

ZODIAC

28th November, 2017

National Stock Exchange of India Ltd.,
Exchange Plaza,
5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra East
Mumbai - 400051

BSE Limited,
Corporate Relationship Department,
First Floor, New Trading Ring,
Rotunda Building, P.J. Tower,
Dalal Street,
Mumbai

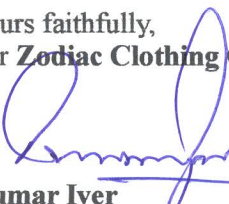
Dear Sirs,

Sub: Intimation of the Tribunal Convened Meeting of the Equity Shareholders of Zodiac Clothing Company Limited to be held on 29th December, 2017 at 3:00 p.m.

Pursuant to Regulation 30 of the Listing Obligations and Disclosures Requirements ("LODR"), please find enclosed copy of the Notice of the Tribunal Convened Meeting of the Equity Shareholders of Zodiac Clothing Company Limited to be held at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400030, Maharashtra, India on Friday, 29th December, 2017 at 3:00 p. m. for the purpose of considering and if thought fit, approving with or without modification, the arrangement proposed in the matter of Scheme of Amalgamation of Zodiac Finsec and Holdings Limited with Zodiac Clothing Company Limited and their respective shareholders ("Scheme").

Request you to kindly take the same on record.

Yours faithfully,
For **Zodiac Clothing Company Limited**


Kumar Iyer
Company Secretary
Membership No.: A9600



ZODIAC CLOTHING COMPANY LTD.,

Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai - 400 030. India.
Tel.: +91 22 6667 7000 Fax : +91 22 6667 7279 CIN: L17100MH1984PLC033143.

Trademark Under Licence From Metropolitan Trading Co.

www.zodiaconline.com

ZODIAC CLOTHING COMPANY LIMITED**CIN: L17100MH1984PLC033143****Registered Office:** Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030, IndiaPhone: +91 22 66677000 Fax: +91 22 66677279 Website: www.zodiaconline.comEmail: contactus@zodiacmtc.com**NOTICE TO EQUITY SHAREHOLDERS OF ZODIAC CLOTHING COMPANY LIMITED
AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI**

Day	:	Friday
Date	:	29 th December, 2017
Time	:	3:00 p.m.
Venue	:	Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400018, Maharashtra, India.

E-VOTING

Commencing On	Monday, 25 th December, 2017 at 10:00 A.M. IST
Ending On	Thursday, 28 th December, 2017 at 5:00 P.M. IST

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH
ORIGINAL SCHEME APPLICATION NO. 901 OF 2017**

FORM CAA.2

**Pursuant to Section 230(3) and Rule 6 and 7 of the Companies
(Compromises, Arrangements and Amalgamation Rules, 2016)**

In the matter of the Companies Act, 2013 (18 of 2013)

AND

In the matter of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder as in force from time to time;

AND

In the matter of the Scheme of Amalgamation of Zodiac Finsec and Holdings Limited ("The Transferor Company") with Zodiac Clothing Company Limited ("The Transferee Company") and their respective shareholders.

Zodiac Clothing Company Limited, a Listed Company incorporated under }
the provisions of Companies Act, 1956 with Corporate Identity Number }
L17100MH1984PLC033143 and having its Registered Office at Nyloc House, }
254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030 }

..... Applicant Company

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF
ZODIAC CLOTHING COMPANY LIMITED, THE APPLICANT COMPANY**

To,
The Equity Shareholders of Zodiac Clothing Company Limited ("the Applicant Company" or "the Transferee Company" or "ZCCL")

Notice is hereby given that by an Order made on Friday dated November 3, 2017, in the above mentioned Company Scheme Application No. 901 of 2017, the Mumbai Bench of the National Company Law Tribunal ("Tribunal") has directed a meeting to be held of the Equity Shareholders of the Applicant Company, for the purpose of considering and if thought fit, approving with or without modification, the arrangement proposed in the matter of Scheme of Amalgamation of Zodiac Finsec And Holdings Limited with Zodiac Clothing Company Limited and their respective shareholders ("Scheme").

In pursuance of the said order and as directed therein further notice is hereby given that a Meeting of Equity Shareholders of the Applicant Company will be held at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400018, Maharashtra, India on Friday, 29th December, 2017 at 3:00 p.m. at which place, day, date and time the said Equity Shareholders are requested to attend to consider and, if thought fit, approve with or without modification(s), the following Resolutions as a Special Resolution under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 with requisite majority :

"RESOLVED THAT pursuant to the provisions of Section 230 read with Section 232 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions of the Companies Act, 2013, to the extent notified and applicable, and the provisions of Memorandum and Articles of Association of the Company and subject to the approval of Mumbai Bench of National Company Law Tribunal, and subject to other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Mumbai Bench of the National Company Law Tribunal or by any regulatory or other authorities, including but not limited to the applicable Stock Exchanges, Securities and Exchange Board of India ("**SEBI**"), while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorized by it to exercise its powers including the powers conferred by this resolution), approval of the shareholders of the Company be and hereby accorded to the composite scheme of amalgamation of Zodiac Finsec And Holdings Limited with Zodiac Clothing Company Limited and their respective shareholders, in accordance with and on the terms and conditions as stated in the Scheme of Arrangement and Amalgamation, the copy of which was placed before this meeting and the salient terms of which have been stated in the Explanatory Statement annexed to the notice.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangements embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/ or imposed by the National Company Law Tribunal, Mumbai Bench and/or any other authority(ies) while sanctioning the Arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

Copies of the Scheme, the Explanatory Statement under section 230 read with Section 102 of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 are enclosed along with this Notice and can also be obtained free of charge at the Registered Office of the Applicant Company and at the office of its Advocates M/s Jhangiani Narula and Associates at 5th Floor, Aban House, Sai Baba Marg, Fort, Mumbai-400001.

Persons entitled to attend and vote at the said meeting, may vote in person or by proxy provided that a proxy in the prescribed form, duly signed by the Equity Shareholder or Equity Shareholders's authorised signatory, is deposited at the registered office of the Company at Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030, not later than 48 hours before the meeting. Form of proxy can be collected from the registered office of the Applicant Company.

The Applicant Company also seeks the approval of its Shareholders to the Scheme by way of e-voting pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and the SEBI Circular, pursuant to the SEBI Circular and under relevant provisions of applicable laws. The Applicant Company has provided the Equity Shareholders with the facility for casting their votes by way of remote e-voting using facility offered by Karvy Computershare Private Limited ("KCPL"). The voting rights of Equity Shareholders shall be in proportion to their Equity Shareholding in the Company as on the Cut-off date of close of business hours on Friday, 22nd December, 2017. The shareholders may refer to Notes to this notice for further details on E-voting.

Accordingly, you may also cast your vote either electronically, i.e. through e-voting or at the Meeting through physical ballot to be distributed at the venue. Please note that each Shareholder can opt for only one mode of voting i.e. either at the venue of the meeting of the Shareholders of the Applicant Company or by e-voting, as mentioned above. If you opt for e-voting, then do not vote at the venue of the meeting and vice-versa. In case of the Shareholders exercising their right to vote by more than one mode, then e-voting shall prevail over voting done by the said Shareholder at the venue of the meeting of the Shareholders and the vote cast at the venue of the meeting by that Shareholder shall be treated as invalid.

The National Company Law Tribunal at Mumbai has appointed Mr. Mohamed Yusuf Noorani, Chairman of the Applicant Company and failing him, Mr. Anees Yusuf Noorani, Vice Chairman of the Applicant Company as chairperson of the said meeting. The National Company Law Tribunal at Mumbai has appointed Mr. B. Narasimhan, Proprietor B.N. & Associates, Practicing Company Secretary (Membership No. 1303 & COP No. 10440) and failing him Mr. Dinesh Deora, Practicing Company Secretary (Membership No. 5683 & COP No. 4119) as Scrutinizer to scrutinize votes cast either electronically or at the Meeting in a fair and transparent manner. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company viz. www.zodiaconline.com and on the website of Karvy viz. www.evoting.karvy.com within 48 hours of the conclusion of the Meeting and shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Applicant Company are listed. The above-mentioned Scheme, if approved by the meeting, will be subject to the subsequent approval of the Tribunal.

The Scrutinizer will submit his report to the Chairman/Managing Director after the completion of scrutiny and the result of the voting will be announced by the Chairman/Managing Director or Company Secretary of the Company duly authorized, on or before 1st January, 2018 at the registered office of the Company and will also be displayed on the Company's website (www.zodiaconline.com), and on the website of Karvy (<http://evoting.karvy.com>) immediately after the result is declared. The Company shall simultaneously forward the results to BSE LTD and National Stock Exchange of India Limited, where the shares of the Company are listed. The result will also be published in the newspapers.

It is clarified that casting of votes by remote e-voting does not disentitle a Shareholder as on the Cut-off date from attending the Meeting.

This Notice convening the Meeting along with the requisite documents is placed on the website of the Company viz. www.zodiaconline.com and being sent to Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited for placing on their website.

A copy of the Scheme, the Explanatory Statement under Section 230(3) of the Companies Act, 2013 and Section 102 of the Companies Act, 2013, Board Report, Form of Proxy, Attendance Slip and the Route Map are enclosed herewith.

Sd/-
Mr. Mohamed Yusuf Noorani
DIN: 00041608
Chairman appointed for the meeting

Place: Mumbai

Date: 22nd November, 2017

Registered Office:

Nyloc House, 254, D-2
Dr. Annie Besant Road, Worli,
Mumbai-400030

Notes for the Court Convened Meeting of the Members of the Company:

- (1) This Notice is being sent to the Shareholders whose name appear in the Register of Members / Record of Depositories as at the close of business hours on 24th November, 2017, by email to the Shareholders whose email address is registered with the Company / Depository Participant(s) for communication unless the shareholders have requested for a physical copy of the same and in physical mode by way of Courier / Registered Post / Speed Post / Hand Delivery as directed by the Tribunal to other shareholders at their registered address. **Equity Shareholders, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all further communication including Annual Report, Notices, Circulars, etc. from the Company electronically.** This Notice may also be accessed on Company's website www.zodiaconline.com and of KCPL at <https://evoting.karvy.com>
- (2) **AN EQUITY SHAREHOLDER OF THE COMPANY 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 COMPANY.** The Proxy Form duly completed should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of Equity Shareholders not exceeding fifty (50) in number and / or holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by the shareholder(s) holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

- (3) Only registered Shareholders of the Company may attend and vote (either in person or by proxy or by authorized representative under Section 112 and 113 of the Companies Act, 2013) at the shareholders' meeting. The Authorized Representative of a Body Corporate which is a registered Equity Shareholder of the Company may attend and vote at the meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend at the meeting is carried with him.
- (4) Foreign Portfolio Investors (FPIs) who are registered equity shareholder(s) of the Company would be required to deposit certified copies of Custodial resolutions / Power of Attorney, as the case may be, authorizing the individuals named therein, to attend and vote at the meeting on its behalf.
- (5) Registered Equity Shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the Register of Members of the Company in respect of such joint holding will be entitled to vote.
- (6) All alterations made in the Proxy Form should be initialed.
- (7) Shareholders are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with their respective Depositories or with Applicant Company for admission to the meeting hall. Shareholders who hold shares in dematerialized form are requested to bring in their Client ID and DP ID numbers for identification.
- (8) Shareholders whose names appear on the Register of Members / Record of Depositories as at the close of business hours on Friday, 22nd December, 2017 ("cut-off date") will be eligible to attend and vote at the meeting of the Shareholders of the Company or cast their votes using remote e-voting facility and the voting rights shall be reckoned based on the equity shareholding as on 22nd December, 2017. The voting rights of Equity Shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date.
- (9) Pursuant to Section 101 of the Companies Act, 2013 read with the Rules made thereunder, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) the Notice would be sent by electronic mode to those Equity Shareholders whose e-mail addresses are registered with the Depository or the Company's Registrar and Share Transfer Agent, unless the Equity Shareholders have requested for a physical copy of the same. For Equity Shareholders who have not registered their e-mail addresses, physical copies would be sent by the permitted mode. However, in case a shareholder wishes to receive a physical copy of the Notice is requested to send an email to cossecy@zodiacmtc.com duly quoting his/her DPID and Client ID or the Folio number, as the case may be.
- (10) During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a shareholder would be entitled to inspect the proxies lodged at any time during the business hours of the Applicant Company, provided that not less than 3 (three) days of notice in writing is given to the Applicant Company.
- (11) The notice convening the aforesaid meeting will be published through advertisement in two local newspapers viz. Free Press Journal in English language and Navshakti in Marathi language, having wide circulation in the state where the registered office of the Applicant Company is situated.
- (12) The quorum of the meeting of the equity shareholders of the Applicant Company shall be as per Section 103 of the Companies Act, 2013.
- (13) The resolution/s shall be deemed to be passed on the date of the court convened meeting i.e. 29th December, 2017, subject to receipt of requisite number of votes in favour of the resolution through a compilation of voting results (i.e. remote e-voting and voting held at the venue of the Meeting).
- (14) The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are Karvy Computershare Private Limited ("Karvy") having it's office at Karvy Selenium Tower B, Plot no. 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad, Telangana – 500 032.
- (15) VOTING THROUGH E-VOTING

Information and other instructions relating to e-voting are as under:

- (i) Pursuant to the provisions of Section 108 and other applicable provisions of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide its Equity Shareholders facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The Equity Shareholders may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('e-voting').
- (ii) The Equity Shareholders who have cast their vote by e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (iii) The Company has engaged the services of Karvy Computershare Private Limited (KCPL) to provide e-voting facility.
- (iv) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Equity Shareholder / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 22nd December, 2017. Any person who acquires shares of the Company and becomes the Equity Shareholder of the Company after cut-off date shall not be eligible to vote either through remote e-voting or at the Meeting. Any recipient of this notice who has no voting rights as on the cut-off date should treat the same as intimation only.
- (v) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 22nd December, 2017 only shall be entitled to avail the facility of e-voting/ Poll on Demand.
- (vi) If the Equity Shareholder is already registered with KCPL for e-voting, then the Equity Shareholder can use his/ her existing user ID and password/ PIN for casting the vote through e-voting.

- (vii) The Equity Shareholders can also update his/ her mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication.

The instructions for e-voting are as under:

- A. In case an Equity Shareholder receiving an email of the Court Convened Meeting Notice from Karvy [for Equity Shareholders whose email IDs are registered with the Company/ Depository Participant(s)]:
- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii) Enter the login credentials (**i.e., User ID and password mentioned below**). Event No. followed by Folio No./DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - iii) After entering these details appropriately, Click on "LOGIN".
 - iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v) You need to login again with the new credentials.
 - vi) On successful login, the system will prompt you to select the "EVENT" i.e., Zodiac Clothing Company Limited.
 - vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folios/demat accounts.
 - ix) You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Equity Shareholders can login any numbers of times till they have voted on the Resolution(s).
 - xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the scrutinizer at evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENT NO."
 - xiii) In case a person has become the Equity Shareholder of the Company after the dispatch of the Court Convened Meeting Notice but on or before the cut-off date i.e. 22nd December 2017, he/ she may write to Karvy on the email Id: evoting@karvy.com or to Ms. Shobha Anand, Contact No. 040-67161559 or toll free no. 1-800-34-54-001, at [Unit: Zodiac Clothing Company Limited] Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast the vote.
- B. In case of Equity Shareholders receiving physical copy of the Court Convened Meeting Notice by Post [for Equity Shareholders whose email IDs are not registered with the Company/Depository Participant(s)]:
- i) **User ID and initial password** as provided in a separate e-voting communication, being sent along with the Notice of Court Convened Meeting.
 - ii) Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.
- C. **The e-voting period commences on Monday, 25th December 2017 from 10:00 A.M. and ends on Thursday, 28th December, 2017, at 5:00 P.M.** During this period, the Equity Shareholders of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being Friday, 22nd December, 2017, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Equity Shareholder, the Equity Shareholder shall not be allowed to change it subsequently. Further, the Equity Shareholders who have cast their vote electronically shall not vote by way of poll at the Meeting.
- D. In case of any query or grievance pertaining to e-voting, please visit Help & FAQ's section available at [https:// evoting.karvy.com](https://evoting.karvy.com). (on Karvy's website) or Contact:
- Ms. Shobha Anand
Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda,
Hyderabad - 500 032.
email: evoting@karvy.com, Tel: 040-67161559
- E. Voting at the Meeting will be through Poll paper to be distributed at the venue. The Scrutinizer shall after scrutinizing the votes cast at the Meeting and through e-voting, make a Consolidated Scrutinizers Report and submit the same to the Chairman of the Company, not later than 48 hours after the conclusion of the Court Convened Meeting.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH
ORIGINAL SCHEME APPLICATION NO 901 OF 2017**

In the matter of Companies Act, 2013

And

**In the matter of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules
framed thereunder as in force from time to time;**

And

**In the matter of Scheme of Amalgamation between Zodiac Finsec And Holdings Limited ('the Transferor Company')
with Zodiac Clothing Company Limited ('the Transferee Company') and their respective Shareholders**

Zodiac Clothing Company Limited, a Listed Company incorporated under }
the provisions of Companies Act, 1956 with Corporate Identity Number }
L17100MH1984PLC033143 and having its Registered Office at Nyloc House, }
254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030 }

..... Applicant Company

EXPLANATORY STATEMENT UNDER SECTION 230(3) READ WITH SECTION 102 OF THE COMPANIES ACT, 2013 AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 FOR THE MEETING OF EQUITY SHAREHOLDERS OF ZODIAC CLOTHING COMPANY LIMITED CONVENED AS PER THE DIRECTIONS OF MUMBAI BENCH OF THE NATIONAL COMPANY LAW TRIBUNAL.

Details of the Companies or Parties involved in the Scheme:

- 1. Zodiac Clothing Company Limited-** referred to as the "the Applicant Company" or the Transferee Company or "ZCCL"
- 2. Zodiac Finsec and Holdings Limited-**referred to as "the Transferor Company" or "ZFHL"

The Scheme of Amalgamation between the above Companies and their respective shareholders is referred to as the "the Scheme" or "this Scheme" or "Scheme" and the above Companies together are referred to as "the Applicant Companies". Other definitions contained in the enclosed Scheme will apply to this statement.

1. The following statement as required under Section 230(3) of the Companies Act, 2013 read with Section 102 of the Companies Act, 2013 with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 sets forth the details of the proposed Scheme, its effects and, in particular any material interests of the Directors in their capacity as members.
2. Pursuant to the Order dated November 3, 2017, passed by the National Company Law Tribunal, Mumbai Bench in the Company Scheme Application No. 901 of 2017, a meeting of the Equity Shareholders of the Company is being convened on 29th December, 2017 at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400018, Maharashtra, India at 3.00 p.m. for the purpose of considering and, if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation between Zodiac Finsec and Holdings Limited with Zodiac Clothing Company Limited and their respective shareholders ('the Scheme').
3. In addition to voting through the Poll at the Tribunal Convened Meeting of the Equity Shareholders of the Applicant Company, approval of the Equity Shareholders of the Applicant Company is also sought by way of remote e-Voting facility arranged by KCPL in compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations').
4. A copy of the Scheme setting out in detail the terms and conditions of the arrangement, as approved by the Board of Directors of the respective companies is attached to this explanatory statement and forms a part of this statement.

5. DETAILS OF COMPANIES INVOLVED IN THE SCHEME IS AS UNDER:

5.1 ZODIAC CLOTHING COMPANY LIMITED:

- (a) Zodiac Clothing Company Limited ("the Applicant Company" or "the Transferee Company" or "ZCCL") , a Public Limited Company, was incorporated on 14th June, 1984 under the provisions of Companies Act, 1956 under the name "Zodiac Clothing Company Private Limited". The word "Private" was deleted from the name w.e.f. 25th August, 1993 as per the provisions of the erstwhile Section 43A of the Companies Act, 1956. The name was subsequently changed from Zodiac Clothing Company Limited (Deemed Public Limited) to Zodiac Clothing Company Limited on 14th January, 1994. The Corporate Identification Number (CIN) of the Company is L17100MH1984PLC033143. Permanent Account Number of ZCCL is AACZ0151A.
- (b) The Registered Office of the Applicant Company is situated at Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai - 400030, Maharashtra, India and email address is contactus@zodiacmtc.com
- (c) The objects of ZCCL are set out in the Memorandum of Association. The main object of ZCCL as set out in the Memorandum of Association is as under:
 - i. To carry on the business of manufacturers of and dealers in neckwear, ties, eravator, collars, scarves, bandanas, veils, kerchiefs, cuffs, ribbons, laces, hats, bags, gloves, socks, stockings, leggings, gaiters, shawls, cardigans, stoles, mantles, shirts, blouses,

shirt blouses, belts, buckles, threads, pine, tinsel and tinsel fabrics, heels, cufflinks, tie-pins, coats, rain-coats, boiler suits, overcoats, bibs and braces, swimwear, bath-robos, gowns, parkas, anorks, windcheaters, lackets, blazers, caps, shorts, trousers, aprons, bathrobes, suits and costumes, skirts, slacks, payjamas, night dresses and other articles of woven articles as also for personal household, commercial, industrial or other use, decoration or ornament.

- (d) ZCCL is primarily engaged in the business of manufacturing, marketing and trading of men's clothing and accessories. Zodiac is one of the oldest readymade men's wear brands in India.
- (e) There has been no change in the name and objects of ZCCL during the last five years. The Registered Office of ZCCL was shifted from 10/76, Apte Properties, Off Dr. E. Moses Road, Worli, Mumbai - 400018, Maharashtra, India to Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai - 400030, Maharashtra, India w.e.f. 18th June, 2012.
- (f) The Equity Shares of ZCCL are listed on BSE Limited and National Stock Exchange of India Limited.
- (g) **Capital Structure-** The authorised, issued and subscribed paid up share capital of ZCCL as on 31st March, 2017 is as under:

Particulars	Amount in Rupees
Authorised Share Capital	
3,00,00,000 Equity Shares of Rs. 10/- each	30,00,00,000/-
Total	30,00,00,000/-
Issued, Subscribed and Paid-up Share Capital	
1,95,19,974 Equity Shares of Rs. 10/- each	19,51,99,740/-
Total	19,51,99,740/-

There has been no change in the Capital Structure of the Applicant Company subsequent to 31st March, 2017.

- (h) The details of Promoters and present directors of ZCCL along with their addresses are as follows:

Promoters:

Sr. No.	Name	Category	Address
1	Mohamed Yusuf Noorani	Promoter	Belmont, 37D, Napeansea Road, Mumba-400006
2	Anees Yusuf Noorani	Promoter	Belmont, 37D, Napeansea Road, Mumba-400006
3	Salman Yusuf Noorani	Promoter	Belmont, 37D, Napeansea Road, Mumba-400006
4	Kewal K Seth	Promoter	127 - 128, Jor Bagh, New Delhi - 110003

Directors:

Sr. No.	Name	Address
1	Mohamed Yusuf Noorani	Belmont, 37D, Napeansea Road, Mumba-400006
2	Anees Yusuf Noorani	Belmont, 37D, Napeansea Road, Mumba-400006
3	Salman Yusuf Noorani	Belmont, 37D, Napeansea Road, Mumba-400006
4	Yogendra Premkrishna Trivedi	"Mistry Manor", 62-A, Napeansea Road, Mumbai-400006
5	Madhav Laxman Apte	24/B, Woodlands, Pedder Road, Mumbai-400026
6	Subramaniam Ramachandran Iyer	Flat No. R-3, Rao Mansions, Malleswaram, Bangalore 17 th A CR, 8 th Main Road, Bangalore-560055
7	Bernhard Alfons Steinrucke	Flat No.3, First Floor, Breach Candy House, 68, B.D. Road, Mumbai-400026
8	Elizabeth Jane Hulse	3 Elliott Court, Back of Avon, Tewkesbury, GL20 5AG, Great Britain

5.2 ZODIAC FINSEC AND HOLDINGS LIMITED

- (a) Zodiac Finsec And Holdings Limited ("the Transferor Company" or "ZFHL"), a Public Limited Company, was incorporated on 14th May, 1993 under the provisions of Companies Act, 1956 under the name "Multiplex Collapsible Tubes Private Limited". The word "Private" was deleted from the name w.e.f. 25th August, 1993 as per the provisions of the erstwhile Section 43A of the Companies Act, 1956. Subsequently on deletion of Section 43A of the Companies Act, 1956, the Company continued as a Public Limited Company as per certificate issued by ROC, Maharashtra dated 18th January, 2002 with the name Multiplex Collapsible Tubes Limited. The name was subsequently changed from Multiplex Collapsible Tubes Limited to Zodiac Finsec and Holdings Limited on 16th August, 2011. The Corporate Identification Number (CIN) of the Company is U28129MH1993PLC071999. Permanent Account Number of ZFHL is PAN AAACM2918C.
- (b) The Registered Office of the ZFHL is situated at Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai - 400030, Maharashtra, India and email address is cosecy@zodiacmtc.com.

- (c) The objects of ZFHL are set out in the Memorandum of Association. The main objects of ZFHL as set out in the Memorandum of Association are as under:
- To carry on the business of manufacturers and dealing in boxes, containers and all other types of packing including tubes, collapsible tubes, wrappings made out of all types of plastics, polythene, paper and corrugated sheets, aluminium foils and leather, thermocoal, fibre and boards, jute, coir, steel required for industrial, commercial and household and other types of packaging.
 - To carry on the business of manufacturing and dealing in Aluminium foils, nails, rivets, leather belts, fluxes, adhesives gum.
 - To carry on the business of manufacturing and dealing in packing materials like gutta, rubber, insulating asbestos, percha, mica and their products, plastic in the form of sheets, tubes, hosepipes (non-metalic).
 - To carry on the business of capping and sealing of jars, all kinds of tubes, boxes and cases wholly of card wood, metal, plastic or other substances, tins, cartons, compact cases, tools, utensils, filling and packing the articles and products therein.
- (d) ZFHL is primarily engaged in the business of renting of property and investment in shares and securities.
- (e) There has been no change in the name and objects of the ZFHL during the last five years. The Registered Office of ZFHL was shifted from 10/76, Apte Properties, Off Dr. E. Moses Road, Worli, Mumbai - 400018, Maharashtra, India to Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai - 400030, Maharashtra, India w.e.f. 18th June, 2012.
- (f) The Equity Shares of the ZFHL are not listed on any Stock Exchange in India or elsewhere.
- (g) **Capital Structure-** The authorised, issued and subscribed paid up share capital of ZFHL as on March 31, 2017 is as under:

Particulars	Amount in Rupees
Authorised Share Capital	
20,00,000 Equity Shares of Rs. 10 /- each	2,00,00,000/-
2,00,000 8% Cumulative Redeemable Preference Shares of Rs. 100/- each	2,00,00,000/-
Total	4,00,00,000/-
Issued, Subscribed and Paid-up Share Capital	
20,00,000 Equity Shares of Rs. 10 /- each	2,00,00,000/-
Total	2,00,00,000/-

ZFHL is the wholly owned subsidiary of ZCCL. There has been no change in the Capital Structure of the ZFHL subsequent to 31st March, 2017.

- (h) The details of Promoters and present directors of ZHFL along with their addresses are as follows:

Promoters:

Sr. No.	Name	Category	Address
1	Zodiac Clothing Company Limited	Promoter	Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai - 400 030.

Directors:

Sr. No.	Name	Address
1	Mohamed Yusuf Noorani	Belmont, 37D, Napeansea Road, Mumbai - 400 006.
2	Anees Yusuf Noorani	Belmont, 37D, Napeansea Road, Mumbai - 400 006.
3	Salman Yusuf Noorani	Belmont, 37D, Napeansea Road, Mumbai - 400 006.

6. Relationship subsisting between the Companies who are Parties to the Scheme:

The entire issued, subscribed and fully paid-up share capital of ZFHL is held beneficially by ZCCL. Thus ZFHL is the wholly-owned subsidiary company of ZCCL.

7. Board Approvals

The Scheme of Amalgamation was unanimously approved by the Board of Directors of ZCCL at their Meeting held on 30th May, 2017 and by the Board of Directors of ZFHL at their Meeting held on 29th May, 2017.

A copy of the Scheme setting out in detail the terms and conditions of the arrangement as approved by Board of Directors of both the Companies at their respective board meetings is attached to this Explanatory Statement and forms part of this Statement.

Name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution.

i. **ZCCL**

Name of Directors	Voted in Favour	Voted Against	Abstained from Voting
Mohamed Yusuf Noorani	Yes	-	-
Anees Yusuf Noorani	Yes	-	-
Salman Yusuf Noorani	Yes	-	-
Yogendra Premkrishna Trivedi	Yes	-	-
Madhav Laxman Apte	Yes	-	-
Subramaniam Ramachandran Iyer	Yes	-	-
Bernhard Alfons Steinruecke	-	-	-
Elizabeth Jane Hulse	-	-	-

* Mr. Bernhard Steinruecke and Ms. Elizabeth Jane Hulse had not attended the Board Meeting held on 30th May, 2017 wherein this resolution was passed.

i. **ZFHL**

Name of Directors	Voted in Favour	Voted Against	Abstained from Voting
Mohamed Yusuf Noorani	Yes	-	-
Anees Yusuf Noorani	Yes	-	-
Salman Yusuf Noorani	Yes	-	-

8. Description of the Scheme:

The proposed Scheme inter alia provides for the merger of ZFHL into ZCCL with effect from the Appointed Date of 1st April, 2017, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules thereunder.

9. Rationale of the Scheme or the Benefits as perceived by the Board of Directors of the Company to the Company, Shareholders, Creditors and Others:

- 9.1 Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value and will improve financial position of the combined entity.
- 9.2 The existence of independent entities at times results in duplication of efforts and the integration of such businesses will lead to greater and optimal utilization of resources. The amalgamation would, therefore, enable the Transferee Company to increase operations and confer a competitive advantage on the entire business. With integrated processes, the Transferee Company can achieve higher scales of operations.
- 9.3 The amalgamation of the operations of the Transferor Company into the Transferee Company will assist the Transferor Company and its management in meeting the funding through a common funding mechanism. This will result in effective management and utilization of funds for capital expenditure and working capital. The efficiencies generated through cash management of the merged entity and access to cash flow generated by the combined business can be deployed more efficiently to fund organic and inorganic growth opportunities and to maximize shareholders value.
- 9.4 The amalgamated company will have the benefit of synergy, optimum use of human relations, expertise and stability of operations and would help to achieve economies of scale through efficient utilization of resources and facilities.
- 9.5 Simplified group and business structure and elimination of multiplicity of companies leading to synergies in operations, more focused operational efforts, standardization and simplification of business of processes and productivity improvements, achieving efficiencies and economies of scale and reduction in operational costs, overheads, administrative and other expenditure;
- 9.6 Greater size, scale, integration and flexibility for the amalgamated entity;

10. Key Salient features of the scheme and details of the capital or debt restructuring proposed in the Scheme

- a. "Appointed Date" for the Scheme means April 1, 2017 or such other date as the Tribunal may direct / fix, subject to acceptance of such other date by the Board of Directors of the Transferor Company and the Transferee Company and is the date with effect from which the Scheme shall upon receipt of approvals, be deemed to be operative.
- b. "Effective Date" last of the dates on which the certified copies of the order sanctioning this Scheme, passed by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Companies Act, 2013, as may be applicable, are filed with the Registrar of Companies, by the Transferor Company and the Transferee Company.
- c. The Scheme provides for amalgamation of ZFHL with ZCCL pursuant to the provisions of sections 230 to 232 of the Companies Act, 2013 and Rules made thereunder.
- d. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the entire business and whole of the undertaking of ZFHL as a going concern including all assets and liabilities shall stand transferred to and vested in and / or be deemed to be transferred to and vested in ZCCL so as to vest in ZCCL all rights, title and interest pertaining to ZFHL.

- e. The amalgamation of ZFHL with ZCCL shall be accounted for in accordance with applicable accounting standards prescribed under Section 133 of the Companies Act, 2013.
- f. As ZFHL is a wholly owned subsidiary of ZCCL, no shares are to be issued and allotted by ZFHL in lieu or exchange of ZCCL's holding in ZFHL pursuant to the Amalgamation and the entire share capital of ZFHL will be cancelled.
- g. On the Scheme becoming effective, ZFHL shall stand dissolved without being wound up.
- h. The Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

The features set out above being only the salient features of the Scheme of Arrangement as are statutorily required to be included in this explanatory statement, the members are requested to read the entire text of the Scheme (annexed herewith) to get fully acquainted with the provisions thereof.

11. Applicability of Valuation Report

As ZFHL is a wholly owned subsidiary of ZCCL, no shares are to be issued pursuant to merger and the entire share capital of ZFHL will be cancelled. The same is fair, since the shareholders of ZCCL will continue to remain beneficial owners of ZCCL in the same proportion as they held it prior to the amalgamation. Accordingly, nil consideration shall be payable by the ZCCL, hence no valuation report is required to be obtained for the same pursuant to SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.

12. Certificate from Statutory Auditors

Statutory Auditors of ZCCL M/s. Price Waterhouse LLP, Chartered Accountants have vide certificate dated 22nd November, 2017 confirmed that the accounting treatment proposed in the Scheme is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

13. Approvals / Sanctions/ No-Objections from Regulatory or any Governmental Authorities

In terms of Proviso to Regulations 37(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Para No. 7 of Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by Securities and Exchange Board of India, ZCCL has filed the draft Scheme with the National Stock Exchange of India Limited and BSE Limited on 17th November, 2017 for the purpose of disclosures.

14. Amounts due to Unsecured Creditors as on 30th June, 2017

Name of the Company	Amount due to Unsecured Creditors (Amount in Rupees)
ZCCL	33,90,23,389.49/-
ZFHL	6,40,62,258/-

15. Effect of the Scheme on various parties

- a) **Creditors-** The rights and interest of the Creditors of Companies involved in the Scheme will not be prejudicially affected by the Scheme, as Post Scheme, ZCCL shall meet respective liabilities of ZCCL and ZFHL as they arise in the ordinary course of business. Further the rights and interests of the Creditors 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.
- b) **Debenture Holders and Debenture Trustee-** As on date, there are no Debenture Holders in ZCCL and ZFHL.
- c) **Depositors and Deposit Trustee-** As on date, there are no Deposit Holders in ZCCL and ZFHL.
- d) **Employees –** The rights and interests of the employees of ZFHL, if any will not be prejudicially affected by the Scheme, as all the staff and employees of ZFHL, who are in service as on the Effective Date shall, on and from the Effective Date be deemed to have become staff and employees of ZCCL, without any break or interruption in service and on the basis of continuity of service, and the terms and conditions of their employment with ZCCL shall not be less favourable than those applicable to them with reference to ZFHL. Services of the employees of ZFHL shall be taken into account from the date of their appointment with ZFHL for the purposes of all retirement benefits and all other entitlements for which they may be eligible.
- e) **Directors and Key Managerial personnel (KMP) and their respective relatives:** The Directors or KMPs or their relatives of the respective Applicant Companies do not have any other interest in the Scheme otherwise than that as shareholders in any of Applicant Companies involved in the scheme. Further, none of the managers, key managerial personnel and/or relatives of the directors / KMPs of respective Applicant Companies is concerned or interested, financially or otherwise, in the proposed Scheme, except to the extent of the equity shares held by them in the Transferor Company and/or Transferee Company. Save as aforesaid, none of the Directors of respective Applicant Companies have any material interest in the proposed Scheme. The Directors and KMPs of ZFHL shall cease to be Directors and/or KMP consequent to dissolution of ZFHL upon amalgamation with ZCCL as detailed in the Scheme.

Details of shares held by the present directors and Key Managerial Personnel (KMPs) of ZCCL and ZFHL either individually or jointly as a first holder or second holder or as a nominee, in ZCCL and ZFHL are as under:

ZCCL:

Sr. No	Name of the Directors and KMPs of ZCCL	Number of Equity shares held	
		ZCCL	ZFHL
Directors			
1.	Mohamed Yusuf Noorani	4156220	10 (as nominee of ZCCL)
2.	Anees Yusuf Noorani	973071	1 (jointly with ZCCL)
3.	Salman Yusuf Noorani	554516	1 (jointly with ZCCL)
4.	Yogendra Premkrishna Trivedi	23875	1 (jointly with ZCCL)
5.	Madhav Laxman Apte	7684	1 (jointly with ZCCL)
6.	Subramaniam Ramachandran Iyer	3375	NIL
7.	Bernhard Alfons Steinruecke	30375	NIL
8.	Elizabeth Jane Hulse	0	NIL
Relative of Directors			
1.	Awais Anees Noorani (son of Mr. Anees Yusuf Noorani)	75	NIL
2.	Musaed Anees Noorani (son of Mr. Anees Yusuf Noorani)	75	NIL
3.	Saniyya Anees Noorani (daughter of Mr. Anees Yusuf Noorani)	75	NIL
4.	Muna Anees Noorani (wife of Mr. Anees Yusuf Noorani)	75	NIL
5.	Zehra Salman Noorani (wife of Mr. Salman Yusuf Noorani)	367	NIL
KMPs			
1.	Kumar Krishnan Iyer	0	NIL
2.	Aneel Kumar Saraff	0	NIL

ZFHL:

Sr. No	Name of the Directors and KMPs of ZCHL	Number of Equity shares held	
		ZCCL	ZFHL
Directors			
1.	Mohamed Yusuf Noorani	4156220	10 (as nominee of ZCCL)
2.	Anees Yusuf Noorani	973071	1 (jointly with ZCCL)
3.	Salman Yusuf Noorani	554516	1 (jointly with ZCCL)
KMPs			
1.	E.S. Dwakanath Rao	NIL	NIL

f) Promoter and Non-Promoter Equity Shareholders of ZCCL and ZFHL:

The rights and interest of the Promoters and Non-Promoter Shareholders of Companies involved in the Scheme will not be prejudicially affected by the Scheme.

f.a. ZCCL - Since the Scheme does not provide for issuance of further Shares by ZCCL, the pre & Post Scheme shareholding pattern of ZCCL shall remain same. The shareholders of ZCCL will continue to remain beneficial owners of ZCCL in the same proportion as they have it prior to the Amalgamation.

f.b. ZFHL – Consequent to amalgamation of ZFHL with ZCCL, the entire paid-up equity share capital of ZFHL, which is held by ZCCL, shall stand cancelled. The Scheme does not provide for any consideration in pursuance of Amalgamation.

16. Pre and Post Shareholding Pattern

16.1 The pre and post (expected) Scheme Equity Shareholding pattern of ZCCL as on 30th September, 2017 is as under:

Sr. No.	Description	Pre-Scheme shareholding		Post-Scheme shareholding (Expected)	
		No. of shares	%	No. of Shares	%
(A)	PROMOTER AND PROMOTER GROUP				
(1)	Indian				
(a)	Individuals / Hindu Undivided Family	4711935	24.13	4711935	24.13
(b)	Bodies Corporate	-	-	-	-
(c)	Others	-	-	-	-
	Sub-Total A(1):	4711935	24.13	4711935	24.13

Sr. No.	Description	Pre-Scheme shareholding		Post-Scheme shareholding (Expected)	
		No. of shares	%	No. of Shares	%
(2)	Foreign				
(a)	Individuals (Non- Residents Individuals / Foreign Individuals)	973146	4.99	973146	4.99
(b)	Any Other (specify) Bodies Corporate	6309764	32.32	6309764	32.32
	Sub-Total A(2) :	7282910	37.31	7282910	37.31
	Total A=A(1)+A(2)	11994845	61.45	11994845	61.45
(B)	PUBLIC SHAREHOLDING				
(1)	INSTITUTIONS				
(a)	Mutual Funds/UTI	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-
(e)	Foreign Portfolio Investors	2062909	10.57	2062909	10.57
(f)	Financial Institutions / Banks	112	0.00	112	0.00
(g)	Insurance Companies	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-
(i)	Any other				
	Sub-Total B(1) :	2063021	10.57	2063021	10.57
(2)	NON-INSTITUTIONS				
(a)	Individuals				
	Individual share capital upto Rs. 2 Lacs	1159643	5.94	1159643	5.94
	Individual share capital in excess of Rs. 2 Lacs	3238461	16.59	3238461	16.59
(b)	NBFCs registered with RBI	500	0.00	500	0.00
(c)	Employee Trusts	-	-	-	-
(d)	Overseas Depositories (holding DRs)	-	-	-	-
(e)	Others	1063504	5.45	1063504	5.45
	Sub-Total B (2)	5642108	27.98	5642108	27.98
	Total B = B (1)+B (2)	7527129	38.55	7527129	38.55
	GRAND TOTAL (A+B)	19519974	100.00	19519974	100.00

Note: ZCCL being a listed entity, the shareholding is subject to changes.

16.2 The pre Scheme Equity Shareholding pattern of ZFHL as on 30th September, 2017 is as follows:

Sr. No.	Description	Pre-Scheme shareholding	
		Number of shares	%
1.	Zodiac Clothing Company Limited	19,99,985	99.99925
2.	Mohamed Yusuf Noorani - Nominee of ZCCL	10	0.0005
2.	Anees Yusuf Noorani – Jointly with ZCCL	1	0.00005
3.	Salman Yusuf Noorani - Jointly with ZCCL	1	0.00005
4.	Yogendra Premkrishna Trivedi - Jointly with ZCCL	1	0.00005
5.	Madhav Laxman Apte - Jointly with ZCCL	1	0.00005
6.	S. M. Datta - Jointly with ZCCL	1	0.00005
	Total	20,00,000	100.00

Note: Entire Pre-Scheme Paid-up Equity Share Capital of ZFHL, held by ZCCL and its Nominees shall stand cancelled in pursuance of the Scheme.

17. Capital Structure pre and post amalgamation

Pre & Post Scheme Capital structure of (i) ZCCL consequent to combination of Authorised Capital of ZFHL and (ii) of ZFHL pursuant to cancellation of Paid-up Equity Share Capital upon its merger with ZCCL, as provided in the Scheme, will be as under:

(i) ZCCL:

Particulars	Pre-Scheme shareholding of ZCCL		Post-Scheme shareholding of ZCCL (Expected)	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
Authorised Share Capital:				
Equity Shares of Rs. 10/- each	3,00,00,000	30,00,00,000	3,40,00,000	34,00,00,000
TOTAL		30,00,00,000		34,00,00,000
Issued, Subscribed & Paid Up Share Capital:				
Equity Shares of Rs. 10/- each	1,95,19,974	19,51,99,740	1,95,19,974	19,51,99,740
TOTAL		19,51,99,740		19,51,99,740

(ii) ZFHL:

Particulars	Pre-Scheme shareholding of ZFHL		Post-Scheme shareholding of ZFHL (Expected)	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
Authorised Share Capital:				
Equity Shares of Rs. 10/- each	20,00,000	2,00,00,000	Nil	Nil
8% Cumulative Redeemable Preference Shares of Rs. 100/- each	2,00,000	2,00,00,000		Nil
TOTAL		4,00,00,000		
Issued, Subscribed & Paid Up Share Capital:				
Equity Shares of Rs. 10/- each	20,00,000	2,00,00,000	Nil	Nil
TOTAL		2,00,00,000	Nil	Nil

Note: Entire Pre-Scheme Paid-up Equity Share Capital of ZFHL, held by ZCCL and its Nominees, shall stand cancelled in pursuance of the Scheme.

18. The copy of draft Scheme has been filed with the Stock Exchanges where the Company's shares are Listed.
19. No investigation or proceedings have been instituted or are pending under the provisions of the Companies Act, 2013 or under erstwhile provisions of the Companies Act, 1956 against ZCCL and ZFHL.
20. No winding up petition has been initiated against ZCCL and ZFHL under the provisions of Companies Act, 1956 or any other relevant provisions of Companies Act, 2013 as of date.
21. The Applicant Companies are required to seek approvals / sanctions/ no objections from certain regulatory and governmental authorities for the Scheme such as the Registrar of Companies, Regional Director, etc. and will obtain the same at the relevant time.
22. On the Scheme being approved by the shareholders by requisite majority of the respective Companies involved in the Scheme as per the requirement of Section 230 of the Companies Act, 2013, all the Companies will file a petition with the Mumbai bench of National Company Law Tribunal for sanction of the Scheme.
23. The following documents will be open for inspection by the Equity Shareholders as per Rule 6(3) (ix) of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 at its Registered Office at Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030, Maharashtra, India on all working days except Saturdays and Sundays between 11:00 a.m. and 1:00 p.m. up to the date of the ensuing Meeting.
 - (i) Copy of the Order dated November 3, 2017 of the Tribunal at Mumbai passed in Company Scheme Application No. 901 of 2017 directing the convening of the meeting of the Equity Shareholders of ZCCL;
 - (ii) Copy of the Company Scheme Application No. 901 of 2017;
 - (iii) Scheme of Amalgamation
 - (iv) Memorandum of Association and Articles of Association of ZCCL and ZFHL;

- (v) Audited Financial Statements of ZCCL and ZFHL respectively for year ended March 31,2017;
- (vi) Copies of the resolutions passed by the respective Board of Directors of the Transferor Company and Transferee Company dated 29th May, 2017 and 30th May, 2017, respectively approving the Scheme.
- (vii) Certificate dated 22nd November, 2017, issued by Price Waterhouse LLP, Chartered Accountants, the Statutory Auditor of ZCCL, with regard to accounting treatment prescribed in the Scheme is in compliance with the Accounting Standards.
- (viii) Register of Director's Shareholding of the Applicant Company.
- (ix) Such other information or documents as the Board or management believes necessary and relevant for making decision for or against the Scheme.

This statement may be treated as Explanatory Statement under Sections 230(3) to 232 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Section 102 and other applicable provisions of the Companies Act, 2013. A copy of the Scheme, Explanatory Statement, Form of Proxy and Attendance Slip may also be obtained from the Registered Office of the Company and / or at the office of the Advocates, M/s Jhangiani Narula and Associates at 5th Floor, Aban House, Sai Baba Marg, Fort, Mumbai-400001.

Sd/-
Mr. Mohamed Yusuf Noorani
Chairman appointed for the meeting
DIN: 00041608

Place: Mumbai
Date: 22nd November, 2017

Registered Office:
Nyloc House, 254, D-2
Dr. Annie Besant Road, Worli,
Mumbai-400030

Encl: As above

SCHEME OF AMALGAMATION
UNDER SECTION 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

OF

ZODIAC FINSEC AND HOLDINGS LIMITED
(The Transferor Company)

WITH

ZODIAC CLOTHING COMPANY LIMITED
(The Transferee Company)

AND THEIR RESPECTIVE SHAREHOLDERS

PREAMBLE AND OBJECTIVES

This Scheme of Amalgamation ("Scheme") is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions if any of the Companies Act, 2013 read with applicable Rules made thereunder as an integrated and complete scheme for amalgamation of Zodiac Finsec And Holdings Limited ("the Transferor Company") with Zodiac Clothing Company Limited ("the Transferee Company"), and the dissolution of the Transferor Company without winding up. This Scheme also provides for various other matters consequential, supplemental and/ or otherwise integrally connected therewith.

A. BRIEF DESCRIPTION OF COMPANIES:

1.1 Zodiac Finsec And Holdings Limited ("ZFHL"), Transferor Company or Amalgamating Company

- (a) **Incorporation:** ZFHL was incorporated on 14th May, 1993 under the Companies Act, 1956. Its registered office is situated at Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030. The Corporate Identity Number of ZFHL is U28129MH1993PLC071999. Further, the Permanent Account Number of ZFHL is AAACM2918C;
- (b) **Business:** The Transferor Company is primarily engaged in the business of renting of property and investment in shares and securities

The Transferor Company has applied to the Reserve Bank of India for cancellation of its registration as a non-deposit taking NBFC.

1.2 Zodiac Clothing Company Limited ("ZCCL"), Transferee Company or Amalgamated Company

- (a) **Incorporation:** ZCCL was incorporated on 14th June, 1984 under the Companies Act, 1956. Its registered office is situated at Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030. The Corporate Identity Number of ZCCL is L17100MH1984PLC033143. Further, the Permanent Account Number of ZCCL is AAACZ0151A. The Transferee Company is listed on BSE Limited and National Stock Exchange of India Limited.
- (b) **Business:** The Transferee Company is primarily engaged in the business of manufacturing, marketing and trading of men's Clothing and accessories Zodiac is one of the oldest brands in the readymade men's wear in India.

B. PURPOSE AND RATIONALE OF SCHEME

- 1.1 Zodiac Finsec And Holdings Limited is a wholly owned subsidiary of Zodiac Clothing Company Limited, the Transferee Company. Both the Companies are part of the same group;
- 1.2 Accordingly, the Board of Directors of Transferor Company and the Transferee Company have decided to merge Transferor Company together with its business and undertakings, with the Transferee Company, so as to achieve, inter alia, the following:
 - a) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value and will improve financial position of the combined entity.
 - b) The existence of independent entities at times results in duplication of efforts and the integration of such businesses will lead to greater and optimal utilization of resources. The amalgamation would, therefore, enable the Transferee Company to increase operations and confer a competitive advantage on the entire business. With integrated processes, the Transferee Company can achieve higher scales of operations.
 - c) The amalgamation of the operations of the Transferor Company into the Transferee Company will assist the Transferee Company and its management in meeting the funding through a common funding mechanism. This will result in effective management and utilization of funds for capital expenditure and working capital. The efficiencies generated through cash management of the merged entity and access to cash flow generated by the combined business can be deployed more efficiently to fund organic and inorganic growth opportunities and to maximize shareholders value.
 - d) The amalgamated company will have the benefit of synergy, optimum use of human relations, expertise and stability of operations and would help to achieve economies of scale through efficient utilization of resources and facilities.
 - e) Strengthened leadership in the Industry, in terms of the asset base, revenues, product range, production volumes and market share of combined entity. The amalgamated entity will have to leverage on its large asset base and vast pool of intellectual capital, to enhance shareholders value.

- f) Simplified group and business structure and elimination of multiplicity of companies leading to synergies in operations, more focused operational efforts, standardization and simplification of business of processes and productivity improvements, achieving efficiencies and economies of scale and reduction in operational costs, overheads, administrative and other expenditure;
 - g) Greater size, scale, integration and flexibility for the amalgamated entity;
- 1.3 Thus, as a whole, amalgamation of the Transferor Company with the Transferee Company in terms of the Scheme will be beneficial for both the companies, their Shareholders, employees, customers and all others concerned with such Companies.

C. PARTS OF THE SCHEME

The Scheme is divided into following parts:

- 1 **Part A** deals with the Definitions, Interpretation and Share Capital
- 2 **Part B** deals with the amalgamation of Zodiac Finsec And Holdings Limited with Zodiac Clothing Company Limited;
- 3 **Part C** deals with the General Terms and Conditions that would be applicable to the Scheme.

PART A

DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1 DEFINITIONS

In this Scheme (as defined hereunder), unless inconsistent with the subject or context, the following expression shall have the meanings respectively assigned against them:

- 1.1 **“Applicable Law(s)”** means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Government resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question;
- 1.2 **“Companies Act”** means the Companies Act, 2013, the rules and regulations made there under and will include any statutory modifications, re-enactments and/or amendments thereof;
- 1.3 **“Appointed Date”** means 1st April, 2017 for the Transferor Company or such other date as National Company Law Tribunal (NCLT) Mumbai may direct, which shall be the date with effect from which this Scheme shall become effective and with effect from which date the Transferor Company shall amalgamate with the Transferee Company in terms of the Scheme, upon the order sanctioning this scheme becoming effective.
- 1.4 **“Board”** means the Board of Directors or in relation to the Transferor Company and the Transferee Company, as the case may be, and shall include a committee duly constituted and authorised thereby for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matter in relation thereto;
- 1.5 **“Equity Share(s)”** means the equity shares of the Transferor Company or Transferee Company, as the case may be.
- 1.6 **“Tribunal” or “NCLT”** means the National Company Law Tribunal as constituted and authorized as per the provisions of the Act;
- 1.7 **“Effective Date” means, for the purpose of this Scheme, the date on which the conditions specified in Clause 19.1 are complied with and the Scheme shall become operative from such date.** All references in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date;
- 1.8 **“ZCCL” or “the Transferee Company”** means Zodiac Clothing Company Limited (CIN: L17100MH1984PLC033143), a company incorporated under the Companies Act, 1956 and having its registered office at Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030;
- 1.9 **“ZFHL” or “the Transferor Company”** means Zodiac Finsec And Holdings Limited (CIN: U28129MH1993PLC071999), a company incorporated under the Companies Act, 1956 and having its registered office at Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030;
- 1.10 **“Registrar of Companies”** means the Registrar of Companies, Mumbai;
- 1.11 **“Scheme” or “the Scheme” or “this Scheme” or “Scheme of Amalgamation”** means this Scheme of Amalgamation in its present form or this Scheme with such modification(s), if any made, as per the Scheme;
- 1.12 **“Transferred Undertaking”** means and includes the whole of the undertaking of Transferor Company, as on the Appointed Date and includes (without being limited to) the following:
 - (a) all assets of Transferor Company, wherever situated, as are movable in nature, whether present, future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal, including without limitation, current assets, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, utilities, actionable claims, earnest monies, security deposits and sundry debtors, bills of exchange, inter corporate deposits, financial assets and accrued benefits thereto, insurance

claims recoverable, prepaid expenses, outstanding loans and advances recoverable in cash or in kind or for value to be received (including capital advances), provisions, receivables, funds, cheques and other negotiable instruments, cash and bank balances and deposits including accrued interests thereto with Governmental Authority, other authorities, bodies, customers and other persons, benefits of any bank guarantees, performance guarantees, corporate guarantees, letters of credit and tax related assets (including service tax, input credits, CENVAT credits, value added tax, sales tax, entry tax credits or set-offs and any other tax benefits, exemptions and refunds); (**hereinafter referred to as the “Assets”**);

- (b) all present and future liabilities including loans, debts, borrowings, obligations, duties, forward contract liability, cash credits, bills discounted, deferred income, contingent liability and liabilities (including present, future and contingent liabilities) pertaining to or arising out of activities or operations of the Transferor Company, including obligations relating to guarantees in respect of borrowings and other guarantees, whether provided for or not in the books of account of the Transferor Company and whether disclosed or undisclosed in its balance sheet (**hereinafter referred to as “Liabilities”**);
- (c) all immovable properties (i.e., land together with the buildings and structures standing thereon or under construction)(whether freehold, leasehold, leave and licensed or otherwise) including any tenancies in relation to office space, guest houses and residential premises including those provided to/occupied by the employees of the Transferor Company and documents of title, rights and easements in relation thereto;
- (d) all investments of the Transferor Company including in the form of shares, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates and other securities and instruments, including all rights, interest and entitlement in relation thereto and rights and options exercised and application or subscription made for or in relation thereto (**“Investments”**);
- (e) all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates, exemptions, approvals, consents, subsidies, tenancies, benefit of any deposits, privileges, all other rights and exemptions and other benefits of any application made therefore of the Transferor Company including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereof, including applications made in relation thereto and the right to use and avail of telephones, telexes, facsimile connections and installations, and other communication facilities, power lines, water pipelines, and all other utilities and services of every kind, nature and description whatsoever held by the Transferor Company or to which the Transferor Company is entitled to as on the Appointed Date (**“Licenses”**);
- (f) all benefits, entitlements, incentives and concessions under incentive schemes and policies including under customs, excise, service tax, VAT, sales tax and entry tax and income tax laws, subsidy receivables from Government, grants from any Governmental Authority, benefit availed under any incentives scheme of the Government, all other direct tax benefit/ exemptions/ deductions, sales tax deferrals, to the extent statutorily available to the Transferor Company, along with associated obligations (**“Benefits”**);
- (g) all contracts, agreements, memoranda of understanding, bids, tenders, expressions of interest, letters of intent, commitments including to clients, and other third parties, hire and purchase arrangements, other arrangements, undertakings, deeds, bonds, investments and interest in projects undertaken by the Transferor Company, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, to which the Transferor Company are a party, or to the benefit of which the Transferor Company may be eligible (**“Contracts”**);
- (h) all intellectual property rights of the Transferor Company, including pending applications (including hardware, software, source codes, parameterization and scripts), registrations, goodwill, logos, trade names, trademarks, service marks, copyrights, patents, technical knowhow, trade secrets, domain names, computer programmes, moral rights, development rights, finished and ongoing research and development programs and all such rights of whatsoever description and nature, whether or not registered, owned or licensed, including any form of intellectual property which is in progress (**“Intellectual Property”**);
- (i) all employees of the Transferor Company, whether permanent or temporary, engaged in or in relation to the Transferor Company as on the Effective Date and whose services are transferred to the Transferee Company (**“Transferred Employees”**), all provisions and benefits made in relation to such employees including provident funds, registrations and reserves and contributions, if any, made towards any provident fund, employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees of the Transferor Company (**“Funds”**), together with such of the investments made by these Funds, which are relatable to such employees;
- (j) all legal (whether civil or criminal), taxation or other proceedings or investigations of whatsoever nature (including those before any Governmental Authority) that pertain to the Transferor Company, initiated by or against the Transferor Company or proceedings or investigations to which the Transferor Company are a party to, whether pending as on the Appointed Date or which may be instituted any time in the future (**“Proceedings”**);
- (j) all taxes, duties, cess, etc., that are allocable, referable or related to the Transferor Company, including all credits under Income tax Act, including MAT credit, book losses (if any), all or any refunds, interest due thereon, credits and claims relating thereto;
- (k) all books, records, files, papers, engineering and process information, databases, catalogues, quotations, advertising materials, lists of present and former credit, and all other books and records, whether in physical or electronic form, of the Transferor Company; and
- (l) all other interest, provisions, benefits and advantages of agreements, contracts, deeds, leases, allotments, arrangements, authorizations, concessions, easements, engagements, exemptions, liberties, and all other interests wheresoever situated, belonging to or in the ownership, power or possession and under the control of or vested in or, granted in favor of or enjoyed by or arising to the Transferor Company.

- 1.13 All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.

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 NCLT, shall although effective on and from the Appointed Date will become operative only from the Effective Date.

3. SHARE CAPITAL

- 3.1 The share capital of the Transferor Company as on 31st March, 2017 is as under:

Share Capital	Amount in Rs
<u>Authorized Share Capital</u>	
20,00,000 Equity shares of Rs. 10/- each, fully paid up	2,00,00,000
2,00,000 8% Cumulative Redeemable Preference Shares of Rs. 100/- each	2,00,00,000
TOTAL	4,00,00,000
<u>Issued, subscribed and paid-up Share Capital</u>	
20,00,000 Equity shares of Rs. 10/- each, fully paid up	2,00,00,000
TOTAL	2,00,00,000

Subsequent to above date there is no change in the issued, subscribed and paid up share capital of the Transferor Company.

Entire paid up share capital of the Transferor Company including Equity Shares Capital and Preference Share Capital is held by the Transferee Company and its nominee.

- 3.2 The share capital of the Transferee Company as on 31st March, 2017 is as under :

Share Capital	Amount in Rs
<u>Authorized Share Capital</u>	
3,00,00,000 Equity shares of Rs. 10/- each, fully paid up	30,00,00,000
TOTAL	30,00,00,000
<u>Issued, subscribed and paid-up Share Capital</u>	
1,95,19,974 Equity shares of Rs. 10/- each, fully paid up	19,51,99,740
TOTAL	19,51,99,740

Subsequent to above date there is no change in the issued, subscribed and paid up share capital of the Transferee Company.

The equity shares of the Transferee Company are listed on the BSE Limited and National Stock Exchange of India Limited.

PART B

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

4. TRANSFER AND VESTING OF UNDERTAKING

- 4.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company (including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, development of rights, if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever) shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 4.2 The amalgamation of the Transferor Company with the Transferee Company will combine the business, activities and operations of the Transferor Company and the Transferee Company into a single company with effect from the Appointed Date and shall be in compliance with the provisions of the Income Tax Act, 1961, including Section 2(1B) thereof or any amendments thereto. If any term of provision of this Scheme is found or interpreted to be inconsistent with the said provisions at a current date or later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said sections of the Income-tax Act, 1961 shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax, 1961. Such modification will however not affect the other parts of the Scheme.

4.3 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (a) All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties (moveable and immovable, whether freehold or leasehold) which are acquired / constructed / developed by the Transferor Company on or after the Appointed Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.
- (b) In so far as the immovable properties held by the Transferor Company is concerned, parties shall register the true copy of the order of the Tribunal approving the Scheme with the offices of the relevant sub-registrar of assurance or similar registering authority. All the rights of the Transferor Company in the immovable properties shall stand transferred to the Transferee Company automatically without requirement of execution of any further documents for registering the name of the Transferee Company as owner thereof and the regulatory authorities, including Sub- registrar of Assurances or similar authorities by whatever name(s) called may rely on this Scheme along with the copy of the Order passed by the Tribunal, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Transferee Company as owner of the immovable properties.
- (c) In respect of such assets owned and belonging to the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company, and shall become the property of the Transferee Company in pursuance of the provisions of Section 230 to 232 and other applicable provisions of the Act.
- (d) In respect of movables other than those dealt with in Clause 4.3 (c) above including without any further act, instrument or deed of the Transferee Company the sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).

4.4 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

All the liabilities including all secured and unsecured debts, liabilities including contingent liabilities, leases, sundry creditors, duties, obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company without any further act, instrument or deed, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme. Provided that, any reference in the security documents or arrangements entered into by the Transferor Company and under which, the assets of the Transferor Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertaking of the Transferor Company only as are vested in the Transferee Company by virtue of the Scheme.

4.5 The Transferor Company may be entitled to various benefits under incentive schemes and policies under various laws, regulations and notifications. Pursuant to this Scheme it is declared that the benefits under all of such schemes and policies shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever' including tax concessions (not limited to income tax, tax holiday, special economic zone related benefits, tax losses, fringe benefit tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs, goods and service tax, Minimum Alternate Tax Credit entitlement ("MAT Credit") whether recognized or not, unutilized deposits or credits, benefits under the VAT/Sales Tax Law, VAT/Sales Tax set off, benefits of any unutilized MODVAT/CENVAT/ Service Tax credits etc and others) and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive scheme and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to the Transferor Company. Further, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad shall stand transferred and vested with the Transferee Company.

4.6 Upon the coming into effect of this Scheme, all agreements, rights, contracts (including customer contracts), entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, development of rights, if any, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company business activities and operations shall stand transferred and vested with the Transferee Company.

- 4.7 Upon the coming into effect of this Scheme, all intellectual property rights, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company business activities and operations shall stand transferred and vested with the Transferee Company.
- 4.8 Upon the coming into effect of this Scheme, amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment shall stand transferred and vested with the Transferee Company.
- 4.9 Upon the coming into effect of this Scheme, right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India shall stand transferred and vested with the Transferee Company.
- 4.10 All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees, or the employees, with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment shall stand transferred and vested with the Transferee Company.
- 4.11 Upon the coming into effect of this Scheme, the resolutions, and other actions undertaken by the Transferor Company including the approvals that may have been obtained by Transferor Company from its shareholders under provisions of Section 180, Section 185, Section 186 and Section 188, approvals that may be obtained under the Act and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

5 CONSIDERATION FOR AMALGAMATION

- 5.1 The entire issued, subscribed and paid up equity share capital of the Transferor Company is held by the Transferee Company and its nominee/s. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of shares in Transferor Company and the entire share capital of the Transferor Company shall stand cancelled.
- 5.2 Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the equity shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed.

6 ACCOUNTING TREATMENT

Notwithstanding anything contained in any other clauses of the Scheme, the accounting treatment for the purpose of this Scheme, in the books/financial statements of ZFHL and ZCCL, shall be in accordance with "Indian Accounting Standard (Ind-AS) 103 – Business Combinations" and other applicable Ind-AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

7 CONDUCT OF BUSINESS TILL EFFECTIVE DATE

During the period between the Appointed Date and the Effective Date:

- 7.1 The Transferor Company shall carry on and deemed to have carried on its business and activities and shall stand possessed of their entire business and undertakings, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- 7.2 All the income or profits accruing or arising to the Transferor Company and all costs, charges, expenses or losses incurred including tax losses and MAT credits earned by the Transferor Company shall for all purposes be treated the income, profits, costs, charges, expenses and losses as the case may be of the Transferee Company.
- 7.3 The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of the Transferor Company and the Transferee Company.
- 7.4 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor Company.

8 PROFITS AND DIVIDENDS

- 8.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.
- 8.2 The shareholders of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

- 8.3 For the avoidance of doubt, it is hereby clarified that nothing in this Scheme shall prevent Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the record date for the purpose of dividend.
- 8.4 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company respectively, and subject to the approval, if required, of the shareholders of the Transferor Company and the Transferee Company respectively.

9 LEGAL PROCEEDINGS

- 9.1 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.
- 9.2 On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to any business or matter relating to the Transferor Company.

10 CONTRACTS, DEEDS, ETC

- 10.1 Subject to the other provisions contained in this Scheme, all applications with regulatory authorities, contracts, deeds, bonds, agreements and other instruments of whatever nature to which, the Transferor Company is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of the Transferee Company, 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.

11 SAVING OF CONCLUDED TRANSACTIONS

- 11.1 The transfer of Business, assets, properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferee Company under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

12 STAFF, WORKMEN & EMPLOYEES

- 12.1 On the Scheme becoming operative, all staff and employees of the Transferor Company, if any, in service on the Effective Date shall be deemed to have become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of 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.
- 12.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff and employees of the Transferor Company, if any, shall become the trusts/ funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company. It is clarified that the services of the staff and employees of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.

13 COMBINATION OF AUTHORISED SHARE CAPITAL

- 13.1 Upon this Scheme becoming effective and upon the transfer and vesting of the Transferor Company into Transferee Company pursuant to this Scheme, the entire Authorized Share Capital of the Transferor Company equal to Rs. 4,00,00,000 (divided into 20,00,000 Equity Shares of Rs. 10/- each and 2,00,000 Preference Shares of Rs. 100/- each) shall stand merged with the Authorized Share Capital of the Transferee Company.
- 13.2 Accordingly, upon this Scheme becoming effective, the Authorized Share Capital of the Transferee Company of Rs. 30,00,00,000 shall stand increased by Rs. 4,00,00,000 to Rs. 34,00,00,000 as below :

Authorised Capital	Amount in Rs
<u>Authorized Share Capital</u>	
3,40,00,000 Equity shares of Rs. 10/- each, fully paid up	34,00,00,000
TOTAL	34,00,00,000

- 13.3 Upon sanction of this Scheme, without any further act, instrument or deed on the part of the Transferee Company and without any further payment of stamp duty and fees payable to Registrar of Companies, Maharashtra at Mumbai, the Memorandum of Association and Articles of Association (relating to the authorized share capital) of the Transferee Company 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 any provisions of the Act would be required to be separately passed and for this purpose the stamp duties and fees paid on the authorized 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 authorised share capital to that extent mentioned above.

It further clarified that the approval of the Equity Shareholders of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum of Association of the Transferee Company as may be required under the Act.

Clause 'V' of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

Clause 'V' of the Memorandum of Association:

V. *The Authorised Share Capital of the Company is Rs. 34,00,00,000/- (Rupees Thirty Four Crores Only) divided into 3,40,00,000 (Three Crore Forty Lakhs) Equity Shares of Rs 10/- (Rupees Ten) each , with rights , privileges and conditions attached thereto as are provided by the regulations of the Company for the time being and with power to increase, consolidate, divide, sub-divide, cancel and reduce the Share Capital of the Company and to convert shares into stocks, and reconvert that and to divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges in such manner as may for the time being be provided in the Articles of Association of the Company.*

14. DISSOLUTION OF THE TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and its name shall be struck off from the records of the appropriate Registrar of companies.

PART C

GENERAL TERMS AND CONDITIONS

15. APPLICATION TO TRIBUNAL OR ANY OTHER COMPETENT AUTHORITY OR ANY OTHER APPROPRIATE AUTHORITY UNDER THE APPLICABLE PROVISIONS OF THE ACT, AS MAY BE APPLICABLE

The Transferor Company and the Transferee Company shall make, as applicable, joint or separate applications / petitions under Section 230 to 232 of the Companies Act, 2013 to the NCLT, as necessary , interact, to seek orders for dispensing with or for convening, holding or conducting of the Meetings of their respective shareholders and creditors, sanctioning of this Scheme and for consequent actions including for dissolution of the Transferor Company without winding up and further applications / petitions under Section 230 to 232 of the Companies Act, 2013 including for sanction / confirmation / clarification of the Scheme or connected therewith.

16. REVISION OF TAX FILINGS, MODIFICATION OF CHARGE:

- a) Upon the Scheme becoming effective and from the Appointed date, the Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns including tax deducted at source returns, service tax returns, excise returns, sale tax and value added tax returns, as may be applicable and has expressly reserved the right to make such provisions in its returns and to claim refunds or credits etc. if any. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have lapsed.
- b) Filing of the certified copy of the order of the NCLT sanctioning this Scheme with the relevant Registrar of Companies, Maharashtra, Mumbai shall be deemed to be sufficient for creating or modifying the charges in favour of the secured creditors, if any, of the Transferor Company, as required as per the provisions of this Scheme.

17. TAX NEUTRALITY:

The amalgamation in accordance with this Scheme shall be pursuant to and in compliance with the provisions of Section 2(1B) of the Income Tax Act, 1961 or any modification or re-enactment thereof.

18. MODIFICATION OR AMENDMENTS TO THE SCHEME

Subject to approval of Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, the Transferee Company and the Transferor Company with the approval of their respective Boards of Directors which includes the Committee of Directors may consent, from time to time, on behalf of all persons concerned, to any modifications/ amendments or additions/deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Boards of Directors to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds matters, and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, may deem fit to approve of, to direct and or impose. The aforesaid powers of the Transferee Company and the Transferor Company to give effect to the modification / amendments to the Scheme may be exercised by their respective Boards of Directors or any person authorised in that behalf by the concerned Board of Directors subject to approval of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable.

19. CONDITIONALITY OF THE SCHEME AND FILING OF THE SCHEME WITH THE REGISTRAR OF COMPANIES

19.1 This Scheme is and shall be conditional upon and subject to the following:

- 19.1.1 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, including Stock Exchange(s) and / or Securities and Exchange Board of India, which by law or regulations or otherwise may be necessary for the implementation of this Scheme;
 - 19.1.2 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the Equity Shareholders and / or creditors of the Transferor Company and the Transferee Company, as may be directed by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable.
 - 19.1.3 The Scheme being sanctioned by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, including Sections 230 to 232 of the Companies Act, 2013.
- 19.2 Certified or authenticated copy of the order of NCLT sanctioning the Scheme will be filed with the Registrar of Companies, Mumbai in Maharashtra by ZFHL and ZCCL within 30 days of the receipt of the certified copy of the order in accordance with Section 232(5) of the Companies Act, 2013.

20. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

- 20.1 In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and / or the Scheme not being sanctioned by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and / or the Order not being passed as aforesaid before December 31, 2018 or within such further period or periods as may be agreed upon between the Transferee Company and the Transferor Company by their Board of Directors (and which the Board of Directors of the Transferee Company and the Transferor Company are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect.
- 20.2 In the event of this Scheme failing to take effect or it becomes null or void, no rights and liabilities of whatsoever nature shall accrue to or be incurred inter-se to or by the parties to the Scheme or any of them.

21. SEVERABILITY

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

22. COSTS, CHARGES & EXPENSES

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

23. MISCELLANEOUS

The Transferee Company acting through its Boards of Directors shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority / person is unacceptable to them.

REPORT OF THE BOARD OF DIRECTORS OF ZODIAC CLOTHING COMPANY LIMITED ON THE SCHEME OF AMALGAMATION OF ZODIAC FINSEC AND HOLDINGS LIMITED ("ZFHL") WITH ZODIAC CLOTHING COMPANY LIMITED ("ZCCL" OR "THE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS ("SCHEME")

Members Present:

Mr. Mohamed Yusuf Noorani	- Chairman
Mr. Anees Yusuf Noorani	- Director
Mr. Salman Yusuf Noorani	- Managing Director & President
Mr. M. L. Apte	- Director
Mr. S. R. Iyer	- Director
Mr. Y. P. Trivedi	- Director

1. Background:

- 1.1 A meeting of the Board of Directors ('Board') of Zodiac Clothing Company Limited ("the Company" or "the Transferee Company" or "ZCCL") was held on 30th May, 2017 to consider and recommend the proposed Scheme of Amalgamation of Zodiac Finsec and Holdings Limited with ("the Transferor Company" or "ZFHL") with Zodiac Clothing Company Limited and their respective shareholders ("the Scheme") to be implemented as per the terms specified in the scheme.
- 1.2 In terms of sec 232(2) (c) of Companies Act, 2013, a report from the Board of the Company explaining the effect of the proposed Scheme of Amalgamation on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further the said report has to specify any special valuation difficulties, if any in the valuation. This report of the Board is made in order to comply with the requirements of Section 232(2) (c) of Companies Act, 2013.
- 1.3 This report is made by the Board after perusing interalia the following necessary documents ('Documents'):
 - (a) Draft Scheme of Amalgamation of Zodiac Finsec and Holdings Limited with Zodiac Clothing Company Limited and their respective shareholders ("the Scheme");

2 Background to the Proposed Scheme:

- (a) ZCCL is primarily engaged in the business of manufacturing, marketing and trading of men's clothing and accessories. Zodiac is one of the oldest readymade men's wear brands in India.
- (b) ZFHL is primarily engaged in the business of renting of property and investment in shares and securities.
- (c) The Proposed Scheme of Amalgamation is with a view to:
 - i. Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value and will improve financial position of the combined entity.
 - ii. The existence of independent entities at times results in duplication of efforts and the integration of such businesses will lead to greater and optimal utilization of resources. The amalgamation would, therefore, enable the Transferee Company to increase operations and confer a competitive advantage on the entire business. With integrated processes, the Transferee Company can achieve higher scales of operations.
 - iii. The amalgamation of the operations of the Transferor Company into the Transferee Company will assist the Transferor Company and its management in meeting the funding through a common funding mechanism. This will result in effective management and utilization of funds for capital expenditure and working capital. The efficiencies generated through cash management of the merged entity and access to cash flow generated by the combined business can be deployed more efficiently to fund organic and inorganic growth opportunities and to maximize shareholders value.
 - iv. The amalgamated company will have the benefit of synergy, optimum use of human relations, expertise and stability of operations and would help to achieve economies of scale through efficient utilization of resources and facilities.
 - v. Simplified group and business structure and elimination of multiplicity of companies leading to synergies in operations, more focused operational efforts, standardization and simplification of business of processes and productivity improvements, achieving efficiencies and economies of scale and reduction in operational costs, overheads, administrative and other expenditure;
 - vi. Greater size, scale, integration and flexibility for the amalgamated entity;

3 Impact on key stakeholders

The aforementioned scheme will help in simplification of the group structure. There is expected to be no impact of the Scheme on key managerial personnel, the directors, the promoters and non-promoters shareholders.

4 Valuation

As ZFHL is a wholly owned subsidiary of ZCCL, no shares are to be issued pursuant to merger and the entire share capital of ZFHL will be cancelled. The same is fair, since the shareholders of ZCCL will continue to remain beneficial owners of ZCCL in the same proportion as they held it prior to the amalgamation. Accordingly, nil consideration shall be payable by the ZCCL, hence no valuation report is obtained for the same.

For and on behalf of Zodiac Clothing Company Limited

Sd/-

Mohamed Yusuf Noorani
Chairman

Date: May 30, 2017
Place: Mumbai

Zodiac Clothing Company Limited
Balance Sheet as at 30th June, 2017

		Note	As at 30 th June, 2017
I	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	1	1,065,624,867
	(b) Capital work - in - progress	2	19,738,355
	(c) Intangible assets	3	21,269,183
	(d) Intangible Assets Under Development	4	2,527,235
	(e) Investments in subsidiaries, associates and joint venture	5	26,591,001
	(f) Financial assets		
	(i) Investments	5 (a)	461,401,032
	(ii) Others financial assets	6	171,144,878
	(g) Deferred tax assets (net)		10,425,145
	(h) Current tax assets (net)	7	85,128,808
	(i) Other non - current assets	8	39,437,404
2	Current assets		
	(a) Inventories	9	755,366,063
	(b) Financial assets		
	(i) Investments	10	136,921,203
	(ii) Trade receivables	11	142,818,382
	(iii) Cash and cash equivalents	12	5,924,545
	(iv) Bank Balances other than cash and cash equivalents	13	12,804,116
	(v) Loans	14	49,253,572
	(vi) Others financial assets	15	10,570,062
	(c) Other current assets	16	155,502,778
	TOTAL ASSETS		3,172,448,629
II	EQUITY AND LIABILITIES		
1	Equity		
	a) Equity share capital	17 A	195,199,740
	b) Other equity	17 B	1,872,834,824
2	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	18	89,727,802
	(b) Provisions	19	14,414,195
	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	20	504,037,624
	(ii) Trade payables	21	271,544,734
	(iii) Other financial liabilities	22	190,031,289
	(b) Provisions	23	2,215,079
	(c) Other current liabilities	24	32,443,342
	TOTAL EQUITY AND LIABILITIES		3,172,448,629

The accompanying notes are an integral part of these standalone financial statements

Zodiac Clothing Company Limited
Statement of Changes in Equity for the period ended 30th June, 2017

		Note	Period ended 30 th June, 2017
I	CONTINUING OPERATIONS INCOME		
	Revenue from operations	25	540,535,549
	Other income	26	87,328,500
	Total Income		627,864,049
II	EXPENSES		
	Cost of materials consumed	27	231,532,636
	Excise duty	28	4,704,040
	Purchases of stock-in-trade	29	17,731,751
	Changes in inventories of finished goods, stock-in-trade and work-in progress	30	(46,781,454)
	Employee benefits expense	31	147,211,339
	Finance costs	32	10,686,634
	Depreciation and amortization expense	33	25,329,939
	Other expenses	34	279,679,799
	Total expenses		670,094,684
III	Profit / (loss) before exceptional Items and tax		(42,230,635)
IV	Exceptional Item	35	-
V	Profit / (loss) before tax		(42,230,635)
VI	Tax expense	36	
	Current tax		11,000,000
	Deferred tax charge/(credit)		(10,425,145)
	Tax in respect of earlier years		-
VII	Profit/(Loss) for the year from continuing operations		(42,805,490)
VIII	Other Comprehensive Income		
	(i) Items that will not be reclassified to profit or loss		
	- Equity Instruments through Other Comprehensive Income		(21,976,762)
	- Income tax relating to above items		-
IX	Total Comprehensive Income for the year		(64,782,252)
X	Earnings per equity share of Rs. 10 each (for continuing operation):		
	Basic (Rs.)		(2.19)
	Diluted (Rs.)		(2.19)

The accompanying notes are an integral part of these standalone financial statements

Zodiac Clothing Company Limited
Statement of Changes in Equity for the period ended 30th June, 2017

A. Equity Share Capital

(Rs in lacs)

	Notes	Amount
As at 1st April, 2016		195,199,740
Changes in equity share capital	17 A	-
As at 31st March, 2017		195,199,740
Changes in equity share capital	17 A	-
As at 30th June, 2017		195,199,740

B. Other Equity

	Reserves and Surplus					Other comprehensive income - Re-measurement of defined benefit plans	Total
	Securities Premium Reserve	Amalgamation Reserves	State Cash Subsidy	General Reserves	Retained Earnings		
Balance as at 1st April, 2016	269,647,146	816,433	1,584,350	257,575,601	1,031,860,872	538,082,443	2,099,566,845
Profit for the year	-	-	-	-	(164,036,840)	-	(164,036,840)
Other Comprehensive Income for the year	-	-	-	-	-	(1,886,739)	(1,886,739)
Total Comprehensive Income for the year	-	-	-	-	(164,036,840)	(1,886,739)	(165,923,579)
Provision for tax on dividend in terms of Section 115O read with Section 115BBD of the Income Tax Act, 1961 for the previous year written back	-	-	-	-	3,973,807	-	3,973,807
Balance as at 31st March, 2017	269,647,146	816,433	1,584,350	257,575,601	871,797,839	536,195,704	1,937,617,073
Balance as at 1st April, 2017	269,647,146	816,433	1,584,350	257,575,601	871,797,839	536,195,704	1,937,617,073
Profit for the period					(42,805,490)		(42,805,490)
Other Comprehensive Income for the period						(21,976,762)	(21,976,762)
Total Comprehensive Income for the year	-	-	-	-	(42,805,490)	(21,976,762)	(64,782,252)
Dividends	-	-	-	-	-	-	-
Dividend distribution tax (net of credit available on distribution of dividend by Subsidiary)	-	-	-	-	-	-	-
Balance as at 30th June, 2017	269,647,146	816,433	1,584,350	257,575,601	828,992,349	514,218,942	1,872,834,821

Zodiac Clothing Company Limited
Notes to the Standalone Financial Statements

Note :- 1 Property, Plant and Equipment

	Freehold	Land Leasehold	Buildings	Leasehold Improvement	Plant & Machinery	Furniture & fixtures	Vehicles	Office equipment	Computer	Electrical Installation	Total
I. Deemed cost											
Balance at April 1, 2016	42,090,419	475,940	126,809,111	370,192,515	490,320,426	387,907,425	30,775,661	79,561,381	74,494,310	97,323,556	1,699,950,744
(+) Additions	-	-	3,186,490	33,153,237	66,926,031	18,796,200	-	2,564,278	2,424,428	7,148,574	134,199,238
(-) Disposals	-	-	121,740	31,403,983	-	602,321	1,889,137	4,574	-	1,618,663	35,640,418
Balance at March 31, 2017	42,090,419	475,940	129,873,861	371,941,769	557,246,457	406,101,304	28,886,524	82,121,085	76,918,738	102,853,467	1,798,509,564
(+) Additions	-	-	3,131,971	1,971,326	1,682,743	486,964	-	900,645	72,841	2,732,045	10,978,535
(-) Disposals	-	-	-	1,689,350	1,510,000	-	-	-	-	228,769	3,428,119
Balance as at June 30, 2017	42,090,419	475,940	133,005,832	372,223,745	557,419,200	406,588,268	28,886,524	83,021,730	76,991,579	105,356,743	1,806,059,980
II. Accumulated depreciation											
Balance at April 1, 2016	-	221,889	37,414,870	152,927,674	175,699,391	140,697,312	24,793,732	22,661,122	56,614,061	32,495,488	643,525,539
Depreciation expense	-	19,748	3,519,753	33,290,748	21,167,592	22,184,985	2,097,891	3,787,364	6,282,760	4,325,147	96,675,988
Eliminated on disposals of assets	-	-	56,149	20,334,673	-	269,878	1,449,234	4,574	-	417,500	22,532,008
Balance at March 31, 2017	-	241,637	40,878,474	165,883,749	196,866,983	162,612,419	25,442,389	26,443,912	62,895,821	36,403,135	717,669,519
Depreciation expense	-	4,937	902,768	8,470,529	5,633,955	4,967,970	417,142	1,466,742	1,498,832	437,111	23,799,986
Eliminated on disposals of assets	-	-	-	961,604	-	-	-	-	-	72,787	1,034,391
Balance as at June 30, 2017	-	246,574	41,781,242	173,392,674	202,500,938	167,580,389	25,859,531	27,910,654	64,395,653	36,767,459	740,435,114
III. Carrying Amount											
Balance at April 1, 2016	42,090,419	254,051	89,394,241	217,264,841	314,621,035	247,210,113	5,981,929	56,900,259	17,880,249	64,828,068	1,056,425,205
Balance at March 31, 2017	42,090,419	234,303	88,995,387	206,058,020	360,379,474	243,488,885	3,444,135	55,677,173	14,021,917	66,450,332	1,080,840,045
Balance as at June 30, 2017	42,090,419	229,366	91,224,590	198,831,071	354,918,262	239,007,879	3,026,993	55,111,076	12,595,926	68,589,284	1,065,624,866

Note :- 2 - Capital work - in - progress

Capital Work in Progress :	
Balance as at 1st April, 2016	50,614,735
Balance as at 31st March, 2017	22,943,540
Balance as at June 30, 2017	19,738,355

Zodiac Clothing Company Limited
Notes to the Standalone Financial Statements

3 Intangible Assets

	Computer Software	Total
Gross carrying amount		
Deemed cost as at 1st April, 2016	45,694,925	45,694,925
Additions	9,797,718	9,797,718
Disposals	-	-
Balance as at 31st March, 2017	55,492,643	55,492,643
Additions	93,246	93,246
Disposals	-	-
Balance as at June 30, 2017	55,585,889	55,585,889
Accumulated amortisation		
Balance as at 1st April 2016	25,983,599	25,983,599
Additions	6,803,154	6,803,154
Disposals	-	-
Balance as at 31st March, 2017	32,786,753	32,786,753
Additions	1,529,953	1,529,953
Disposals	-	-
Balance as at June 30, 2017	34,316,706	34,316,706
Net carrying amount		
Balance as at 1st April, 2016	19,711,326	19,711,326
Balance as at 31st March, 2017	22,705,890	22,705,890
Balance as at June 30, 2017	21,269,183	21,269,183
4 Intangible Assets Under Development		
Balance as at 1st April, 2016		3,772,378
Balance as at 31st March, 2017		3,002,003
Balance as at June 30, 2017		2,527,235

5 Investments in Subsidiaries, Associates and Joint Venture

	As at 30th June, 2017	
	No. of Units	Amount
A. Investment in subsidiaries		
Unquoted		
i. Equity instruments at cost		
250 Equity Shares of CHF 1,000/- each of Zodiac Clothing Company S.A., Switzerland	250	6,591,001
2,000,000 Equity Shares of Rs.10/- each of Zodiac Finsec and Holdings Limited	2,000,000	20,000,000
		26,591,001
Aggregate amount of unquoted investments before impairment		26,591,001
Aggregate amount of impairment in the value of investment		26,591,001

Zodiac Clothing Company Limited
Notes to the Standalone Financial Statements

6 Other non-current financial assets	As at 30th June, 2017
(Unsecured, Considered good)	
Deposits with others	171,144,878
Total	171,144,878

7 Current tax assets (net)	As at 30th June, 2017
Current tax assets (net)	85,128,808
Total	85,128,808

8 Other non-current assets	As at 30th June, 2017
Capital advances	3,701,965
Prepaid expenses	54,534
Deposits with customs, port trust, excise and other govt. authorities	35,680,905
Total	39,437,404

9 Inventories	As at 30th June, 2017
Raw Materials	153,690,854
Raw Materials - In Transit	3,095,023
Work-in-progress	19,388,247
Finished goods	425,837,476
Stock-in-trade	67,275,707
Stores and Spares	5,286,517
Accessories and packing material	75,797,566
Accessories and packing material - In Transit	1,839,639
Chemicals & furnace oil etc.	3,155,034
Total	755,366,063

10 Current investments

	No. of Units	As at 30th June, 2017
A. Investments in Mutual Funds		
i. Quoted		
At Fair value through Profit and Loss		
952,134 (Previous Year: 806,148) Units of Rs.10/- each of IDFC Ultra Short Term Fund-Growth (Direct Plan)	952,134	61,816,922
794,986 (Previous Year: 370,797) Units of Rs.10/- each of HDFC floating rate Income Fund-Short term Plan-Wholesale Option Growth	794,986	75,104,281
Total		136,921,203
Aggregate amount of quoted investments and Market value there of		136,921,203
Aggregate amount of unquoted investments		-

Zodiac Clothing Company Limited
Notes to the Standalone Financial Statements

11 Trade receivables	As at 30th June, 2017
Trade receivables	
Receivables from related parties (Refer Note 43)	165,016,488
Less: Allowance for doubtful trade receivables	(22,198,106)
Total receivables	142,818,382
Current portion	142,818,382
Non-current portion	-
Break-up of security details	
Secured, considered good	-
Unsecured, considered good	120,620,276
Doubtful	22,198,106
Total	142,818,382
Allowance for doubtful trade receivables	-
Total trade receivables	142,818,382

Refer Note 45 for information about credit risk and market risk of trade receivables.

12 Cash and cash equivalents	As at 30th June, 2017
Cash on hand	233,067
Balances with Banks - In current accounts	5,691,478
Total	5,924,545

13 Bank Balances other than cash and cash equivalents	As at 30th June, 2017
Investments in Term deposits (Refer Note (b) below)	11,269,654
Unclaimed dividends and unclaimed matured debenture -Earmarked balances with banks	1,534,462
Total	12,804,116

14 Current loans	As at 30th June, 2017
(Unsecured, considered good)	
Loans to related parties (Refer Note 43)	44,226,316
Loans to employees	9,142,384
Less: Provision for doubtful loans and advances	(4,115,128)
Total	49,253,572

Refer Note 45 for information about credit risk and market risk for loans.

15 Other current financial assets	As at 30th June, 2017
(Unsecured, considered good)	
Interest receivable	7,970,775
Earnest Money Deposit	88,000
Other balances	2,599,287
Total	10,658,062

Zodiac Clothing Company Limited
Notes to the Standalone Financial Statements

16 Other current assets	As at 30th June, 2017
Export Benefits receivables	75,701,836.00
Advance payment to gratuity fund	28,187,562.00
Deferred Rent	23,309,269.00
Advances to Suppliers	11,527,608.00
Less: Provision for other doubtful loans and advances	(553,762.00)
Prepaid expenses	17,242,265.00
Total	155,414,778.00

17 A Equity share capital	As at 30th June, 2017
Authorised	300,000,000
Issued, subscribed and fully paid up	195,199,740
	195,199,740

Notes:

a) Reconciliation of number of shares

As at 30th June, 2017

	Number of shares	Amount
Equity Shares :	19,519,974	195,199,740
Balance as at the beginning of the year		
Balance as at the end of the year	19,519,974	195,199,740

17 B Other Equity

	Reserves and Surplus					Other comprehensive income - Re-measurement of defined benefit plans	Total
	Securities Premium Reserve	Amalgamation Reserves	State Cash Subsidy	General Reserves	Retained Earnings		
Balance as at 1st April, 2016	269,647,146	816,433	1,584,350	257,575,601	1,031,860,875	538,082,443	2,099,566,848
Profit for the year	-	-	-	-	(164,036,840)	-	(164,036,840)
Other Comprehensive Income for the year	-	-	-	-	-	(1,886,739)	(1,886,739)
Total Comprehensive Income for the year	-	-	-	-	(164,036,840)	(1,886,739)	(165,923,579)
Provision for tax on dividend in terms of Section 115O read with Section 115BBD of the Income Tax Act, 1961 for the previous year written back	-	-	-	-	3,973,807	-	3,973,807
Balance as at 31st March, 2017	269,647,146	816,433	1,584,350	257,575,601	871,797,842	536,195,704	1,937,617,076
Balance as at 1st April, 2017	269,647,146	816,433	1,584,350	257,575,601	871,797,842	536,195,704	1,937,617,076
Profit for the period					(42,805,490)		(42,805,490)
Other Comprehensive Income for the period						(21,976,762)	(21,976,762)
Total Comprehensive Income for the year	-	-	-	-	(42,805,490)	(21,976,762)	(64,782,252)
Dividends	-	-	-	-	-	-	-
Dividend distribution tax (net of credit available on distribution of dividend by Subsidiary)	-	-	-	-	-	-	-
Balance as at 30th June, 2017	269,647,146	816,433	1,584,350	257,575,601	828,992,352	514,218,942	1,872,834,824

Zodiac Clothing Company Limited
Notes to the Standalone Financial Statements

18 Non-current borrowings	As at 30th June, 2017
<u>Secured</u>	
Term loans from banks	50,772,337
Secured - Total (A)	50,772,337
<u>Unsecured</u>	
Loans from related parties	38,955,465
Unsecured - Total (B)	38,955,465
Total (A+B)	89,727,802

19 Provisions	As at 30th June, 2017
Provision for employee benefits	
Leave Entitlement	14,414,195
Total	14,414,195

20 Current Borrowings	As at 30th June, 2017
<u>Secured</u>	
(a) Working Capital Loans from banks	504,037,624
Secured - total (A)	504,037,624
<u>Unsecured</u>	-
Unsecured - total (B)	-
Total (A+B)	504,037,624

21 Trade payables	As at 30th June, 2017
Trade payables [Refer Note below]	
Amounts due to related parties [Refer Note 43]	271,544,734
Others	-
Total	271,544,734

22 Other current financial liabilities	As at 30th June, 2017
(a) Current maturities of long-term debt (Refer Note 18)	16,292,430
(b) Interest accrued and due on borrowings	2,039,427
(c) Interest accrued but not due on borrowings	154,556
(d) Deposits from Dealers, Agents, etc.	-
(e) Unpaid dividends [Refer Note (a) below]	1,534,462
(f) Mark to market of derivative financial instruments	12,476,822
(g) Trade / security deposits received	186,782
(h) Salary and Wages payable	42,339,170
(i) Provision for Bonus	54,996,753
(j) Capital Creditors	33,475,518
(k) Other payables	5,000,723
Current total	168,496,643

Zodiac Clothing Company Limited
Notes to the Standalone Financial Statements

23 Provisions	As at 30th June, 2017
Provision for employee benefits	
Leave Entitlement	2,215,079
Current total	2,215,079

24 Other Current liabilities	As at 30th June, 2017
Revenue received in advance	17,295,618
Statutory Dues	21,534,646
Other payables	15,147,724
Current total	53,977,988

25 Revenue from Operations	Period Ended 30th June, 2017
Sale of Products	
(i) Manufactured goods	503,411,565
(ii) Stock-in trade	
Other operating revenue	
(i) Export Incentives, etc	31,307,026
(ii) Recovery of freight and insurance on sales	4,863,607
(iii) Royalty received	-
(iv) Sale of scrap	934,823
(v) Commission received	18,528
Total	540,535,549

26 Other income	Period Ended 30th June, 2017
Interest income	3,690,853
Dividend Income	69,596,212
Net gain on sale/fair valuation of investments through profit and loss *	1,736,132
Rent income	452,325
Insurance Claim	-
Net gain on foreign currency transactions and translation	10,254,600
Liabilities / Provision no longer required	549,741
Miscellaneous income	1,048,637
Total	87,328,500

27 Cost of materials consumed	Period Ended 30th June, 2017
Opening Stock	233,277,818
Purchases	232,677,900
Less : Sales	-
Less : Closing Stock	234,423,082
Total	231,532,636

28 Excise duty	Period Ended 30th June, 2017
Excise duty	4,704,040
Total	4,704,040

Zodiac Clothing Company Limited
Notes to the Standalone Financial Statements

29 Purchases of Stock-in-Trade	Period Ended 30th June, 2017
Garment, Fabric and Accessories	17,731,751
Total	17,731,751

30 Changes in inventories of finished goods, stock-in-trade and work-in-progress	Period Ended 30th June, 2017
Opening inventories	
Finished goods	360,415,008
Work-in-progress	28,457,523
Stock-in-trade	76,847,445
	465,719,976
Closing inventories	
Finished goods	425,837,476
Work-in-progress	19,388,247
Stock-in-trade	67,275,707
	512,501,430
Excise duty on increase/ (decrease) of finished goods	
Total	(46,781,454)

31 Employee benefits expense	Period Ended 30th June, 2017
Salaries and wages	
Contribution to provident funds and other funds (Refer Note 41)	131,929,454
Gratuity and Pension plan expense (Refer Note 41)	13,566,619
Workmen and Staff welfare expenses	1,715,266
Total	147,211,339

32 Finance costs	Period Ended 30th June, 2017
Interest expense on Term Loans	
(i) Borrowings	7,182,721
(ii) Loans taken from related parties	1,126,893
Other borrowing costs	2,377,020
Total	10,686,634

33 Depreciation and amortization expense	Period Ended 30th June, 2017
Depreciation on Property, Plant and Equipment	19,991,708
Amortization on Intangible assets	5,338,231
Total	25,329,939

Zodiac Clothing Company Limited
Notes to the Standalone Financial Statements

34 Other expenses	Period Ended 30th June, 2017
Consumption of stores and spare parts	1,955,636
Consumables for printing/embroidery/washing	4,559,520
Power and fuel	6,704,901
Electricity	8,424,762
Labour charges	12,473,170
Insurance	2,611,530
Repairs to buildings	2,863,144
Repairs to machinery	2,582,571
Repairs and Maintenance Others	5,497,560
Rent including lease rentals	103,326,899
Retail store maintenance expenses	15,188,483
Rates and Taxes	2,450,417
Business promotion	34,341,710
Commission to selling agents	20,810,650
Freight, Octroi, etc	16,522,590
Bad Debts, Advances , Claims and Deposits written off	-
Legal and Professional Expenses	4,598,366
Payments to auditors	652,500
Travelling and Conveyance	9,831,598
Director Fees (Refer Note 43)	596,850
Donations and contributions	900,500
Expenditure incurred for Corporate Social Responsibility	-
Printing and Stationery	1,083,891
Postage & Telephone	5,692,593
Exchange Fluctuation - Others	-
Provision for doubtful debts	1,000,000
Net Loss on sale/discard of assets	1,747,628
Loss on sale of assets	-
Bank Charges	4,472,116
Remuneration to Managing Directors	1,700,000
Security Charges	2,795,769
Trade Mark Fees	3,428,101
Miscellaneous Expenses	866,344
Total	279,679,799

ZODIAC CLOTHING COMPANY LIMITED

CIN: L17100MH1984PLC033143

Registered Office: Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030, India

Phone: +91 22 66677000 Fax: +91 22 66677279 Website: www.zodiaconline.com

Email: contactus@zodiacmtc.com

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

ORIGINAL SCHEME APPLICATION NO 901 OF 2017

In the matter of the Companies Act, 2013 (18 of 2013)

AND

In the matter of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder as in force from time to time;

AND

In the matter of the Scheme of Amalgamation of Zodiac Finsec and Holdings Limited ("The Transferor Company") with Zodiac Clothing Company Limited ("The Transferee Company") and their respective shareholders.

Zodiac Clothing Company Limited, a Listed Company incorporated under }
the provisions of Companies Act, 1956 with Corporate Identity Number }
L17100MH1984PLC033143 and having its Registered Office at Nyloc House, }
254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030 }

..... Applicant Company

FORM NO. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): _____

Registered address: _____

E-mail ID: _____ Folio No. / Client ID: _____ DP ID: _____

I / We being the member(s) having _____ shares of Zodiac Clothing Company Limited, hereby appoint

1) Name _____

Address _____

Email id _____ Signature: _____ or failing him / her

2) Name _____

Address _____

Email id _____ Signature: _____ or failing him / her

3) Name _____

Address _____

Email id _____ Signature: _____ or failing him / her

as my / our proxy and whose signature(s) are appended below to attend and vote (on Poll) for me/ us and on my/ our behalf at the Meeting of the Company to be held on 29th December, 2017 at 3:00 p.m. at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400018, Maharashtra, India and at any adjournment(s) thereof in respect of such resolutions and in such manner as are indicated below:

Sr. No.	Particulars
1	To Approve the Scheme of Amalgamation between Zodiac Finsec And Holdings Limited ("Transferor Company") and Zodiac Clothing Company Limited ("Transferee Company") and their respective shareholders in accordance with and on the terms and conditions as stated in the Scheme of Amalgamation.

Signed this _____ day of _____ 2017

Signature of Proxy _____

Please Affix
Revenue
stamp

(Signature of shareholder(s))

NOTES :

- ix.i.1. This form in order to be effective should be duly completed and deposited at the Registered Office of the Company at Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030, Maharashtra, India not less than 48 hours before the commencement of the Meeting.
- ix.i.2. Please affix revenue stamp before putting signature.
- ix.i.3. Alterations, if any, made in the Form of Proxy should be initialed.
- ix.i.4. In case of multiple proxies, the proxy later in time shall be accepted.
- ix.i.5. Proxy need not be the shareholder of the Company.
- ix.i.6. Body Corporate and FPI/FII Equity Shareholder(s) would be required to deposit / carry to the meeting certified copies of Board/ Custodial Resolutions/Power of Attorney in original, as the case may be, authorizing the individuals named therein, to attend and vote at the meeting on its behalf.
- ix.i.7. The Proxies should carry their identity proof i.e. a Pan Card / Aadhaar card / Passport / Driving License.

ZODIAC CLOTHING COMPANY LIMITED

CIN: L17100MH1984PLC033143

Registered Office: Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030, India

Phone: +91 22 66677000 Fax: +91 22 66677279 Website: www.zodiaconline.com

Email: contactus@zodiacmtc.com

ATTENDANCE SLIP

NOTE: Shareholders attending the meeting in Person or by Proxy or through Authorised Representative are requested to complete and bring the Attendance Slip with them and hand it over at the entrance of the Meeting Hall

I hereby record my/our presence at the at the Meeting of the Equity Shareholders of the Company convened pursuant to Orders dated November 3, 2017 of the National Company Law Tribunal at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400018, Maharashtra, India on Friday, 29th December, 2017 at 3:00 p.m.

Name : _____

Address : _____

Folio / D.P. ID : _____

Client I.D. No. : _____

No. of Equity shares held : _____

Name of Proxyholder/ : _____
Authorised Representatives

SIGNATURE OF THE ATTENDING MEMBER / PROXY

NOTES:

1. Shareholder attending the meeting in person or by proxy or through authorised representative is requested to complete and bring the slip with them and hand it over at the entrance of the meeting hall.
2. Shareholder/Proxy holder desiring to attend the meeting should bring his/her copy of the Notice for reference at the meeting.

ZODIAC CLOTHING COMPANY LIMITED

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH
ORIGINAL SCHEME APPLICATION NO 901 OF 2017**

In the matter of the Companies Act, 2013 (18 of 2013)

AND

In the matter of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder as in force from time to time;

AND

In the matter of the Scheme of Amalgamation of Zodiac Finsec and Holdings Limited ("The Transferor Company") with Zodiac Clothing Company Limited ("The Transferee Company") and their respective shareholders.

Zodiac Clothing Company Limited, a Listed Company incorporated under }
the provisions of Companies Act, 1956 with Corporate Identity Number }
L17100MH1984PLC033143 and having its Registered Office at Nyloc House, }
254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030 }

..... Applicant Company

NOTICE TO SECURED CREDITORS UNDER SECTION 230 OF THE COMPANIES ACT, 2013

You are one of the secured creditors of Zodiac Clothing Company Limited as on 30th June, 2017.

Notice is hereby given in pursuance of sub section (3) of section 230 of the Companies Act, 2013 that as directed by the Mumbai Bench of National Company Law Tribunal by an Order dated November 3, 2017 passed in Company Scheme Application No. 901 of 2017 under sub-section (1) of section 230 of the Act, a meeting of the Equity Shareholders shall be held on 29th December, 2017 at 3:00 P.M. to consider the Scheme of Arrangement between Zodiac Clothing Company Limited (Applicant Company) and Zodiac Finsec & Holdings Limited and their respective Shareholders and Creditors at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400018, Maharashtra, India.

A copy of the notice along with all annexures, and Scheme of Arrangement are enclosed.

You are hereby informed that representations, if any, in connection with the proposed arrangement may be made to the National Company Law Tribunal, Mumbai Bench, within thirty (30) days from the date of receipt of this notice. The address of the Tribunal is 6th floor, Fountain Telecom, Building 1, Mahatma Gandhi Road, Fort, Mumbai - 400 001.

Copy of the representation shall simultaneously be sent to the Company.

In case no representation is received within the stated period of thirty (30) days, it shall be presumed that you have no representations to make on the proposed scheme of arrangement.

Mohamed Yusuf Noorani

DIN : 00041608

Chairman appointed for the meeting

Dated this 22nd day of November, 2017

Enclosures: Copy of notice with statement as required under section 230(3) and annexures to it along with the Scheme of Arrangement.

ZODIAC CLOTHING COMPANY LIMITED

CIN: L17100MH1984PLC033143

Registered Office: Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030, India

Phone: +91 22 66677000 Fax: +91 22 66677279 Website: www.zodiaconline.com

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH
ORIGINAL SCHEME APPLICATION NO 901 OF 2017**

In the matter of the Companies Act, 2013 (18 of 2013)

AND

In the matter of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder as in force from time to time;

AND

In the matter of the Scheme of Amalgamation of Zodiac Finsec and Holdings Limited ("The Transferor Company") with Zodiac Clothing Company Limited ("The Transferee Company") and their respective shareholders.

Zodiac Clothing Company Limited, a Listed Company incorporated under }
the provisions of Companies Act, 1956 with Corporate Identity Number }
L17100MH1984PLC033143 and having its Registered Office at Nyloc House, }
254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030 }

..... Applicant Company

NOTICE TO UNSECURED CREDITORS UNDER SECTION 230 OF THE COMPANIES ACT, 2013

You are an unsecured creditor of Zodiac Clothing Company Limited as on 30th June, 2017.

Notice is hereby given in pursuance of sub section (3) of section 230 of the Companies Act, 2013 that as directed by the Mumbai Bench of National Company Law Tribunal by an Order dated November 3, 2017 passed in Company Scheme Application No. 901 of 2017 under sub-section (1) of section 230 of the Act, a meeting of the Equity Shareholders shall be held on 29th December, 2017 at 3:00 P.M. to consider the Scheme of Arrangement between Zodiac Clothing Company Limited (Applicant Company) and Zodiac Finsec & Holdings Limited (Transferor Company) and their respective Shareholders and Creditors at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400018, Maharashtra, India.

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Chairman appointed for the meeting

Dated this 22nd day of November, 2017

Enclosures: Copy of notice with statement as required under section 230(3) and annexures to it along with the Scheme of Arrangement.

ROUTE MAP TO THE VENUE

