. 10/- each	13,75,00,000
Total	70,00,00,000
<u>Issued Capital:</u>	
4,82,51,401 Equity Shares of Rs. 10/- each, fully paid up	48,25,14,010
Total	48,25,14,010
<u>Subscribed and Paid-up Capital:</u>	
4,82,49,405 Equity Shares of Rs. 10/- each, fully paid up	48,24,94,050
Total	48,24,94,050

NOTE:

- 1) ESOP Allotment on October 28, 2024 of 38,800 Equity shares included in Issued Capital as on 31.12.2024.
- 2) ESOP Allotment on January 21, 2025 of 36,200 Equity shares. After the said Allotment the Issued Capital is Rs. 48,28,76,010 (4,82,87,601 Equity Shares of Rs. 10/- each, fully paid up) and the Subscribed and paid-up Capital is Rs.




48,28,56,050 (4,82,85,605 Equity Shares of Rs. 10/- each, fully paid up).

Note:

- 1) Subsequent to the above date, there is no change in authorized, issued, subscribed and paid-up equity capital of Transferee Company till the date of filing this scheme.
- 2) The Transferee Company is engaged in the business of Pharmaceuticals and Chemical Products as mentioned in detail in the main object clause of Memorandum of Association of the said transferee Company.
- 3) The Transferee Company has outstanding Employee Stock Options under ESOP Scheme is 4,00,000 Equity shares, the exercise of which may result in an increase in the issued and paid up share capital of the Transferee Company.

PART - III

**AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE
TRANSFEE COMPANY**

2) **TRANSFER AND VESTING**

2.1 With effect from the Appointed Date, the Transferor Company shall stand amalgamated with the Transferee Company, as provided in the Scheme. Accordingly, the Undertaking of the Transferor Company shall, pursuant to the provisions contained in Section 232 and other applicable provisions of the Act and subject to the provisions of the Scheme in relation to the mode and manner of vesting, stand transferred to and vest in or be deemed to be transferred to and vested in the Transferee Company, as a going concern without any further act, deed, matter or thing so as to become on and from the Appointed Date the Undertaking of the Transferee Company.



2.2 Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the Effective Date, the whole of the business, personnel, property, assets, liabilities, investments, rights, benefits and interest therein of the Transferor Company shall, with effect from the Appointed Date, stand transferred to and be vested in the Transferee Company, without any further act or deed, and by virtue of the order passed by the Tribunal. Without prejudice to the generality of the above, and in particular, the undertakings of the Transferor Company shall stand transferred to and be vested in the Transferee Company in the manner described hereinafter:

2.2.1 all assets of the Transferor Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Transferee Company and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly, without any deed or instrument of conveyance for the same.

2.2.2 all movable properties of the Transferor Company, other than those specified in sub-clause 2.2.1 above, including sundry debtors, bills, credits, outstanding loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances and deposits, property, earnest money or deposit with any governmental, local or any other authority or body or with company or with other person if any, shall without any further act, instrument or deed, become the property of the Transferee Company.

2.2.3 all immovable properties (including rights relating to immovable properties) of the Transferor Company, if any, whether freehold or leasehold, and all documents of title, rights and easements in relation



thereto, shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act or deed done by the Transferor Company and/or the Transferee Company. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges, and fulfill all obligations, in relation to or applicable to such immoveable properties. The mutation/substitution of the title to such immoveable properties shall be made and duly recorded in the name of the Transferee Company by the Appropriate Authorities pursuant to the Scheme of Amalgamation being approved by the Tribunal and the Scheme becoming effective in accordance with the terms hereof. The Transferor Company shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immoveable property is given to the Transferee Company.

2.2.4 all investments including the investments made by Transferor Company in the capital of other companies whether as shares, scrips, stocks, bonds, debentures, debenture stocks, inter-corporate deposits, units, mutual funds or pass through certificates and including depository receipts and certificates and other accrued benefits thereto shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act or deed done by the Transferor Company and/or the Transferee Company;

2.2.5 all the intellectual property rights of any nature whatsoever, including but not limited to intangible assets, including trademarks, logos, service marks, copyrights, domain names, trade names and applications relating thereto, goodwill, knowhow and trade secrets, pertaining to the Transferor Company, whether or not registered and whether or not recorded in books of accounts of the Transferor Company, without any cost, further act, instrument or deed, shall be and shall stand transferred



to and vested in the Transferee Company as a part of the transfer as a going concern, so as to become, as and from the Appointed Date, the intellectual property of the Transferee Company. The mutation/substitution of the title to such intellectual properties shall be made and duly recorded in the name of the Transferee Company by the Appropriate Authorities pursuant to the Scheme of Amalgamation being approved by the Tribunal and the Scheme becoming effective in accordance with the terms hereof. The Transferor Company shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its intellectual property is given to the Transferee Company.

2.2.6 all debts, liabilities, contingent liabilities, duties and obligations, including secured or unsecured, Sundry Creditors whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company, shall, be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause without any further Act, instrument, deed, matter or thing;

2.2.7 all statutory licenses, permissions or approvals or consents held by each of the Transferor Company required to carry on its operations shall stand transferred to and be vested in the Transferee Company without any further act or deed, and shall, as may be required, be appropriately mutated by the statutory authorities concerned therewith in favor of the Transferee Company. The benefit of all statutory and regulatory permissions, approvals and consents of the Transferor Company shall vest in and become available to the Transferee Company pursuant to the



Scheme;

2.2.8 any and all registrations, goodwill, licenses appertaining to the Transferor Company shall stand transferred to and vested in the Transferee Company;

2.2.9 For the removal of doubts, it is clarified that to the extent that there are inter-company loans, deposits, obligations, balances or other outstandings as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

2.2.10 On the Scheme becoming effective, the issued, subscribed and paid-up equity capital of Transferee Company that is held by the Transferor Company shall stand cancelled without any further act or deed.

Provided that the Transferor Company and the Transferee Company may by mutual agreement at any time after the Appointed Date, give effect to any or all of the provisions of this Clause 2.2.

2.3 Listing Regulations and SEBI Compliances

2.3.1. Since the Transferee Company is a listed company, this Scheme is subject to the compliances of all the requirements under the Listing Regulations and all statutory directives of the Securities Exchange Board of India ('SEBI') insofar as they relate to sanction and implementation of the Scheme.

2.3.2. The Scheme being approved by the PUBLIC Shareholders through e-voting in terms of Part -I (A)(10)(a) of SEBI Master circular No.



SEBI/HO/CFD/POD/P/CIR/2023/93 dated June 20, 2023 and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

2.4 Procedural Formalities Post Sanction of the Scheme

2.4.1 The Transferee Company shall, 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, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company have been a party, in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.

2.4.2 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Transferor Company and/or the Transferee Company shall, if required, simultaneously with the amendment in the register of charges file particulars of the modified charges with the concerned ROC. Any documentation subsequently entered into with the term lenders or the working capital lenders of the Transferor Company and the Transferee Company, shall be for the sake of convenience and record only and to reflect the changes in the security pursuant to the Scheme and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Transferor Company.

2.4.3 Upon the Scheme becoming effective, all statutory permissions, licenses, approvals, consents, privileges, benefits and benefits of filings and all other incorporeal rights emanating from such licenses (together the "Licenses", for the purpose of this Clause relating to the Transferor Company, shall stand transferred to and vested in the Transferee Company without any



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further act, instrument or deed, as more particularly provided hereinabove. Notwithstanding such transfer/ vesting of the Licenses, if any application is required for the statistical record of the statutory authorities to implement the transfer and vesting of the Licenses, as provided hereinabove, the Transferee Company shall facilitate the statutory authorities by filing such applications, which shall be granted/ approved in favour of the Transferee Company based on the sanction order of the Scheme by the Tribunal.

2.4.4 From the Effective Date, all bank accounts of the Transferor Company shall be permitted to be continued with the same balances as of the Effective Date in the name of the Transferee Company and for record the Transferee Company shall be permitted to file names and particulars of the new authorized signatories for withdrawals and/ or deposits/ credits in such bank accounts and the relevant bank accounts shall be reconstituted accordingly.

2.5 Conduct of Business till effective date by Transferor Company

2.5.1 Subject to the steps, if any, taken under the proviso to Clause 2.2 of this Scheme, with effect from the Appointed Date and until occurrence of the Effective Date:

2.5.1.1 the Transferor Company undertakes to carry on and shall be deemed to have carried on all their business activities and stand possessed of their properties and assets, for and on account of and in trust for the Transferee Company; and

2.5.1.2 all the income or profits accruing to the Transferor Company and all charges, expenses, taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the income, profits, expenses, taxes or losses, as the case may be, of the Transferee Company; and

2.5.1.3 all the assets as acquired by the Transferor Company for carrying



on its business, operations or activities and the liabilities relating thereto shall be deemed to have been acquired and so contracted for and on behalf of the Transferee Company

2.5.1.4 the Transferor Company shall carry on their business, with reasonable diligence and business prudence and in the same manner as they had been doing hitherto 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 guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of their properties/ assets, except : (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by them as on the date of filing of this Scheme in the Tribunal; or (c) when a prior written consent of the Transferee Company has been obtained in this regard;

2.5.1.5 except by mutual consent of the Board of Directors of the Transferor Company and the Transferee Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme by the Tribunal, the Transferor Company shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organization or in any other manner, which would have the effect of reorganization of capital of the Transferor Company; and

2.5.1.6 the Transferor Company shall not vary or alter, except in the



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ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of the Transferor Company, the terms and conditions of employment of any of its employees, nor shall they conclude settlement with any union or its employees except with the written concurrence of the Transferee Company; and

2.5.1.7 the Transferor Company shall not alter or substantially expand its business except with the written concurrence of the Transferee Company; and

2.5.1.8 the Transferor Company shall not amend its memorandum of association and / or their articles of association, except with the written concurrence of the Transferee Company.

2.5.2 With effect from the Appointed Date, the Transferor Company shall not without the prior written consent of the Transferee Company, utilize the profits, if any, for declaring or paying of any dividend to its shareholders and shall also not utilize, adjust or claim adjustment of profits/ reserves, as the case may be earned/ incurred or suffered after the Appointed Date.

2.5.3 The Transferor Company shall not after the appointed Date, issue or allot any further securities, by way of rights or bonus or otherwise without the prior written consent of the Board of Directors of the Transferee Company.

2.5.4 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date, whether or not provided in their books, and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts,



liabilities, duties and obligations of the Transferee Company.

2.5.5 With effect from the Appointed Date, the Transferee Company shall be deemed to have commenced and shall carry on and shall be authorized to carry on the business of the Transferor Company.

PART - IV

CONSIDERATION, ACCOUNTING TREATMENT AND TAX TREATMENT OF TRANSFEEE COMPANY

3) CONSIDERATION

3.1 Upon the coming into effect of the Scheme, in consideration of the amalgamation of the Transferor Company with the Transferee Company pursuant to Part III of the Scheme, the Transferee Company shall, without any further act or deed and without any further payment, issue and allot:

“**100 (One Hundred)** fully paid Equity Shares of INR **10/-** each of the Transferee Company against **45(Forty- Five)** Equity Share of INR **10/-** each of the Transferor Company to each of the equity shareholder holding fully paid-up Equity Shares in the Transferor Company and whose name is recorded in the Register of Members of Transferor Company as on the record date.”

3.2 Upon New Shares being issued and allotted by the Transferee Company to the members of the Transferor Company, in accordance with Clause 3.1, the share certificates in relation to the shares held by the said members in the Transferor Company shall stand cancelled and extinguished and be of no effect on and from the date of such issue and allotment.

3.3 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of



Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on Record Date, in order to remove any difficulties, after the effectiveness of this Scheme.

- 3.4 All profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company including accumulated losses shall for all purposes be deemed to have accrued as the profits or income or expenditure or losses, as the case may be of the Transferee Company.
- 3.5 The Equity shares issued and allotted by the Transferee Company shall be subject to the provisions of Memorandum and articles of association of the Transferee Company and shall rank pari passu in all respects with the ordinary equity shares of the Transferee Company including as regards entitlement to dividend and other distributions and repayment of capital declared or paid on or after the Effective Date and voting and other rights.
- 3.6 In the event that the Companies restructure their share capital by way of share split/ consolidation/issue of bonus shares during the pendency of the Scheme, the Share Exchange ratio, shall be adjusted accordingly to take into account the effect of any such corporate actions.
- 3.7 At the time of issue and allotment of equity shares, the Board of the Transferee Company shall aggregate all fractional entitlements, and allot equity shares in lieu thereof to a Corporate trustee or such other authorised representative(s) as the Board of Transferee Company shall appoint in this behalf, who shall hold such new shares with all addition or accretions thereto in trust on behalf of the equity share holder entitled to fractional entitlements (and their respective heirs, executors, administrators or successor(s) with the express understanding that such trustee or other authorised representative (s) shall sell the same in the market at such time or times and at such price or prices and to such person or persons, as it/he/they may deem fit, within a period of 90(ninety) days from the



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date of allotment of equity shares or such additional period as may be permissible under Applicable Law, and on such sale, distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. The Board of Transferee Company, if it deems necessary, in the interest of allottees, approves such other method for distribution of the net proceeds in this behalf as it may, in its absolute discretion, deem fit.

3.8 No fractional shares shall be issued by the Transferee Company and the fractional share entitlements, if any, arising out of the allotment of shares as aforesaid, shall be paid in cash.

3.9 The RTA is authorised to allot the shares as per this Scheme of Amalgamation (Merger by Absorption) in accordance with applicable provisions of law in this regard.

3.10 New shares to be issued shall be in dematerialized form when the Scheme become effective.

3.11 The equity shares allotted and issued upon the Scheme become effective shall be listed and/or admitted to trading on the Stock Exchanges, where the equity shares of the Transferee Company are Listed and/or admitted to trading, subject to the Transferee company obtaining the requisite approvals pertaining to their listing.

4) CHANGE IN AUTHORISED SHARE CAPITAL OF TRANSFEREE COMPANY

4.1 Consequent to and as part of the amalgamation of the Transferor Company with the Transferee Company herein, the Authorised Share Capital of the Transferor Company shall stand merged into and combined with the Authorised Share Capital of the Transferee Company pursuant to the Scheme, without any further act of deed, and without payment of any registration or filing fee on such combined Authorised Share Capital, the Transferor Company and the Transferee Company having already



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paid such fees. Accordingly, the Authorised Share Capital of the Transferee Company resulting from the amalgamation of the Transferor Company with the Transferee Company shall be a sum of Rs. 78,00,00,000 (Rupees Seventy-Eight Crores) divided into 6,42,50,000 Equity Shares of Rs. 10/- each, i.e., Rs. 64,25,00,000 (Sixty-Four Crore Twenty-Five Lakhs) and 1,37,50,000 Preference Shares of Rs. 10/- each, i.e., Rs. 13,75,00,000 (Thirteen Crore Seventy-Five Lakhs) and Clause V of the Memorandum of Association of the Transferee Company shall stand altered accordingly.

4.2 The stamp duty or filing fees paid on the authorized share capital of the Transferor Company are permitted to be utilized and applied towards the increase in the authorized share capital of the Transferee Company in accordance with Clause 4.1, and no further demand of additional stamp duty or fee shall be raised or made upon the Transferee Company by any regulatory authorities in relation to such increase in the authorized share capital of the Transferee Company, including by the Registrar of Companies and no separate procedure or instrument or deed shall be required for the same.

4.3 It is hereby clarified that for the purposes of increasing the authorized share capital of the Transferee Company in accordance with Clause 4.1 the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under sections 13, 14, 61 or any other applicable provisions of the Act, would be required to be separately passed.

5) CLUBBING OF OBJECTS

With effect from the Appointed date, the main objects of the Transferor Company as recorded in the Memorandum of Association of Transferor company shall deemed to constitute as the additional main objects of the Transferee company and such amendment shall stand effected without recourse to the procedure contemplated under the provisions of Section 13 of the Act.



6) ACCOUNTING TREATMENT

6.1 In the facts and circumstances relating to the Amalgamation proposed in the Scheme, the Amalgamation will be accounted in accordance with the “acquisition method” prescribed under the Indian Accounting Standard 103 (Business Combinations) as notified under Section 133 of the Act, read together with the Companies (Indian Accounting Standard) Rules, 2015.

7) TAX

7.1 Any tax liabilities under the Income Tax Act or other applicable laws/regulations dealing with taxes/ duties/ levies allocable or related to the business of Transferor Company whether or not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

7.2 Any surplus in the provision for taxation/ duties/ levies account and any entitlement to credit, refund or set off including but not limited to the advance tax, tax deducted at source and MAT credit (credit of tax paid under section 115JB of the Income Tax Act, 1961), GST credit, as on the date immediately preceding the Appointed Date will also be transferred to Transferee Company. Any refund under the Income Tax Act or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of Transferor Company or due to Transferor Company, consequent to the assessment made in respect of Transferor Company, shall also belong to and be received by Transferee Company.

7.3 The tax payments (including without limitation income tax, tax on distribution of dividends, GST or any other taxes as may be applicable from time to time) whether by way of tax deducted at source, advance tax or otherwise howsoever, by Transferor Company whether before or after the Appointed Date, shall be deemed to be paid by Transferee Company and shall, in all proceedings, be dealt with



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accordingly. Notwithstanding the above, any tax deducted at source by either the Transferor Company or the Transferee Company on account of intercompany transactions, if any, between Transferee Company and Transferor Company post the Appointed Date, shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

7.4 Any withholding tax certificate or any other tax related certificate issued in the name of the Transferor Company shall be deemed to be issued in the name of the Transferee Company.

7.5 Upon the Scheme becoming Effective, with effect from the Appointed Date, Transferor Company and Transferee Company are expressly permitted to prepare and/or revise, as the case may be, their financial statements and returns along with the prescribed forms, filings and annexure under the Income Tax Act, GST laws and other tax laws, if required, to give effects to provisions of the Scheme.

7.6 All tax assessments proceedings/appeals of whatsoever nature by or against the Transferor Company pending at and/or arising after the Appointed Date and relating to Transferor Company shall be continued and/or enforced until the Effective Date as desired by Transferee Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Company. Further, subject to the provisions of the relevant statutes the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of Transferor Company with Transferee Company or anything contained in the Scheme.

7.7 Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.



8) STAFF AND EMPLOYEES

8.1 On the scheme becoming operative, all employees of the Transferor Company, who are on its pay roll shall be engaged by the Transferee Company, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Transferor Company, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company (if any), upon this Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, in accordance with the provisions of applicable laws and in terms of this Scheme. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose, shall be treated as having been continuous;

8.2 It is expressly provided that, on the scheme becoming effective, the provident fund, gratuity fund or any other fund created for the benefit of staff and employees of the Transferor Company shall become the fund of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such funds or funds or funds in relation to the obligation to make contribution to the said funds, if any. It is clarified that the services of the staff and employees of the Transferor Company will be treated as having been continuous for the purpose of said fund or funds.

9) LEGAL PROCEEDINGS

9.1 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company are pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the scheme or by anything contained



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in this scheme, but the said suit, appeal or other legal 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 this scheme had not been made. The Transferee Company shall file necessary application for transfer of all pending suit/appeal or other proceedings of whatsoever nature relating to Transferor Company;

9.2 Subject to the above clause, in case any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company, the Transferee Company shall be made party thereto and payment and expenses made thereto shall be liability of the Transferee Company.

10) CONTRACT, DEEDS AND OTHER INSTRUMENTS

10.1 all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company or to the benefit of which, the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto;

10.2 It is clarified that incase of any such instruments including contracts, deeds, bonds etc., wherever required, Transferee Company shall amend or modify such instrument etc., as may be appropriate, by appending, attaching or affixing there to such addendum, stickers, papers, supplementary modification deeds etc., with or without affixing the common seal of the Company, to denote and signify the transferee company as a party thereto stepping instead and in place of Transferor Company. Further, Transferee Company shall be deemed to be authorized to



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execute any such deeds, writing or confirmations on behalf of the Transferor Company and to implement and to carry out all formalities required on part of the Transferor Company to give effect to the provision of this scheme.

11) INDEMNITY BY SHAREHOLDERS OF TRANSFEROR COMPANY

11.1 The Shareholders of the Transferor Company shall indemnify and hold harmless the Transferee Company and its directors, officers, representatives, partners and employees (collectively "Indemnified Persons") for losses, liabilities, cost, charges, expenses, (whether or not resulting from third party claims) including those paid or suffered pursuant to any actions, proceedings, claim and including interest and penalties discharged by the Indemnified Persons which may devolve on Indemnified Persons on account of amalgamation of Transferor Company with the Transferee Company but would not have been payable by such Indemnified Persons otherwise, the Indemnification being in the form and manner as may be agreed amongst the Transferee Company and the Shareholders of Transferor Company.

12) SAVING OF CONCLUDED TRANSACTIONS

12.1 The transfer of assets, properties and liabilities under Clause 2 of Part III above and also the continuance of proceedings by or against the Transferor Company under the same Clause shall not affect any transaction or proceedings already concluded by the Transferor Company on and 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.

13) DISSOLUTION OF THE TRANSFEROR COMPANY

13.1 On the Scheme becoming effective, the Transferor Company shall stand dissolved automatically without winding up in accordance with the provisions of Section 230



and 232 of the Act.

- 13.2 On and from the Effective Date, names of the Transferor Company shall be removed from the records of the ROC and records relating to the Transferor Company shall be transferred and merged with the records of the Transferee Company.

PART - V

GENERAL / RESIDUARY TERMS AND CONDITIONS

14) APPLICATIONS TO Tribunal

- (i) The Transferee Company and the Transferor Company shall, with all reasonable dispatch, make respective applications to the Tribunal and or applicable authority, under sections 230 to 232 of the Act, seeking order for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the Act.
- (ii) The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make necessary applications to the tribunal, under Section 230 to 232 and other applicable provisions of the Act for sanctioning the Scheme with such modifications as may be approved by the tribunal and for consequent dissolution of the Transferor Company without winding up. The said companies shall also apply for and obtain such other approvals, as may be necessary in law, if any, for bringing the Scheme into effect and be entitled to take such other steps and proceedings as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

15) CONDITIONALITY OF THE SCHEME



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

- 15.1 The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Transferor Company and Transferee Company as may be directed by the Tribunal under Section 230- 232 of the Act;
- 15.2 The sanctioning of this Scheme by the Tribunal, whether with any modifications or amendments as Tribunal may deem fit or otherwise;
- 15.3 The filing of the certified copies of the orders of the Tribunal sanctioning the scheme of Amalgamation with the Registrar of Companies by the Transferor Company and Transferee Company, as the case may be;
- 15.4 Any other sanctions and orders as may be directed by the Tribunal in respect of the Scheme.

Upon this Scheme becoming effective, in accordance with sub-section 6 of Section 232 of the Act, the Scheme shall be deemed to be effective from the Appointed Date.

16) MODIFICATION OR AMENDMENTS TO THE SCHEME

- 16.1 The Transferor Company and the Transferee Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the Tribunal and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. The Transferor Company and the Transferee Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the Tribunal or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.



16.2 In the event of any of the conditions that may be imposed by the Tribunal or other authorities which the Transferor Company and Transferee Company may find unacceptable for any reason, then the Transferor Company and/or Transferee Company are at liberty to withdraw the Scheme. The Board of Directors of Transferor Company and Transferee Company shall be entitled, in a mutually agreeable manner, to revoke, cancel and declare the Scheme to be of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on Transferor Company and/or Transferee Company.

16.3 The provisions of this Scheme as they relate to the amalgamation of Transferor Company into and with Transferee Company have been drawn up to comply with the conditions relating to "amalgamation" as defined under section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section of the Income-Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-Tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

17) EFFECT OF NON-RECEIPT OF APPROVALS

17.1 In the event that the Scheme is not sanctioned by the Tribunal or in the event any of the consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void. The Transferee Company shall bear the cost, charges and expenses in connection with the Scheme unless otherwise mutually agreed.

17.2 The non – receipt of any sanctions or approvals for a particular asset or liability forming part of the Transferor Company getting transferred pursuant to this



Scheme, shall not affect the effectiveness of the respective section of the Scheme, if the Boards of Directors of the Transferor Company and/or Transferee Company so decide.

17.3 In particular and without prejudice to the generality of the foregoing, the Transferor Company and the Transferee Company will reverse any steps taken by them in implementation of Clause 2) of this Scheme.

18) COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and other expenses, if any (save as expressly otherwise agreed) arising out of, in connection to or in relation to or incurred in carrying out and implementing this Scheme and to put it into operation shall be borne by the Transferee Company.

19) MISCELLANEOUS

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

For Kopran Limited



Surendra Somani
Executive Vice Chairman
DIN: 00600860



For Kopran Laboratories Limited



Varun Somani
Managing Director
DIN: 00015384

