Provogue (India) Limited

Registered Office: 105/106, Provogue House, Off New Link Road,
Andheri (West), Mumbai 400053

Court Convened Meeting of equity shareholders of Provogue (India) Limited

Day : Monday

Date : December 12, 2011

Time : 1.00 P.M.

Place : Esquire Hall, The Classique Club, Behind Infinity Mall,
New Link Road, Andheri (West), Mumbai 400053

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IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SUMMONS FOR DIRECTION NO. 659 OF 2011

In the matter of Sections 391 to 394 read with Sections 78, 100 to 104 of the Companies Act, 1956;

And

In the matter of Provogue (India) Limited;

And

In the matter of Composite Scheme of Arrangement and Amalgamation between Provogue (India) Limited;

And

Prozone Enterprises Private Limited;

And

Prozone Capital Shopping Centres Limited

And

their respective shareholders and creditors.

Provogue (India) Limited, a Company	)	
incorporated under the Companies Act, 1956	)	
and having its registered Office at	)	
105/106, Provogue House, Off New Link Road,	)	
Andheri (West), Mumbai 400053, Maharashtra	)	Applicant / Demerged Company

NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS

To,

The Equity Shareholders of Provogue (India) Limited the Applicant / Demerged Company.

TAKE NOTICE that by an Order dated November 11, 2011, the Hon'ble High Court of Judicature at Bombay has directed that a meeting of the Equity Shareholders of Provogue (India) Limited, the Applicant/Demerged Company, be convened and held at Esquire Hall, The Classique Club, Behind Infinity Mall, New Link Road, Andheri (West), Mumbai 400053, Maharashtra on Monday, the December 12, 2011 at 1:00 p.m. or soon after the conclusion of the Meeting of the Secured Creditor of the Applicant, for the purpose of considering and if thought fit, approving with or without modification, the arrangement embodied in the Composite Scheme of Arrangement and Amalgamation of Provogue (India) Limited (the "Applicant" or "Demerged Company") and Prozone Enterprises Private Limited (the "Transferor Company") and Prozone Capital Shopping Centres Limited (the "Resulting Company" or the "Transferee Company") and their respective shareholders and creditors (the "Scheme").

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the Equity Shareholders of Provogue (India) Limited, the Applicant shall be convened and held at Esquire Hall, The Classique Club, Behind Infinity Mall, New Link Road, Andheri (West) Mumbai 400053, Maharashtra on Monday, the December 12, 2011 at 1:00 p.m. or soon after the conclusion of the Meeting of the Secured Creditors of the Applicant, at which time and place you are requested to attend.

TAKE FURTHER NOTICE THAT you may attend and vote at the said meeting in person or by proxy, provided that proxy in the prescribed form duly signed by you or by your authorised representative are deposited at the Registered Office of the Applicant situated at 105/106, Provogue House, Off New Link Road, Andheri (West), Mumbai 400053, Maharashtra not later than Forty Eight (48) hours before the meeting.

The Hon'ble High Court has appointed Mr. Nikhil Chaturvedi, Managing Director, of the Applicant failing him, Mr. Deep Gupta, Whole-time Director of the Applicant Company or failing him, Mr. Akhil Chaturvedi, Whole-time Director of the Applicant as the Chairman of the Court convened the meeting of the Equity Shareholders.

A copy each of the Scheme, the Explanatory Statement under Section 393 of the Companies Act, 1956, a form of proxy and attendance slip are enclosed.

Dated this November 15, 2011

SD/-
Nikhil Chaturvedi
Chairman appointed for the meeting

Registered Office:
Provogue (India) Limited
105/106, Provogue House, Off New Link Road,
Andheri (West), Mumbai 400053, Maharashtra

(NOTE: All alterations made in the Form of Proxy should be initialed)

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SUMMONS FOR DIRECTION NO. 659 OF 2011

In the matter of Sections 391 to 394 read with Sections 78, 100 to 104 of the Companies Act, 1956;

And

In the matter of Provogue (India) Limited;

And

In the matter of Composite Scheme of Arrangement and Amalgamation between Provogue (India) Limited;

And

Prozone Enterprises Private Limited;

And

Prozone Capital Shopping Centres Limited

And

their respective shareholders and creditors.

Provogue (India) Limited, a company incorporated under the Companies Act, 1956 and having its registered Office at 105/106, Provogue House, Off New Link Road, Andheri (West), Mumbai 400053, Maharashtra	)	Applicant / Demerged Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

In this statement Provogue (India) Limited is referred to as the "**Applicant**". The other definitions contained in the enclosed Composite Scheme of Arrangement and Amalgamation will also apply to this Explanatory Statement.

The following statement as required under Section 393 of the Companies Act, 1956 sets forth the details of the proposed Composite Scheme of Arrangement and Amalgamation, its effects and, in particular any material interests of the Directors in their capacity as member(s).

1. **ORDER OF THE HON'BLE HIGH COURT OF JUDICATURE AT BOMBAY**

1.1 The Hon'ble High Court of Judicature at Bombay by its Order dated November 11, 2011, has directed Provogue (India) Limited, the Applicant/Demerged Company, to convene a meeting of its Secured Creditors on Monday, December 12, 2011 at 11:00 a.m. at Esquire Hall, The Classique Club, Behind Infinity Mall, New Link Road, Andheri (West), Mumbai 400053, Maharashtra, for the purpose of considering and, if thought fit, approving with or without modification(s), the arrangement embodied in the Composite Scheme of Arrangement and Amalgamation between Provogue (India) Limited (the "***Applicant***" or "***Demerged Company***") and Prozone Enterprises Private Limited (the "*Transferor Company*") and *Prozone Capital Shopping Centres Limited* (the "*Resulting Company*" or the "*Transferee Company*") and their respective shareholders and creditors (the "Scheme").

1.2 The Hon'ble High Court of Judicature at Bombay vide its Order dated November 11, 2011, has directed Provogue (India) Limited, the Applicant/Demerged Company, to convene a meeting of its Equity Shareholders on Monday, December 12, 2011 at 1:00 p.m. or soon after the conclusion of the court convened meeting of the Secured Creditors of the Applicant, at Esquire Hall, The Classique Club, Behind Infinity Mall, New Link Road, Andheri (West), Mumbai 400053, Maharashtra, for the purpose of considering and, if thought fit, approving with or without modification(s), the arrangement embodied in the Composite Scheme of Arrangement and Amalgamation between Provogue (India) Limited (the "***Applicant***" or "***Demerged Company***") and Prozone Enterprises Private Limited (the "*Transferor Company*") and Prozone Capital Shopping Centre*s* Limited (the "*Resulting Company*" or the "*Transferee Company*") and their respective shareholders and creditors.

2. **SCHEME AND ITS APPROVAL OF THE BOARD OF DIRECTORS**

2.1 The proposed Scheme *inter-alia* envisages:

2.1.1 Demerger of Retail Centric Real Estate Development Business of Provogue (India) Limited in favour of Prozone Capital Shopping Centres Limited;

2.1.2 Amalgamation of Prozone Enterprises Private Limited with Prozone Capital Shopping Centres Limited;

2.1.3 Re-organisation of the share capital of Provogue (India) Limited.

2.2 The Scheme has been approved by the Board of Directors of the Applicant on September 2, 2011 by passing necessary resolution.

2.3 A copy of the Composite Scheme of Arrangement and Amalgamation, setting out the terms and conditions of the arrangement, which has been approved by the Board of Directors of the Applicant, is enclosed.

3. **BRIEF DETAILS OF THE APPLICANT**

3.1 Provogue (India) Limited (hereinafter referred to as the "**Applicant**" or the "**Demerged Company**") was originally incorporated under the Companies Act, 1956 as Acme Clothing Private Limited and was issued a Certificate of Incorporation dated November 17, 1997 by the Registrar of Companies, Mumbai;

3.2 The Applicant Company was converted into public company as Acme Clothing Limited on March 11, 2005 and subsequently changed the name to Provogue (India) Limited and was issued a Change of Name certificate dated March 14, 2005 by the Registrar of Companies, Mumbai;

3.3 The Registered Office of the Applicant is situated at 105/106, Provogue House, Off New Link Road, Andheri (West), Mumbai 400053, Maharashtra.

3.4 The Share Capital of the Applicant as per the year ended March 31, 2011 and as on the date of the Notice is as under:

Particulars	Amount (Rs.)
Authorised Share Capital:	
16,50,00,000 Equity Shares of Rs.2 each	33,00,00,000
Issued, Subscribed and Paid-up Share Capital:	
11,43,57,095 Equity Shares of Rs.2 each fully paid up	22,87,14,190

3.5 The Applicant Company is engaged in the business of designing, manufacturing and selling of branded ready made garments and other accessories under the brand "Provogue" which has been positioned as a fashion label in the Indian market and also engaged in Retail Centric Real Estate Development Business through its subsidiary.

3.6 The Applicant is a company whose equity shares are listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). As per the requirements of Clause 24 (f) of the Listing Agreement, the Applicant had made application(s) dated September 6, 2011 to the BSE and the NSE for obtaining their "No-objection" to the Composite Scheme of Arrangement and Amalgamation.

3.7 The BSE has, by its letter dated October 7, 2011, given its "No-objection" to the Composite Scheme of Arrangement and Amalgamation. The NSE has, by its letter dated October 21, 2011, given its "No-objection" to the Scheme.

3.8 Summary of the audited financial statements of the Applicant for the last three years ended March 31, 2011, March 31, 2010 and March 31, 2009 are enclosed as **Annexure A**.

4. **DETAILS OF THE TRANSFEROR COMPANY**

4.1 Prozone Enterprises Private Limited, (hereinafter referred to as the "**Transferor Company**") was originally incorporated under the Companies Act, 1956 was issued a Certificate of Incorporation dated November 9, 2004 by the Registrar of Companies, Mumbai.

4.2 The Registered Office of the Transferor Company is situated at New at 105/106, Provogue House, Off new Link Road, Andheri (West), Mumbai - 400053, Maharashtra.

4.3 The Transferor Company is *inter alia*, engaged in the business of development, owing and operation of entertainment centers, shopping malls, multiplexes, hotels, commercial and residential premises, officer, town shops, markets.

4.4 The Share Capital of the Transferor Company as per the audited Balance Sheet dated March 31, 2011 and as on date of the Notice is as under:

Particulars	Amount (Rs.)
Authorised Share Capital:	
4,00,00,000 Equity Shares of Rs.10 each	40,00,00,000
Issued, Subscribed and Paid-up Share Capital:	
3,64,17,682 Equity Shares of Rs.10 each fully paid-up	36,41,76,820

4.5 Summary of the audited financial statements of the Transferor Company for the last three years ended March 31, 2011, March 31, 2010 and March 31, 2009 are enclosed as **Annexure B**.

5. **DETAILS OF THE RESULTING/TRANSFEREE COMPANY**

5.1 Prozone Capital Shopping Centres Limited (hereinafter referred to as the **"*Resulting/ Transferee Company*"**) was originally incorporated under the Companies Act, 1956 as ("***Castle Mall Private Limited***"**)** and was issued a Certificate of Incorporation dated September 14, 2007 by the Registrar of Companies, Mumbai;

5.2 The Resulting / Transferee Company was converted into public company as"Castle Mall Limited" on September 28, 2011 and subsequently changed the name to Prozone Capital Shopping Centres Limited and was issued a Change of Name certificate dated October 5, 2011 by the Registrar of Companies, Mumbai.

5.3 The Registered Office of the Resulting Company / Transferee Company is situated at New at 105/106, Provogue House, Off New Link Road, Andheri (West), Mumbai 400053, Maharashtra.

5.4 The Resulting / Transferee Company is the wholly owned subsidiary of the Applicant and is engaged in business of developing, constructing and maintaining all types of mall and developing land, building, immovable properties etc. required for mall development.

5.5 The Share Capital of the Resulting/ Transferee Company as per the audited Balance Sheet dated March 31, 2011 is as under:

Particulars	Amount (Rs.)
Authorised Share Capital:	
10,000 Equity shares of Rs.10 each	1,00,000
Issued, Subscribed and Paid-up Share Capital:	
10,000 Equity shares of Rs.10 each	1,00,000

** Pursuant to special resolutions passed in an extra-ordinary general meeting of members of Resulting/Transferee Company held on August 25, 2011, Resulting/Transferee Company has sub divided existing authorised share capital and issued and subscribed and paid-up capital of Rs. 1,00,000 divided into 10,000 equity shares of Rs. 10 each to 50,000 equity shares of Rs. 2 each. Further, Resulting / Transferee Company have also increased its authorised share capital from Rs. 1,00,000 divided into 50,000 equity shares of Rs. 2 each to Rs. 5,00,000 divided into 2,50,000 equity shares of Rs.2 each. In addition to above, Resulting / Transferee Company has issued and allotted additional 2,00,000 equity shares of Rs.2 each to the Applicant and its nominees.

5.6 Summary of the audited financial statements of the Resulting / Transferee Company for the last three years ended March 31, 2011, March 31, 2010 and March 31, 2009 are enclosed as **Annexure C**.

6. **SCHEME RESOLUTION FOR APPROVAL**

The Resolution to be submitted for approval of the Equity Shareholders and Secured Creditors of the Applicant at their respective meetings, will read as follows:

*"**RESOLVED THAT** the arrangement embodied in the Composite Scheme of Arrangement and Amalgamation of Provogue (India) Limited* (the "***Applicant***" or "***Demerged Company***") and Prozone Enterprises Private Limited (the "*Transferor Company*") and *Prozone Capital Shopping Centres Limited* (the "*Resulting Company*" or the "*Transferee Company*") *and their respective shareholders and creditors, (the "Scheme") pursuant to the provisions of Sections 391 to 394 read with Sections 78, 100 to 104 and other applicable provisions, of the Companies Act, 1956, and provisions of other applicable laws, if any, and subject to the*

approval of Hon'ble High Court of Judicature at Bombay or any other appropriate authorities, placed before the meeting and initialed by the Chairman for the purpose of identification, be and is hereby approved;

***RESOLVED FURTHER THAT** Mr. Deep Gupta and Mr. Akhil Chaturvedi, Whole-time Directors be and are hereby jointly and/ or severally authorised to make such alterations, modifications or amendments therein as may be expedient or necessary for complying with the requirements or conditions imposed by the Hon'ble High Court of Judicature at Bombay and/or any other appropriate authorities;*

***RESOLVED FURTHER THAT** Mr. Deep Gupta and Mr. Akhil Chaturvedi, Whole-time Directors be and are hereby jointly and/or severally authorised to do all such acts, deeds, matters and things as may be necessary or desirable for the purpose of giving effect to the Scheme".*

7. **SPECIAL RESOLUTION FOR REDUCTION OF SHARE CAPITAL**

The Special Resolution to be submitted for approval of the Equity Shareholders of the Applicant at their meeting will read as follows:

*"**RESOLVED THAT** the pursuant to the provisions of Sections 100 to 104 of the Companies Act, 1956, the issued, subscribed and paid-up share capital of the Company shall stand reduced from the present sum of Rs. 22,87,14,190 (Rupees twenty two crore eighty seven lakh fourteen thousand one hundred and ninety only) divided into 11,43,57,095 equity shares of the face value of Rs. 2 each fully paid to Rs. 11,43,57,095 (Rupees eleven crore forty three lakh fifty seven thousand and ninety five only) divided into 11,43,57,095 equity shares of the face value of Re. 1 each fully paid;*

***RESOLVED FURTHER THAT** the share certificates of the Company in relation to the equity shares held by its members (either in physical form or demat form) shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled pursuant to Composite Scheme of Arrangement and Amalgamation of Provogue (India) Limited (the "Demerged Company") and Prozone Enterprises Private Limited (the "Transferor Company") and Prozone Capital Shopping Centres Limited (the "Resulting Company" or the "Transferee Company") and their respective shareholders and creditors, (the "Scheme") coming into effect and new share certificates with the revised face value of Re.1, but with same number of equity shares will be issued by the Company to its members in dematerialised form (and in case, the members do not have demat account then in physical form);*

*"**RESOLVED FURTHER THAT** Mr. Deep Gupta and Mr. Akhil Chaturvedi, Whole-time Directors of the Company, be and are hereby jointly and severally authorised to do all such acts, matters, deeds and things as may be necessary or desirable for the purpose of giving effect to the above Resolution."*

8. **BENEFITS OF THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION**

8.1 The Applicant's future plan is to *inter-alia* specialise and strengthen its existing apparel business activities. The existing Retail Centric Real Estate Development Business promises prospective growth. In order to explore this business to the fullest and provide focused leadership and management attention, it is intended to demerge the Retail Centric Real Estate Development Business to the Resulting Company/Transferee Company.

8.2 Further in the interest of the shareholders of the Resulting Company /Transferee Company and the Applicant Company it is believed that the demerger of Retail Centric Real Estate Development Business to a separate company with focused strategy would enhance shareholders' value.

8.3 The demerger and amalgamation proposed under this Composite Scheme of Arrangement and Amalgamation will enable the shareholders of the Transferor Company and Applicant Company to hold shares directly in Resulting Company / Transferee Company.

8.4 This will provide financial flexibility to Resulting Company or the Transferee Company and it will have various fund raising options for its business.

8.5 The demerger would enhance the equity value of the Applicant Company shareholders directly and reduce its liabilities due to the transfer of the entire liabilities and obligations pertaining to Retail Centric Real Estate Development Business from the Applicant Company thereby resulting in lower debt servicing and support from the Remaining Undertaking.

8.6 Pursuant to this Composite Scheme of Arrangement and Amalgamation, there would be a synergy in terms of administration costs, as well as simplification and flexibility of operations, since the present independent set-up of the companies results in duplication of administrative efforts in terms of separate personnel, record keeping relating to accounts, income tax, sales tax, invoicing between the two entities and ROC records, etc.

8.7 There is no likelihood that any shareholder or creditor of either the Applicant Company or Transferor Company or Resulting Company / Transferee Company would be prejudiced as a result of this Composite Scheme of Arrangement and Amalgamation.

9. **SALIENT FEATURES OF THE SCHEME**

9.1 For the purpose of the Composite Scheme of Arrangement and Amalgamation *of Provogue (India) Limited* (the "***Applicant***" or "***Demerged Company***") and Prozone Enterprises Private Limited (the "*Transferor Company*") and *Prozone Capital Shopping Centres Limited* (the "*Resulting Company*" or the "*Transferee Company") and their respective Shareholders Creditors,* the Appointed Date shall be April 1, 2011 or such other date as the High Court of Judicature at Bombay may direct or fix. Although, the Scheme shall become operational w.e.f. Appointed Date but shall come into effect *from the* Effective Date.

9.2 The "Effective Date" means the last of the dates on which: (a) all the consents, approvals, permissions, resolutions, sanctions and/or orders of the High Court of Judicature at Bombay sanctioning the Scheme has been obtained or passed; (b) the necessary certified copies of the Order(s) sanctioning the Scheme under Sections 391 and 394 read with Sections 78, 100 to 104 of the Act are duly filed with the Registrar of Companies at Mumbai, such date shall be referred to as Effective Date for the purpose of the Scheme; and (c) all references in this Scheme to the date of "coming into effect of the/this Scheme" shall mean the Effective Date.

9.3 The Applicant Company proposes to demerge the Retail Centric Real Estate Development Business (the "Demerged Undertaking") as embodied in the Composite Scheme of Arrangement and Amalgamation, whereby the Demerged Undertaking of the Demerged Company, including, but not limited to the investment made by the Applicant Company in the Transferor Company shall stand transferred to and vested in the Resulting Company /Transferee Company, as a going concern in accordance with Section 2 (19AA) of the Income Tax Act, 1961.

9.4 As part of the Scheme, upon the Scheme coming into effect and in consideration of the demerger of the Demerged Undertaking into Resulting Company / Transferee Company, without any further act or deed on the part of Resulting Company / Transferee Company, the Resulting Company / Transferee Company will issue and allot 11,43,57,095 (Eleven crore forty three lakh fifty seven thousand and ninety five) equity shares of Rs. 2 each fully paid up (the "**Demerger New Equity Shares**"). The Demerger New Equity Shares will be issued to registered equity shareholders whose name is recorded in the Register of Members of the Applicant Company on the Record Date in the ratio of 1:1, i.e. (1 (one) equity share of Rs.2 each in Transferee / Resulting Company for every 1 (one) equity share of Rs. 2 each in the Applicant Company) (the "**Demerger Share Entitlement Ratio**").

9.5 The issue and allotment of the Demerger New Equity Shares in the Resulting Company / Transferee Company to the registered shareholders of the Applicant Company as provided in the Scheme shall be carried without following the procedure laid down under Section 81(1A) and any other applicable provisions of the Act.

9.6 Subsequent to the sanction of the Scheme, Resulting Company / Transferee Company will make an application for listing of its shares, including, the Demerger New Equity Shares on all the stock exchanges in which the shares of the Applicant Company are listed, in pursuance to the relevant regulations including, the circular SEBI/CFD/SCRR/01/2009/03/09 dated September 3, 2009 issued by the Securities and Exchange Board of India in relation to application under sub-rule (7) of Rule 19 of the Securities Contract Regulation Rules, 1957 for relaxing strict enforcement of clause (b) to sub-rule (2) of Rule 19 thereof. The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing / trading permission is given by the designated stock exchanges.

10. **AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE RESULTING COMPANY / TRANSFEREE COMPANY**

10.1 Pursuant to the demerger of the Demerged Undertaking of the Applicant to the Resulting/Transferee Company, which also includes the investment made by the Applicant in Transferor Company, the Transferor Company proposes to amalgamate with the Resulting Company / Transferee Company as embodied in the Composite Scheme of Arrangement and Amalgamation, whereby the entire business and Undertaking of the Transferor Company will be transferred and vest unto the Resulting Company/ Transferee Company. The Resulting Company/Transferee Company has filed similar application for sanction of the Scheme before this Hon'ble High Court.

10.2 Upon the merger of the Transferor Company with the Resulting/Transferee Company coming into effect, all the shares of the Transferor Company deemed to have been transferred by the Applicant Company to the Resulting/Transferee Company under demerger of Retail Centric Real Estate Development Business in terms of Part III of the Scheme, shall be cancelled and accordingly, the share certificates representing the shares in the Transferor Company to be held by the Resulting/Transferee Company shall be cancelled and shall be deemed to be cancelled without any further act or deed.

10.3 As part of the Scheme, upon the Scheme coming into effect and in consideration of the merger of the Transferor Company with Resulting Company / Transferee Company, without any further act or deed on the part of the Resulting Company or the Transferee Company, Resulting Company / Transferee Company will issue and allot 3,79,95,788 (three crore seventy nine lakh ninety five

thousand seven hundred and eighty eight) equity shares of Rs. 2 each fully paid up (the "**Merger New Equity Shares**") to all shareholders of the Transferor Company other than Resulting Company / Transferee Company. The Merger New Equity Shares will be issued to the other shareholders of the Transferor Company in the ratio of 313:75, i.e. (three hundred and thirteen (313) equity shares of Rs. 2 each in Resulting / Transferee Company for every seventy five (75) equity shares of Rs.10 each in the Transferor Company) (the "**Merger Share Entitlement Ratio**").

10.4 The issue and allotment of the Merger New Equity Shares in Resulting Company / Transferee Company to all shareholders of the Transferor Company other than Resulting Company or the Transferee Company as provided in the Scheme shall be carried without following the procedure laid down under Section 81(1A) and any other applicable provisions of the Act.

10.5 Subsequent to the sanction of the Scheme, the Resulting Company or the Transferee Company will make an application for listing of its shares including, the Merger New Equity Shares on all the stock exchanges in which the shares of Applicant Company are listed, in pursuance to the relevant regulations including, the circular SEBI/CFD/SCRR/01/2009/03/09 dated September 3, 2009 issued by the Securities and Exchange Board of India in relation to application under sub-rule (7) of Rule 19 of the Securities Contract Regulation Rules, 1957 for relaxing strict enforcement of clause (b) to sub-rule (2) of Rule 19 thereof. The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/ trading permission is given by the designated stock exchanges.

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

11. **RE-ORGANISATION OF THE SHARE CAPITAL OF THE APPLICANT COMPANY**

11.1 Upon the Scheme coming into effect, the issued, subscribed and paid-up share capital of the Applicant Company shall stand reduced from the present sum of Rs. 22,87,14,190 (Rupees twenty two crore eighty seven lakh fourteen thousand one hundred and ninety only) divided into 11,43,57,095 equity shares of the face value of Rs. 2 each fully paid to Rs. 11,43,57,095 (Rupees eleven crore forty three lakh fifty seven thousand and ninety five only) divided into 11,43,57,095 equity shares of the face value of Re.1 each fully paid.

11.2 The sum of Rs.11,43,57,095 (Rupees eleven crore forty three lakh fifty seven thousand and ninety five only) being the amount of reduction in terms of the foregoing clause shall be credited to an account styled as "Capital Reduction Account".

11.3 The equity shares of the Applicant Company shall continue to be listed on the National Stock Exchange and Bombay Stock Exchange and the Applicant Company shall make necessary applications to these stock exchanges pursuant to the Scheme coming into effect to note consequential changes due to re-organisation of the share capital of the Applicant Company.

11.4 The reduction in the issued, subscribed and paid-up share capital as above, shall be effected as an integral part of the Scheme itself and shall be deemed to be in accordance with the provisions of Sections 78, 100 to 104 of the Act as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital. The order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction without imposing a condition on Applicant Company to add to its name "and reduced". The provisions of Section 101 of the Act shall not be applicable.

12. **MERGING OF AUTHORISED SHARE CAPITAL**

12.1 Upon the Scheme coming into effect, the authorised share capital of the Transferor Company of Rs.40,00,00,000 (Rupees forty crore only) divided into 4,00,00,000 equity shares of Rs.10 (Rupees ten only) each shall stand combined/consolidated with the authorised share capital of the Resulting / Transferee Company and on the Scheme coming into effect the authorised share capital of the Resulting / Transferee Company shall, without any further act, deed or action, stand increased (post combination and consolidation) to Rs.40,05,00,000 (Rupees forty crore and five lakh only) divided into 20,02,50,000 equity shares of Rs. 2 (Rupees two only) each.

13. **Shareholders and Secured Creditors of the Applicant are requested to read the entire text of the Composite Scheme of Arrangement and Amalgamation, enclosed herewith, to get better acquainted with the provisions thereof as stated above. The aforesaid are only the salient features of the Scheme**.

14. The Share Entitlement Ratio in respect of the Composite Scheme of Arrangement and Amalgamation has been arrived at on the basis of the valuation carried out by SSPA & Co., Chartered Accountants, who has issued their Valuation Report dated September 02, 2011.

15. Pursuant to the Clause 24 (h) of the Listing Agreement with the Stock Exchange, the Applicant has also obtained "fairness opinion" of IDFC Capital Limited dated September 02, 2011, independent merchant banker providing its fairness opinion on the Valuation Report of SSPA & Co., Chartered Accountants, dated September 02, 2011 in relation to the Scheme and as per

the said Fairness Opinion Report, the valuation done by the valuer for the proposed Arrangement and Demerger is fair and reasonable.

16. The Board of Directors of the Applicant has considered the said Valuation Report and fairness opinion and also considered various factors and accordingly, the Board of Directors of the Applicant believes that the Share Entitlement Ratio in respect of the Demerger New Equity Shares and Merger New Equity Shares is fair and reasonable.

17. The Applicant is in a sound financial position. The latest audited Balance Sheet as on March 31, 2011 indicates that the Applicant is in a solvent position and would easily be able to meet its liabilities as and when they arise in the normal course of business.

18. There are no investigation proceedings pending under Sections 235 to 251 of the Companies Act, 1956 against the Applicant.

18.1 None of the Directors of the Demerged Company, Transferor Company and/or Resulting / Transferee Company have any material interest in the Scheme, save and except to the extent of their shareholding in the companies, or to the extent the said Directors are common Directors in the companies or to the extent the said Directors are the partners, directors, members of the firms, companies, association of persons, bodies corporate and/or beneficiary of trust, that hold shares in any of the Companies.

18.2 The details of all the present Directors (singly or jointly) of all the three concerned companies and their respective shareholdings in the Demerged Company, Transferor Company, and the Resulting/Transferee Company as on September 30, 2011, are as follows:

Name of Director	**Applicant Company (PIL)**		**Transferor Company (PEPL)**		**Transferee/ Resulting Company (PCSCL)**	
	No. of shares	**% of capital**	**No. of shares**	**% of capital**	**No. of shares**	**% of capital**
Mr. Nikhil Chaturvedi	10611995 (Managing Director)	9.28%	1 (Director holds shares as nominee of PIL)	0%	NA	NA
Mr. Salil Chaturvedi	10295135 (Dy. Managing Director)	9.00%	1 (Director holds shares as nominee of PIL)	0%	NA	NA
Mr. Deep Gupta	5673445 (Whole time Director)	4.96%	1 (Director holds shares as nominee of PIL)	0%	1 (Director holds shares as nominee of PIL)	0%
Mr. Akhil Chaturvedi	2912830 (Whole time Director)	2.55%	1 (Director holds shares as nominee of PIL)	0%	NA	NA
Mr. Nigam Patel	2912830 (Whole time Director)	2.55%	1 (Director holds shares as nominee of PIL)	0%	NA	NA
Mr. Rakesh Rawat	4111750 (Non-executive Director)	3.60%	1 (Director holds shares as nominee of PIL)	0%	1 (Director holds shares as nominee of PIL)	0%
Mr. Arun Bhargava	Nil (Independent Director)	Nil	NA	NA	NA	NA

Mr. Amitabh Taneja	Nil (Independent Director)	Nil	Nil (Independent Director)	Nil	NA	NA
Mr. Punit Goenka	Nil (Independent Director)	Nil	NA	NA	NA	NA
Mr. Surendra Hiranandani	Nil (Independent Director)	Nil	NA	NA	NA	NA
Mr. John Abel	NA	NA	NIL (Director)	NIL	NA	NA
Mr. David Fischel	NA	NA	NIL (Director)	NIL	NA	NA
Mr. J.K. Jain	NA	NA	NA	NA	NIL (Director)	NIL

Note: With effect from 13.10.2011, Mr. Akhil Chaturvedi has been appointed as a Director (holding 1 Share as nominee of PIL) of Prozone Capital Shopping Centres Limited in place of Mr. Rakesh Rawat.

19. Pursuant to the Clause 24 (h) of the Listing Agreement with the Stock Exchange, the pre and post arrangement (expected) capital structure and shareholding pattern of Applicant are given herein below:

20. The shareholding pattern of the Applicant/Demerged Company pre and post Arrangement contemplated under:

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of Shareholders	Total number of shares
		Pre-Arrangement		Post Arrangement	
(A)	**Shareholding of Promoter and Promoter Group (Note 2)**				
1	Indian	16	51837743	16	51837743
2	Foreign	-	-	-	-
	Sub Total(A)	16	51837743	16	51837743
(B)	**Public shareholding**				
1	Institutions	28	16600265	28	16600265
2	Non-institutions	39648	45919087	39648	45919087
	Sub-Total (B)	39676	62519352	39676	62519352
	TOTAL (A)+(B)	**39692**	**114357095**	**39692**	**114357095**
(C)	Shares held by Custodians and against which DRs have been issued	**-**	**-**	**-**	**-**
	GRAND TOTAL (A)+(B)+(C)	**39692**	**114357095**	**39692**	**114357095**
	FACE VALUE	**-**	**Rs.2**	**-**	**Re.1**

Notes:

(1) There would not be any change in shareholding pattern of applicant company except the face value of shares will be reduced from Rs. 2/- per share to Re. 1/- per share;

(2) Post Arrangement figures are based on the shareholding of the Applicant / Demerged Company as on September 30, 2011 and would not represent the actual position on the Effective Date of the Scheme.

21. The shareholding pattern of the Transferor Company pre and post Arrangement contemplated under:

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of Shareholders	Total number of shares
		Pre-Arrangement		Post Arrangement	
(A)	**Shareholding of Promoter and Promoter Group**				
1	Indian – Bodies Corporate	1	27313260	NA	NA
2	Foreign	-	-	NA	NA
	Sub Total(A)	1	27313260	NA	NA
(B)	**Public shareholding**				
1	Institutions	-	-	NA	NA
2	Non-institutions –foreign co.	1	9104422	NA	NA
	Sub-Total (B)	1	9104422	NA	NA
	TOTAL (A)+(B)	**2**	**36417682**	NA	NA
(C)	Shares held by Custodians and against which DRs have been issued	-	-	NA	NA
	GRAND TOTAL (A)+(B)+(C)	**2**	**36417682**	NA	NA
	FACE VALUE	**-**	**Rs.10**	-	-

Note: (1) Being a transferor company, on the coming into effect of the Scheme, PEPL (the Transferor Company) shall be ceased to be exist since under the Scheme, the Transferor Company shall, without any further act or deed, stand dissolved without winding up. Hence post scheme shareholding pattern are not being provided.

22. The shareholding pattern of the Resulting/Transferee Company pre and post Arrangement contemplated under:

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of Shareholders	Total number of shares
		Pre-Arrangement		Post Arrangement	
(A)	**Shareholding of Promoter and Promoter Group**				
1	Indian	1	250000	17	52087743
2	Foreign	-	-	-	-
	Sub Total(A)	1	250000	17	52087743
(B)	**Public shareholding**				
1	Institutions	-	-	28	16600265
2	Non-institutions	-	-	39648	83914875
	Sub-Total (B)	-	-	39676	100515140
	TOTAL (A)+(B)	**1**	**250000**	**39693**	**152602883**
©	Shares held by Custodians and against which DRs have been issued	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	**1**	**250000**	**39693**	**152602833**
	FACE VALUE	**-**	**Rs.2**	**-**	**Rs.2**

Note: (1) Post Arrangement figures are based on the shareholding of the Resulting/ Transferee Company as on September 30, 2011 and would not represent the actual position on the Effective Date of the Scheme.

23. **INSPECTION OF DOCUMENTS**

23.1 Copies of the following documents are open for inspection at the Registered Office of the Applicant between 2.00 p.m. to 5.00 p.m. on any working day of the Company (except Saturday & Sunday) upto the date of the meeting:

a) Memorandum and Articles of Association of Provogue (India) Limited, the Applicant/Demerged Company.

b) Memorandum and Articles of Association of Prozone Enterprises Private Limited, Transferor Company.

c) Memorandum and Articles of Association of Prozone Capital Shopping Centres Limited, Resulting/ Transferee Company.

d) Copy of the Audited Annual Accounts as on March 31, 2011 of Provogue (India) Limited, the Applicant/Demerged Company.

e) Copy of the Audited Annual Accounts as on March 31, 2011 of Prozone Enterprises Private Limited, the Transferor Company.

f) Copy of the Audited Annual Accounts as on March 31, 2011 of Prozone Capital Shopping Centres Limited, the Resulting/ Transferee Company

g) Certified Copy of the Minutes of the Orders dated November 11, 2011 passed by the Hon'ble High Court of Judicature at Bombay.

h) Register of Directors' shareholding of Provogue (India) Limited.

i) Valuation Report dated September 2, 2011 of the Applicant Company issued by M/s. SSPA & Co., Chartered Accountants, Mumbai.

j) Fairness opinion of the Applicant Company issued by IDFC Capital Limited dated September 2, 2011.

k) Copies of the BSE and NSE "No objection" letters dated October 7, 2011 and dated October 21, 2011 respectively.

23.2 The Statement may be treated as the statement under Section 393 of the Companies Act, 1956. A copy of the Composite Scheme of Arrangement and Amalgamation and the statement may be obtained from the registered office of the Applicant.

Dated this November 15, 2011

SD/-
Nikhil Chaturvedi
Chairman appointed for the meeting

Registered Office:
Provogue India Limited
105/106, Provogue House, Off New Link Road
Andheri (West), Mumbai 400 053, Maharashtra

Annexure A

SUMMARY OF AUDITED BALANCE SHEET OF

PROVOGUE (INDIA) LIMITED FOR THE 3 YEARS ENDED

(Rs. in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
SOURCES OF FUNDS :			
Shareholders' Funds			
Share Capital	2,287.14	2,287.14	2,328.13
Share Warrants	-	-	1,632.40
Reserves and Surplus	70,981.25	67,972.97	64,970.41
Loan Funds:			
Secured Loans	23,953.88	21,190.30	14,502.49
Unsecured Loans	974.08	779.76	863.24
Deferred Tax Liabilities (Net)	-	-	-
TOTAL	**98,196.35**	**92,230.17**	**84,296.67**
APPLICATION OF FUNDS :			
Fixed Assets			
Gross Block	10,533.09	10,544.92	9,017.62
Less : Accumulated Depreciation / Amortisation	3,928.14	3,644.54	2,780.12
Net Block	**6,604.95**	**6,900.38**	**6,237.50**
Capital work in progress	35.93	45.00	1,203.30
Investments	29,018.35	28,986.44	34,639.20
Deferred Tax Assets	635.89	238.67	207.65
Current Assets, Loans & Advances			
Inventories	27,187.66	22,035.74	18,938.78
Sundry Debtors	17,146.38	14,099.48	9,128.78
Cash and Bank balances	1,994.12	2,984.44	1,318.32
Loans and Advances	21,933.72	23,513.36	17,916.56
	68,261.88	62,633.02	47,302.44
Less : Current Liabilities and Provisions	6,360.65	6,573.34	5,293.42
Net Current Assets	**61,901.23**	**56,059.68**	**42,009.02**
Miscellaneous Expenditure (to the extent not written off or adjusted)			
TOTAL	**98,196.35**	**92,230.17**	**84,296.67**

SUMMARY OF AUDITED PROFIT & LOSS ACCOUNTS OF

PROVOGUE (INDIA) LIMITED FOR THE 3 YEARS ENDED

(Rs. in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
INCOME :			
Income from Operations	56,538.50	48,066.70	35,972.66
Other Income	1,721.78	2,074.24	2,625.98
TOTAL	**58,260.28**	**50,140.94**	**38,598.64**
EXPENDITURE :			
Cost of Materials stock	37,685.86	30,051.54	20,443.95
Personnel Expenses	1,599.45	1,660.97	1,522.80
Manufacturing and Other Expenses	10,019.17	11,229.16	10,153.55
Interest &Financial Charges	2,603.82	1,994.50	1,497.05
Depreciation	1,193.10	1,228.43	951.05
TOTAL	**53,101.40**	**46,164.60**	**34,568.40**
Profit before Tax and Extraordinary items	**5,158.88**	**3,976.34**	**4,030.25**
Loss on discard of certain assets	844.99	**-**	**-**
Prior Period Items	6.33	(38.18)	4.02
Profit before Tax	4,307.56	4,014.52	4,034.27
Less: Provision for Tax:Current Tax	1,253.00	1,224.93	1,120.00
Deferred Tax Liabilities / (Assets)	(397.23)	(31.01)	(70.16)
Tax on earlier years	111.24	(14.66)	(6.42)
Fringe Benefit Tax	-	-	45.00
Profit After tax	**3,340.54**	**2,835.26**	**2,945.85**
Add: Balance brought forward	9,035.61	7,376.44	5,039.16
Add: Balance of profit & loss account taken over on Amalgamation	-	-	-
Amount Available for Appropriation	12,376.15	10,211.70	7,985.01
APPROPRIATIONS			
Amount utilized for share buy back	-	709.39	-
Proposed Dividend	285.89	228.71	349.22
Dividend Distribution Tax	46.37	37.99	59.35
Transfer to General Reserve	200.00	200.00	200.00
Balance Carried to Balance Sheet	**11,843.89**	**9,035.61**	**7,376.44**

There has been no material change in the financial position of the Applicant Company subsequent to the date of its audited annual accounts for the financial year ended 31st March 2011.

Annexure B

SUMMARY OF AUDITED BALANCE SHEET OF

PROZONE ENTERPRISES PRIVATE LIMITED FOR THE 3 YEARS ENDED

(Rs. in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
SOURCES OF FUNDS :			
Shareholders' Funds			
Share Capital	3,641.77	3,641.77	3,641.77
Reserves and Surplus	36,434.05	36,936.76	36,606.64
Loan Funds:			
Secured Loans	0.63	32.09	69.98
Unsecured Loans	2,290.10	4,306.05	1,799.77
TOTAL	**42,366.55**	**44,916.67**	**42,118.16**
APPLICATION OF FUNDS :			
Fixed Assets			
Gross Block	837.08	811.19	670.03
Less : Accumulated Depreciation	362.86	252.97	115.59
Net Block	474.22	558.22	554.44
Capital work in progress	-	5.52	50.69
Investments	28,470.73	15,706.75	18,490.65
Deferred Tax Assets	150.35	205.67	181.38
Current Assets, Loans & Advances			
Inventories	-	-	-
Sundry Debtors	180.56	96.27	-
Cash and Bank balances	19.83	339.55	27.39
Loans and Advances	13,171.35	28,128.38	23,010.32
	13,371.74	**28,564.20**	**23,037.71**
Less : Current Liabilities and Provisions	122.66	123.69	196.71
Net Current Assets	**13,249.08**	**28,440.51**	**22,841.00**
Profit & Loss Account	22.16	-	-
TOTAL	**42,366.55**	**44,916.67**	**42,118.16**

SUMMARY OF AUDITED PROFIT & LOSS ACCOUNTS OF

PROZONE ENTERPRISES PRIVATE LIMITED FOR THE 3 YEARS ENDED

(Rs. in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
INCOME			
Income from Operations	370.52	206.86	-
Other Income	331.61	1,387.66	1,401.88
TOTAL	**702.13**	**1,594.52**	**1,401.88**
EXPENDITURE :			
Personnel Expenses	258.70	269.40	89.71
Administrative & Other Expenses	797.70	807.90	1,252.23
Interest & Financial Charges	1.34	4.95	8.04
Depreciation	111.45	137.38	89.52
TOTAL	**1,169.19**	**1,219.63**	**1,439.50**
Profit /(Loss) before taxes & Prior Period Items	(467.06)	**374.89**	**(37.62)**
Prior Period Items	1.60	5.08	-
Profit/ (Loss) before Tax	**(465.46)**	**379.97**	**(37.62)**
Provision for Taxation			
- Current Tax	-	73.65	17.06
- Deferred Tax (Assets)/Liability for the year	55.32	(24.29)	(129.48)
- Fringe Benefit Tax	-	-	14.25
- Tax of earlier years	4.09	0.49	25.84
Profit after Tax	(524.87)	330.12	34.71
Balance brought forward from Previous year	502.71	172.59	137.88
Balance carried to Balance Sheet	**(22.16)**	**502.71**	**172.59**

There has been no material change in the financial position of the Transferor Company subsequent to the date of its audited annual accounts for the financial year ended 31st March 2011.

Annexure C

SUMMARY OF AUDITED BALANCE SHEET OF

PROZONE CAPITAL SHOPPING CENTRES LIMITED FOR THE 3 YEARS ENDED

(Rs. in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
SOURCES OF FUNDS			
Sources of Funds:			
Share Capital	1.00	1.00	1.00
Reserves & Surplus	-	-	-
Loan Funds :			
Secured Loans	-	-	-
Unsecured Loans	24.68	-	-
Deferred Tax Liability	-		
TOTAL	**25.68**	**1.00**	**1.00**
APPLICATION OF FUNDS			
Fixed Assets:			
Gross Block	-	-	-
Less : Depreciation	-	-	-
Net Block	-	-	-
Capital Work in Progress	-	-	-
Expenditures during Construction Period	-	-	-
Investment	-	-	-
Current Assets, Loans and Advances:			
Inventories			
Sundry Debtors	-	-	
Cash & Bank Balance	0.50	0.56	0.75
Loans and Advances	24.89	-	-
Less : Current Liabilities & Provisions:	0.30	0.14	0.11
Net Current Assets	25.09	0.42	0.64
Miscellaneous Expenditure			
(To the extent not written off or adjusted) Profit & Loss Account (Loss)	0.59	0.58	0.36
TOTAL	**25.68**	**1.00**	**1.00**

SUMMARY OF AUDITED PROFIT & LOSS ACCOUNTS OF

PROZONE CAPITAL SHOPPING CENTRES LIMITED FOR THE 3 YEARS ENDED

(Rs. in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
INCOME :			
Other Income	0.95	-	-
TOTAL	**0.95**	**-**	**-**
EXPENSES:			
Administrative & Other Expenses	0.14	0.20	0.12
Interest & financial charges	0.76	0.02	0.05
TOTAL	**0.90**	**0.22**	**0.17**
Profit/(Loss) Before Tax	**0.05**	**(0.22)**	**(0.17)**
Less: provision for tax			
- Current Tax	0.06	-	-
- Provision for Deferred Tax (Assets)/ Liability	-	-	-
Net Profit/(Loss) After Tax	**(0.01)**	**(0.22)**	**(0.17)**
Profit/ (Loss) Brought Forward from Previous year	(0.58)	(0.36)	(0.19)
Balance Carried to Balance Sheet	**(0.59)**	**(0.58)**	**(0.36)**
Basic/ Diluted Earning Per Share			
Nominal Value Per Share			

There has been no material change in the financial position of the Resulting/Transferee Company subsequent to the date of its audited annual accounts for the financial year ended 31st March, 2011.

Disclosures to the Shareholders for Composite Scheme of Arrangement and Amalgamation under Sections 391 to 394 of the Companies Act, 1956 as prescribed by Securities and Exchange Board of India.

Sl. No.	Details of the Companies	Provogue (India) Limited (PIL)	Prozone Enterprises Private Limited (PEPL)	Prozone Capital Shopping Centres Limited (PCSCL)
1	Names and Registered Office of the Companies	105/106, Provogue House, Off New Link Road, Andheri (West), Mumbai 400053, Maharashtra	105/106, Provogue House, Off New Link Road, Andheri (West), Mumbai 400053, Maharashtra	105/106, Provogue House, Off New Link Road, Andheri (West), Mumbai 400053, Maharashtra
2	The extent to / manner in which the companies are related to each other	PEPL and PCSPL are subsidiaries of PIL	PEPL is subsidiary of PIL	PCSPL is wholly owned subsidiary of PIL
3	Capital Structure of the Companies	Please refer para no. 3.4 of the Explanatory Statement	Please refer para no. 4.4 of the Explanatory Statement	Please refer para no. 5.5 of the Explanatory Statement
4	Shareholding pattern clearly indicating the shares held by the promoters and by persons other than promoters	Please refer para no. 20 above of Explanatory Statement	Please refer para no.21 above of Explanatory Statement	Please refer para no. 22 above of Explanatory Statement
5	Line of Business	Please refer paragraph no. 1.1.2 of the Scheme	Please refer paragraph no. 1.2.2 of the Scheme	Please refer paragraph no. 1.3.1 of the Scheme
6	Dates of Agreement, if any, with the other companies, which are parties to the scheme of arrangement.	NA	NA	NA
7	Names and profile of the promoters and Directors viz., age, educational qualifications, experience, personal addresses etc. of the companies.	See Annexure I	See Annexure II	See Annexure III
8	Names of Subsidiary / Group Companies and Companies with which the promoters of the resultant company are associated	-	-	Please refer Annexure IV
9	Indicate whether there would be a change in control in the resultant company vis-à-vis the issuing company.	-	-	The Transferee / Resulting Company will cease to be subsidiary of PIL (Applicant Company) and the shares of Transferee / Resulting Company will get listed on the stock exchanges in which shares of PIL are listed, subject to necessary approvals
10	Capital structure and share-holding pattern, after (of issuing company) the proposed scheme of arrangement, and the management's views on the change in the public holding on how it would affect the shareholders at large.	Please refer para no. 20 above of Explanatory Statement Management view:Subject to reorganization (reduction) of the Applicant Company as set out in the Scheme, there will not be any change in public shareholding	Please refer para no.21 above of Explanatory Statement Management view:NA, as the Transferor Company will cease to exist upon the Scheme coming into effect	Please refer para no. 22 above of Explanatory Statement Management view:same as point 9 above

11	Audited financial statement of the companies for the last three years as per the format given in clause 41 of Listing Agreement in case of transferee company	-	-	Please refer Annexure V
12	Basis of valuation	Valuation Report issued by SSPA & Co. dated September 02, 2011	Valuation Report issued by SSPA & Co. dated September 02, 2011	Valuation Report issued by SSPA & Co. dated September 02, 2011
13	Nature of Consideration if any, payable/ receivable under the scheme	No consideration to the Applicant Company. Demerger New Equity Shares (as defined in the Scheme) to the shareholders of Applicant Company	No consideration to the Transferor Company. Merger New Equity Shares (*as defined in the Scheme*) to the shareholders of Transferor Company	Consideration in the form Demerger New Equity Shares and Merger New Equity Shares
14	Mode of payment /receipt	-	-	-
15	Manner of surrender/receipt of shares or securities	Cancellation of Shares under reduction of share capital as per the Scheme	-	-
16	The time schedule within which the shares / securities are to be surrendered / received and payments to be made / received.	As per the Scheme	NA	NA
17	Tentative date by which the scheme would become effective under the provisions of the Companies Act etc.	Please refer para 4.1.5 of the Scheme	Please refer para 4.1.5 of the Scheme	Please refer para 4.1.5 of the Scheme
18	Details of approvals obtained/to be obtained/ sought from creditors, authorities like stock exchanges / authorities under the Companies Act etc.	1. No objection letter has been obtained from Bombay Stock Exchange and National Stock Exchange. 2. Approval of shareholders and secured creditors to be obtained. 3. Individual Notices to unsecured creditors 4. Court's Approval to the Scheme	1. Shareholders consent have been obtained; 2. No Secured creditor; 3. Certain unsecured creditors consent obtained and individual notices to balance unsecured creditors 4. Court's Approval to the Scheme	1. Shareholders and Unsecured Creditor consent have been obtained; 2. No Secured creditor; 3. Court's Approval to the Scheme 4 Stock Exchanges approvals for listing & trading
19	Details of Board Meeting when the proposal was considered / approved.	02.09.2011	02.09.2011	29.08.2011

ANNEXURE I

Brief Profiles of directors of Provogue (India) Limited (PIL)

	Name of Director	Date of Birth	Educational Qualification	Profile & Experience	Residential Address
1	Mr. Nikhil Chaturvedi	01.04.1969	B.Com.	He is business leader of Provogue group and broadly engaged in business strategic planning, management, and development,.	Bungalow No. 8, Premium Towers,, Lokhandwala Complex, Andheri(W), Mumbai- 400053
2	Mr. Salil Chaturvedi	22.04.1971	B.Sc.	He is known for his entrepreneurial drive and has been at forefront of Provogue brand creation, leads the mixed used of real estate developments in Prozone and investor relations for the company.	Skyoberoi Garden, A-20 Lokhandwala, Link Road, Andheri(W), Mumbai- 400053
3	Mr. Deep Gupta	24.10.1968	B.E., MBA	He leads the finance functions and legal team for the Company involved in development of systems, processes, human resources, information technology and investment policies.	Sushila Sadan, Manchubhai Road, Malad (E), Mumbai- 400097
4	Mr. Akhil Chaturvedi	20.04.1965	B.Sc., MMS	He leads the retail activities of the Company driving future expansion plans, sales and operating strategies and other retail business development initiatives.	B-31, 1901-02, Montreal Towers, Shastri Nagar, Near Lokhandwala, Andheri (W), Mumbai-400053
5	Mr. Nigam Patel	28.02.1970	B.Com., MBA	He leads assets management functions and customer relationship teams involving land joint ventures, tenant mix strategies, leasing policy and new revenue creation.	Adarsh Dughdalaya, No.2 Sharda, Marve Road, Malad (W), Mumbai- 400064
6	Mr. Rakesh Rawat	25.05.1970	B.Com., MBA	He leads the international trade division leading design, sourcing, marketing and project management aspects of the business.	Flat No. 1401, G5, Vastu Heights, Sundarban, Complex, Off JP Road, Village Oshiwara, Andheri(W), Mumbai-400053
7	Mr. Arun Bhargava	16.10.1946	B.Sc./ LL.B./ I.R.S.	He is retired from the Indian Civil Services. He held various positions in Government sector over career spanning 38 years including membership of CBDT, member of SAT etc.	D-13, Hyderabad Estate, Nepansea Road, Mumbai- 400036

8	Mr. Amitabh Taneja	11.09.1967	B.A.	He is Managing Director and founder of Images Multimedia Pvt. Ltd, which publishes the Country's leading trade journals on fashion and retail. He is also Chairman of Image Fashion Forum and India Retail Forum.	D-957, New Friends Colony, New Delhi - 110065
9	Mr. Surendra Hiranandani	30.12.1954	B.Com.	Mr. Surendra Hiranandani is the MD and Founder of Hiranandani group of Companies. He has been honoured by the American Concrete Institute for his excellence and contribution to the real estate Industry, particularly for adopting the best in foreign technology with the skills of India's engineering and labour artisans.	Neptune Court, 60, L. J. Marg, Mumbai - 400006
10	Mr. Punit Goenka	20.06.1975	B.Com./ P.G.-Young Management Program / P.G. Program-Birthing Of Giants	Mr. Goenka, Director of Essel Group and CEO of Zee Entertainment Limited and manages one of the India's most successful TV Channel and media business. He has an extensive and diversified background in the areas of media entertainment and telecommunication across global markets.	Bungalow No. 1, Jolly Maker Apartment No. 1, Cuffe Parade, Colaba, Mumbai - 400005

ANNEXURE II

Brief Profiles of directors of Prozone Enterprises Private Limited

	Name of Director	Date of Birth	Educational Qualification	Profile & Experience	Residential Address
1	Nikhil Chaturvedi	As given above in Annexure I			
2	Salil Chaturvedi	As given above in Annexure I			
3	Deep Gupta	As given above in Annexure I			
4	Akhil Chaturvedi	As given above in Annexure I			
5	Nigam Patel	As given above in Annexure I			
6	Rakesh Rawat	As given above in Annexure I			
7	Amitabh Taneja	As given above in Annexure I			
8	John Abel	03.08.1944	Fellow of Royal Institution of Chartered Surveyors (FRICS)	He is Managing Director of Capital Shopping Centres Group Plc. He has been integrally involved in Group's Shopping Centres activities from its very first major development, the Victoria Centre, Nottingham which opened in the early 1970s.	9 Hutton Gate, Huttun, Brentwood, CM 13 2XA, Esex United Kingdom
9	David Fischel	01.04.1958	Chartered Accountant	He is Chief Executive of Capital Shopping Centres Group Plc. He has been closely involved with corporate development including its shopping centre business. He was appointed as a non-executive director of Capital and Countries Properties PLC on its demerger from the Group in May 2010.	Sweethill Farm, School Lane Ashurst, Nr. Steyning, BN44 3AY West Sussex United Kingdom

ANNEXURE III

Brief Profiles of directors of Prozone Capital Shopping Centres Limited

	Name of Director	Date of Birth/ Age	Educational Qualification	Experience	Residential Address
1	Deep Gupta	As given above in Annexure I			
2	Akhil Chaturvedi	As given above in Annexure I			
3	J K Jain	11.07.1972	B.Com., CA	He looks after group finances and posses very vast experience in budgeting, finance and accounts.	D-6, 503/504, Krishna Kaveri CHS, Yamuna Nagar, Andheri (W), Mumbai- 400053

ANNEXURE IV

Names of Subsidiary / Group Companies and Companies with which the promoters of the resultant company are associated

Nature of Company	Name of Company	
Subsidiary Companies	Nil	
Group Companies and Companies with which the promoters are associated	1	Provogue (India) Limited
	2	Prozone Enterprises P. Ltd.
	3	Faridabad Festival City P. Ltd.
	4	Sporting and Outdoor Ad agency P. Ltd.
	5	Acme Advertisements P. Ltd.
	6	Elite Team (HK) Ltd., Hong Kong
	7	Brightland Developers P. Ltd.
	8	Pronet Interactive P. Ltd.
	9	Flowers, Plants & Fruits (India) P. Ltd.
	10	Probrand Enterprises Ltd.
	11	Profab Fashions (India) Ltd.
	12	Oasis Fashion Ltd.
	13	Millennium Accessories Limited
	14	Provogue Holding Limited, Singapore
	15	Provogue Infrastructure P. Ltd.
	16	Classique Creators Limited
	17	Meerut Festival City Pvt. Ltd.
	18	Standard Mall Pvt. Ltd.
	19	Alliance Mall Developers Co. P. Ltd.
	20	Prozone Liberty International Ltd., Singapore
	21	Prozone International Ltd., Singapore
	22	Prozone Overseas P. Ltd., Singapore
	23	Prozone International Coimbatore Ltd., Singapore
	24	Empire Mall Private Limited
	25	Omni Infrastructure P. Ltd.
	26	Hagwood Commercial Developers P. Ltd.
	27	Royal Mall Private Limited
	28	Jaipur Festival City P. Ltd.
	29	Starlight City Commercial Developers Pvt. Ltd.
	30	Kruti Multitrade Pvt. Ltd.
	31	Prozone Infrastructure P. Ltd.
	32	Floro Mercantile P. Ltd.
	33	Everest Plaza Pvt. Ltd.
	34	Topspeed Trading Co. P. Ltd.
	35	Acme Hotels & Hospitality P. Ltd.
	36	Moontown Trading Co. P. Ltd.
	37	Emerald Buildhome Pvt. Ltd.

ANNEXURE V

Audited financial statement of Transferee Company as per the format given in clause 41 of Listing Agreement

	Particulars	Year ended on (Amount in Rs.)		
		31.03.11	31.03.10	31.03.09
1	a. Gross Sales / Income from Operations	-	-	-
	b. Other Operational Income	-	-	-
	Total Income (a) + (b)			
2	Expenditure			
	a. (Increase) / Decrease in Finished Goods and Work in Progress	-	-	-
	b. Consumption of Raw Materials	-	-	-
	c. Cost of Traded Goods Sold	-	-	-
	d. Employee cost	-	-	-
	e. Depreciation	-	-	-
	f. Other Expenditure	13530	19938	12634
	Total	13530	19938	12634
3	Profit/ (Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)	(13530)	(19938)	(12634)
4	Other Income	94865	-	-
5	Profit/ (Loss) before Interest & Exceptional Items (3+4)	81335	(19938)	(12634)
6	Interest	76210	1655	5056
7	Profit/ (Loss) after Interest but before Exceptional Items (5-6)	5125	(21593)	(17690)
8	Exceptional Items	-	-	-
9	Profit/ (Loss) from Ordinary Activities before Tax (7+8)	5125	(21593)	(17690)
10	Tax Expense (Net of prior period adjustments)	5900	-	-
11	Net Profit/ (Loss) from Ordinary Activities after Tax (9-10)	(775)	(21593)	(17690)
12	Extraordinary Item	-	-	-
13	Less : Minority Interest	-	-	-
14	Net Profit/ (Loss) for the Period (11-12-13)	(775)	(21593)	(17690)
15	Paid-up Equity Share Capital (Face Value per share Rs.10/-)	100000	100000	100000
16	Reserves excluding Revaluation Reserves	-		
17	Earnings Per Share (EPS)	(0.08)	(2.16)	(1.77)
	Basic and Diluted EPS before and after Extraordinary Items (Rs.)	(0.08)	(2.16)	(1.77)
18	Public Shareholding			
	Number of Shares	-	-	-
	Percentage of Shareholding	-	-	-
19	Promoters and Promoter Group Shareholdings			
	a. Pledged / Encumbered			
	Number of Shares	-	-	-
	Percentage of Shares	-	-	-
	(As a % of the total shareholding of Promoter and Promoter Group)	-	-	-
	Percentage of Shares	-	-	-
	(As a % of the total share capital of the Company)			
	b. Non-Encumbered			
	Number of Shares	10000	10000	10000
	Percentage of Shares	100%	100%	100%
	(As a % of the total shareholding of Promoter and Promoter Group)			
	Percentage of Shares	100%	100%	100%
	(As a % of the total share capital of the Company)			

COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

BETWEEN

PROVOGUE (INDIA) LIMITED
("***Provogue***" or "***Demerged Company***")

AND

PROZONE ENTERPRISES PRIVATE LIMITED
("***Prozone***" or "***Transferor Company***")

AND

PROZONE CAPITAL SHOPPING CENTRES LIMITED
(*formerly known as Castle Mall Private Limited*)
("***PCSCL***" or "***Resulting Company***" or "***Transferee Company***")

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
(Under Sections 391 to 394 read with Sections 78, 100 to 104 of the Companies Act, 1956)

1.1 The Scheme is divided into the following parts:

1.1.1 **Part I** deals with the Introduction and Rationale;

1.1.2 **Part II** deals with the Definitions and Share Capital;

1.1.3 **Part III** deals with Demerger of Retail Centric Real Estate Development Business of Provogue;

1.1.4 **Part IV** deals with Amalgamation of Prozone with PCSCL;

1.1.5 **Part V** deals with reorganisation of Provogue;

1.1.6 **Part VI** deals with the Accounting Treatment;

1.1.7 **Part VII** deals with the General Clauses;

1.1.8 **Part VIII** deals with the General Terms and Conditions.

PART I
INTRODUCTION AND RATIONALE

1. INTRODUCTION

1.1. Provogue

1.1.1. Provogue (India) Limited ("***Provogue***") was incorporated on November 17, 1997 as Acme Clothing Private Limited under the Companies Act, 1956, subsequently converted into Acme Clothing Limited on March 11, 2005 and subsequently received fresh Certificate of Incorporation consequent to change of name to Provogue (India) Limited on March 14, 2005;

1.1.2. Provogue is *inter alia* engaged in the business of designing, manufacturing and selling of branded ready made garments and other accessories under the brand "Provogue" which has been positioned as a fashion label in the Indian market. Provogue is also engaged in real estate development business through its subsidiaries;

1.1.3. The equity shares of Provogue are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited;

1.1.4. The brand "Provogue" is recognised as a leading brand in fashion apparel segment and is known for innovative and powerful marketing and advertising campaigns.

1.2. Prozone:

1.2.1. Prozone Enterprises Private Limited ("***Prozone***") was incorporated on November 9, 2004. Prozone is the subsidiary of Provogue and is a joint venture with Nailsfield Limited, a company incorporated under the laws of Mauritius and having its principal address at International Financial Services Limited, IFS Court, Twenty right, Cybercity, Ebene, Mauritius ("***Nailsfield***");

1.2.2. Prozone, as the subsidiary of Provogue, is engaged *inter alia* in business of development, owning and operation of entertainment centers, shopping malls, multiplexes, hotels, commercial and residential premises, offices, townships, markets, or conveniences thereon;

1.2.3. Prozone, through its subsidiaries, is also involved in construction and development of properties for residential and commercial purposes including, development of shopping malls in various parts of India.

1.3. PCSCL:

1.3.1. Prozone Capital Shopping Centres Limited ("***PCSCL***") (*formerly known as Castle Mall Private Limited*) is the wholly owned subsidiary of Provogue and is engaged in business of developing, constructing and maintaining all types of mall and developing land, building, immovable properties etc. required for mall development.

2. RATIONALE FOR COMPOSITE SCHEME

2.1. Provogue's future plan is to *inter-alia* specialise and strengthen its existing apparel business activities. The existing Retail Centric Real Estate Development Business promises prospective growth. In order to explore this business to the fullest and provide focused leadership and management attention, it is intended to demerge the Retail Centric Real Estate Development Business to PCSCL.

2.2. Further in the interest of the shareholders of PCSCL and Provogue it is believed that the demerger of Retail Centric Real Estate Development Business to a separate company with focused strategy would enhance shareholders value.

2.3. The demerger and amalgamation proposed under this Composite Scheme of Arrangement and Amalgamation will enable the shareholders of Prozone and Provogue to hold shares directly in PCSCL.

2.4. This will provide financial flexibility to PCSCL and it will have various fund raising options for its business.

2.5. The demerger would enhance the equity value of Provogue's shareholders directly and reduce its liabilities due to the transfer of the entire liabilities and obligations pertaining to Retail Centric Real Estate Development Business from Provogue thereby resulting in lower debt servicing and support from the Remaining Undertaking (*as defined hereinafter*).

2.6. Pursuant to this Composite Scheme of Arrangement and Amalgamation, there would be a synergy in terms of administration costs, as well as simplification and flexibility of operations, since the present independent set-up of the companies results in duplication of administrative efforts in terms of separate personnel, record keeping relating to accounts, income tax, sales tax, invoicing between the two entities, ROC records, etc.

2.7. There is no likelihood that any shareholder or creditor of either Provogue or Prozone or PCSCL would be prejudiced as a result of this Composite Scheme of Arrangement and Amalgamation.

3. COMPOSITE SCHEME

3.1. This Composite Scheme of Arrangement and Amalgamation is presented under Sections 391 to 394 read with Sections 78, 100 to 104 and other applicable provisions of the Companies Act, 1956 for:

3.1.1. Demerger of the Retail Centric Real Estate Development Business of Provogue;

3.1.2. Amalgamation of Prozone with PCSCL; and

3.1.3. Various other matters consequential or otherwise integrally connected herewith.

PART II
DEFINITIONS AND SHARE CAPITAL

4. DEFINITIONS

4.1. In this Scheme, unless inconsistent with the subject or context, the following expression shall have the following meanings:

4.1.1. "***Act***" means the Companies Act, 1956 for the time being in force, including any statutory modifications, re-enactments or amendments made thereto from time to time.

4.1.2. "***Appointed Date***" means the 1st day of April, 2011 or such other date as the High Court of Judicature at Bombay may direct or fix, for the purpose of (i) Part III of this Scheme (*Demerger of Retail Centric Real Estate Development Business*); and (ii) Part IV of this Scheme (*Amalgamation of Prozone with PCSCL*):

4.1.3. "***Court***" or "***High Court***" means the High Court of Judicature at Bombay, and shall include, the National Company Law Tribunal, if applicable.

4.1.4. "***Demerged Undertaking***" means the Retail Centric Real Estate Development Business of Provogue as a going concern basis consisting *inter alia* of:

4.1.4.1. All the assets forming part of the Retail Centric Real Estate Development Business as on the commencement of the Appointed Date as more particularly described under **Schedule** '**A**' annexed hereto including, but not limited to the investment made by Provogue in Prozone;

4.1.4.2. All debts, liabilities, duties and obligations forming part of the Retail Centric Real Estate Development Business as on the commencement of the Appointed Date as more particularly described under **Schedule** '**B**' annexed hereto;

4.1.4.3. Without prejudice to the generality of sub-clause 4.1.4.1 above, the Retail Centric Real Estate Development Business of Provogue shall mean and include all the assets and properties, whether movable or immovable, real or personal, fixed assets, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent assets including stock, investments, claims, powers, authorities, allotments, approvals, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits, advantages, lease-hold rights, tenancy rights, permits, authorisations, quota rights, trade marks, copyrights, patents and intellectual properties, including reserves, provisions, funds, utilities, electricity, water and other service connections, books, records, files, papers, engineering and process information, computer programmes along with licenses, drawings, back up copies, websites, domain names, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form, employees, benefits of agreements, contracts and arrangements, powers, authorities, balances with all regulatory authorities, liberties, advantages, easements and all the right, title, interest, goodwill, reserves, provisions, advances, receivables, funds, cash, bank balances, accounts, earnest moneys/security deposits and all other rights, claims and powers, of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favour of or enjoyed by the Retail Centric Real Estate Development Business, as on the commencement of the Appointed Date and all earnest money and/or deposits including security deposits paid by in relation to the Retail Centric Real Estate Development Business as on the commencement of the Appointed Date and all other rights, obligations, benefits available under any rules, regulations, statutes including direct and indirect tax laws and particularly Sales Tax benefits, Cenvat benefits, import and export benefits and custom duty benefits of Provogue in relation to the Retail Centric Real Estate Development Business and in each case, as on the commencement of the Appointed Date and as modified and altered from time to time to the Effective Date.

4.1.5. "***Effective Date***" means the last of (a) the dates on which the sanctions, approvals or orders as specified in Clause 25 of this Scheme have been obtained or (b) the dates on which the certified copies of the Order(s) of the High Court of Judicature at Bombay are filed with the Registrar of Companies, Maharashtra at Mumbai.

All references in this Scheme to the date of "coming into effect of the/this Scheme" shall mean the Effective Date.

4.1.6. "***Governmental Authorities***" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body having jurisdiction over the territory of India.

4.1.7. "***PCSCL***" or "***Resulting Company***" or "***Transferee Company***" means Prozone Capital Shopping Centres Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 105/106, Provogue House, Off: New Link Road, Andheri (W), Mumbai-400 053 in the State of Maharashtra.

4.1.8. "***Provogue***" or "***Demerged Company***" means Provogue (India) Limited, a company registered under the Companies Act, 1956 and having its registered office at 105/106 Provogue House, Off. New Link Road, Andheri (West), Mumbai-400 053 in the State of Maharashtra.

4.1.9. "***Prozone***" or "***Transferor Company***" means Prozone Enterprises Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 105/106 Provogue House, Off. New Link Road, Andheri (West), Mumbai-400 053 in the State of Maharashtra.

4.1.10. "***Record Date***" means the date to be fixed by the Board of Directors of Provogue in consultation with PCSCL for the purpose of reckoning name of the equity shareholders of Provogue who shall be entitled to receive shares of PCSCL upon the Scheme coming into effect as specified in Clause 7.1 of this Scheme and for the purpose of reckoning name of the equity shareholders of Provogue in relation to re-organisation of share capital of Provogue as specified in Clause 12.3.

4.1.11. "***Remaining Undertaking***" means all the undertakings, business activities and operations of Provogue, other than those comprised in the Demerged Undertaking, as on the commencement of the Appointed Date and as modified and altered from time to time to the Effective Date.

4.1.12. "***Scheme***" or "***the Scheme***" or "***this Scheme***" means this Composite Scheme of Arrangement and Amalgamation in its present form submitted to the High Court of Judicature at Bombay with modification(s), approved or imposed or directed by the said High Court.

4.1.13. "***Transferor Undertaking***" means and includes:

4.1.13.1. All the assets including, the investment of Prozone, as on the commencement of the Appointed Date as more particularly described under **Schedule** '**C**' annexed hereto;

4.1.13.2. All debts, liabilities, duties and obligations of Prozone as on the commencement of the Appointed Date as more particularly described under **Schedule** '**D**' annexed hereto;

4.1.13.3. Without prejudice to the generality of sub-clause 4.1.13.1 above the Transferor Undertaking shall mean and include all the assets and properties, whether movable or immovable, real or personal, fixed assets, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent assets including the brand name "*Prozone*", stock, investments, claims, powers, authorities, allotments, approvals, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits, advantages, lease-hold rights, tenancy rights, permits, authorisations, quota rights, trade marks, copyrights, patents and intellectual properties, including reserves, provisions, funds, import quotas, import licenses, industrial designs, labels, label designs, equipment and installations and utilities, electricity, water and other service connections, books, records, files, papers, engineering and process information, computer programmes along with licenses, drawings, back up copies, websites, domain names, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form, employees, benefits of agreements, contracts and arrangements, powers, authorities, balances with all regulatory authorities, liberties, advantages, easements and all the right, title, interest, goodwill, reserves, provisions, advances, receivables, funds, cash, bank balances, accounts, earnest moneys/security deposits and all other rights, claims and powers, of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favour of or enjoyed by Prozone, as on the commencement of the Appointed Date and all earnest money and/or deposits including security deposits paid by Prozone as on the commencement of the Appointed Date and all other rights, obligations, benefits available under any rules, regulations, statutes including direct and indirect tax laws and particularly Sales Tax benefits, Cenvat benefits, import and export benefits and custom duty benefits of Prozone and in each case, as on the commencement of the Appointed Date and as modified and altered from time to time to the Effective Date.

5. SHARE CAPITAL

5.1. The Share Capital of Provogue as on the latest audited Balance Sheet dated March 31, 2011 is as under:

Particulars	(Amount in Rs.)
Authorised Capital:	
16,50,00,000 equity shares of Rs. 2 each	33,00,00,000
Issued, Subscribed and Paid-up Capital:	
11,43,57,095 equity shares of Rs. 2 each fully paid up	22,87,14,190

5.2. The Share Capital of Prozone as on the latest audited Balance Sheet dated March 31, 2011 is as under:

Particulars	(Amount in Rs.)
Authorised Capital:	
4,00,00,000 equity shares of Rs. 10 each	40,00,00,000
Issued, Subscribed and Paid-up Capital:	
3,64,17,682 equity shares of Rs. 10 each fully paid up	36,41,76,820

5.3. The Share Capital** of PCSCL as on March 31, 2011 is as under:

Particulars	(Amount in Rs.)
Authorised Capital:	
10,000 equity shares of Rs.10 each	1,00,000
Issued, Subscribed and Paid-up Capital:	
10,000 equity shares of Rs.10 each	1,00,000

** Pursuant to special resolutions passed in an extra-ordinary general meeting of members of PCSCL held on 25th day of August, 2011, PCSCL has sub divided existing authorised share capital and issued and subscribed and paid-up capital of Rs.1,00,000 divided into 10,000 equity shares of Rs. 10 each to 50,000 equity shares of Rs. 2 each. Further, PCSCL have also increased its authorised share capital from Rs.1,00,000 divided into 50,000 equity shares of Rs. 2 each to Rs. 5,00,000 divided into 2,50,000 equity shares of Rs. 2 each. In addition to above, PCSCL has issued and allotted additional 2,00,000 equity shares of Rs. 2 each to Provogue and its nominees.

PART III
DEMERGER OF THE RETAIL CENTRIC REAL ESTATE DEVELOPMENT BUSINESS OF PROVOGUE

6. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING

6.1. With effect from the Appointed Date and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the Demerged Undertaking of Provogue shall, without any further act or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to or vested in PCSCL, as a going concern in accordance with Section 2(19AA) of the Income Tax Act, 1961, pursuant to the provisions of Sections 391 to 394 read with Sections 78, 100 to 104 and other applicable provisions of the Act and the provisions of this Scheme in relation to the mode of transfer and vesting of assets.

6.2. The assets of the Demerged Undertaking, which are moveable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, shall be so transferred by Provogue and shall become the property of PCSCL without any act or deed on the part of Provogue and PCSCL.

6.3. The assets of the Demerged Undertaking shall upon the Scheme coming into effect, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in PCSCL pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act on the Appointed Date and the vesting of all such assets shall take place from the Effective Date.

6.4. The assets of the Demerged Undertaking, acquired by Provogue on and from the Appointed Date upto the Effective Date, shall also without any further act, instrument or deed stand transferred to or be deemed to have been transferred to PCSCL upon the Scheme coming into effect.

6.5. For avoidance of doubt, upon the Scheme coming into effect, all the rights, title, interest and claims of Provogue in any leasehold properties in relation to the Demerged Undertaking shall, pursuant to Section 394(2) of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in PCSCL.

6.6. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of Provogue in relation to the Demerged Undertaking shall stand transferred to PCSCL as if the same

were originally given by, issued to or executed in favour of PCSCL, and PCSCL shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to PCSCL. PCSCL shall make applications to any Governmental Authorities or any third persons (as the case may be) as may be necessary in this behalf.

6.7. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, PCSCL may, at any time after the Scheme coming into effect in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangements to which Provogue is a party or any writing as may be necessary to be executed in order to give formal effect to the above provisions. PCSCL shall under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Provogue and to carry out or perform all such formalities, compliances referred to above on the part of PCSCL to be carried out or performed in relation to the Demerged Undertaking being transferred by Provogue.

6.8. To the extent there are debentures and inter-corporate loans, debts and claims, (including, any amounts receivable, if any, by Provogue from PCSCL or vice versa) in relation to the Demerged Undertaking, the obligations in respect thereof shall come to an end on the Scheme coming into effect and a corresponding suitable effect shall be given in the books of accounts and records of PCSCL and Provogue. If required reduction/cancellation of such loans, debts and claims (including, receivables) shall be reflected in the books of accounts and records of PCSCL and Provogue. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of any such debentures and inter-corporate loans or debts (including, receivables) balances between PCSCL on the one hand and Provogue in relation to the Demerged Undertaking on the other hand. Notwithstanding anything contrary provided hereinabove, any costs and expenses incurred by Provogue on behalf of PCSCL in relation to or in connection with or incidental to this Scheme shall be reimbursed by PCSCL to Provogue within 1 (one) year from the Effective Date;

6.9. PCSCL shall be entitled to the benefit of all insurance policies which have been issued in respect of Provogue in respect of the Demerged Undertaking and the name of PCSCL shall be substituted as “Insured” in the policies as if PCSCL was initially a party.

6.10. With effect from the Appointed Date, and subject to the provisions of this Scheme, the Liabilities of the Demerged Undertaking shall also stand transferred or deemed to have been transferred without any further act, instrument or deed to PCSCL, so as to become as and from the Appointed Date, the Liabilities of PCSCL without any consent of any third party or other person who is a party to the contract or arrangements by virtue of which such Liabilities have arisen, in order to give effect to the provisions of this Clause.

6.11. With effect from the Appointed Date, all guarantees, indemnities and contingent liabilities, if any, of Provogue in relation to the Demerged Undertaking shall also be transferred to or be deemed to be transferred to PCSCL so as to become as and from the Appointed Date, the guarantees, indemnities and contingent liabilities of PCSCL and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such guarantees, indemnities and contingent liabilities have arisen or given, in order to give effect to the provisions of this Clause.

6.12. The transfer and vesting of the Demerged Undertaking as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of the Demerged Undertaking, *provided however*, any reference in any security documents or arrangements, to which Provogue is a party, wherein the assets of the Demerged Undertaking have been or are offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Demerged Undertaking as are vested in PCSCL by virtue of this Scheme, to the end and intent that such security, charges, hypothecation and mortgage shall not extend or be deemed to extend, to any of the other assets of Provogue or any of the assets of PCSCL, *provided further* that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the assets or any part thereof of PCSCL shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges, hypothecation or mortgages to the end and intent that such securities, charges, hypothecation and mortgages shall not extend or be deemed to extend, to any of other assets of the Demerged Undertaking vested in PCSCL. Notwithstanding anything contrary provided in this Scheme, it is clarified that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by Provogue in relation to the Demerged Undertaking which shall vest in PCSCL by virtue of the vesting of the Demerged Undertaking with PCSCL and PCSCL shall not be obliged to create any further or additional security therefor after the demerger has become operative.

6.13. All the loans, advances and other facilities sanctioned to Provogue in relation to the Demerged Undertaking by its bankers and financial institutions prior to the Appointed Date, which are partly drawn or utilised shall be deemed to be the loans and advances sanctioned to PCSCL and the said loans and advances shall be drawn and utilised either partly or fully by

Provogue from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by Provogue in relation to the Demerged Undertaking (within the over all limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to PCSCL and all the obligations of Provogue in relation to the Demerged Undertaking under any loan agreement shall be construed and shall become the obligation of PCSCL without any further act or deed on the part of PCSCL.

7. ISSUE OF DEMERGER NEW EQUITY SHARES

7.1. Upon the Scheme coming into effect and in consideration of the demerger of the Demerged Undertaking into PCSCL, without any further act or deed on the part of PCSCL, PCSCL will issue and allot 11,43,57,095 (Eleven crore forty three lakh fifty seven thousand and ninety five) equity shares of Rs. 2 each fully paid up (the "***Demerger New Equity Shares***"). The Demerger New Equity Shares will be issued to registered equity shareholders whose name is recorded in the register of members of Provogue on the Record Date in the ratio of 1:1, i.e. (1 (one) equity share of Rs. 2 each in PCSCL for every 1 (one) equity share of Rs. 2 each in Provogue) (the "***Demerger Share Entitlement Ratio***").

7.2. The Demerger New Equity Shares to be issued by PCSCL pursuant to Clause 7.1 above shall be issued and allotted in dematerialised form by PCSCL, unless otherwise notified in writing by the shareholders of Provogue to PCSCL on or before such date as may be determined by the Board of Directors of PCSCL or a committee thereof. In the event that such notice has not been received by PCSCL in respect of any of the shareholders of PCSCL, the equity shares shall be issued and allotted to such shareholders in dematerialised form provided that the shareholder of Provogue shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event that PCSCL has received notice from any shareholder that the Demerger New Equity Shares are to be issued in physical form or if any shareholder has not provided the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the shares of PCSCL, then PCSCL shall issue shares Demerger New Equity Shares in physical form to such shareholder or shareholders.

7.3. In the event of there being any pending share transfers with respect to any application lodged for transfer by any shareholder of Provogue, the Board of Directors or any committee thereof of Provogue if in existence, or failing which the Board of Directors or any committee thereof of PCSCL shall be empowered in appropriate cases, even subsequent to the date fixed by the Board of Directors of PCSCL in consultation with the Board of Directors of Provogue in terms of Clause 7.1 above, to effectuate such a transfer in Provogue as if such changes in registered holder were operative as on the above date, in order to remove any difficulties arising to PCSCL in determining the shareholders of Provogue who will be entitled to receive the Demerger New Equity Shares in terms of Clause 7.1 of this Scheme.

7.4. The issue and allotment of the Demerger New Equity Shares in PCSCL to the registered shareholders of Provogue as provided in the Scheme shall be carried without following the procedure laid down under section 81(1A) and any other applicable provisions of the Act.

7.5. The Demerger New Equity Shares to be issued and allotted by PCSCL in terms of Clause 7.1 shall rank *pari passu* in all respects with the existing shares of PCSCL.

7.6. The Demerger New Equity Shares to be issued by PCSCL pursuant to Clause 7.1 in respect of any equity shares of Provogue which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be held in abeyance by Provogue.

7.7. PCSCL, shall, to the extent required, increase its authorised share capital in order to issue the equity shares under this Scheme.

7.8. For the purpose of issue of equity shares to the shareholders of Provogue, PCSCL may, if and to the extent required, apply for and obtain the required statutory approvals from the Governmental Authorities for the issue and allotment by PCSCL of such equity shares.

7.9. Subsequent to the sanction of the Scheme, PCSCL will make an application for listing of its shares, including, the Demerger New Equity Shares on all the stock exchanges in which the shares of Provogue are listed, in pursuance to the relevant regulations including, the circular SEBI/CFD/SCRR/01/2009/03/09 dated September 3, 2009 issued by the Securities and Exchange Board of India in relation to application under sub-rule (7) of Rule 19 of the Securities Contract Regulation Rules, 1957 for relaxing strict enforcement of clause (b) to sub-rule (2) of Rule 19 thereof. The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the designated stock exchanges.

8. REMAINING UNDERTAKING

8.1. The Remaining Undertaking shall continue with Provogue.

8.2. The Remaining Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to, be vested in and be managed by Provogue.

8.3. All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal), by or against Provogue under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case, relating to the Remaining Undertaking (including those relating to any property, right, power, liability, obligation or duties of Remaining Undertaking) in respect of the Remaining Undertaking, shall be continued and enforced by or against Provogue after the Effective Date.

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

8.4.1. Provogue shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Undertaking for and on its own behalf;

8.4.2. all profits accruing to Provogue thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Undertaking shall, for all purposes, be treated as the profits or losses, as the case may be, of Provogue.

PART IV

AMALGAMATION OF PROZONE WITH PCSCL

9. TRANSFER AND VESTING OF THE TRANSFEROR UNDERTAKING

9.1. Pursuant to the demerger of the Demerged Undertaking of Provogue to PCSCL, which also includes the investment made by Provogue in Prozone, the entire business and undertaking of Prozone shall, with effect from the Appointed Date and without any further act or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to or vested in PCSCL, pursuant to the provisions of Sections 391 to 394 read with Sections 78, 100 to 104 and other applicable provisions of the Act and the provisions of this Scheme in relation to the mode of transfer and vesting of assets.

9.2. The assets of Prozone, which are moveable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, shall be so transferred by Prozone and shall become the property of PCSCL without any act or deed on the part of Prozone and PCSCL.

9.3. The assets of Prozone shall upon the Scheme coming into effect, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in PCSCL pursuant to the provisions of Sections 391 to 394 read with Sections 78, 100 to 104 and other applicable provisions of the Act on the Appointed Date and the vesting of all such assets shall take place on the date of the Order sanctioning the Scheme.

9.4. The assets of Prozone, acquired by Prozone on and from the Appointed Date upto the Effective Date, shall also without any further act, instrument or deed stand transferred to or be deemed to have been transferred to PCSCL upon the Scheme coming into effect.

9.5. For avoidance of doubt, upon the Scheme coming into effect, all the rights, title, interest and claims of Prozone in any leasehold properties, including all the leases, of Prozone shall, pursuant to Section 394(2) of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in PCSCL.

9.6. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Undertaking shall stand transferred to PCSCL as if the same were originally given by, issued to or executed in favour of PCSCL, and PCSCL shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to PCSCL. PCSCL shall make applications to any Governmental Authorities and any third party (as the case may be) as may be necessary in this behalf.

9.7. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Transferor Undertaking occurs by virtue of this Scheme itself, PCSCL may, at any time after the Scheme coming into effect in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangements to which Prozone is a party or any writing as may be necessary to be executed in order to give formal effect to the above provisions. PCSCL shall under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Prozone

and to carry out or perform all such formalities, compliances referred to above on the part of PCSCL to be carried out or performed in relation to the Transferor Undertaking being transferred by Prozone.

9.8. To the extent there are debentures and inter-corporate loans, debts and claims, (including, amounts receivable, if any, by Prozone from PCSCL or vice versa), the obligations in respect thereof shall come to an end on the Scheme coming into effect and a corresponding suitable effect shall be given in the books of accounts and records of PCSCL. If required reduction/cancellation of such loans, debts and claims (including, receivables) shall be reflected in the books of accounts and records of PCSCL. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of any such debentures and inter-corporate loans or debts (including, receivables) balances between PCSCL on the one hand and Prozone on the other hand.

9.9. PCSCL shall be entitled to the benefit of all insurance policies which have been issued in respect of Prozone in respect of the Transferor Undertaking and the name of PCSCL shall be substituted as "Insured" in the policies as if PCSCL was initially a party.

9.10. With effect from the Appointed Date, and subject to the provisions of this Scheme, the Liabilities of the Transferor Undertaking shall also stand transferred or deemed to have been transferred without any further act, instrument or deed to PCSCL, so as to become as and from the Appointed Date, the Liabilities of PCSCL without any consent of any third party or other person who is a party to the contract or arrangements by virtue of which such Liabilities have arisen, in order to give effect to the provisions of this Clause.

9.11. With effect from the Appointed Date, all guarantees, indemnities and contingent liabilities, if any, of Prozone shall also, without any further act or deed, be transferred to or be deemed to be transferred to PCSCL so as to become as and from the Appointed Date, the guarantees, indemnities and contingent liabilities of PCSCL and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such guarantees, indemnities and contingent liabilities have arisen or given, in order to give effect to the provisions of this Clause.

9.12. The transfer and vesting of the Transferor Undertaking as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of Prozone, *provided however*, any reference in any security documents or arrangements, to which Prozone is a party, wherein the assets of Prozone have been or are offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Transferor Undertaking as are vested in PCSCL by virtue of this Scheme, to the end and intent that such security, charges, hypothecation and mortgage shall not extend or be deemed to extend, to any of the other assets of Prozone or any of the assets of PCSCL, *provided further* that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the assets or any part thereof of PCSCL shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges, hypothecation or mortgages to the end and intent that such securities, charges, hypothecation and mortgages shall not extend or be deemed to extend, to any of the assets of Prozone vested in PCSCL. Notwithstanding anything contrary provided in this Scheme, it is clarified that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by Prozone which shall vest in PCSCL by virtue of the amalgamation of Prozone with PCSCL and PCSCL shall not be obliged to create any further or additional security therefor after the amalgamation has become operative.

9.13. All the loans, advances and other facilities sanctioned to Prozone by its bankers and financial institutions prior to the Appointed Date, which are partly drawn or utilised shall be deemed to be the loans and advances sanctioned to PCSCL and the said loans and advances shall be drawn and utilised either partly or fully by Prozone from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by Prozone (within the over all limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to PCSCL and all the obligations of Prozone under any loan agreement shall be construed and shall become the obligation of PCSCL without any further act or deed on the part of PCSCL.

10. DISSOLUTION OF PROZONE

10.1. On the coming into effect of the Scheme, Prozone shall, without any further act or deed, stand dissolved without winding up.

11. ISSUE OF MERGER NEW EQUITY SHARES

11.1. Before the Scheme coming into effect, Provogue, legally and beneficially, holds 2,73,13,260 of Rs.10 each constituting seventy-four point nine nine percent (74.99%) of the paid-up equity share capital of Prozone and the balance 91,04,422 of Rs.10 each constituting twenty five point zero one percent (25.01%) of the paid-up equity share capital of Prozone is held by Nailsfield.

11.2. Pursuant to Clause 9.1, upon the Scheme coming into effect and as a part of the Demerged Undertaking, the investments of Provogue in Prozone would have been transferred in the name of PCSCL, whereupon PCSCL would then hold, legally and beneficially, seventy-four point nine nine percent (74.99%) of the paid-up equity share capital of Prozone and the balance twenty five point zero one percent (25.01%) of the paid-up equity share capital of Prozone will continue to be held by Nailsfield.

11.3. Upon this Part IV of the Scheme coming into effect, all the shares of Prozone deemed to have been transferred by Provogue to PCSCL under Part III of this Scheme on the Effective Date, shall be cancelled and accordingly, the share certificates representing the shares in Prozone to be held by PCSCL shall be cancelled and shall be deemed to be cancelled without any further act or deed.

11.4. Upon the Scheme coming into effect and in consideration of the merger of Prozone with PCSCL, without any further act or deed on the part of PCSCL, PCSCL will issue and allot 3,79,95,788 (three crore seventy nine lakh ninety five thousand seven hundred and eighty eight) equity shares of Rs.2 each fully paid up (the "***Merger New Equity Shares***") to all shareholders of Prozone other than PCSCL. The Merger New Equity Shares will be issued to the other shareholders of Prozone in the ratio of 313:75, i.e. (three hundred and thirteen (313) equity shares of Rs. 2 each in PCSCL for every seventy five (75) equity shares of Rs.10 each in Prozone) (the "***Merger Share Entitlement Ratio***").

11.5. The Merger New Equity Shares to be issued by PCSCL to all shareholders of Prozone other than PCSCL pursuant to Clause 11.4 above shall be issued in dematerialised form.

11.6. No shares shall be issued and allotted in respect of fractional entitlements, if any, by PCSCL to which the members of Prozone (*other than PCSCL*) may be entitled on issue and allotment of shares as aforesaid in Clause 11.4. The Board of Directors of PCSCL shall, instead consolidate all such fractional entitlements and thereupon distribute/transfer equity shares in lieu thereof to a director or an officer of PCSCL or such other person as the Board of Directors of PCSCL shall appoint in this behalf who shall hold the shares in trust on behalf of the members of Prozone entitled to fractional entitlements with the express understanding that such director(s) or officer(s) or person(s) shall sell the same in the market at such time or times and at such price or prices in the market and to such person or persons, as it/he/they deem fit, and pay to PCSCL, the net sale proceeds thereof, whereupon PCSCL shall distribute such net sale proceeds, subject to tax deductions as applicable, to the members of Prozone in proportion to their respective fractional entitlements.

11.7. The issue and allotment of the Merger New Equity Shares in PCSCL to all shareholders of Prozone other than PCSCL as provided in the Scheme shall be carried without following the procedure laid down under section 81(1A) and any other applicable provisions of the Act.

11.8. The Merger New Equity Shares to be issued and allotted by PCSCL in terms of Clause 11.4 shall rank *pari passu* in all respects with the existing shares of PCSCL.

11.9. The Merger New Equity Shares to be issued by PCSCL pursuant to Clause 11.4 in respect of any equity shares of Prozone which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be held in abeyance by PCSCL.

11.10. PCSCL, shall, to the extent required, increase its authorised share capital in order to issue the equity shares under this Scheme.

11.11. For the purpose of issue of Merger New Equity Shares to all shareholders of Prozone other than PCSCL, PCSCL may, if and to the extent required, apply for and obtain the required statutory approvals of the Governmental Authorities for the issue and allotment by PCSCL of the Merger New Equity Shares.

11.12. Subsequent to the sanction of the Scheme, PCSCL will make an application for listing of its shares including, the Merger New Equity Shares on all the stock exchanges in which the shares of Provogue are listed, in pursuance to the relevant regulations including, the circular SEBI/CFD/SCRR/01/2009/03/09 dated September 3, 2009 issued by the Securities and Exchange Board of India in relation to application under sub-rule (7) of Rule 19 of the Securities Contract Regulation Rules, 1957 for relaxing strict enforcement of clause (b) to sub-rule (2) of Rule 19 thereof. The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the designated stock exchanges.

PART V
REORGANISATION OF PROVOGUE

12. RE-ORGANISATION OF SHARE CAPITAL OF PROVOGUE

12.1. Upon the Scheme coming into effect, the issued, subscribed and paid-up share capital of Provogue shall stand reduced from the present sum of Rs.22,87,14,190 (Rupees twenty two crore eighty seven lakh fourteen thousand one hundred and ninety only) divided into 11,43,57,095 equity shares of the face value of Rs.2 each fully paid to Rs.11,43,57,095 (Rupees eleven crore forty three lakh fifty seven thousand and ninety five only) divided into 11,43,57,095 equity shares of the face value of Re.1 each fully paid.

12.2. The sum of Rs.11,43,57,095 (Rupees eleven crore forty three lakh fifty seven thousand and ninety five only) being the amount of reduction in terms of the foregoing clause shall be credited to an account styled as "Capital Reduction Account".

12.3. The share certificates of the Demerged Company in relation to the equity shares held by its members shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled pursuant to this Scheme and new share certificates with the revised face value of Re.1, but with same number of equity shares will be issued by the Demerged Company to its members. For avoidance of confusion, the Company will, on the Record Date, issue new share certificates with Re.1 marked fully paid-up (after taking into effect the reduction of share capital) on each such new share certificate and shall be delivered to its members on the Record Date along with the notice to its members requesting them to surrender the old share certificates. Likewise, on the Record Date, the face value of the equity shares held in de-materialised form will also be reduced automatically.

12.4. The equity shares of the Demerged Company shall continue to be listed on the National Stock Exchange and Bombay Stock Exchange and the Demerged Company shall make necessary applications to these stock exchanges pursuant to the Scheme coming into effect to note consequential changes due to reorganisation of the share capital of the Demerged Company.

12.5. The reduction in the issued, subscribed and paid-up share capital as above, shall be effected as an integral part of the Scheme itself and shall be deemed to be in accordance with the provisions of Sections 78, 100 to 104 of the Act as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital. The order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction without imposing a condition on Provogue to add to its name "and reduced". The provisions of Section 101 of the Act shall not be applicable.

PART VI
ACCOUNTING TREATMENT

13. ACCOUNTING TREATMENT IN BOOKS OF PCSCL

13.1. Upon the Scheme coming into effect-

13.1.1. PCSCL shall record all the assets and liabilities pertaining to the Demerged Undertaking transferred to and vested in PCSCL pursuant to this Scheme, at the same value as appearing in the books of Provogue on the close of business on 31st March, 2011.

13.1.2. The excess or deficit, if any, remaining after recording the entries as referred to in Clause 13.1.1 above over the face value of the Demerger New Equity Shares allotted in accordance with the Clause 7.1 of the Scheme shall be credited by PCSCL to the General Reserve Account or debited to the Goodwill, as the case may be. It is clarified that the balance in the General Reserve Account in the books of PCSCL after such credit shall constitute and shall be deemed to constitute revenue reserve.

13.1.3. PCSCL shall record all the assets and liabilities pertaining to the Transferor Undertaking transferred to and vested in PCSCL pursuant to this Scheme, at the same value as appearing in the books of Prozone on the close of business on March 31, 2011 i.e. the close of business on the day preceding the Appointed Date in relation to the Transferor Undertaking.

13.1.4. The excess or deficit, if any, remaining after recording the aforesaid entries as referred to in Clause 13.1.3 above shall be credited by PCSCL to Amalgamation Reserve Account or debited to Goodwill, as the case may be. In case of any differences in accounting policy between the companies, the impact of the same till the Amalgamation will be quantified and adjusted in the Amalgamation Reserve to ensure that the financial statements of PCSCL reflect the financial position on the basis of consistent accounting policy.

13.1.5. PCSCL shall credit its Share Capital Account in its books of account with the aggregate face value of (i) the Demerger New Equity Shares issued to the shareholders of Provogue pursuant to Clause 7.1 of this Scheme; and (ii) the Merger New Equity Shares issued to all shareholders of Prozone other than PCSCL pursuant to Clause 11.4 of this Scheme.

13.1.6. With effect from the Appointed Date, and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of PCSCL, be required and except to the extent otherwise by law required, the reserves of Prozone will be merged with the corresponding reserves of PCSCL in the same form as they appeared in the financial statements of Prozone.

13.1.7. To the extent that there are any deferred tax liabilities of Prozone, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of PCSCL for set-off or reduction of its deferred tax assets, if any.

13.1.8. Notwithstanding the above, PCSCL, in consultation with the auditors, is authorised to account any of these balances in any manner whatsoever, if considered more appropriate.

14. ACCOUNTING TREATMENT IN BOOKS OF PROVOGUE

14.1. Upon the Scheme coming into effect -

14.1.1. The assets and the liabilities of the Demerged Undertaking of Provogue being transferred to PCSCL shall be at values appearing in the books of accounts of Provogue at the close of the business as on 31st March, 2011.

14.1.2. Upon the Scheme becoming operative, Provogue's books of accounts shall reflect the assets and liabilities of the Remaining Undertaking, after vesting of the Demerged Undertaking at book values unto PCSCL.

14.1.3. The difference between the value of assets and liabilities transferred in terms of Clause 14.1.1 pursuant to the Scheme shall be appropriated against the Share Capital of Provogue to the extent of the amount of the reduction in the paid-up share capital of Provogue pursuant to the Scheme and thereafter the balance shall be debited to its Securities Premium Account in accordance with the provisions of Sections 78, 100 to 104 of the Act and the balance, if remaining thereafter, would be adjusted against the General Reserve Account of Provogue.

14.1.4. The application and consequential reduction of the Share Capital Account and Securities Premium Account as per Clause 14.1.3 above, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid Share Capital or payment to any Shareholder of any paid up Share Capital and the order of the Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act confirming the reduction in the Share Capital Account and Securities Premium Account of Provogue.

14.1.5. Notwithstanding the above, Provogue, in consultation with the auditors, is authorised to account any of these balances in any manner whatsoever, if considered more appropriate.

PART VII
GENERAL CLAUSES

15. STAFF, WORKMEN AND EMPLOYEES

15.1. On the Scheme coming into effect, all the staff, workmen and employees of the Transferor Undertaking and the Demerged Undertaking in service on such date shall be deemed to have become staff, workmen and employees of PCSCL with effect from the Effective Date without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with PCSCL shall not be less favourable than those applicable to them with reference to the Transferor Undertaking and the Demerged Undertaking on the Effective Date. The position, rank and designation of the employees would however be decided by PCSCL.

15.2. In so far as the Provident Fund, Gratuity Fund or any other Special Fund created or existing for the benefit of the staff, workmen and employees of the Transferor Undertaking and the Demerged Undertaking are concerned, upon the Scheme coming into effect, PCSCL shall, stand substituted for Provogue and Prozone 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 Provogue and Prozone in relation to such Fund or Funds shall become those of PCSCL and all the rights, duties and benefits of the staff, workmen and employees employed in the Transferor Undertaking and the Demerged Undertaking under such Funds and Trusts shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Transferor Undertaking and the Demerged Undertaking will be treated as having been continuous for the purpose of the said Fund or Funds.

16. CONTRACTS, DEEDS AND STATUTORY CONSENTS

16.1. Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature relating to the Transferor Undertaking and the Demerged Undertaking which are subsisting or having effect immediately before the Effective Date shall be in full force against or in favour of PCSCL and may be enforced as fully and effectively as if, instead of Provogue and Prozone, PCSCL had been a party or beneficiary thereto. PCSCL shall, if necessary, to give formal effect to this Clause, enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which Provogue or Prozone is a party.

16.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all consents, permissions, licenses, certificates, clearances and authorities given by, issued to or executed in favour of the Transferor Undertaking and the Demerged Undertaking shall stand transferred to PCSCL as if the same were originally given by, issued to or executed in favour of PCSCL, and, PCSCL shall be bound by the terms thereof, the obligations and duties there under and the rights and the benefits under the same shall be available to PCSCL. PCSCL shall make necessary applications to Governmental Authorities and any other third party as may be necessary in this behalf.

16.3. PCSCL shall be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government or any other agency, department or other authorities concerned as may be necessary under law, for such consents, approvals and sanctions which PCSCL may require to own and operate the Transferor Undertaking and the Demerged Undertaking.

17. MERGING OF AUTHORISED SHARE CAPITAL

17.1. Upon the Scheme coming into effect, the authorised share capital of Prozone of Rs. 40,00,00,000 (Rupees forty crore only) divided into Rs. 4,00,00,000 equity shares of Rs.10 (Rupees ten only) each shall stand combined/consolidated with the authorised share capital of PCSCL and on the Scheme coming into effect the authorised share capital of PCSCL shall, without any further act, deed or action, stand increased (*post combination and consolidation*) to Rs. 40,05,00,000 (Rupees forty crore and five lakh only) divided into 20,02,50,000 equity shares of Rs. 2 (Rupees two only) each.

17.2. Clause V of the Memorandum of Association of PCSCL shall be amended by deleting the clause and replacing it by the following:

"The Authorised Share Capital of the Company is Rs. 40,05,00,000 divided into 20,02,50,000 equity shares of Rs. 2 (Rupees two) each, all of which share capital shall be capable of being increased or reduced in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf, with power to divided the shares in the capital for the time being into equity share capital and preference share capital, to attach thereto respectively any preferential, qualified, deferred or special assets, or by the allotment of fully or partly paid shares, or by a call or option on shares, debentures, debenture-stock, or securities of this or any other consideration or at a fair or concessional value and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or the State Government or any Public Institution or Trust engaged in the programme of rural development."

17.3. It is hereby clarified that this increase in authorised share capital of PCSCL shall be effected as an integral part of this Scheme without any further act or deed on the part of PCSCL and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment. PCSCL shall not be obliged to follow the procedure or filing as required under Section 16, Section 94, Section 97 or any other applicable provisions of the Act. It is further clarified that no registration fee/ ROC fees, stamp duty etc., shall be payable by PCSCL.

18. LEGAL PROCEEDINGS

18.1. If any legal, taxation or other proceedings of whatever nature, whether civil or criminal (*including, before any statutory or quasi-judicial authority or tribunal*) (the "***Proceedings***") by or against Prozone or Provogue in relation to the Transferor Undertaking and/or the Demerged Undertaking (*as the case may be*) is pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Transferor Undertaking and the Demerged Undertaking or of anything contained in the Scheme, but the proceedings may be continued, prosecuted and enforced by or against PCSCL in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against Prozone and Provogue as if the Scheme had not been made. On and from the Effective Date, PCSCL shall and may initiate any legal proceedings for and on behalf of the Transferor Undertaking and the Demerged Undertaking.

18.2. Pending the sanction of the Scheme, Prozone and Provogue in relation to the Transferor Undertaking and the Demerged Undertaking shall, in consultation with PCSCL, continue to prosecute, enforce or defend, the proceedings, whether pending or initiated pending the sanction of the Scheme.

19. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

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

19.1.1. Provogue and Prozone shall carry on their business and activities in the normal course of business till the vesting of the Transferor Undertaking and the Demerged Undertaking on the sanction of the Scheme by the High Court of Judicature at Bombay and shall be deemed to have held or stood possessed of and shall hold and stand possessed of all the assets of the Transferor Undertaking and the Demerged Undertaking for and an account of and in trust for PCSCL;

19.1.2. All the profits or income accruing or arising to the Transferor Undertaking and the Demerged Undertaking or the expenditure or losses arising or incurred by the Transferor Undertaking and the Demerged Undertaking shall for all purposes be treated and be deemed to be and accrued a o the Transferor Undertaking and/or the Demerged Undertaking (*as the case may be*) paid or payable by Prozone and Provogue shall be deemed to be taxes paid or payable (as the case may be) by PCSCL;

19.1.4. Provogue and Prozone shall with simultaneous intimation to PCSCL, take major policy decisions in respect of its assets and liabilities of those pertaining to the Transferor Undertaking and the Demerged Undertaking and their present capital structures.

20. RATIFICATION

20.1. Except as provided in the Clauses above, PCSCL shall accept all acts, deeds and things relating to the Transferor Undertaking and the Demerged Undertaking done and executed by and/or on behalf of Prozone and Provogue on and after the Appointed Date as acts, deeds and things done and executed by and/or on behalf of PCSCL.

21. DIVIDEND, PROFIT, BONUS, RIGHT SHARES

21.1. At any time upto the Effective Date, Provogue and Prozone shall not issue or allot any right shares or bonus shares or any other security converting into equity shares or other share capital or obtain any other financial assistance converting into equity shares or other share capital, unless agreed to by the Board of Directors of PCSCL.

PART VIII
GENERAL TERMS AND CONDITIONS

22. APPLICATION TO HIGH COURT

22.1. Provogue, Prozone and PCSCL shall, with all reasonable despatch, make applications/petitions under Sections 391 to 394 read with Sections 78, 100 to 104 and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanctioning of this Scheme.

23. MODIFICATIONS, AMENDMENTS TO THE SCHEME

23.1. Provogue, Prozone and PCSCL (by their respective Directors) may assent from time to time on behalf of persons concerned to any modifications/amendments to this Scheme (including but not limited to the terms and conditions thereof) or any conditions or limitations which the High Court of Judicature at Bombay or any authorities under the law may deem fit to approve or impose and to resolve any doubt or difficulties that may arise for carrying out this Scheme and to do and execute all such acts, deeds, matters and things necessary for putting the Scheme into effect.

23.2. For the purpose of giving effect of this Scheme or to any modifications or amendments, thereof, the Directors of Provogue, Prozone and PCSCL may give and are authorised to give all such directions that are necessary or are desirable including directions for settling any doubts or difficulties that may arise.

24. CONDITIONALITY OF THE SCHEME

24.1. This Scheme is specifically conditional upon and subject to:

24.1.1. Approval of the Scheme by the requisite majority of the respective members and such class of persons of Provogue, Prozone and PCSCL, as may be directed by the High Court;

24.1.2. the sanction of the High Court of Judicature at Bombay being obtained under Sections 391 to 394 read with Sections 78, 100 to 104 and other applicable provisions of the Act, if so required on behalf of Provogue, Prozone and PCSCL.;

24.1.3. Approval of the Government of India and/ or Reserve Bank of India and/ or Securities and Exchange Board of India, if required and the prior consent of the Bombay Stock Exchange Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai where such approval or consent is necessary; and

24.1.4. All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

25. EFFECTIVE DATE OF THE SCHEME

25.1. This Scheme although to come into operation from Appointed Date shall not come into effect until the last date of-

25.1.1. the date on which the last of all the consents approvals, permissions resolutions sanctions and/or orders as are here in above referred to have been obtained or passed; and

25.1.2. the date on which the last of the necessary certified copies of the order under Sections 391 and 394 read with Sections 78, 100 to 104 of the Act are duly filed with the Registrar of Companies of Maharashtra at Mumbai and such date shall be referred to as Effective Date for the purpose of the Scheme.

26. DATE OF TAKING EFFECT

26.1. The Scheme shall come into legal operation from the Appointed Date and shall become effective from the Effective Date.

27. REVOCATION OF THE SCHEME

27.1. In the event of any of the said sanction and approval referred to in the preceding Clauses 24 and 25 above not being obtained and/or the Scheme not being sanctioned by the High Court and/or the Order(s) not being passed as aforesaid within eighteen (18) months from the date of filing of the Company Applications with the High Court of Judicature at Bombay or within such further period(s) as may be agreed upon from time to time between Provogue, Prozone and PCSCL (through their respective Board of Directors), this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* between Provogue, Prozone and PCSCL or their respective shareholders or employees or any other persons, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, obligation and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in this Scheme and or otherwise arise as per law. For the purpose of giving full effect to this Scheme, the respective Board of Directors of Provogue, Prozone and PCSCL are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their power through and by their respective delegates.

27.2. The Board of Directors of Provogue, Prozone and PCSCL shall be entitled to revoke, cancel and declare the Scheme of no effect if such Boards of Directors of Provogue, Prozone and PCSCL are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up/certified orders with any authority could have adverse implication on all/ any of the companies or in case any condition or alteration imposed by the High Court or any other authority is not on terms acceptable to them.

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

28. COSTS, CHARGES AND EXPENSES CONNECTED WITH THE SCHEME

28.1. All costs, charges, taxes including duties, levies and all other expenses of Provogue, Prozone and PCSCL, respectively, in relation to or in connection with or incidental to this Scheme shall be borne by PCSCL.

SCHEDULE 'A'

List of significant Assets relating to the Demerged Undertaking
(as on the Appointed Date)*

Particulars	Amount (Rs. in Lakhs)	Amount (Rs. in Lakhs)
Assets :		
Fixed Assets		
Gross Block	301.71	
Less: Depreciation	60.80	
Net Block		**240.91**
Investments		**20,512.19**
Current Assets :		
Loans & Advances	0	**0**
Total Assets		**20753.10**

* The above mentioned figures are as on March 31, 2011, on the assumption that there will be no material deviation in the accounts and the business will be carried on in the ordinary course of business.

SCHEDULE 'B'

List of significant Liabilities, Debt and Claims relating to the Demerged Undertaking
(as on the Appointed Date)*

Particulars	Amount (Rs. in Lakhs)	Amount (Rs. in Lakhs)
H O Control Account		**20686.92**
Secured Loans	63.93	
Loan Funds		**63.93**
Current Liabilities & Provisions		**2.25**
Total Liabilities		**20753.10**

* The above mentioned figures are as on March 31, 2011, on the assumption that there will be no material deviation in the accounts and the business will be carried on in the ordinary course of business.

SCHEDULE 'C'

List of significant Assets of the Transferor Undertaking
(as on the Appointed Date)

Particulars	Amount (Rs. in Lakhs)	Amount (Rs. in Lakhs)
Assets :		
Fixed Assets		
Gross Block	837.08	
Less: Depreciation	362.85	
Net Block		**474.23**
Investments		**28,470.73**
Deferred Tax Assets		**150.35**
Current Assets :		
Sundry Debtors	180.56	
Cash & Bank Balances	19.83	
Loans & Advances	13,171.35	**13,371.74**
Balance of Profit & Loss Accounts		**22.16**
Total Assets		**42,489.21**

* The above mentioned figures are as on March 31, 2011, on the assumption that there will be no material deviation in the accounts and the business will be carried on in the ordinary course of business.

SCHEDULE 'D'

List of significant Liabilities, Debt and Claims of the Transferor Undertaking
(as on the Appointed Date)

Particulars	Amount (Rs. in Lakhs)	Amount (Rs. in Lakhs)
Liabilities :		
Share Capital	3,641.77	
Reserves & surplus	36,434.05	
Shareholders Funds		**40,075.82**
Secured Loans	0.63	
Unsecured Loans	2,290.10	
Loan Funds		**2,290.73**
Current Liabilities & Provisions		**122.66**
Total Liabilities		**42,489.21**

* The above mentioned figures are as on March 31, 2011, on the assumption that there will be no material deviation in the accounts and the business will be carried on in the ordinary course of business.

NOTES

PROVOGUE (INDIA) LIMITED

Registered Office:- 105/106, Provogue House, Off New Link Road,
Andheri (West) Mumbai 400053, Maharashtra.

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

EQUITY SHAREHOLDER'S MEETING

Name of the Member	:
Name of the Proxy (If any)	:
Folio / DPID / Client ID	:
No. of Equity Shares held	:

Member's/Proxy's Signature

Name and Address of the Shareholder/Proxy Holder

I hereby record my presence at the meeting of the Equity Shareholders of the Applicant convened pursuant to the Order dated November 11, 2011 of the Hon'ble High Court of Judicature at Bombay, at Esquire Hall, The Classique Club, Behind Infinity Mall, New Link Road, Andheri (West), Mumbai 400053, Maharashtra on Monday, the December 12, 2011 at 1:00 p.m. or soon after the conclusion of the Meeting of the Secured Creditors of the Applicant.

NOTES:

1. Interested joint member may obtain attendance slips from the Registered Office of the Applicant.
2. Member/joint member/proxies are requested to bring this slip with them.
3. The proxy form must be deposited so as to reach the Registered Office of the Applicant not less than forty eight hours before the time of the meeting.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SUMMONS FOR DIRECTION NO. 659 OF 2011

In the matter of Sections 391 to 394 read with Sections 78, 100 to 104 of the Companies Act, 1956;

And

In the matter of Provogue (India) Limited;

And

In the matter of Composite Scheme of Arrangement and Amalgamation between Provogue (India) Limited;

And

Prozone Enterprises Private Limited;

And

Prozone Capital Shopping Centres Limited

And

their respective shareholders and creditors.

Provogue (India) Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at 105/106, Provogue House, Off New Link Road, Andheri (West), Mumbai 400053, Maharashtra	)))))	Applicant / Demerged Company

FORM OF PROXY

I/We, _____ the undersigned, being Equity Shareholder(s) of the above Applicant, hereby appoint Mr./Ms. _____ resident of _____ and failing him/her Mr./Ms. _____ resident of _____ as my/our proxy, to act for me/us at the meeting of the Equity Shareholders to be held at Esquire Hall, The Classique Club, Behind Infinity Mall, New Link Road, Andheri (West) Mumbai 400053, Maharashtra on Monday, the December 12, 2011 at 1:00 p.m. or soon after the conclusion of the Meeting of the Secured Creditors of the Applicant, for the purpose of considering and if thought fit, approving with or without modification, the arrangement embodied in the Composite Scheme of Arrangement and Amalgamation of Provogue (India) Limited (the "***Applicant***" or **"Demerged Company"**) and Prozone Enterprises Private Limited (the "***Transferor Company***") and *Prozone Capital Shopping Centres Limited* (the "***Resulting Company***" or the "***Transferee Company***") and their respective shareholders and creditors (the "**Scheme**") at such meeting, and at any adjournment thereof, and to vote, for me/us and in my/our name(s) _____ ("For" or "Against") the said Composite Scheme of Arrangement and Amalgamation either with or without modification as my/our proxy may approve.

Dated: _____, 2011.

Affix Re.1 Revenue Stamp

signature across stamp

Name: _____

Address: _____

Folio No.: _____

DP & Client ID : _____

No.of Shares held: _____

Signature of Shareholder(s):

Sole holder/ First Holder: _____

Second holder: _____

Third holder: _____

Notes:

1. Proxy must be deposited at the Registered Office of Provogue (India) Limited at 105/106, Provogue House, Off New Link Road, Andheri (West), Mumbai 400053, Maharashtra not later than 48 hours before the meeting. The Proxy need not be a member of the Applicant.
2. In case of multiple proxies, proxy later in time shall be accepted.
3. All alterations made in the Form of Proxy should be initialed.

If undelivered, please return to:

PROVOGUE (INDIA) LIMITED

105/106, Provogue House, Off New Link Road,
Andheri (West) Mumbai 400053, Maharashtra.