

ADVANTA INDIA LIMITED

Registered Office: Krishnama House, # 8-2-418, 4th Floor, Road No.7, Banjara Hills, Hyderabad-500034,
Andhra Pradesh, India.

THE COURT CONVENED MEETING OF EQUITY SHAREHOLDERS

Meeting of the Trade Creditors	Contents	Pages
Time : 11.30 A.M.	Notice convening Meeting of the Equity Shareholders	02-03
Day : Saturday Date : 2nd June, 2012	Explanatory Statement under Section 393 of the Companies Act, 1956	04-12
Venue : Hotel Fortune Park Vallabha, Road No.12, Banjara Hills, Hyderabad, Andhra Pradesh, India	Scheme of amalgamation and arrangement between Advanta India Limited and Unicorn Seeds Private Limited and their respective shareholders and creditors	13-22
	Form of Proxy	23
	Attendance Slip	25

**IN THE HIGH COURT OF JUDICATURE OF ANDHRA PRADESH
AT HYDERABAD
(ORIGINAL JURISDICTION)**

**IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SECTIONS 391 TO 394 READ WITH SECTION 78, SECTION 100 TO 104 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF AMALGAMATION AND ARRANGEMENT BETWEEN**

**ADVANTA INDIA LIMITED
AND UNICORN SEEDS PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

IN THE MATTER OF ADVANTA INDIA LIMITED

COMPANY APPLICATION NO. 526 OF 2012

Advanta India Limited,
A Company incorporated under the
Companies Act, 1956, having its
registered office at Krishnama House,
8-2-418, 4th Floor, Road No.7,
Banjara Hills, Hyderabad-500034,
Andhra Pradesh, India.
represented by its Managing Director,
V.R.Kaundinya.

..... APPLICANT COMPANY/
TRANSFeree COMPANY

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF ADVANTA INDIA LIMITED,
THE APPLICANT COMPANY**

To
The Equity Shareholder(s) of the Advanta India Limited

TAKE NOTICE that by an order made on 26th April, 2012, the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad has directed that a meeting of the equity shareholders of Advanta India Limited be convened and held at Hotel Fortune Park Vallabha, Road No.12, Banjara Hills, Hyderabad-500034, in the state of Andhra Pradesh on Saturday, the 2nd Day of June 2012, at 11.30 A.M., for the purpose of considering, and, if thought fit, approving with or without modification(s), the Scheme of Amalgamation and Arrangement between Unicorn Seeds Private Limited, the transferor company and Advanta India Limited, the transferee company and their respective shareholders and creditors.

TAKE FURTHER NOTICE THAT in pursuance of the said order and as directed therein, a meeting of the Equity Shareholder(s) of Transferee Company will be convened and held at Hotel Fortune, Park Vallabha, Road No.12, Banjara Hills, Hyderabad - 500034, in the state of Andhra Pradesh on Saturday, the 2nd Day of June 2012, at 11.30 A.M., at which time and place you are requested to attend.

TAKE FURTHER NOTICE THAT you may attend and vote at the said meeting in person or by authorized representative or by proxy, provided that a authorization/ proxy in the prescribed form, duly signed by you, or your authorized representative, is deposited at the Registered Office of the Transferee Company as aforesaid, not later than 48 hours before the scheduled commencement time of the said meeting.

The Hon'ble Court has appointed Mr. B. Muralidhar, Advocate, as the Chairman for the said meeting.

A copy each of the Scheme of Amalgamation and Arrangement, the Explanatory Statement under Section 393 of the Companies Act, 1956, a Form of Proxy and Attendance Slip is enclosed.

Sd/-
B.Muralidhar
Chairman of the meeting

Dated this 02nd day of May, 2012

Registered office:

Krishnama House, # 8-2-418, 4th Floor, Road No.7, Banjara Hills, Hyderabad-500034, Andhra Pradesh, India.

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and such Proxy need not be a member of the Transferee Company. The Form of Proxy duly completed should, however, be deposited at the Registered office of the Transferee Company not less than 48 hours before the commencement of the Meeting. All alterations in the Form of Proxy should be initialed.
2. A Member or his Proxy is requested to bring the copy of the notice to the meeting and produce at the entrance of the meeting venue, the attendance slip duly completed and signed.
3. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
4. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in order of the names will be entitled to vote.

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. A Scheme of amalgamation and arrangement between Advanta India Limited And Unicorn Seeds Private Limited and their respective shareholders and creditors ("the Scheme of Arrangement"), has been proposed. Pursuant to the Order dated 26th day of April, 2012 passed by the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad in the Company Application No.526 of 2012 filed by Advanta India Limited, a meeting of the Shareholders of Advanta India Limited, the Applicant Company is being convened and held at Hotel Fortune Park Vallabha, Road No.12, Banjara Hills, Hyderabad -500034, on Saturday, the 2nd Day of June 2012, at 11.30 A.M., for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Amalgamation and Arrangement between Advanta India Limited and Unicorn Seeds Private Limited and their respective shareholders and creditors ('the Scheme' or 'this Scheme'). Notice of the said meeting together with the copy of "the Scheme" is sent herewith. This statement explaining the terms of the Scheme of Amalgamation and Arrangement is being furnished as required u/s 393 (1) (a) of the Companies Act, 1956 ("the Act").
2. The Board of Directors of the Transferee Company had vide a Resolution passed in its meeting held on 27th February, 2012 approved the proposed Scheme of Amalgamation and Arrangement pursuant to the provisions of Sections 391 to 394 read with Sections 78, 100 to 104 of the Act. The same was sent to The Bombay Stock Exchange Limited ("BSE") as well as The National Stock Exchange of India Limited ("NSE") for obtaining their approval to the said Scheme of Arrangement. Both NSE and BSE have granted their approval to the Scheme of Arrangement respectively vide letters dated 10th April, 2012 and 9th April, 2012.
3. The Transferee Company was incorporated under the provisions of the Act on 24 January 1994 in the State of Andhra Pradesh vide Certificate of Incorporation No. 01-16920 of 1994 in the name of ITC Zeneca Limited. Subsequently, vide Certificate dated 30th September, 1998, its name was changed from ITC Zeneca Limited to Advanta India Limited.
4. The Registered Office of the Transferee Company is situated at Krishnama House, # 8-2-418, 4th Floor, Road No.7, Banjara Hills, Hyderabad-500034, Andhra Pradesh, India.
5. The Transferee Company is one of the leading suppliers of seeds and is engaged in the business of agricultural biotechnology. Advanta is an agronomic and vegetable seed company and is the holding company for the global business of Advanta with direct operations in India, Australia, Argentina, Brazil, Indonesia and Thailand. Advanta has unique, superior and proprietary germplasm which combined with technology and bioscience capability gives Advanta a robust platform for growth. Advanta has entered into strategic alliance with some of the leading and high quality technology innovation companies across the world for value added biotech traits like pest resistance, herbicide and drought tolerance. Advanta is now embarking upon a very aggressive growth strategy.
6. The Share Capital of the Transferee Company as on 31st December 2011 i.e. the date of the last audited financial statements of the Transferee Company is as under:

Particulars	Amount in Rs Lacs
Authorised capital	
6,00,00,000 Equity Shares of Rs 10/- each	6,000.00
1,50,00,000 Preference Shares of Rs.10/- each	1,500.00
Total	7,500.00
Issued, subscribed and paid up capital	
1,68,54,212 Equity Shares of Rs 10/- each fully paid up	1,685.42
Total	1,685.42

Subsequent to the date of the last audited financial statements, there was an issue and allotment of 4028 equity shares upon exercise of equal number of options granted under Employee Stock Option Scheme – 2006 of the Transferee Company. Therefore the Issued, Subscribed and Paid up capital has been increased from Rs. 1685.42 lacs divided into 16,854,212 equity shares of Rs.10/- each to Rs. 1685.82 divided into 16,858,240 equity shares of Rs. 10/- each. However there has been no change in the Authorized capital..

7. The main objects of the Transferee Company as set out in its Memorandum of Association among others:-
1. To carry on the business of cultivating, growing, breeding, producing, manufacturing, collecting, buying, cleaning, processing, drying, storing, dealing, distributing, marketing and selling of Certified Seeds of all kinds and varieties coming under the purview of Seeds Act and to undertake cultivation, production, manufacture, collection, cleaning, processing, drying, storing, dealing, distribution, marketing and sale at quality hybrid and other seeds of all kinds and varieties.
 2. To install, manage and operate processing plants and seed storage facilities
 3. To undertake and promote research and development in agriculture, pharmaceuticals, specialty chemicals, bio science in general and growing, breeding, producing, manufacturing, preserving and storage of seeds of all kinds and varieties and in particular either on its own or in collaboration or association with any other agency or institution or company or individuals or association of persons
 4. To carry on the business of oil seeds and other seeds, edible oil, industrial oil, plant food, forestry plantation and sale of bio-technology.
8. Unicorn Seeds Private Limited ("USPL" or "the Transferor Company") was incorporated on 6 March 1996.
9. The Registered Office of USPL is situated at Unicorn House, No.3, Balaji Enclave, Nr. Gunrock Diamond Point, Transport Road, Secunderabad-500 009, Andhra Pradesh, India.
10. USPL is a wholly owned subsidiary of Transferee Company and is engaged in the business of custom production for key vegetable seeds suppliers in Europe, Asia and USA and is engaged in research and sale of vegetable seeds.
11. The Share Capital of USPL as on 31st December 2011 i.e. the date of the last audited financial statements of USPL is as under:

Particulars	Amount in Rs Lacs
Authorised:	
620,000 Equity Shares of Rs 10/- each	62.00
13,80,000 1% Redeemable Cumulative Preference Shares of Rs 10 each	138.00
Total	200.00
Issued, Subscribed and Paid-up:	
611,007 Equity Shares of Rs 10/- each fully paid-up	61.10
750,000 1% Redeemable Cumulative	
Preference Shares of Rs 10 each	75.00
Total	136.10

The entire issued, subscribed and paid up equity and preference share capital of USPL is held by the Transferee Company.

Subsequent to the date of the last audited financial statements, there is no change in the Authorised, issued, subscribed and paid-up share capital of USPL.

12. The objects of USPL as set out in its main objects clause in its Memorandum of Association are as under:-
1. To develop, grow, raise, process buy, sell, export, import, and deal in all kinds of seeds & planting material, fresh & processed fruits and vegetables, herbs & medicinal plants.

2. To develop, establish and maintain and to provide consultancy or aid in the development, establishment and maintenance of seed, Fruit, vegetable and other farms, green houses, nurseries, processing and distribution centres and stores for all kinds of seeds, planting materials, fruits, vegetables & other materials.

13. The material provisions of the proposed Scheme of Arrangement are as under:

1 DEFINITIONS

1.2 'Appointed Date' means opening business hours of 1st April, 2011.

1.6 'Effective Date' means the date on which the certified copy of the order passed by the High Court sanctioning the Scheme is filed with the Registrar of Companies of Hyderabad, Andhra Pradesh. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "Scheme coming into effect" shall mean the "Effective Date".

1.8 'Scheme of Amalgamation and Arrangement' or 'Scheme' or 'the Scheme' or 'this Scheme' means this Scheme of Amalgamation and Arrangement in its present form submitted to the High Court or any other appropriate authority or with any modification(s) made under Clause 18 of this Scheme.

1.11 'Undertaking' shall mean:

- (a) All the assets and properties of the Transferor Company as on the Appointed Date;
- (b) All the secured and unsecured debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date;
- (c) Without prejudice to the generality of sub clause (a) above, the Undertaking of the Transferor Company shall include all the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses, registrations, certificates, permissions, consents, approvals, concessions (including but not limited to sales tax concessions, excise duty, services tax or customs, value added tax and other incentives of any nature whatsoever), remissions, remedies, subsidies, guarantees, bonds, copyrights, patents, trade names, trade marks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trade marks, leases, leave and license agreements, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, contracts and arrangements, powers, authorities, permits, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits (including but not limited to credits in respect of income-tax, tax on book profits, value added tax, sales tax, service tax, etc.), and other claims and powers, all books of accounts, documents and records of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date.

5. TRANSFER OF UNDERTAKING

5.1 Subject to the provisions of this Scheme as specified herein and with effect from the Appointed Date, the entire Undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- (a) The Undertaking of the Transferor Company comprising of its business, all assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in sub clauses (b) and (c) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.

Provided that for the purpose of giving effect to the vesting order passed under Sections 391 to 394 of the Act in respect of this Scheme, the Transferee Company shall at any time pursuant to the orders on this Scheme be entitled to get the recordal of the change in the title and the appurtenant legal right(s) upon the vesting of such assets of the Transferor Company in accordance with the provisions of Sections 391 to 394 of the Act, at the office of the respective Registrar of Assurances or any other concerned authority, where any such property is situated.

- (b) All the movable assets including cash in hand, if any, of the Transferor Company capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. The plant and machinery of the Transferor Company, which are fastened to land and/or buildings continue to remain movable properties, inter alia, because the said plant and machinery are fastened to land only with a view to have better enjoyment of the movable properties.
- (c) In respect of movables other than those specified in sub clause (b) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and /or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Sections 391 to 394 of the Act.
- (d) In relation to the assets, properties and rights including rights arising from contracts, deeds, instruments and agreements, if any, belonging to the Transferor Company, which require separate documents of transfer including documents for attornment or endorsement, as the case may be,, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case may be, as and when required.
- (e) All debts, 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 Sections 391 to 394 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, 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, duties and obligations have arisen, in order to give effect to the provisions of this sub clause.

However, the Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to the contract or arrangement to which the Transferor Company are a party or any writing, as may be necessary, in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company as well as to implement and carry out all such formalities and compliances referred to above.

- (f) The transfer and vesting of the Undertaking of the Transferor Company as aforesaid shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the Transferor Company.

Provided however that any reference in any security documents or arrangements (to which the Transferor Company is a party) pertaining to the assets of the Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Undertaking of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Company or any of the assets of the Transferee Company.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation of the Transferor Company into the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefore after the amalgamation has become operative.

- (g) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including credit on account of tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), 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.
- (h) 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 with effect from the Appointed Date.

12. CONSIDERATION

- 12.1 In view of the fact that the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon the Scheme becoming effective, no shares will be issued / allotted under the Scheme by the Transferee Company.
- 12.2 Further, upon the Scheme becoming effective, all the equity and preference shares of the Transferor Company held by the Transferee Company shall stand cancelled.

13. DISSOLUTION OF THE TRANSFEROR COMPANY

- 13.1 On the Scheme coming into effect, the Transferor Company shall, without any further act or deed, stand dissolved without winding up.

14. ACCOUNTING TREATMENT

- 14.1 Upon the Scheme becoming effective and with effect from the Appointed Date, subject to Clause 14.2, the Transferee Company shall record the assets and liabilities of the Transferor Company, vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.
- 14.2 To the extent there are inter-corporate loans or balances between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 14.3 Upon the Scheme becoming effective and with effect from the Appointed Date the Transferee Company shall record the reserves of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.
- 14.4 The difference of the value of the assets over the value of the liabilities and reserves of the Transferor Company vested in the Transferee Company pursuant to this Scheme and recorded in the books of account of the Transferee Company in terms of Clauses 14.1 to 14.3 above be adjusted to the Capital Reserve in the Balance Sheet of the Transferee Company.
- 14.5 Upon the Scheme becoming effective and with effect from the Appointed Date the cost of investment in the books of the Transferee Company representing investment (equity and preference) in the Transferor Company shall be adjusted against the Securities Premium Account in the Balance Sheet of the Transferee Company.
- 14.6 The adjustment of the Securities Premium Account, as per Clause 14.5 above, shall be effected as an integral part of the Scheme itself and shall be sufficient compliance in terms of Sections 100 to 104 of the Act, as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital. The order of the High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the adjustment without the need on the part of the Transferor Company or the Transferee Company to carry out any further act or deed.

14.7 Further, in case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted in accordance with Accounting Standard 5 - 'Prior Period and Extraordinary Items and Changes in Accounting Policies' - to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

14.8 The Transferee Company shall abide by the pooling of interest method referred to in Accounting Standard 14 - 'Accounting for Amalgamation' issued by the Institute of Chartered Accountants of India, subject to provisions of this Scheme.

6. LEGAL PROCEEDINGS

6.1 Upon the Scheme becoming effective, all legal and other proceedings, including before any statutory or quasi-judicial authority or tribunal of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date, shall be continued and enforced by or against the Transferee Company only, to the exclusion of the Transferor Company in the manner and to the same extent as would have been continued and enforced by or against the Transferor Company. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Transferor Company in the same manner and to the same extent as would or might have been initiated by the Transferor Company.

6.2 After the Appointed Date, if any proceedings are taken against the Transferor Company the same shall be defended by and at the cost of the Transferee Company.

15. COMBINATION OF AUTHORISED CAPITAL

15.1 Upon this Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of the Transferor Company amounting to Rs 20,000,000 comprising of 6,20,000 equity shares of Rs 10/- each and 13,80,000 preference shares of Rs 10/- each and the Memorandum of Association and Articles 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 and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 16, 31, 94 and 394 and applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent.

N.B. - The shareholders are requested to read the entire text of the Scheme attached herewith to get fully acquainted with the provisions thereof. What is stated hereinabove, are brief salient features of the said Scheme.

14. The Scheme of Amalgamation and Arrangement would operate as under:

14.1 The entire business of the Transferor Company along with the all the assets and liabilities lying in the books of Transferor Company would get transferred to Transferee Company.

14.2 The Transferor Company is engaged in the business operations related to that of the Transferee Company. The consolidation of these operations through amalgamation of Transferor Company into Transferee Company would result in:

- Better efficiency and streamlined management control and operation of businesses and activities, and would enable the combined entity to participate more vigorously and profitably in an increasing competitive market;
- Streamlined management focus and opportunities for expansion and growth for the business. Improvement in overall operational efficiency, economies of scale, reduction in administrative cost, optimization of resources, increase in profitability of the combined entity, stronger balance sheet of the merged company etc.

The Scheme of Amalgamation and Arrangement will benefit both the companies to carry on their business as a combined unit on a larger scale and would be in the interest of shareholders, creditors, employees, customers and all other stake holders as the same would enable focused business approach with maximization of benefits to all stake holders.

Further, the combined entity would be in a position to generate additional funds and to further diversify and expand its businesses and activities and attain better competitive edge.

- 14.3 The Transferee Company holds entire paid-up capital of Transferor Company. Upon this Scheme becoming effective, no shares of the Transferee Company shall be issued and share capital of Transferor Company shall without any further act or deed stand fully cancelled.
- 14.4 As per the Scheme of Arrangement, all the assets and liabilities will be transferred to the Transferee Company at book value.
- 14.5 The merger under the Scheme of Arrangement will be effected under the provisions of Sections 391 to 394 of the Act. The proposed merger complies with the provisions of Section 2(1B) of the Income-Tax Act, 1961.
- 14.6 NSE and BSE have, by their letters dated 10th April, 2012 and 9th April, 2012 respectively, granted their no-objection under Clause 24(f) of the Listing Agreement to the said Scheme of Arrangement.
- 14.7 No investigation proceedings have been instituted or are pending under Sections 235 to Section 251 of the Act against the Transferee Company.
- 14.8 The proposed Scheme of Arrangement will be in the best interests of the Transferee and Transferor Company and their respective shareholders and creditors.
- 14.9 The pre and post amalgamation (expected) shareholding pattern of the Transferor Company and the Transferee Company are given herein below:

(i) TRANSFEROR COMPANY – PRE AMALGAMATION AS AT 31st DECEMBER 2011 –

Particulars	Amount in Rs Lacs
Issued, Subscribed and Paid-up:	
611,007 Equity Shares of Rs 10/- each fully paid-up	61.10
750,000 1% Redeemable Cumulative	
Preference Shares of Rs 10 each	75.00
Total	136.10

The entire issued, subscribed and paid up equity and preference share capital of the Transferor Company is held by Transferee Company.

(ii) TRANSFEROR COMPANY – POST AMALGAMATION

The shares in the transferor company will stand cancelled post amalgamation

(iii) TRANSFEREE COMPANY – PRE AMALGAMATION AS AT 31st DECEMBER 2011

Sl. No.		Description	Nos.	Holding % to Equity
	Promoter and Promoter Group			
1	Indian Promoters			
	Individuals / HUF	2	847,650	5.03
	Bodies Corporate	3	8,589,857	50.97
	Sub total	5	94,37,507	55.99
2	Foreign Promoters	1	1,015,350	6.02
	Total shareholding of Promoter and Promoter group (A)	6	10,452,857	62.02
	Public			
1	Institutions	18	3,804,190	22.57
2	Non-institutions	7752	2,597,165	15.41
	Total public shareholding (B)	7776	16,854,212	100
	Shares held by Custodians and against which Depository Receipts have been issued			
	Promoter	-	-	-
	Public	-	-	-
	Total shares held by Custodians (C)	-	-	-
	Grand Total (A+B+C)	7776	16,854,212	100

(iv) TRANSFEREE COMPANY – POST AMALGAMATION

The shareholding pattern would remain unchanged post Scheme of Arrangement since there is no issue of shares on amalgamation.

15. The Directors of the Transferee Company and the Directors of the Transferor Company have no material interest in the proposed Scheme of Amalgamation and Arrangement except as shareholders in general.
16. The Directors of the Transferee Company may be deemed to be concerned and /or interested in the proposed Scheme of Amalgamation and Arrangement to the extent of their shareholding or that of the Companies, firms and/ or Institutions of which they are Directors, Partners, Members or Trustees and which hold Shares in the Transferee Company.
17. The extent of the shareholding of the Directors of Transferee Company either singly or jointly or as nominee as on 31st December, 2011 is as under:

Sr. No.	Name of the Director	Designation	Equity shares in Transferee Company	Equity shares in Transferor Company
1	Mr. Jai Rajju Shroff	Chairman	1015350	Nil
2	Mr. V.R.Kaundinya	Managing Director	7910	1 (Nominee Shareholder of Transferee Company)
3	Mr. Vikram R Shroff	Director	846650	Nil
4	Mr. Vinod Sethi	Director	Nil	Nil
5	Mr. Vasanth P. Gandhi	Director	Nil	Nil
6.	Mr. Hardeep Singh	Director	5000	Nil

18. The financial position of the Transferee Company will not be adversely affected by the Scheme. Further, the rights and interests of the creditors of the Transferee Company will not be prejudicially affected by the Scheme as the Transferee Company, post the Scheme will be able to meet its liabilities as they arise in the ordinary course of business. Further, the rights and interests of the shareholders and creditors of the Transferee Company will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.
19. In the event of any of the said sanctions and approvals referred to in the Scheme not being obtained and / or the Scheme not being sanctioned by the High Court or such other competent authority and / or the order or orders not being passed as aforesaid before 31st December, 2013 or such other date as may be agreed by the respective Board of Directors of Transferor Company and Transferee Company who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), the Scheme shall become null and void, and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.
20. Inspection of the following documents may be had by the shareholders of the Transferee Company at the Registered Office up to one day prior to the date of the meeting between 11:00 am and 1:00 pm on all working days (except Saturdays, Sundays and Public holidays):
- (i) Copy of the Application No. 526 of 2012 moved before Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad for convening meeting of the Equity Shareholders of the Transferee Company.
 - (ii) Certified copy of the order of the Hon'ble High Court of Judicature of Andhra Pradesh dated 26th April, 2012, passed in Company Application No. 526 of 2012 directing the convening of the equity shareholders' meeting.
 - (iii) Memorandum and Articles of Association of the Transferor Company and the Transferee Company.
 - (iv) Audited Balance Sheet and Profit and Loss account of the Transferee Company for the financial year ended December 31, 2011
 - (v) Audited Balance Sheet and Profit and Loss account of the Transferor Company for the financial year ended December 31, 2011
 - (vi) Copies of the No-objection certificate dated 10th April, 2012 and 9th April, 2012 received from NSE and BSE respectively.
 - (vii) Register of Directors' shareholdings of the Transferor Company.
 - (viii) Register of Directors' shareholdings of the Transferee Company.
 - (ix) Scheme of Amalgamation and Arrangement.

This statement may be treated as an Explanatory Statement under Section 393 of the Companies Act, 1956. A copy of the Scheme, Explanatory Statement and Form of Proxy may be obtained from the Registered Office of the Applicant Company and/or at the office of the Advocates (B. Muralidhar, Plot No. 649, Sriram Nagar Colony, Pupalguda Village, Rajendra Nagar Mandal, Ranga Reddy District).

Sd/-
(B.Muralidhar)
Chairman of the meeting

Dated this 02nd day of May, 2012

Registered office:

Krishnama House, # 8-2-418, 4th Floor, Road No.7, Banjara Hills, Hyderabad-500034, Andhra Pradesh, India.

SCHEME OF AMALGAMATION AND ARRANGEMENT

BETWEEN

ADVANTA INDIA LIMITED

AND

UNICORN SEEDS PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**UNDER SECTIONS 391 TO 394 READ WITH SECTIONS 100 TO 104 OF
THE COMPANIES ACT, 1956**

This Scheme of Amalgamation and Arrangement is presented under Sections 391 to 394 read with Sections 100 to 104 and other applicable provisions of the Companies Act, 1956 for amalgamation of Unicorn Seeds Private Limited into Advanta India Limited.

RATIONALE OF THE SCHEME

1. Advanta India Limited ('Advanta') is one of the leading suppliers of seeds and is engaged in the business of agricultural biotechnology. Advanta is an agronomic and vegetable seed company and is the holding company for the global business of Advanta with direct operations in India, Australia, Argentina, Brazil, Indonesia and Thailand. Advanta has unique, superior and proprietary germplasm which combined with technology and bioscience capability gives Advanta a robust platform for growth. Advanta has entered into strategic alliance with some of the leading and high quality technology innovation companies across the world for value added biotech traits like pest resistance, herbicide and drought tolerance. Advanta is now embarking upon a very aggressive growth strategy.
2. Unicorn Seeds Private Limited ('Unicorn') is a wholly owned subsidiary of Advanta and is engaged in the business of custom production for key vegetable seeds suppliers in Europe, Asia and USA and is engaged in research and sale of vegetable seeds.
3. Unicorn is engaged in the business operations related to that of Advanta. Towards the objective of combining the businesses of Advanta and Unicorn, it is proposed to amalgamate Unicorn into Advanta. The consolidation of these operations through amalgamation of Unicorn into Advanta would result in:
 - Better efficiency and streamlined management control and operation of businesses and activities, and would enable the combined entity to participate more vigorously and profitably in an increasing competitive market;
 - Streamlined management focus and opportunities for expansion and growth for the business. Improvement in overall operational efficiency, economies of scale, reduction in administrative cost, optimization of resources, increase in profitability of the combined entity, stronger balance sheet of the merged company etc.
4. The Scheme of Amalgamation and Arrangement will benefit both the companies to carry on their business as a combined unit on a larger scale and would be in the interest of shareholders, creditors, employees, customers and all other stake holders as the same would enable focused business approach with maximization of benefits to all stake holders.
5. Further, the combined entity would be in a position to generate additional funds and to further diversify and expand its businesses and activities and attain better competitive edge.

1 DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the meaning as mentioned herein below:

- 1.1 **'Act' or 'the Act'** means the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force.
- 1.2 **'Appointed Date'** means opening business hours of 1st April, 2011.
- 1.3 **'BSE'** means Bombay Stock Exchange Limited.
- 1.4 **'Board of Directors'** in relation to Advanta India Limited and Unicorn Seeds Private Limited as the case may be, shall, unless it be repugnant to the context or otherwise, includes a Committee of Directors or any person authorized by the Board of Directors or such Committee of Directors.
- 1.5 **'Court' or 'High Court'** means the Honorable High Court of Judicature at Andhra Pradesh at Hyderabad or such other tribunal or authority having jurisdictions to sanction the Scheme.
- 1.6 **'Effective Date'** means the date on which the certified copy of the order passed by the High Court sanctioning the Scheme is filed with the Registrar of Companies of Hyderabad, Andhra Pradesh. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "Scheme coming into effect" shall mean the "Effective Date".
- 1.7 **'NSE'** means National Stock Exchange Limited.
- 1.8 **'Scheme of Amalgamation and Arrangement' or 'Scheme' or 'the Scheme' or 'this Scheme'** means this Scheme of Amalgamation and Arrangement in its present form submitted to the High Court or any other appropriate authority or with any modification(s) made under Clause 18 of this Scheme.
- 1.9 **'Transferor Company' or 'Unicorn'** means Unicorn Seeds Private Limited, a company incorporated under the Act, and having its registered office located at Unicorn House, No.3, Balaji Enclave, Nr. Gunrock Diamond Point, Transport Road, Secunderabad-500 009, Andhra Pradesh, India.
- 1.10 **'Transferee Company' or 'Advanta'** means Advanta India Limited a company incorporated under the Act, and having its registered office located at Krishnama House, #8-2-418, 4th Floor, Road No. 7, Banjara Hills, Hyderabad - 500034, Andhra Pradesh, India.
- 1.11 **'Undertaking'** shall mean:
 - (d) All the assets and properties of the Transferor Company as on the Appointed Date;
 - (e) All the secured and unsecured debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date;
 - (f) Without prejudice to the generality of sub clause (a) above, the Undertaking of the Transferor Company shall include all the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses, registrations, certificates, permissions, consents, approvals, concessions (including but not limited to sales tax concessions, excise duty, services tax or customs, value added tax and other incentives of any nature whatsoever), remissions, remedies, subsidies, guarantees, bonds, copyrights, patents, trade names, trade marks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trade marks, leases, leave and license agreements, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, contracts and arrangements, powers, authorities, permits, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits (including but not limited to credits in respect of income-tax, tax on book profits, value added tax, sales tax, service tax, etc.), and other claims and powers, all books of accounts, documents and records of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date.

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 Income-tax Act, 1961 or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2 DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court, unless otherwise specified in the Scheme, shall be operative from the Appointed Date but shall be effective from the Effective Date.

3 SHARE CAPITAL

3.1 The share capital of the Transferor Company as at 31st December, 2011 is as under:

Particulars	Amount in Rs. Lacs
Authorised capital	
620,000 Equity Shares of Rs 10/- each	62.00
13,80,000 1% Redeemable Cumulative Preference Shares of Rs 10 each	138.00
TOTAL	200.00
Issued, subscribed and paid up capital	
611,007 Equity Shares of Rs 10/- each fully paid up	61.10
750,000 1% Redeemable Cumulative Preference Shares of Rs 10 each	75.00
Total	136.10

The entire issued, subscribed and paid up equity and preference share capital of the Transferor Company is held by Transferee Company.

3.2 The share capital of the Transferee Company as at 31st December, 2011 is as under:

Particulars	Amount Rs. Lacs
Authorised capital	
6,00,00,000 Equity Shares of Rs 10/- each	6,000.00
1,50,00,000 Preference Shares of Rs.10/- each	1,500.00
TOTAL	7,500.00
Issued, subscribed and paid up capital	
1,68,54,212 Equity Shares of Rs 10/- each fully paid up	1,685.42
Total	1,685.42

The equity shares of Transferee Company are listed on BSE and NSE.

4 COMPLIANCE WITH TAX LAWS

This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, 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.

5 TRANSFER OF UNDERTAKING

5.1 Subject to the provisions of this Scheme as specified herein and with effect from the Appointed Date, the entire Undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- (j) The Undertaking of the Transferor Company comprising of its business, all assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in sub clauses (b) and (c) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.

Provided that for the purpose of giving effect to the vesting order passed under Sections 391 to 394 of the Act in respect of this Scheme, the Transferee Company shall at any time pursuant to the orders on this Scheme be entitled to get the recordal of the change in the title and the appurtenant legal right(s) upon the vesting of such assets of the Transferor Company in accordance with the provisions of Sections 391 to 394 of the Act, at the office of the respective Registrar of Assurances or any other concerned authority, where any such property is situated.

- (k) All the movable assets including cash in hand, if any, of the Transferor Company capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. The plant and machinery of the Transferor Company, which are fastened to land and/or buildings continue to remain movable properties, inter alia, because the said plant and machinery are fastened to land only with a view to have better enjoyment of the movable properties.
- (l) In respect of movables other than those specified in sub clause (b) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and /or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Sections 391 to 394 of the Act.
- (m) In relation to the assets, properties and rights including rights arising from contracts, deeds, instruments and agreements, if any, belonging to the Transferor Company, which require separate documents of transfer including documents for attornment or endorsement, as the case may be,, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case may be, as and when required.
- (n) All debts, 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 Sections 391 to 394 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, 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, duties and obligations have arisen, in order to give effect to the provisions of this sub clause.

However, the Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to the contract or arrangement to which the Transferor Company are a party or any writing, as may be necessary, in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company as well as to implement and carry out all such formalities and compliances referred to above.

- (o) The transfer and vesting of the Undertaking of the Transferor Company as aforesaid shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the Transferor Company.

Provided however that any reference in any security documents or arrangements (to which the Transferor Company is a party) pertaining to the assets of the Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Undertaking of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Company or any of the assets of the Transferee Company.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation of the Transferor Company into the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefore after the amalgamation has become operative.

- (p) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including credit on account of tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), 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.
- (q) 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 with effect from the Appointed Date.

- 5.2 The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company, to implement and carry out all formalities and compliances, if required, referred to above.
- 5.3 Any tax liabilities under the Income-tax Act, 1961, Wealth-tax Act, 1957, service tax laws, customs law, excise law, central sales tax, state value added tax or other applicable laws / regulations dealing with taxes/ duties / levies of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceeding the Appointed Date, if any, shall be transferred to Transferee Company.
- 5.4 Any refund under the Income-tax Act, 1961, Wealth-tax Act, 1957, service tax laws, customs law, excise law, central sales tax, state value added tax or other applicable laws / regulations dealing with taxes/ duties / levies tax due to Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 5.5 On or after the Effective Date, the Transferor Company and the Transferee Company are expressly permitted to revise their returns and filings under the Income-tax Act, 1961, service tax laws and other laws, and to claim refunds and / or credits for taxes paid, etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 5.6 All tax assessment proceedings / appeals of whatsoever nature by or against the Transferor Company pending and / or arising at the Appointed Date and relating to the Transferor Company shall be continued and / or enforced until the Effective Date as desired by the Transferee Company. As and 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.

Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company into the Transferee Company or anything contained in the Scheme.

- 5.7 The tax payments (including, without limitation income-tax, tax on book profits, fringe benefit tax, wealth tax, service tax, excise tax, custom duty, value added tax, etc.) whether by way of deduction at source, advance tax or otherwise, howsoever, by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Transferor Company on transactions with the Transferee Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 5.8 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, service tax laws, customs law, excise law, central sales tax, state value added tax 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.
- 5.9 Without prejudice to the generality of the above, all benefits, incentives, losses, credits (including, without limitation income-tax, tax on book profits, fringe benefit tax, wealth tax, service tax, excise tax, custom duty, value added tax, etc.) to which the Transferor Company is entitled to in the terms of applicable laws, shall be available to and vest in the Transferee Company.

6 LEGAL PROCEEDINGS

- 6.1 Upon the Scheme becoming effective, all legal and other proceedings, including before any statutory or quasi-judicial authority or tribunal of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date, shall be continued and enforced by or against the Transferee Company only, to the exclusion of the Transferor Company in the manner and to the same extent as would have been continued and enforced by or against the Transferor Company. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Transferor Company in the same manner and to the same extent as would or might have been initiated by the Transferor Company.
- 6.2 After the Appointed Date, if any proceedings are taken against the Transferor Company the same shall be defended by and at the cost of the Transferee Company.

7 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 7.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, lease agreements, leave and license agreements, licenses, engagements, certificates, permissions, consents, approvals, concessions, and incentives (including but not limited to benefits under the Income-tax Act, 1961, tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), remissions, remedies, subsidies, guarantees and other instruments, if any, of whatsoever nature to which the Transferor Company is a party and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company may enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

8 SAVING OF CONCLUDED TRANSACTIONS

- 8.1 The transfer of Undertaking under Clause 5 above and the continuance of proceedings by or against the Transferee Company under Clause 6 above and the effectiveness of contracts and deeds under Clause 7 above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Company on or before the Appointed Date 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 in respect thereto as done and executed on behalf of itself.

9 STAFF, WORKMEN AND EMPLOYEES

- 9.1 On the Scheme coming into effect, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Effective Date without any break in their service and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to the Transferor Company on the Effective Date.
- 9.2 It is expressly provided that, in so far as the Gratuity Fund, Provident Fund, Super Annuation Fund, if applicable, Employee's State Insurance Corporation Contribution, Labour Welfare Fund or any other Fund created or existing for the benefit of the staff, workmen and employees of the Transferor Company is concerned, upon the Scheme coming into effect, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds 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 the Transferor Company in relation to such fund or funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees of the Transferor Company under such Funds and Trusts shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.
- 9.3 In so far as the Provident Fund, Gratuity Fund, Superannuation Fund, if applicable, or other Special Scheme(s) / Fund(s) created or existing for the benefit of the employees of the Transferor Company are concerned upon the coming into effect of this Scheme, balances lying in the accounts of the employees of the Transferor Company in the said funds as on the Effective Date shall stand transferred from the respective trusts / funds of the Transferor Company to the corresponding trusts / funds set up by the Transferee Company.

10 BUSINESS AND PROPERTY IN TRUST FOR TRANSFEE COMPANY

- 10.1 With effect from the Appointed Date upto and including the Effective Date:
- (a) The Transferor Company shall carry on and be deemed to have carried on its business and activities and shall stand possessed of its Undertaking, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- (b) Any income or profit accruing or arising to the Transferor Company and all costs, charges, expenses and losses or taxes (including but not limited to advance tax, tax deducted at source, tax on book profits, fringe benefit tax, taxes withheld/paid in a foreign country, service tax, customs duty, excise duty, central sales tax, State value added tax, etc), incurred by the Transferor Company shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.
- 10.2 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Company as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company, and all liabilities debts, duties, obligations 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.

11 CONDUCT OF BUSINESS TILL EFFECTIVE DATE

- 11.1 With effect from the Appointed Date and upto the Effective Date:
- (a) The Transferor Company shall carry on its business with reasonable diligence and in the same manner as it had been doing hitherto fore, and the Transferor Company shall not alter or substantially expand its business except with the written concurrence of the Transferee Company.
- (b) The Transferor Company shall not, without the written concurrence of the Transferee Company, alienate, charge or encumber its Undertaking/ part of its Undertaking, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of the Transferor Company.

- 11.2 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorised to carry on the businesses carried on by the Transferor Company.
- 11.3 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 own and carry on the business of the Transferor Company.

12 CONSIDERATION

- 12.1 In view of the fact that the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon the Scheme becoming effective, no shares will be issued / allotted under the Scheme by the Transferee Company.
- 12.2 Further, upon the Scheme becoming effective, all the equity and preference shares of the Transferor Company held by the Transferee Company shall stand cancelled.

13 DISSOLUTION OF THE TRANSFEROR COMPANY

- 13.1 On the Scheme coming into effect, the Transferor Company shall, without any further act or deed, stand dissolved without winding up.

14 ACCOUNTING TREATMENT

- 14.1 Upon the Scheme becoming effective and with effect from the Appointed Date, subject to Clause 14.2, the Transferee Company shall record the assets and liabilities of the Transferor Company, vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.
- 14.2 To the extent there are inter-corporate loans or balances between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 14.3 Upon the Scheme becoming effective and with effect from the Appointed Date the Transferee Company shall record the reserves of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.
- 14.4 The difference of the value of the assets over the value of the liabilities and reserves of the Transferor Company vested in the Transferee Company pursuant to this Scheme and recorded in the books of account of the Transferee Company in terms of Clauses 14.1 to 14.3 above be adjusted to the Capital Reserve in the Balance Sheet of the Transferee Company.
- 14.5 Upon the Scheme becoming effective and with effect from the Appointed Date the cost of investment in the books of the Transferee Company representing investment (equity and preference) in the Transferor Company shall be adjusted against the Securities Premium Account in the Balance Sheet of the Transferee Company.
- 14.6 The adjustment of the Securities Premium Account, as per Clause 14.5 above, shall be effected as an integral part of the Scheme itself and shall be sufficient compliance in terms of Sections 100 to 104 of the Act, as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital. The order of the High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the adjustment without the need on the part of the Transferor Company or the Transferee Company to carry out any further act or deed.
- 14.7 Further, in case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted in accordance with Accounting Standard 5 - 'Prior Period and Extraordinary Items and Changes in Accounting Policies' - to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

- 14.8 The Transferee Company shall abide by the pooling of interest method referred to in Accounting Standard 14 – 'Accounting for Amalgamation' issued by the Institute of Chartered Accountants of India, subject to provisions of this Scheme.

15 COMBINATION OF AUTHORISED CAPITAL

- 15.1 Upon this Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of the Transferor Company amounting to Rs 20,000,000 comprising of 6,20,000 equity shares of Rs 10/- each and 13,80,000 preference shares of Rs 10/- each and the Memorandum of Association and Articles 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 and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 16, 31, 94 and 394 and applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent.

It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the Memorandum of Association and Articles of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association and Article 5 of the Articles of Association of the Transferee Company shall stand altered accordingly.

16 APPLICATION TO THE HIGH COURT OR SUCH OTHER APPROPRIATE AUTHORITY

- 16.1 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications / petitions to the High Court or such other appropriate authority under Sections 391 to 394 read with Sections 100 to 104 and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of each of the Transferor Company and the Transferee Company as may be directed by the High Court or such other appropriate authority.
- 16.2 On the Scheme being agreed to by the requisite majorities of the classes of the members and/or creditors of the Transferor Company and the Transferee Company as directed by the High Court or such other appropriate authority, the Transferor Company and the Transferee Company shall, with all reasonable dispatch, apply to the High Court or such other appropriate authority for sanctioning the Scheme of Amalgamation and Arrangement under Sections 391 to 394 read with Sections 100 to 104 of the Act, and for such other order or orders, as the said High Court or such other appropriate authority may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Company without winding-up.

17 CONDITIONALITY OF THE SCHEME

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

- The Scheme being agreed to by the requisite majority of the respective members and / or creditors of the Transferor Company and of the Transferee Company;
- The Scheme being approved by the BSE and NSE;
- The Scheme being approved by the High Court under Sections 391 to 394 read with Sections 100 to 104 of the Act; and
- The certified copy of the order of the High Court sanctioning this Scheme being filed with the Registrar of Companies of Hyderabad, Andhra Pradesh.

18 MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 18.1 The Transferor Company and the Transferee Company, through their Directors or Committee of Directors, may consent on behalf of all persons concerned, to any modifications or amendments of this Scheme or to any conditions which the High Court and/or any other Authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in

carrying out this Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme into effect.

- 18.2 For the purpose of giving effect to this Scheme or to any modification, amendment or condition thereof, the Directors of the Transferee Company are authorized to give such directions and/or to take such step as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

19 REVOCATION AND SEVERABILITY

- 19.1 In the event of necessary sanctions and approvals not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the High Court or such other appropriate authority and/or order or orders not being passed as aforesaid before 31st December, 2013 or such other date as may be mutually agreed upon by the respective Board of Directors of Transferor Company and Transferee Company who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect.
- 19.2 In the event of revocation under Clause 19.1 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferee Company and the Transferor Company, their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, Transferee Company shall bear all costs.
- 19.3 If any part of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.
- 19.4 The Board of Directors of the Transferee Company and the Transferor Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on the Transferee Company and the Transferor Company.
- 19.5 The Transferor Company and the Transferee Company shall be at liberty to withdraw from this Scheme, in case any condition or alteration imposed by the High Court or any other authority is not on terms acceptable to them.

20 COSTS, CHARGES AND EXPENSES

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

IN THE HIGH COURT OF JUDICATURE OF ANDHRA PRADESH
AT HYDERABAD
(ORIGINAL JURISDICTION)

IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SECTIONS 391 TO 394 READ WITH SECTION 78, SECTION 100 TO 104 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF AMALGAMATION AND ARRANGEMENT BETWEEN

ADVANTA INDIA LIMITED
AND UNICORN SEEDS PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

IN THE MATTER OF ADVANTA INDIA LIMITED

COMPANY APPLICATION NO. 526 OF 2012

M/s. Advanta India Limited,
A Company incorporated under the
Companies Act, 1956, having its
registered office at Krishnama House,
8-2-418, 4th Floor, Road No.7,
Banjara Hills, Hyderabad-500034,
Andhra Pradesh, India.
represented by its Managing Director,
Mr.V.R.Kaundinya.

... APPLICANT COMPANY/
TRANSFeree COMPANY

FORM OF PROXY

I/ We, the undersigned, being the Member(s) of Advanta India Limited,
the Applicant Company do hereby appoint Mr./ Ms. _____ of _____

and failing him/her _____
of _____ as my/our proxy, to act for me/us at the meeting of the Members to be
held at Hotel Fortune Park Vallabha, Road No.12, Banjara Hills, Hyderabad -500034, in the state of Andhra Pradesh on
Saturday, the 2nd Day of June 2012, at 11.30 A.M., for the purpose of considering, and, if thought fit, approving with or
without modification(s), the Scheme of Amalgamation and Arrangement between Unicorn Seeds Private Limited, the
transferor company and Advanta India Limited, the transferee company and their respective shareholders and creditors
and at such meeting, and any adjournment / adjournments thereof, to vote, for me/us and in my/ our name(s) _____
(herein, if for insert 'FOR', if against insert 'AGAINST' and in the later case strike out the
words "either with or without modifications" after the word "Arrangement") the said arrangement embodied in the Scheme
of Amalgamation and Arrangement either with or without modifications as my/our proxy may approve.

*Strike out what is not necessary

Dated this _____ day of _____, 2012
Name _____
Address _____
Reg. Folio No. _____
Client ID No. _____
DP ID No. _____
No. of shares: _____

Affix
revenue
stamp

Signature _____

Signatures of Shareholder(s)

Signatures of Trade Creditor(s)

Sole / First Holder : _____
Second Holder : _____
Third Holder : _____
Proxy : _____

Signature of Proxy

Notes:

- (1) The Proxy must be deposited at the Registered Office of the Company at Krishnama House, # 8-2-418, 4th Floor, Road No.7, Banjara Hills, Hyderabad-500034, at least 48 hours before the time for holding the meeting. The proxy need not be a member of Advanta India Limited
- (2) All alterations made in the form of Proxy should be initialed.
- (3) In case of multiple proxies, the proxy later in time shall be accepted

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NOTES

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears to be from a notebook or a set of legal pads. There is no handwriting or other markings on the page.

ADVANTA INDIA LIMITED

Registered Office: Krishnama House, # 8-2-418, 4th Floor, Road No.7, Banjara Hills,
Hyderabad-500034, Andhra Pradesh, India.

THE COURT CONVENED MEETING OF TRADE CREDITORS

Meeting of the Trade Creditors	Contents	Pages
Time : 2.00 P.M.	Notice convening Meeting of the Trade Creditors	02-03
Day : Saturday Date : 2nd June, 2012	Explanatory Statement under Section 393 of the Companies Act, 1956	04-12
Venue : Hotel Fortune Park Vallabha, Road No.12, Banjara Hills, Hyderabad, Andhra Pradesh, India	Scheme of amalgamation and arrangement between Advanta India Limited and Unicorn Seeds Private Limited and their respective shareholders and creditors	13-22
	Form of Proxy	23
	Attendance Slip	25

**IN THE HIGH COURT OF JUDICATURE OF ANDHRA PRADESH
AT HYDERABAD
(ORIGINAL JURISDICTION)**

**IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SECTIONS 391 TO 394 READ WITH SECTION 78, SECTION 100 TO 104 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF AMALGAMATION AND ARRANGEMENT BETWEEN

ADVANTA INDIA LIMITED
AND UNICORN SEEDS PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

IN THE MATTER OF ADVANTA INDIA LIMITED

COMPANY APPLICATION NO. 526 OF 2012**

M/s. Advanta India Limited,
A Company incorporated under the
Companies Act, 1956, having its
registered office at Krishnama House,
8-2-418, 4th Floor, Road No.7,
Banjara Hills, Hyderabad-500034,
Andhra Pradesh, India.
represented by its Managing Director,
V.R.Kaundinya.

..... APPLICANT COMPANY/
TRANSFeree COMPANY

**NOTICE CONVENING THE MEETING OF THE TRADE CREDITORS OF ADVANTA INDIA LIMITED,
THE APPLICANT COMPANY**

To
The Trade Creditor(s) of the Advanta India Limited

TAKE NOTICE that by an order made on 26th April, 2012, the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad has directed that a meeting of the Trade Creditors of Advanta India Limited be convened and held at Hotel Fortune Park Vallabha, Road No.12, Banjara Hills, Hyderabad-500034, in the state of Andhra Pradesh on Saturday, the 2nd Day of June 2012, at 2 P.M., for the purpose of considering, and, if thought fit, approving with or without modification, the Scheme of Amalgamation and Arrangement between Unicorn Seeds Private Limited, the Transferor company and Advanta India Limited, the Transferee Company and their respective shareholders and creditors.

TAKE FURTHER NOTICE THAT in pursuance of the said order and as directed therein, a meeting of the Trade Creditor(s) of Transferee Company will be convened and held at Hotel Fortune, Park Vallabha, Road No.12, Banjara Hills, Hyderabad-500034, in the state of Andhra Pradesh, on Saturday, the 2nd Day of June 2012, at 2 P.M., at which time and place you are requested to attend.

TAKE FURTHER NOTICE THAT you may attend and vote at the said meeting in person or by authorized representative or by proxy, provided that an authorization/ proxy in the prescribed form, duly signed by you is deposited at the Registered Office of the Transferee Company as aforesaid, not later than 48 hours before the scheduled commencement time of the said meeting.

The Hon'ble Court has appointed Ms. B. Avani, Advocate, as the Chairperson for the said meeting.

A copy each of the Scheme of Amalgamation and Arrangement, the Explanatory Statement under Section 393 of the Companies Act, 1956, a Form of Proxy and Attendance Slip is enclosed. .

Sd/-
B.Avani
Chairperson of the meeting

Dated this 02nd day of May, 2012

Registered office:

Krishnama House, # 8-2-418, 4th Floor, Road No.7, Banjara Hills, Hyderabad-500034, Andhra Pradesh, India.

Notes:

1. A Trade Creditor entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and such Proxy need not be a Trade Creditor of the Transferee Company. The Form of Proxy duly completed should, however, be deposited at the Registered office of the Transferee Company not less than 48 hours before the commencement of the Meeting. All alterations in the Form of Proxy should be initialed.
2. A Trade Creditor or his Proxy is requested to bring the copy of the notice to the meeting and produce at the entrance of the meeting venue, the attendance slip duly completed and signed.

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. A Scheme of amalgamation and arrangement between Advanta India Limited And Unicorn Seeds Private Limited and their respective shareholders and creditors ("the Scheme of Arrangement"), has been proposed. Pursuant to the Order dated 26th day of April, 2012 passed by the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad in the Company Application No.526 of 2012 filed by Advanta India Limited, a meeting of the Equity Shareholders of Advanta India Limited, the Applicant Company is being convened and held at Hotel Fortune Park Vallabha, Road No.12, Banjara Hills, Hyderabad -500034, on Saturday, the 2nd Day of June 2012, at 2 P.M., for the purpose of considering and if thought fit, approving with or without modification(s), the Amalgamation embodied in the Scheme of Amalgamation and Arrangement between Advanta India Limited and Unicorn Seeds Private Limited and their respective shareholders and creditors ('the Scheme' or 'this Scheme'). Notice of the said meeting together with the copy of "the Scheme" is sent herewith. This statement explaining the terms of the Scheme of Amalgamation and Arrangement is being furnished as required u/s 393 (1) (a) of the Companies Act, 1956 ("the Act").
2. The Board of Directors of the Transferee Company had vide a Resolution passed in its meeting held on 27th February, 2012 approved the proposed Scheme of Amalgamation and Arrangement pursuant to the provisions of Sections 391 to 394 read with Sections 78, 100 to 104 of the Act. The same was sent to The Bombay Stock Exchange Limited ("BSE") as well as The National Stock Exchange of India Limited ("NSE") for obtaining their approval to the said Scheme of Arrangement. Both NSE and BSE have granted their approval to the Scheme of Arrangement respectively vide letters dated 10th April, 2012 and 9th April, 2012.
3. The Transferee Company was incorporated under the provisions of the Act on 24 January 1994 in the State of Andhra Pradesh vide Certificate of Incorporation No. 01-16920 of 1994 in the name of ITC Zeneca Limited. Subsequently, vide Certificate dated 30th September, 1998, its name was changed from ITC Zeneca Limited to Advanta India Limited.
4. The Registered Office of the Transferee Company is situated at Krishnama House, # 8-2-418, 4th Floor, Road No.7, Banjara Hills, Hyderabad-500034, Andhra Pradesh, India.
5. The Transferee Company is one of the leading suppliers of seeds and is engaged in the business of agricultural biotechnology. Advanta is an agronomic and vegetable seed company and is the holding company for the global business of Advanta with direct operations in India, Australia, Argentina, Brazil, Indonesia and Thailand. Advanta has unique, superior and proprietary germplasm which combined with technology and bioscience capability gives Advanta a robust platform for growth. Advanta has entered into strategic alliance with some of the leading and high quality technology innovation companies across the world for value added biotech traits like pest resistance, herbicide and drought tolerance. Advanta is now embarking upon a very aggressive growth strategy.
6. The Share Capital of the Transferee Company as on 31st December 2011 i.e. the date of the last audited financial statements of the Transferee Company is as under:

Particulars	Amount in Rs Lacs
Authorised capital	
6,00,00,000 Equity Shares of Rs 10/- each	6,000.00
1,50,00,000 Preference Shares of Rs.10/- each	1,500.00
Total	7,500.00
Issued, subscribed and paid up capital	
1,68,54,212 Equity Shares of Rs 10/- each fully paid up	1,685.42
Total	1,685.42

Subsequent to the date of the last audited financial statements, there was an issue and allotment of 4028 equity shares upon exercise of equal number of options granted under Employee Stock Option Scheme – 2006 of the Transferee Company. Therefore, the Issued, Subscribed and Paid up capital has been increased from Rs. 1685.42 lacs divided into 16,854,212 equity shares of Rs.10/- each to Rs. 1685.82 divided into 16,858,240 equity shares of Rs. 10/- each. However there has been no change in the Authorized capital.

7. The main objects of the Transferee Company as set out in its Memorandum of Association among others:-
1. To carry on the business of cultivating, growing, breeding, producing, manufacturing, collecting, buying, cleaning, processing, drying, storing, dealing, distributing, marketing and selling of Certified Seeds of all kinds and varieties coming under the purview of Seeds Act and to undertake cultivation, production, manufacture, collection, cleaning, processing, drying, storing, dealing, distribution, marketing and sale at quality hybrid and other seeds of all kinds and varieties.
 2. To install, manage and operate processing plants and seed storage facilities
 3. To undertake and promote research and development in agriculture, pharmaceuticals, specialty chemicals, bio science in general and growing, breeding, producing, manufacturing, preserving and storage of seeds of all kinds and varieties and in particular either on its own or in collaboration or association with any other agency or institution or company or individuals or association of persons
 4. To carry on the business of oil seeds and other seeds, edible oil, industrial oil, plant food, forestry plantation and sale of bio-technology.
8. Unicorn Seeds Private Limited ("USPL" or "the Transferor Company") was incorporated on 6 March 1996.
9. The Registered Office of USPL is situated at Unicorn House, No.3, Balaji Enclave, Nr. Gunrock Diamond Point, Transport Road, Secunderabad-500 009, Andhra Pradesh, India.
10. USPL is a wholly owned subsidiary of Transferee Company and is engaged in the business of custom production for key vegetable seeds suppliers in Europe, Asia and USA and is engaged in research and sale of vegetable seeds.
11. The Share Capital of USPL as on 31st December 2011 i.e. the date of the last audited financial statements of USPL is as under:

Particulars	Amount in Rs Lacs
Authorised:	
620,000 Equity Shares of Rs 10/- each	62.00
13,80,000 1% Redeemable Cumulative Preference Shares of Rs 10 each	138.00
Total	200.00
Issued, Subscribed and Paid-up:	
611,007 Equity Shares of Rs 10/- each fully paid-up	61.10
750,000 1% Redeemable Cumulative	
Preference Shares of Rs 10 each	75.00
Total	136.10

The entire issued, subscribed and paid up equity and preference share capital of USPL is held by the Transferee Company.

Subsequents to the date of the last audited financial statements, there is no change in the Authorised, issued, subscribed and paid-up share capital of USPL.

12. The objects of USPL as set out in its main objects clause in its Memorandum of Association are as under:-
1. To develop, grow, raise, process buy, sell, export, import, and deal in all kinds of seeds & planting material, fresh & processed fruits and vegetables, herbs & medicinal plants.

2. To develop, establish and maintain and to provide consultancy or aid in the development, establishment and maintenance of seed, Fruit, vegetable and other farms, green houses, nurseries, processing and distribution centres and stores for all kinds of seeds, planting materials, fruits, vegetables & other materials.
13. The material provisions of the proposed Scheme of Arrangement are as under:

1 DEFINITIONS

1.2 'Appointed Date' means opening business hours of 1st April, 2011.

1.6 'Effective Date' means the date on which the certified copy of the order passed by the High Court sanctioning the Scheme is filed with the Registrar of Companies of Hyderabad, Andhra Pradesh. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "Scheme coming into effect" shall mean the "Effective Date".

1.8 'Scheme of Amalgamation and Arrangement' or 'Scheme' or 'the Scheme' or 'this Scheme' means this Scheme of Amalgamation and Arrangement in its present form submitted to the High Court or any other appropriate authority or with any modification(s) made under Clause 18 of this Scheme.

1.11 'Undertaking' shall mean:

- (a) All the assets and properties of the Transferor Company as on the Appointed Date;
- (b) All the secured and unsecured debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date;
- (c) Without prejudice to the generality of sub clause (a) above, the Undertaking of the Transferor Company shall include all the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses, registrations, certificates, permissions, consents, approvals, concessions (including but not limited to sales tax concessions, excise duty, services tax or customs, value added tax and other incentives of any nature whatsoever), remissions, remedies, subsidies, guarantees, bonds, copyrights, patents, trade names, trade marks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trade marks, leases, leave and license agreements, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, contracts and arrangements, powers, authorities, permits, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits (including but not limited to credits in respect of income-tax, tax on book profits, value added tax, sales tax, service tax, etc.), and other claims and powers, all books of accounts, documents and records of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date.

5. TRANSFER OF UNDERTAKING

5.1 Subject to the provisions of this Scheme as specified herein and with effect from the Appointed Date, the entire Undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- (a) The Undertaking of the Transferor Company comprising of its business, all assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in sub clauses (b) and (c) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.

Provided that for the purpose of giving effect to the vesting order passed under Sections 391 to 394 of the Act in respect of this Scheme, the Transferee Company shall at any time pursuant to the orders on this Scheme be entitled to get the recordal of the change in the title and the appurtenant legal right(s) upon the vesting of such assets of the Transferor Company in accordance with the provisions of Sections 391 to 394 of the Act, at the office of the respective Registrar of Assurances or any other concerned authority, where any such property is situated.

- (b) All the movable assets including cash in hand, if any, of the Transferor Company capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. The plant and machinery of the Transferor Company, which are fastened to land and/or buildings continue to remain movable properties, inter alia, because the said plant and machinery are fastened to land only with a view to have better enjoyment of the movable properties.
- (c) In respect of movables other than those specified in sub clause (b) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and /or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Sections 391 to 394 of the Act.
- (d) In relation to the assets, properties and rights including rights arising from contracts, deeds, instruments and agreements, if any, belonging to the Transferor Company, which require separate documents of transfer including documents for attornment or endorsement, as the case may be,, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case may be, as and when required.
- (e) All debts, 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 Sections 391 to 394 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, 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, duties and obligations have arisen, in order to give effect to the provisions of this sub clause.

However, the Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to the contract or arrangement to which the Transferor Company are a party or any writing, as may be necessary, in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company as well as to implement and carry out all such formalities and compliances referred to above.

- (f) The transfer and vesting of the Undertaking of the Transferor Company as aforesaid shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the Transferor Company.

Provided however that any reference in any security documents or arrangements (to which the Transferor Company is a party) pertaining to the assets of the Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Undertaking of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Company or any of the assets of the Transferee Company.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company.

The Scheme of Amalgamation and Arrangement will benefit both the companies to carry on their business as a combined unit on a larger scale and would be in the interest of shareholders, creditors, employees, customers and all other stake holders as the same would enable focused business approach with maximization of benefits to all stake holders.

Further, the combined entity would be in a position to generate additional funds and to further diversify and expand its businesses and activities and attain better competitive edge.

- 14.3 The Transferee Company holds entire paid-up capital of Transferor Company. Upon this Scheme becoming effective, no shares of the Transferee Company shall be issued and share capital of Transferor Company shall without any further act or deed stand fully cancelled.
- 14.4 As per the Scheme of Arrangement, all the assets and liabilities will be transferred to the Transferee Company at book value.
- 14.5 The merger under the Scheme of Arrangement will be effected under the provisions of Sections 391 to 394 of the Act. The proposed merger complies with the provisions of Section 2(1B) of the Income-Tax Act, 1961.
- 14.6 NSE and BSE have, by their letters dated 10th April, 2012 and 9th April, 2012 respectively, granted their no-objection under Clause 24(f) of the Listing Agreement to the said Scheme of Arrangement.
- 14.7 No investigation proceedings have been instituted or are pending under Sections 235 to Section 251 of the Act against the Transferee Company.
- 14.8 The proposed Scheme of Arrangement will be in the best interests of the Transferee and Transferor Company and their respective shareholders and creditors.
- 14.9 The pre and post amalgamation (expected) shareholding pattern of the Transferor Company and the Transferee Company are given herein below:

(i) TRANSFEROR COMPANY – PRE AMALGAMATION AS AT 31st DECEMBER 2011 –

Particulars	Amount in Rs Lacs
Issued, Subscribed and Paid-up:	
611,007 Equity Shares of Rs 10/- each fully paid-up	61.10
750,000 1% Redeemable Cumulative	
Preference Shares of Rs 10 each	75.00
Total	136.10

The entire issued, subscribed and paid up equity and preference share capital of the Transferor Company is held by Transferee Company.

(ii) TRANSFEROR COMPANY – POST AMALGAMATION

The shares in the transferor company will stand cancelled post amalgamation

(iii) TRANSFEREE COMPANY – PRE AMALGAMATION AS AT 31st DECEMBER 2011

Sl. No.	Description	Nos.	Holding % to Equity
	Promoter and Promoter Group		
1	Indian Promoters		
	Individuals / HUF	2	847,650
	Bodies Corporate	3	8,589,857
	Sub total	5	94,37,507
2	Foreign Promoters	1	1,015,350
	Total shareholding of Promoter and Promoter group (A)	6	10,452,857
	Public		
1	Institutions	18	3,804,190
2	Non-institutions	7752	2,597,165
	Total public shareholding (B)	7776	16,854,212
	Shares held by Custodians and against which Depository Receipts have been issued		
	Promoter	-	-
	Public	-	-
	Total shares held by Custodians (C)	-	-
	Grand Total (A+B+C)	7776	16,854,212

(iv) TRANSFEREE COMPANY – POST AMALGAMATION

The shareholding pattern would remain unchanged post Scheme of Arrangement since there is no issue of shares on amalgamation.

15. The Directors of the Transferee Company and the Directors of the Transferor Company have no material interest in the proposed Scheme of Amalgamation and Arrangement except as shareholders in general.
16. The Directors of the Transferee Company may be deemed to be concerned and /or interested in the proposed Scheme of Amalgamation and Arrangement to the extent of their shareholding or that of the Companies, firms and/ or Institutions of which they are Directors, Partners, Members or Trustees and which hold Shares in the Transferee Company.
17. The extent of the shareholding of the Directors of Transferee Company either singly or jointly or as nominee as on 31st December, 2011 is as under:

Sr. No.	Name of the Director	Designation	Equity shares in Transferee Company	Equity shares in Transferor Company
1	Mr. Jai Rajju Shroff	Chairman	1015350	Nil
2	Mr. V.R.Kaundinya	Managing Director	7910	1 (Nominee Shareholder of Transferee Company)
3	Mr. Vikram R Shroff	Director	846650	Nil
4	Mr. Vinod Sethi	Director	Nil	Nil
5	Mr. Vasanth P. Gandhi	Director	Nil	Nil
6.	Mr. Hardeep Singh	Director	5000	Nil

18. The financial position of the Transferee Company will not be adversely affected by the Scheme. Further, the rights and interests of the creditors of the Transferee Company will not be prejudicially affected by the Scheme as the Transferee Company, post the Scheme will be able to meet its liabilities as they arise in the ordinary course of business. Further, the rights and interests of the shareholders and creditors of the Transferee Company will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.
19. In the event of any of the said sanctions and approvals referred to in the Scheme not being obtained and / or the Scheme not being sanctioned by the High Court or such other competent authority and / or the order or orders not being passed as aforesaid before 31st December, 2013 or such other date as may be agreed by the respective Board of Directors of Transferor Company and Transferee Company who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), the Scheme shall become null and void, and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.
20. Inspection of the following documents may be had by the Trade Creditors of the Transferee Company at the Registered Office up to one day prior to the date of the meeting between 11:00 am and 1:00 pm on all working days (except Saturdays, Sundays and Public holidays):
- (i) Copy of the Application No. 526 of 2012 moved before Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad for convening meeting of the Equity Shareholders of the Transferee Company.
 - (ii) Certified copy of the order of the Hon'ble High Court of Judicature of Andhra Pradesh dated 26th April, 2012, passed in Company Application No. 526 of 2012 directing the convening of the equity shareholders' meeting.
 - (iii) Memorandum and Articles of Association of the Transferor Company and the Transferee Company.
 - (iv) Audited Balance Sheet and Profit and Loss account of the Transferee Company for the financial year ended December 31, 2011
 - (v) Audited Balance Sheet and Profit and Loss account of the Transferor Company for the financial year ended December 31, 2011
 - (vi) Copies of the No-objection certificate dated 10th April, 2012 and 9th April, 2012 received from NSE and BSE respectively.
 - (vii) Register of Directors' shareholdings of the Transferor Company.
 - (viii) Register of Directors' shareholdings of the Transferee Company.
 - (ix) Scheme of Amalgamation and Arrangement.

This statement may be treated as an Explanatory Statement under Section 393 of the Companies Act, 1956. A copy of the Scheme, Explanatory Statement and Form of Proxy may be obtained from the Registered Office of the Applicant Company and/or at the office of the Advocates (B.Avani, Advocate, 6-1-114/1, Padmarao Nagar, Secunderabad-500025).

Sd/-
(B.Avani)
Chairperson of the meeting

Dated this 02nd day of May, 2012

Registered office:

Krishnama House, # 8-2-418, 4th Floor, Road No.7, Banjara Hills, Hyderabad-500034, Andhra Pradesh, India.

SCHEME OF AMALGAMATION AND ARRANGEMENT
BETWEEN
ADVANTA INDIA LIMITED
AND
UNICORN SEEDS PRIVATE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER SECTIONS 391 TO 394 READ WITH SECTIONS 100 TO 104 OF
THE COMPANIES ACT, 1956

This Scheme of Amalgamation and Arrangement is presented under Sections 391 to 394 read with Sections 100 to 104 and other applicable provisions of the Companies Act, 1956 for amalgamation of Unicorn Seeds Private Limited into Advanta India Limited.

RATIONALE OF THE SCHEME

1. Advanta India Limited ('Advanta') is one of the leading suppliers of seeds and is engaged in the business of agricultural biotechnology. Advanta is an agronomic and vegetable seed company and is the holding company for the global business of Advanta with direct operations in India, Australia, Argentina, Brazil, Indonesia and Thailand. Advanta has unique, superior and proprietary germplasm which combined with technology and bioscience capability gives Advanta a robust platform for growth. Advanta has entered into strategic alliance with some of the leading and high quality technology innovation companies across the world for value added biotech traits like pest resistance, herbicide and drought tolerance. Advanta is now embarking upon a very aggressive growth strategy.
2. Unicorn Seeds Private Limited ('Unicorn') is a wholly owned subsidiary of Advanta and is engaged in the business of custom production for key vegetable seeds suppliers in Europe, Asia and USA and is engaged in research and sale of vegetable seeds.
3. Unicorn is engaged in the business operations related to that of Advanta. Towards the objective of combining the businesses of Advanta and Unicorn, it is proposed to amalgamate Unicorn into Advanta. The consolidation of these operations through amalgamation of Unicorn into Advanta would result in:
 - Better efficiency and streamlined management control and operation of businesses and activities, and would enable the combined entity to participate more vigorously and profitably in an increasing competitive market;
 - Streamlined management focus and opportunities for expansion and growth for the business. Improvement in overall operational efficiency, economies of scale, reduction in administrative cost, optimization of resources, increase in profitability of the combined entity, stronger balance sheet of the merged company etc.
4. The Scheme of Amalgamation and Arrangement will benefit both the companies to carry on their business as a combined unit on a larger scale and would be in the interest of shareholders, creditors, employees, customers and all other stake holders as the same would enable focused business approach with maximization of benefits to all stake holders.
5. Further, the combined entity would be in a position to generate additional funds and to further diversify and expand its businesses and activities and attain better competitive edge.

1 DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the meaning as mentioned herein below:

- 1.1 **'Act' or 'the Act'** means the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force.
- 1.2 **'Appointed Date'** means opening business hours of 1st April, 2011.
- 1.3 **'BSE'** means Bombay Stock Exchange Limited.
- 1.4 **'Board of Directors'** in relation to Advanta India Limited and Unicorn Seeds Private Limited as the case may be, shall, unless it be repugnant to the context or otherwise, includes a Committee of Directors or any person authorized by the Board of Directors or such Committee of Directors.
- 1.5 **'Court' or 'High Court'** means the Honorable High Court of Judicature at Andhra Pradesh at Hyderabad or such other tribunal or authority having jurisdictions to sanction the Scheme.
- 1.6 **'Effective Date'** means the date on which the certified copy of the order passed by the High Court sanctioning the Scheme is filed with the Registrar of Companies of Hyderabad, Andhra Pradesh. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "Scheme coming into effect" shall mean the "Effective Date".
- 1.7 **'NSE'** means National Stock Exchange Limited.
- 1.8 **'Scheme of Amalgamation and Arrangement' or 'Scheme' or 'the Scheme' or 'this Scheme'** means this Scheme of Amalgamation and Arrangement in its present form submitted to the High Court or any other appropriate authority or with any modification(s) made under Clause 18 of this Scheme.
- 1.9 **'Transferor Company' or 'Unicorn'** means Unicorn Seeds Private Limited, a company incorporated under the Act, and having its registered office located at Unicorn House, No.3, Balaji Enclave, Nr. Gunrock Diamond Point, Transport Road, Secunderabad-500 009, Andhra Pradesh, India.
- 1.10 **'Transferee Company' or 'Advanta'** means Advanta India Limited a company incorporated under the Act, and having its registered office located at Krishnama House, #8-2-418, 4th Floor, Road No. 7, Banjara Hills, Hyderabad - 500034, Andhra Pradesh, India.
- 1.11 **'Undertaking'** shall mean:
- (d) All the assets and properties of the Transferor Company as on the Appointed Date;
 - (e) All the secured and unsecured debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date;
 - (f) Without prejudice to the generality of sub clause (a) above, the Undertaking of the Transferor Company shall include all the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses, registrations, certificates, permissions, consents, approvals, concessions (including but not limited to sales tax concessions, excise duty, services tax or customs, value added tax and other incentives of any nature whatsoever), remissions, remedies, subsidies, guarantees, bonds, copyrights, patents, trade names, trade marks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trade marks, leases, leave and license agreements, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, contracts and arrangements, powers, authorities, permits, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits (including but not limited to credits in respect of income-tax, tax on book profits, value added tax, sales tax, service tax, etc.), and other claims and powers, all books of accounts, documents

and records of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date.

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 Income-tax Act, 1961 or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2 DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court, unless otherwise specified in the Scheme, shall be operative from the Appointed Date but shall be effective from the Effective Date.

3 SHARE CAPITAL

3.1 The share capital of the Transferor Company as at 31st December, 2011 is as under:

Particulars	Amount in Rs. Lacs
Authorised capital	
620,000 Equity Shares of Rs 10/- each	62.00
13,80,000 1% Redeemable Cumulative Preference Shares of Rs 10 each	138.00
TOTAL	200.00
Issued, subscribed and paid up capital	
611,007 Equity Shares of Rs 10/- each fully paid up	61.10
750,000 1% Redeemable Cumulative Preference Shares of Rs 10 each	75.00
Total	136.10

The entire issued, subscribed and paid up equity and preference share capital of the Transferor Company is held by Transferee Company.

3.2 The share capital of the Transferee Company as at 31st December, 2011 is as under:

Particulars	Amount in Rs. Lacs
Authorised capital	
6,00,00,000 Equity Shares of Rs 10/- each	6,000.00
1,50,00,000 Preference Shares of Rs.10/- each	1,500.00
TOTAL	7,500.00
Issued, subscribed and paid up capital	
1,68,54,212 Equity Shares of Rs 10/- each fully paid up	1,685.42
Total	1,685.42

The equity shares of Transferee Company are listed on BSE and NSE.

4 COMPLIANCE WITH TAX LAWS

This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent

with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, 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.

5 TRANSFER OF UNDERTAKING

5.1 Subject to the provisions of this Scheme as specified herein and with effect from the Appointed Date, the entire Undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- (j) The Undertaking of the Transferor Company comprising of its business, all assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in sub clauses (b) and (c) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.

Provided that for the purpose of giving effect to the vesting order passed under Sections 391 to 394 of the Act in respect of this Scheme, the Transferee Company shall at any time pursuant to the orders on this Scheme be entitled to get the recordal of the change in the title and the appurtenant legal right(s) upon the vesting of such assets of the Transferor Company in accordance with the provisions of Sections 391 to 394 of the Act, at the office of the respective Registrar of Assurances or any other concerned authority, where any such property is situated.

- (k) All the movable assets including cash in hand, if any, of the Transferor Company capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. The plant and machinery of the Transferor Company, which are fastened to land and/or buildings continue to remain movable properties, inter alia, because the said plant and machinery are fastened to land only with a view to have better enjoyment of the movable properties.
- (l) In respect of movables other than those specified in sub clause (b) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and /or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Sections 391 to 394 of the Act.
- (m) In relation to the assets, properties and rights including rights arising from contracts, deeds, instruments and agreements, if any, belonging to the Transferor Company, which require separate documents of transfer including documents for attornment or endorsement, as the case may be,, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case may be, as and when required.
- (n) All debts, 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 Sections 391 to 394 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, 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, duties and obligations have arisen, in order to give effect to the provisions of this sub clause.

However, the Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to the contract or arrangement to which the Transferor Company are a party or any writing, as may be necessary, in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company as well as to implement and carry out all such formalities and compliances referred to above.

- (o) The transfer and vesting of the Undertaking of the Transferor Company as aforesaid shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the Transferor Company.

Provided however that any reference in any security documents or arrangements (to which the Transferor Company is a party) pertaining to the assets of the Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Undertaking of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Company or any of the assets of the Transferee Company.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation of the Transferor Company into the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefore after the amalgamation has become operative.

- (p) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including credit on account of tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), 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.
- (q) 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 with effect from the Appointed Date.

- 5.2 The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company, to implement and carry out all formalities and compliances, if required, referred to above.
- 5.3 Any tax liabilities under the Income-tax Act, 1961, Wealth-tax Act, 1957, service tax laws, customs law, excise law, central sales tax, state value added tax or other applicable laws / regulations dealing with taxes/ duties / levies of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceeding the Appointed Date, if any, shall be transferred to Transferee Company.
- 5.4 Any refund under the Income-tax Act, 1961, Wealth-tax Act, 1957, service tax laws, customs law, excise law, central sales tax, state value added tax or other applicable laws / regulations dealing with taxes/ duties / levies tax due to Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 5.5 On or after the Effective Date, the Transferor Company and the Transferee Company are expressly permitted to revise their returns and filings under the Income-tax Act, 1961, service tax laws and other laws, and to claim refunds and / or credits for taxes paid, etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 5.6 All tax assessment proceedings / appeals of whatsoever nature by or against the Transferor Company pending and / or arising at the Appointed Date and relating to the Transferor Company shall be continued and / or enforced until the Effective Date as desired by the Transferee Company. As and 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.

Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company into the Transferee Company or anything contained in the Scheme.

- 5.7 The tax payments (including, without limitation income-tax, tax on book profits, fringe benefit tax, wealth tax, service tax, excise tax, custom duty, value added tax, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Transferor Company on transactions with the Transferee Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 5.8 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, service tax laws, customs law, excise law, central sales tax, state value added tax 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.
- 5.9 Without prejudice to the generality of the above, all benefits, incentives, losses, credits (including, without limitation income-tax, tax on book profits, fringe benefit tax, wealth tax, service tax, excise tax, custom duty, value added tax, etc.) to which the Transferor Company is entitled to in the terms of applicable laws, shall be available to and vest in the Transferee Company.

6 LEGAL PROCEEDINGS

- 6.1 Upon the Scheme becoming effective, all legal and other proceedings, including before any statutory or quasi-judicial authority or tribunal of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date, shall be continued and enforced by or against the Transferee Company only, to the exclusion of the Transferor Company in the manner and to the same extent as would have been continued and enforced by or against the Transferor Company. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Transferor Company in the same manner and to the same extent as would or might have been initiated by the Transferor Company.
- 6.2 After the Appointed Date, if any proceedings are taken against the Transferor Company the same shall be defended by and at the cost of the Transferee Company.

7 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 7.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, lease agreements, leave and license agreements, licenses, engagements, certificates, permissions, consents, approvals, concessions, and incentives (including but not limited to benefits under the Income-tax Act, 1961, tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), remissions, remedies, subsidies, guarantees and other instruments, if any, of whatsoever nature to which the Transferor Company is a party and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company may enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

8 SAVING OF CONCLUDED TRANSACTIONS

- 8.1 The transfer of Undertaking under Clause 5 above and the continuance of proceedings by or against the Transferee Company under Clause 6 above and the effectiveness of contracts and deeds under Clause 7 above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Company on or before the Appointed Date 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 in respect thereto as done and executed on behalf of itself.

9 STAFF, WORKMEN AND EMPLOYEES

- 9.1 On the Scheme coming into effect, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Effective Date without any break in their service and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to the Transferor Company on the Effective Date.
- 9.2 It is expressly provided that, in so far as the Gratuity Fund, Provident Fund, Super Annuation Fund, if applicable, Employee's State Insurance Corporation Contribution, Labour Welfare Fund or any other Fund created or existing for the benefit of the staff, workmen and employees of the Transferor Company is concerned, upon the Scheme coming into effect, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds 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 the Transferor Company in relation to such fund or funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees of the Transferor Company under such Funds and Trusts shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.
- 9.3 In so far as the Provident Fund, Gratuity Fund, Superannuation Fund, if applicable, or other Special Scheme(s) / Fund(s) created or existing for the benefit of the employees of the Transferor Company are concerned upon the coming into effect of this Scheme, balances lying in the accounts of the employees of the Transferor Company in the said funds as on the Effective Date shall stand transferred from the respective trusts / funds of the Transferor Company to the corresponding trusts / funds set up by the Transferee Company.

10 BUSINESS AND PROPERTY IN TRUST FOR TRANSFEE COMPANY

- 10.1 With effect from the Appointed Date upto and including the Effective Date:
- (a) The Transferor Company shall carry on and be deemed to have carried on its business and activities and shall stand possessed of its Undertaking, in trust for the Transferee Company and shall account for the same to the Transferee Company.
 - (b) Any income or profit accruing or arising to the Transferor Company and all costs, charges, expenses and losses or taxes (including but not limited to advance tax, tax deducted at source, tax on book profits, fringe benefit tax, taxes withheld/paid in a foreign country, service tax, customs duty, excise duty, central sales tax, State value added tax, etc), incurred by the Transferor Company shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.
- 10.2 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Company as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company, and all liabilities debts, duties, obligations 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.

11 CONDUCT OF BUSINESS TILL EFFECTIVE DATE

- 11.1 With effect from the Appointed Date and upto the Effective Date:
- (a) The Transferor Company shall carry on its business with reasonable diligence and in the same manner as it had been doing hitherto fore, and the Transferor Company shall not alter or substantially expand its business except with the written concurrence of the Transferee Company.
 - (b) The Transferor Company shall not, without the written concurrence of the Transferee Company, alienate, charge or encumber its Undertaking/ part of its Undertaking, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of the Transferor Company.

- 11.2 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorised to carry on the businesses carried on by the Transferor Company.
- 11.3 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 own and carry on the business of the Transferor Company.

12 CONSIDERATION

- 12.1 In view of the fact that the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon the Scheme becoming effective, no shares will be issued / allotted under the Scheme by the Transferee Company.
- 12.2 Further, upon the Scheme becoming effective, all the equity and preference shares of the Transferor Company held by the Transferee Company shall stand cancelled.

13 DISSOLUTION OF THE TRANSFEROR COMPANY

- 13.1 On the Scheme coming into effect, the Transferor Company shall, without any further act or deed, stand dissolved without winding up.

14 ACCOUNTING TREATMENT

- 14.1 Upon the Scheme becoming effective and with effect from the Appointed Date, subject to Clause 14.2, the Transferee Company shall record the assets and liabilities of the Transferor Company, vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.
- 14.2 To the extent there are inter-corporate loans or balances between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 14.3 Upon the Scheme becoming effective and with effect from the Appointed Date the Transferee Company shall record the reserves of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.
- 14.4 The difference of the value of the assets over the value of the liabilities and reserves of the Transferor Company vested in the Transferee Company pursuant to this Scheme and recorded in the books of account of the Transferee Company in terms of Clauses 14.1 to 14.3 above be adjusted to the Capital Reserve in the Balance Sheet of the Transferee Company.
- 14.5 Upon the Scheme becoming effective and with effect from the Appointed Date the cost of investment in the books of the Transferee Company representing investment (equity and preference) in the Transferor Company shall be adjusted against the Securities Premium Account in the Balance Sheet of the Transferee Company.
- 14.6 The adjustment of the Securities Premium Account, as per Clause 14.5 above, shall be effected as an integral part of the Scheme itself and shall be sufficient compliance in terms of Sections 100 to 104 of the Act, as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital. The order of the High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the adjustment without the need on the part of the Transferor Company or the Transferee Company to carry out any further act or deed.
- 14.7 Further, in case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted in accordance with Accounting Standard 5 - 'Prior Period and Extraordinary Items and Changes in Accounting Policies' - to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

- 14.8 The Transferee Company shall abide by the pooling of interest method referred to in Accounting Standard 14 – 'Accounting for Amalgamation' issued by the Institute of Chartered Accountants of India, subject to provisions of this Scheme.

15 COMBINATION OF AUTHORISED CAPITAL

- 15.1 Upon this Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of the Transferor Company amounting to Rs 20,000,000 comprising of 6,20,000 equity shares of Rs 10/- each and 13,80,000 preference shares of Rs 10/- each and the Memorandum of Association and Articles 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 and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 16, 31, 94 and 394 and applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent.

It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the Memorandum of Association and Articles of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association and Article 5 of the Articles of Association of the Transferee Company shall stand altered accordingly.

16 APPLICATION TO THE HIGH COURT OR SUCH OTHER APPROPRIATE AUTHORITY

- 16.1 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications / petitions to the High Court or such other appropriate authority under Sections 391 to 394 read with Sections 100 to 104 and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of each of the Transferor Company and the Transferee Company as may be directed by the High Court or such other appropriate authority.
- 16.2 On the Scheme being agreed to by the requisite majorities of the classes of the members and/or creditors of the Transferor Company and the Transferee Company as directed by the High Court or such other appropriate authority, the Transferor Company and the Transferee Company shall, with all reasonable dispatch, apply to the High Court or such other appropriate authority for sanctioning the Scheme of Amalgamation and Arrangement under Sections 391 to 394 read with Sections 100 to 104 of the Act, and for such other order or orders, as the said High Court or such other appropriate authority may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Company without winding-up.

17 CONDITIONALITY OF THE SCHEME

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

- The Scheme being agreed to by the requisite majority of the respective members and / or creditors of the Transferor Company and of the Transferee Company;
- The Scheme being approved by the BSE and NSE;
- The Scheme being approved by the High Court under Sections 391 to 394 read with Sections 100 to 104 of the Act; and
- The certified copy of the order of the High Court sanctioning this Scheme being filed with the Registrar of Companies of Hyderabad, Andhra Pradesh.

18 MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 18.1 The Transferor Company and the Transferee Company, through their Directors or Committee of Directors, may consent on behalf of all persons concerned, to any modifications or amendments of this Scheme or to any conditions which the High Court and/or any other Authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in

carrying out this Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme into effect.

- 18.2 For the purpose of giving effect to this Scheme or to any modification, amendment or condition thereof, the Directors of the Transferee Company are authorized to give such directions and/or to take such step as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

19 REVOCATION AND SEVERABILITY

- 19.1 In the event of necessary sanctions and approvals not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the High Court or such other appropriate authority and/or order or orders not being passed as aforesaid before 31st December, 2013 or such other date as may be mutually agreed upon by the respective Board of Directors of Transferor Company and Transferee Company who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect.
- 19.2 In the event of revocation under Clause 19.1 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferee Company and the Transferor Company, their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, Transferee Company shall bear all costs.
- 19.3 If any part of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.
- 19.4 The Board of Directors of the Transferee Company and the Transferor Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on the Transferee Company and the Transferor Company.
- 19.5 The Transferor Company and the Transferee Company shall be at liberty to withdraw from this Scheme, in case any condition or alteration imposed by the High Court or any other authority is not on terms acceptable to them.

20 COSTS, CHARGES AND EXPENSES

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

IN THE HIGH COURT OF JUDICATURE OF ANDHRA PRADESH
AT HYDERABAD
(ORIGINAL JURISDICTION)

IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SECTIONS 391 TO 394 READ WITH SECTION 78, SECTION 100 TO 104 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF AMALGAMATION AND ARRANGEMENT BETWEEN
ADVANTA INDIA LIMITED
AND UNICORN SEEDS PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
IN THE MATTER OF ADVANTA INDIA LIMITED
COMPANY APPLICATION NO. 526 OF 2012

M/s. Advanta India Limited,
A Company incorporated under the
Companies Act, 1956, having its
registered office at Krishnama House,
8-2-418, 4th Floor, Road No.7,
Banjara Hills, Hyderabad-500034,
Andhra Pradesh, India.
represented by its Managing Director,
Mr.V.R.Kaundinya.

... APPLICANT COMPANY/
TRANSFeree COMPANY

FORM OF PROXY

I/ We _____, the undersigned, being the Trade Creditors of Advanta India Limited, the Applicant Company do hereby appoint Mr./ Ms. _____ of _____ and failing him/her _____ as my/our proxy, to act for me/us at the meeting of the Trade Creditors to be held at Hotel Fortune Park Vallabha, Road No.12, Banjara Hills, Hyderabad-500 034, in the state of Andhra Pradesh on Saturday, the 2nd Day of June 2012, at 2 P.M., for the purpose of considering, and, if thought fit, approving with or without modification, the Scheme of Amalgamation and Arrangement between Unicorn Seeds Private Limited, the transferor company and Advanta India Limited, the transferee company and their respective shareholders and creditors and at such meeting, and any adjournment / adjournments thereof, to vote, for me/us and in my/ our name(s) _____ (herein, if for insert 'FOR', if against insert 'AGAINST' and in the later case strike out the words "either with or without modifications" after the word "Arrangement") the said arrangement embodied in the Scheme of Amalgamation and Arrangement either with or without modifications as my/our proxy may approve.

*Strike out what is not necessary

Dated this _____ day of _____, 2012

Name _____

Address _____

Signature _____

Amount Due: _____

Signatures of Trade Creditor(s)

Sole / First Holder : _____
Second Holder : _____
Third Holder : _____
Proxy : _____

Signature of Proxy

Notes:

- (1) The Proxy must be deposited at the Registered Office of the Company at Krishnama House, # 8-2-418, 4th Floor, Road No.7, Banjara Hills, Hyderabad-500034, at least 48 hours before the time for holding the meeting. The proxy need not be a member of Advanta India Limited
- (2) All alterations made in the form of Proxy should be initiated.
- (3) In case of multiple proxies, the proxy later in time shall be accepted.

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