



FUTURE CONSUMER LIMITED (Formerly Future Consumer Enterprise Limited)

Corporate Office : 3rd Floor, Sobo Brand Factory, Near Haji Ali Pt. Madan Mohan Malviya Road, Tardeo, Mumbai - 400 034.
(T) +91 22 6620 1410 | www.futureconsumer.in

Regd. Office : Knowledge House, Shyam Nagar, Off JVLR, Jogeshwari (East), Mumbai - 400 060
(T) +91 22 6644 2200 | www.futureconsumer.in | CIN: L52602MH1996PLC192090

8th September, 2021

To,
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001.
Scrip Code: 533400

To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051.
Symbol: FCONSUMER

Ref.: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015,

Sub: Update on Scheme of Arrangement between ATHENA LIFE SCIENCES PRIVATE LIMITED ("Athena" or "the Demerged Company") and FUTURE CONSUMER LIMITED ("FCL" or "the Resulting Company") and their respective Shareholders and Creditors ("Scheme").

Dear Sir/Madam,

With reference to the captioned subject and in continuation to our earlier intimation(s) dated 7th April, 2019 and 16th July, 2021, this is to inform you that the Company has received the certified copy of the order issued by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") sanctioning the said Scheme between Athena and FCL on 7th September, 2021. The copy of said order along with the Scheme is enclosed herewith and the same is also uploaded on website of the Company – www.futureconsumer.in.

The Scheme will be made effective by filing certified copy of the order of the NCLT through E-Form INC-28 with the Registrar of Companies, Mumbai. Further, please note upon the Scheme becoming effective, the Company will allot 13 (Thirteen) fully paid up equity shares of the Company, having face value of Rs. 6 each for every 83 (Eighty Three) fully paid up equity shares held by the shareholders of Athena as on the Appointed Date i.e 1st April, 2019, being the Record Date for the purpose of aforesaid allotment of shares in terms of the provisions of the Scheme.

We would like to further submit that there are no changes directed by the NCLT in the final scheme vis-à-vis the draft scheme approved by Stock Exchanges / SEBI. However, please note that due to COVID-19 pandemic and continuing lock down restrictions and in terms of provisions of Clause 3.11.1 of the Scheme, the Board of Directors of the respective companies had extended the timeline for approval of the Scheme upto 30th September, 2021.

Kindly take the aforesaid on record in compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended.

Yours truly,
For Future Consumer Limited


Manoj Gagvani
Company Secretary & Head – Legal

Encl.: as above

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT-III**

**C.P. (CAA) No. 1012 of 2020
Connected with
C.A. (CAA) No. 984 of 2020**

In the matter of Section 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

In the matter of Scheme of Arrangement between ATHENA LIFE SCIENCES PRIVATE LIMITED, ("Athena" or "the Demerged Company") and FUTURE CONSUMER LIMITED, ("FCL" or "the Resulting Company") and their respective Shareholders and Creditors.

ATHENA LIFE SCIENCES PRIVATE LIMITED

CIN: U24233MH2014PTC315619

... Petitioner Company No. 1/
the Demerged Company

FUTURE CONSUMER LIMITED

CIN: L52602MH1996PLC192090

...Petitioner Company No. 2/
the Resulting Company

Order delivered on 15th July, 2021

Coram

Hon'ble Shri H.V. Subba Rao : Member (Judicial)
Hon'ble Shri Chandra Bhan Singh : Member (Technical)

Appearances (via videoconferencing):

For the Petitioner(s) : Mr. Ahmed M Chunawala i/b M/s. Rajesh Shah &
Co., Advocate.



Per Shri H.V. Subba Rao, Member (Judicial)

ORDER

1. Heard the Learned Counsel for the Petitioner Companies. No objector has come before this Tribunal to oppose the Scheme nor any party controverted any averments made in the Petitions to the said Scheme.
2. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed there under for the Scheme of Arrangement between ATHENA LIFE SCIENCES PRIVATE LIMITED, ("Athena" or "the Demerged Company") and FUTURE CONSUMER LIMITED, ("FCL" or "the Resulting Company") and their respective Shareholders and Creditors.
3. The Petitioner Companies have approved the said Scheme of Arrangement by passing the Board Resolutions dated 24th February, 2020 and on 31st January 2020 which are annexed to the respective Company Scheme Petitions.
4. The Learned Advocate appearing on behalf of the Petitioners states that the Petitions have been filed in consonance with the Order passed in the Company Scheme Application No. 984 of 2020 of the Hon'ble Tribunal.
5. The Learned Advocate appearing on behalf of the Petitioners further states that the Petitioner Companies have complied with all requirements as per directions of the National Company Law Tribunal, Mumbai Bench and they have filed necessary affidavits of compliance in the National Company Law Tribunal, Mumbai Bench.
6. The Learned Counsel for the Petitioner Companies states that the First Petitioner Company presently carrying on business of marketing, selling and distributing fast moving consumer goods and services in the cosmeceutical and healthcare space, which includes but not



limited to, brands like D'Free, Hair for Sure, Safe and Sure, Just for Moms, Iraya, Fab Fit etc. and that the Second Petitioner Company presently is carrying on business of manufacturing, branding, marketing, sourcing and distribution of fast-moving consumer goods, food and processed food products. Its product portfolio includes product categories, such as basic foods, snacks, frozen and processed food products, beverages, personal care and home care under its own portfolio of brands.

7. The rationale for the Scheme of Arrangement of the Petitioner Companies would have following benefits:

- a. Combination of Identified Undertaking with FUTURE CONSUMER LIMITED is a strategic fit and will help expand the business of FUTURE CONSUMER LIMITED in the growing markets of India.
- b. Consolidation of the Identified Undertaking with FUTURE CONSUMER LIMITED, thereby making available the increased resources and assets for the Identified Undertaking, which should help in pursuing a long term and aggressive growth path for its portfolio products; and
- c. Enhance competitive strength, achieve cost reduction, efficiencies and productivity gains by pooling the technologies and resources of FUTURE CONSUMER LIMITED and the Identified Undertaking, helping contribute to the future growth and targeting a wider base of customers.

8. The Regional Director has filed his Report dated 24th day of March, 2021 *inter-alia* making the following observations in Paragraphs IV (a) to (g) which are reproduced hereunder:

Para	Observation by the Regional	Undertaking of the Petitioner
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	Director	Company/ Rejoinder
IV(a)	In compliance of AS-14 (IND AS-103), the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-S (IND AS-8) etc.	So far as the observation in paragraph IV (a) of the Report of the Regional Director is concerned, the Leamed Counsel for the Petitioner Companies submits that in addition to Compliance of AS-14 (IND AS103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8).
IV(b)	As per Definition of the Scheme "Appointed Date" for the purpose of this Scheme means 1st April, 2019 or such other date as the Hon'ble NCLT, Mumbai Bench or other competent authority may approve/fix. Effective Date" means the last of the dates on which certified copy of the Order of the Tribunal sanctioning the Scheme of Arrangement is	So far as the observation in paragraph IV (b) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Appointed Date is 1st April, 2019 from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date.



	<p>filed with Registrar of Companies by the Transferor Company and Transferee Company.</p> <p>Further, the Petitioner may be asked to comply with the requirements and clarified vide circular no. F. No.7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>	
IV(c)	<p>ROC, Mumbai Report dated 15.02.2021 has inter-alia mentioned that there are no prosecution, no technical scrutiny, no inquiry, no inspection but one compliant is pending against Transferee Company i.e. Future Consumer Limited regarding Technical Scrutiny vide SRN No. 100032176 dated 23.07.2018.</p> <p>Further observation mentioned that:-</p> <p>i. As per Master Data of Transferor and</p>	<p>So far as the observation in paragraph IV (c)(i) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that there is no change in the capital structure of the Transferor Company since 31st March, 2019 and the as on date capital is same as that mentioned in the Scheme. Further the capital structure of the Transferee Company as per the Scheme is as below.</p> <p>Authorized Share Capital 5,65,00,00,000 equity shares of</p>



<p>Transferee Company's Authorised Share Capital and Paid-up Share Capital does not match with the scheme.</p> <p>ii. Inquiry proceeding has been initiated against the Transferee Company vide Ministry's letter no.03/87/2018/CL-II dated 16.04.2018. Inquiry report is under process.</p> <p>iii. Email dated 28.08.2020 received from Farrokh N. Cooper, Chairman & Managing Director of Cooper Corporation private Limited to Hon'ble Railway Minister Piyush Goyal regarding request to ensure dues of operational creditors of future group are protected in its</p>	<p>Rs.6/- each and 1,67,00,00,000 unclassified shares of Rs. 10/- each of Rs. 50,60,00,00,000/-</p> <p>Issued. Subscribed and Full Paid-un Share Capital</p> <p>1,92,04,62,680 equity shares of Rs. 6/-each of Rs. 11,52,27,76,080/-</p> <p>After 31st March, 2019, shares were allotted pursuant to exercise of Employee Stock Options during the Ps FY 2019-20</p> <ol style="list-style-type: none">1. Allotment of 1,04,500 equity shares pursuant to exercise of Employee Stock Options on 23rd May, 20192. Allotment of 2,00,000 equity shares pursuant to exercise of Employee Stock Options on 4th July, 2019 Allotment of 2,87,500 equity shares pursuant to exercise of Employee Stock Options on 6th September, 20193. Allotment of 55,000 equity
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	<p>merger with Reliance Industries.</p> <p>iv. Report in Media (Business Today dated 28.08.2020) regarding Kishor Biyani's Future Enterprise set to seal Reliance Retail deal on Saturday.</p> <p>v. Shri Vilcram Surana has formulated email on t 1.03.2020 regarding objection to composite scheme of arrangement by Future Group of Companies.</p> <p>Hon'ble Tribunal may consider the same and decide the matter on merit.</p>	<p>shares pursuant to exercise of Employee Stock Options on 2nd January, 2020</p> <p>Further allotment was made pursuant to conversion Convertible Debentures (FY 2020-21)</p> <ol style="list-style-type: none">1. Allotment of 1,64,15,600 equity shares of the Company to Verlinvest SA pursuant to conversion of Compulsorily Convertible Debentures including outstanding coupons thereon.2. Allotment of 4,95,15,599 equity shares of the Company to International Finance Corporation pursuant to conversion of Compulsorily Convertible Debentures including outstanding coupons thereon. <p>After the aforesaid allotments, present Issued, Subscribed and Paid-up Capital of the Company is Rs. 11,92,22,45,2741- divided into 1,98,70,40,879 equity shares</p>
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		<p>of Rs. 6/- each.</p> <p>So far as the observation in paragraph IV (c)(ii) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that Transferee Company had received an Order for furnishing of information of the Company from the office of Registrar of Companies, Maharashtra at Mumbai, dated 6th December, 2018 bearing number ROC.M/Inq206(4)/17/05/2018/8922 under Section 206 (4) of the Companies Act, 2013 to which the Company had submitted reply on 14th January, 2019. Thereafter no communication has been received by the Petitioner Company No.2 on the said matter. Further the Transferee Company is not in receipt of letter no. 03/87/2018/CL-II dated 16.04.2018 for inquiry proceeding initiated against the Transferee Company.</p>
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		<p>So far as the observation in paragraph IV (c)(iii) to (c)(v) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the present Scheme of Arrangement between Athena Lifesciences Private Limited and Future Consumer Limited is separate from the Composite Scheme of Arrangement between Future Consumer Limited along with other Transferor Companies with Future Enterprises Limited and their respective Shareholders and Creditors. The objections raised are pertaining to Composite Scheme of Arrangement, hence should be taken separately</p>
IV(d)	<p>It is observed that Transferee Company i.e. Future Consumer Limited have foreign shareholders/ NRIs, therefore, the Petitioner Companies shall undertake to comply with the provisions of</p>	<p>So far as the observation in paragraph IV (d) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that there is no Foreign Non-Resident interest in the Transferor Company.</p>



	FERA/FEMA and RBI.	Transferee Company being listed Company has foreign shareholding. However, there is no compliance to be undertaken for with respect to Foreign Non-Resident shareholders as per the Scheme.
IV(e)	On examination of MCA21 records, it is noticed that the Transferor Company, ATHENA LIFESCIENCES PRIVATE LIMITED has filed standalone financial statements of VITALIC NUTNTION PNVATE LIMITED, its associate company along with the AOC-4 e-Form, instead of its own for FY 2018-19 and FY 2017-18. This is violation of Section 129 r/w 134 of Companies Act, 2013. The Petitioner Company may be directed to compound the same.	So far as the observation in paragraph IV (e) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Transferor Company has correctly filed Form AOC 4 XBRL for FY 2017-18 vide SRN H44940641 and for FY 2018-19 vide SRN R17361437.
IV(f)	The Auditors of the Transferor Company has qualified their report for FY	So far as the observation in paragraph IV (f) of the Report of the Regional So far as the



<p>2019-20, 2018-19, 2017-18 w.r.t. Investment made in associate company Vitalic Nutrition Pvt. Ltd.</p> <p>The company has invested in share capital of Vitalic Nutrition Pvt. Ltd, an associate company. As per the audited latest financial statement, the net Vitalic Nutrition Pvt. Ltd has eroded substantially In view of this and in absence of other convincing evidence, in our opinion, there is a permanent diminution in the value of Investment. This investment is carried at INR 91,66,670/- in the financial statements as on 31st March, 2020. The management has not determined the realizable value of the investment and therefore we are unable to determine any adjustment to the carrying value of Investment.</p>	<p>observation in paragraph IV (f) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the proposed scheme would benefit members, creditors, employees of Athena Lifesciences Private Limited and Future Consumer Limited as it would achieve the following:</p> <p>a) Combination of Identified Undertaking with Future Consumer Limited is a strategic fit and will help expand the business of Future Consumer Limited in the growing markets of India.</p> <p>b) Consolidation of the Identified Undertaking with Future Consumer Limited, thereby making available the increased resources and assets for the Identified Undertaking, which should help in pursuing a long , term and aggressive growth path for its portfolio products; and</p>
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<p>The Auditors of the Transferor Company has qualified their report for FY 2017-18 w.r.t. going concern of the Company.</p> <p>Emphasis of Matter</p> <p>Material Uncertainties Related to Going Concern.</p> <p>We draw your attention to Para No. 3 to the statement of accounting policies to financial statements which describes the circumstances under which the company has selected to prepare its financial statements on the going concern assumptions. The non-materialization of the proposed scheme of arrangement may cast a doubt on the company's ability to continue as going concern. Our opinion is not qualified in respect of this matter.</p> <p>The petitioner companies have submitted the financials of the Transferor</p>	<p>c) Enhance the competitive strength, achieve cost reduction, efficiencies and productivity gains by pooling the technologies and resources of Future Consumer Limited and the Identified Undertaking, helping contribute to the future growth and targeting a wider base of customers.</p> <p>d) In addition, the proposed scheme was planned in early 2019 to help the four brands that are a part of Identified Undertaking be benefited by the large distribution network offered by Future Consumer Limited resulting in the opportunity for the consumers to experience these brands across India using Future Consumer Limited's distribution footprint.</p> <p>e) As per the commercial negotiation between the Transferor and Transferee Company, the ongoing litigation</p>
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	<p>Company - along with bifurcation of the Demerged Undertaking and Remaining Business. It is noticed that entire revenue from operations in the Transferor Company (INR 12,177,343 for FY 2018-19) is from the Demerged Undertaking. There is no revenue activity in the Remaining part. For FY 2018-19, there was just 'Other Income' in the remaining part arising out of 'Interest Income' and 'Excess Provisions reserved'. The Investments qualified by the Auditors in Vitalic Nutrition Pvt. Ltd. is kept in the Remaining Business.</p> <p>In light of the above, the petitioner companies may submit how the proposed scheme will be beneficial to Transferor Company</p>	<p>of Athena Lifesciences Private Limited will continue with the Remaining business.</p> <p>f) The Transferor Company will continue to focus on marketing/selling and distribution business in relation to the product portfolios and brands such as "Just for Moms" and "Fab Fit" along with the investments made in Vitalic Nutrition Private Limited. It should be noted that the ongoing Covid- 19 pandemic and the resulting economic slowdown had impacted the business performance of the Remaining Business as well as the Identified Undertaking</p>
IV(g)	<p>Along with the application/petition to the Directorate, the petitioner</p>	<p>So far as the observation in paragraph IV (g) of the Report of the Regional Director is</p>



<p>has submitted Unaudited Financial Results for the period ended 30/06/2020 for the Transferee Company (Future Consumer Limited) as Annexure E8. The following is mentioned in Note 4 of the said Results:</p> <p>"The Board of Directors of the Company at its meeting held on August 29, 2020 has inter-alia, considered and approved the amalgamation of Future Consumer Limited (FCL) along with other Transferor Companies with Future Enterprises Limited (FEL). The Proposed amalgamation would be carried out vide a Composite Scheme of Amalgamation between FCL along with other Transferor Companies with FEL and their respective shareholders and creditors pursuant to Section 230 to 232 and other related provisions of the Companies Act, 2013. The said Scheme</p>	<p>concerned, the Learned Counsel for the Petitioner Companies submits that the present Scheme of Arrangement between Athena Lifesciences Private Limited and Future Consumer Limited is separate from the Composite Scheme of Arrangement between Future Consumer Limited along with other Transferor Companies with Future Enterprises Limited and their respective Shareholders and Creditors.</p>
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	<p>shall be subject to requisite approvals of statutory / regulatory authorities, including those from shareholders and creditors of Transferor Companies and Transferee Company and other applicable contractual approvals."</p> <p>The petitioner companies may submit full facts in the matter of the said Composite Scheme and Hon'ble Tribunal may satisfy itself on the merits of the matter.</p>	
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9. The observations made by the Regional Director have been explained by the Petitioner Companies in Para 8 above. The Representative of the RD has submitted that the explanations and clarifications given by the petitioner companies are found satisfactory and that they have no objection to the Scheme. The affidavit filed by the Petitioner Companies is accepted by this Tribunal and that the Regional Director has filed his supplementary report on 10th May, 2021.
10. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. Since all the requisite statutory compliances



have been fulfilled, Company Scheme Petition No. 1012 of 2020 is made absolute in terms of clauses (a) to (c). Hence ordered.

ORDER

- a. The said Scheme of Arrangement is hereby sanctioned and declared the same to be binding on the Demerged Company and the Resulting Company AND their respective shareholders and Creditors.
- b. Upon the Scheme coming into effect, the Transferee Company shall, in consideration of transfer and vesting of the Identified Undertaking, do the following:

The Transferee Company would, without any further application, deed, action or thing, issue and/or allot on proportionate basis to each Shareholder /Member of the Transferor Company, whose name is registered in the Register of Members as on the Appointed Date (which shall be considered as the Record Date for the purpose of allotment of shares), 13 (Thirteen) fully paid-up equity shares of the Transferee Company, each of a face value of Rs. 6 (Rupees Six only) for every 83 (Eighty-Three) fully paid-up equity share(s) held by such Shareholder/Member in the Transferor Company.

- c. Petitioners are directed to file a copy of this Order along with a copy of the Scheme of Arrangement with the concerned Registrar of Companies, electronically along with E-Form INC-28, in addition to physical copy within 30 days from the date of receipt of the Order from the Registry.



- d. The Petitioner Companies to lodge a copy of this Order and the Scheme duly authenticated by the Joint/ Deputy/ Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable within 60 days from the date of receipt of the Order, if any.
- e. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Joint/ Deputy/ Assistant Registrar, National Company Law Tribunal, Mumbai.
- f. The Appointed Date is 1st April, 2019.

11. Ordered Accordingly.

Sd/-
CHANDRA BHAN SINGH
MEMBER (TECHNICAL)

Sd/-
H. V. SUBBA RAO
MEMBER (JUDICIAL)

Certified True Copy
Date of Application 15.07.2024
Number of Pages 17
Fee Paid Rs. 85
Applicant called for collection 07.09.2024
Copy prepared on 07.09.2024
Copy Issued on 07.09.2024

Dy. Registrar
Registrar
National Company Law Tribunal, Mumbai Bench



**SCHEME OF ARRANGEMENT
UNDER SECTIONS 230 TO 232 READ WITH OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013**

**BETWEEN
ATHENA LIFE SCIENCES PRIVATE LIMITED
AND
FUTURE CONSUMER LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

PREAMBLE:

This Scheme of Arrangement is prepared under the provisions of Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, for the demerger of Identified Undertaking (defined below) of Athena Life Sciences Private Limited (hereinafter referred to as “**Transferor Company**” or “**Athena**”) to Future Consumer Limited (hereinafter referred to as (“**Transferee Company**” or “**FCL**”), for the consideration as set out in the Scheme. This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

The Transferor Company will continue to pursue its interests in the Remaining Business (defined below) as is presently being carried out.

A. Description of Companies:

- a. Athena Life Sciences Private Limited (“**Transferor Company**” or “**Athena**”)
 - i. Athena is a private limited company incorporated under the Companies Act, 1956 (CIN: U24233MH2014PTC315619), having its registered office presently at Off. No. 406, Accord Building, Phool Bagh, I B Patel Road, Opp. Rly Stn, Goregaon (East) Mumbai - 400063.
 - ii. Athena is *inter alia* engaged in the business of marketing, selling and distributing fast moving consumer goods and services in the cosmeceutical and healthcare space, which includes but not limited to, brands like D’Free, Hair for Sure, Safe and Sure, Just for Moms, Iraya, Fab Fit etc.
- b. Future Consumer Limited (“**Transferee Company**” or “**FCL**”)
 - i. FCL is a public limited company, incorporated under the Companies Act, 1956 (CIN L52602MH1996PLC192090), having its registered office at Knowledge House, Shyam Nagar, Off. Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060.
 - ii. The Equity Shares of FCL are listed on BSE Limited and the National Stock Exchange of India Limited.
FCL is *inter alia* engaged in the business of branding, marketing, sourcing, manufacturing and distribution of fast-moving consumer goods, food and processed food products. Its product portfolio includes product categories, such as basic foods, snacks, frozen and processed food products, beverages, personal care and home care under its own portfolio of brands.

B. Rationale and Purpose of the Scheme of Arrangement:

The Board of Athena and FCL believes that this Scheme of Arrangement would result in benefit to members, creditors and employees of Athena and FCL and the same will not be detrimental to the public. Further, the proposed Scheme of Arrangement would *inter alia* achieve the following:

- a. Combination of Identified Undertaking with FCL is a strategic fit and will help expand the business of FCL in the growing markets of India;



- b. Consolidation of the Identified Undertaking with FCL, thereby making available the increased resources and assets for the Identified Undertaking, which should help in pursuing a long term and aggressive growth path for its portfolio products; and
- c. Enhance competitive strength, achieve cost reduction, efficiencies and productivity gains by pooling the technologies and resources of FCL and the Identified Undertaking, helping contribute to the future growth and targeting a wider base of customers;

In view of the aforesaid, the Board of Athena and FCL have considered and proposed this Scheme of Arrangement under the provisions of Sections 230 to 232 of the Companies Act 2013 read with other applicable provisions of the Companies Act 2013 (as amended).

C. Parts of the Scheme:

The Scheme is divided into the following parts:

- a. **PART I** sets out the Definitions, Share Capital and date of taking effect of the Scheme;
- b. **PART II** sets out the provisions for transfer and vesting of Identified Undertaking of the Transferor Company into the Transferee Company, Consideration and Remaining Business of the Transferor Company; and
- c. **PART III** sets out the General Terms and Conditions.

PART – I

DEFINITIONS AND SHARE CAPITAL

1.1. DEFINITIONS

In this Scheme of Arrangement, unless inconsistent with the subject or context, in addition to the terms defined elsewhere in this Scheme, the following capitalized terms shall have the meaning set out below:

- 1.1.1. "Act" or "the Act" means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory modification or re-enactment thereof for the time being in force;
- 1.1.2. "Appointed Date" for the purpose of this Scheme means 1st April, 2019 or such other date as the Hon'ble NCLT, Mumbai Bench or other competent authority may approve / fix. ;
- 1.1.3. "Athena" or "Transferor Company" means Athena Life Sciences Private Limited, a private limited company incorporated under the Companies Act, 1956 (CIN: U24233MH2014PTC315619), having its present registered office at Off. No. 406, Accord Building, Phool Bagh, I B Patel Road, Opp. Rly Stn, Goregaon (East) Mumbai - 400063;
- 1.1.4. "Board" or "Board of Directors" means the board of directors of the Transferor Company or the Transferee Company as the context may require, and shall include a committee constituted thereof and authorized thereby, for the purposes of matters pertaining to the Scheme and/or any other consequential or incidental matter in relation thereto;
- 1.1.5. "Companies" means Athena and FCL collectively and "Company" means Athena or FCL individually, as the context may require;
- 1.1.6. "Effective Date" means the last of the dates on which the certified copy of the Order of the Tribunal sanctioning the Scheme of Arrangement is filed with the Registrar of Companies by the Transferor Company and the



Transferee Company;

- 1.1.7. **“FCL” or “Transferee Company”** means Future Consumer Limited, a public limited company, incorporated under the Companies Act, 1956 (CIN: L52602MH1996PLC192090), having its registered office at Knowledge House, Shyam Nagar, Off. Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060;
- 1.1.8. **“Identified Undertaking”** means the marketing, selling and distribution business of the Transferor Company in relation to the portfolio products/brands namely, D’Free, Hair for Sure, Iraya and Safe & Sure, as a going concern and free of encumbrances of any nature (**“Business”**), together with all undertakings, businesses, activities, operations, assets and liabilities of whatsoever nature and kind, relating to the Business as on the Appointed Date and includes without limitation:
- (i) All assets and liabilities pertaining to the Business, including but not limited to intellectual property rights, inventories, stock-in-trade or stock-in-transit and merchandising, including any other materials, supplies, finished goods, wrapping supply and packaging items, all earnest moneys and/or security deposits, cash and bank balances, advances, receivables, together with all present and future liabilities appertaining or relatable thereto;
 - (ii) Without prejudice to the provisions of sub-clause (i) above, the Business shall also include all properties and assets in connection with or pertaining or relatable to the Business such as goodwill, customer details, licenses, permits, quotas, registrations, agreements, contracts, arrangements, privileges or all other rights including tax deferrals, tax credits (including business tax losses and unabsorbed tax depreciation), tax balances and other benefits, incentives, tenancy rights, if any, and all other rights, title, interests, copyrights, patents, trademarks, trade names, know-how and other industrial or intellectual property rights of any nature whatsoever, consent, approvals or powers of every kind nature and description whatsoever in connection with or pertaining or relatable the Business and all statutory licenses, permissions, approvals or consents to carry on the Business;
 - (iii) All liabilities pertaining to the Business. For the purposes of this Scheme, it is clarified that liabilities pertaining to the Business include:
 - (a) The liabilities, which arise out of the activities or operations of the Business;
 - (b) Liabilities other than those referred to in sub-clauses (a) above and not directly relatable to the Business, being the amounts of general or multipurpose borrowings of Athena shall be allocated to the Business in the same proportion, which the value of the assets transferred under this Clause bears to the total value of the assets of Athena immediately before giving effect to this Scheme;
 - (iv) All employees of Athena employed in and/or relatable to the Business;
 - (v) All deposits and balances with government, semi government, local and other authorities, and bodies, customers and other persons, earnest moneys and / or security deposits paid or received by Athena directly or indirectly in connection with or relating to the Business;
 - (vi) All necessary books, records, files, papers, product specifications, process of manufacture, along with their licenses, 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 or electronic form in connection with or relating to the Business of Athena.

It is clarified that any question that may arise as to whether a specified asset



or liability pertains or does not pertain to the Business or whether it arises out of the activities or operations of the Business shall be decided by mutual agreement between the Board of Directors of Athena and FCL.

- 1.1.9. **“Registrar of Companies”** means the Registrar of Companies, Mumbai, Maharashtra;
- 1.1.10. **“Remaining Business”** means marketing/ selling and distribution business in relation to the product portfolios/ brands, ‘Just for Moms’ and ‘Fab Fit’ alongwith all undertakings, businesses, activities, operations, investments of all kinds and the assets and the liabilities of Athena, other than in relation to the Identified Undertaking (as defined in Clause 1.1.8. above);
- 1.1.11. **“Scheme”** or **“the Scheme”** or **“this Scheme”** or **“Scheme of Arrangement”** means this Scheme of Arrangement in its present form as submitted to the Tribunal or as the case may be this Scheme with such modification(s), if any made, as per Clause 3.8. of the Scheme;
- 1.1.12. **“SEBI”** means the Securities Exchange Board of India;
- 1.1.13. **“SEBI Circular”** means the circular issued by SEBI, being circular CFD/DIL3/CIR/2017/21 dated 10th March 2017, and any amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 including Circular CFD/DIL3/CIR/2018/2 dated 3rd January 2018
- 1.1.14. **“Stock Exchanges”** means Bombay Stock Exchange (**“BSE”**) and the National Stock Exchange of India Limited (**“NSE”**);
- 1.1.15. **“Tribunal”** or **“NCLT”** means the National Company Law Tribunal, Mumbai as constituted and authorized as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230 to 240 of the Act;

1.2. SHARE CAPITAL

- 1.2.1. The share capital of the Transferor Company as on 31st March 2019 is as under:

Share Capital	Rs.
<u>Authorized Share Capital</u>	
6,50,00,000 equity shares of Rs. 10 each	Rs. 65,00,00,000/-
<u>Issued, Subscribed and Fully Paid-up Share Capital</u>	
6,38,06,336 equity shares of Rs. 10 each	Rs. 63,80,63,360/-

There has been no change in authorized share capital of the Transferor Company subsequent to 31st March 2019.

- 1.2.2. The share capital of the Transferee Company as on 31st March 2019 is as under:

Share Capital	Rs.
<u>Authorized Share Capital</u>	
5,65,00,00,000 equity shares of Rs.6/- each and 1,67,00,00,000 unclassified shares of Rs. 10/- each	Rs. 50,60,00,00,000/-



<u>Issued, Subscribed and Fully Paid-up Share Capital</u>	
1,92,04,62,680 equity shares of Rs. 6/-each	Rs. 11,52,27,76,080/-

There has been no change in authorized share capital of the Transferee Company subsequent to 31st March 2019.

1.3. DATE OF TAKING EFFECT OF THE SCHEME

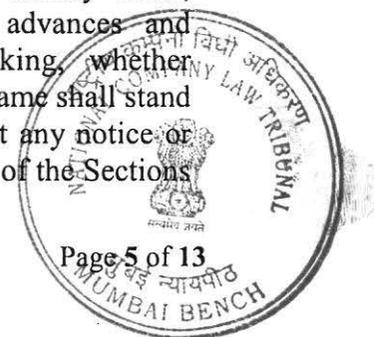
Each section of the Scheme set out herein in its present form or with any modification(s) shall be effective from the Appointed Date and operative from Effective Date.

PART – II

2.1. TRANSFER AND VESTING OF IDENTIFIED UNDERTAKING OF THE TRANSFEROR COMPANY INTO THE TRANSFEE COMPANY, CONSIDERATION AND REMAINING BUSINESS OF THE TRANSFEROR COMPANY

2.1.1. Upon the Scheme becoming effective and with effect from the Appointed Date, the Identified Undertaking of the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, as a going concern, in the following manner:

- a) Upon the Scheme becoming effective and with effect from the Appointed Date, the whole of the Identified Undertaking and all the properties, tangible and intangible, relating to the Identified Undertaking shall, pursuant to the provisions contained in the Sections 230 to 240 and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing, stand transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company on a going concern basis so as to vest in the Transferee Company all rights, title and interest relating to the Identified Undertaking.
- b) Upon the Scheme becoming effective and with effect from the Appointed Date, all the immovable properties, if any, of the Identified Undertaking, whether freehold or leasehold and any documents of title and rights thereto shall stand transferred and vested in Transferee Company and shall become the property and integral part of the Transferee Company, without any further act, instrument or deed required by either of the Transferee Company or Transferor Company and without requirement of any approval or acknowledgement of any third party.
- c) In respect of such assets and properties of the Identified Undertaking as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or delivery, including cash-in-hand the same shall be physically handed over by delivery to the Transferee Company by the Transferor Company upon coming into effect of the Scheme and shall, ipso facto and without any other order to this effect, become the assets and properties of the Transferee Company.
- d) In respect of the assets other than those dealt within sub-clause (c) above and forming part of the assets, including but not limited to sundry debts, receivables including tax balances, bills, credits, loans, advances and deposits, if any, pertaining to the Identified Undertaking, whether recoverable in cash or in kind or for value to be received, the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any person in pursuance of the provisions of the Sections



230 to 240 of the Companies Act, 2013, read with other relevant provisions of the Act to the end and intent that the right of the Transferor Company to recover or realize the same stand transferred to the Transferee Company. The Transferee Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said debt, receivables, bills, credits, loans, advances or deposits stand transferred and vested in the Transferee Company and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes and the Transferor Company shall provide all necessary assistance required in this regard.

- e) Upon the Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities (other than any liability pertaining to any tax or tax related litigations), contingent liabilities, duties and obligations of every kind, nature and description of the Transferor Company pertaining to Identified Undertaking under the provisions of the Sections 230 to 240 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company, so as to become from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.
- f) On and from the Effective Date, till such time that the bank accounts in the name of the Transferor Company in relation to the Identified Undertaking have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate such bank accounts of the Transferor Company, in the name of the Transferor Company for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company, in relation to the Identified Undertaking, after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company.
- g) Upon the Scheme becoming effective and with effect from the Appointed Date, any statutory licenses, permissions or approvals or consents held by Athena required to carry on operations of the Identified Undertaking shall stand vested in or transferred to FCL without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of FCL and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to FCL as if they were originally obtained by FCL. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any government body, local authority or by any other person, or availed of by Athena relating to the Identified Undertaking, are concerned, the same shall vest with and be available to FCL on the same terms and conditions as applicable to Athena, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to FCL.
- h) It is clarified that if any assets, (estate, claims, rights, title, interest in, or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever in relation to Identified Undertaking which Athena owns or to which Athena is a party and which cannot be transferred to FCL for any reason whatsoever, Athena shall hold such assets or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit



of FCL to which the Identified Undertaking is being transferred in terms of this Scheme, in so far as it is permissible so to do, till such time as the transfer is effected.

2.2. CONSIDERATION

- 2.2.1. Upon the Scheme coming into effect, the Transferee Company shall, in consideration of transfer and vesting of the Identified Undertaking, do the following:
- 2.2.1.1. The Transferee Company would, without any further application, deed, action or thing, issue and/or allot on proportionate basis to each Shareholder /Member of the Transferor Company, whose name is registered in the Register of Members as on the Appointed Date (which shall be considered as the Record Date for the purpose of allotment of shares), 13 (Thirteen) fully paid up equity shares of the Transferee Company, each of a face value of Rs. 6 (Rupees Six only) for every 83 (Eighty Three) fully paid up equity share(s) held by such Shareholder /Member in the Transferor Company.
- 2.2.1.2. The equity shares allotted to the Shareholders /Members of the Transferor Company (as per Clause 2.2.1.1), shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Transferee Company and shall rank *pari passu* in all respects with the existing equity shares of the Transferee Company.
- 2.2.1.3. The Transferee Company shall apply for listing of the new equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be required under applicable law. The new equity shares shall remain frozen in depository system till listing /trading permission is given by the Stock Exchange(s).
- 2.2.1.4 In case any equity shareholder of Athena has holding in Athena, such that it becomes entitled to a fraction of an equity share of FCL, FCL shall not issue fractional share certificates to such member but shall instead, round off all fractional entitlements to the nearest integer for each of the fractional entitlement.
- 2.2.1.5 The approval of this Scheme by the shareholders and/or creditors of the Transferee Company and the Transferor Company, under Sections 230 to 232 of the Act and other applicable provisions under the Act, shall also be deemed to be the approval by the shareholders and/or creditors under the applicable provisions of the Act and the applicable law, for the purpose of issuance and allotment of the Equity Shares of the Transferee Company to the Shareholders/Members of the Transferor Company, in accordance with the Scheme. It is clarified that no additional special resolution under Section 62(l)(c) of the Act, or any other provision of the Act or applicable law shall be required to be passed for issuance and allotment of the equity shares of the Transferee Company to the Shareholders /Members of the Transferor Company under this Scheme.

2.3. REMAINING BUSINESS OF THE TRANSFEROR COMPANY

- 2.3.1. It is clarified that the Remaining Business and all the assets, liabilities and obligations of the Transferor Company, other than those transferred pursuant to this Scheme with the Identified Undertaking, shall continue to belong to and be managed by the Transferor Company.
- 2.3.2. All legal and other proceedings by or against the Transferor Company under any statute, whether pending on the Appointed Date or which may be initiated in future, relating to the Remaining Business of the Transferor Company (including those relating to any property, right, power, liability, obligation or duty of the Transferor



Company in respect of the Remaining Business of the Transferor Company) shall be continued and enforced by or against the Transferor Company.

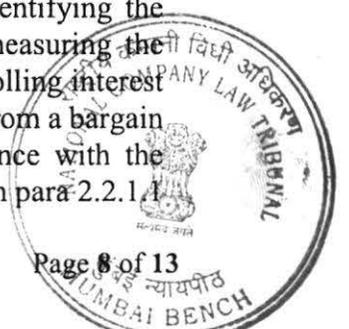
- 2.3.3. After the Effective Date, if any proceedings are taken against the Transferee Company in respect of matters relating to the Remaining Business, the Transferor Company shall indemnify and keep indemnified the Transferee Company against all costs liabilities and obligations incurred by the Transferee Company in respect thereof.
- 2.3.4. All assets and properties acquired by the Transferor Company at any time after the Appointed Date shall, to the extent that the same do not relate to the Identified Undertaking, form part of the Remaining Business of the Transferor Company.
- 2.3.5. All liabilities, debts and obligations incurred by or arising against the Transferor Company at any time after the Appointed Date shall, to the extent that the same do not relate to the Identified Undertaking, form part of the Remaining Business of the Transferor Company.
- 2.3.6. The Transferor Company shall be entitled to enter into such contracts as the Transferor may deem fit and proper in respect of the Remaining Business of the Transferor Company.
- 2.3.7. All the profits or incomes accruing or arising, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company in relation to Remaining Business of the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes, expenditure or losses (including taxes) of the Transferor Company.
- 2.3.8. All employees engaged in or relation to the Remaining Business shall continue to be employed by the Transferor Company and the Transferee Company shall not in any case, be liable or responsible for any claims whatsoever arising in relation to such employees.

2.4. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEROR COMPANY

Upon coming into effect of this Scheme and upon the arrangement becoming operative and with effect from the Effective Date, the Transferor Company shall reduce from its books, the book value of the Identified Undertaking and liabilities thereon as on the Appointed Date and shall be transferred to FCL's books.

2.5. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY

- 2.5.1. Notwithstanding anything contained in the other parts of the Scheme, upon coming into effect of this Scheme and upon the arrangement becoming operative and with effect from the Effective Date, the demerger of Identified Undertaking of Athena with FCL shall be accounted for in the books of account of FCL in accordance with 'Acquisition Method' of accounting as per Indian Accounting Standard (Ind AS) 103 (Business Combination) prescribed under Section 133 of the Companies Act, 2013.
- 2.5.2. Applying the acquisition method as per Ind AS 103 requires (a) identifying the acquirer (b) determining the acquisition date (c) recognising and measuring the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree and (d) recognising and measuring goodwill or a gain from a bargain purchase. Further, on the effective date of the scheme, in accordance with the requirement of Ind AS 103 for accounting, consideration determined in para 2.2.14



will be fair valued.

PART – III

3. GENERAL TERMS AND CONDITIONS

3.1. APPROVALS:

3.1.1. The Transferor Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority and all agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to own and operate the Identified Undertakings.

3.1.2. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority and all agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to own and run the Identified Undertakings. Further, the Transferor Company shall also provide its assistance to the Transferee Company for obtaining the aforesaid consents, approvals and sanctions.

3.2. COMPLIANCE WITH TAX LAWS:

3.2.1. This Scheme complies with the conditions relating to “demerger” as defined under Section 2 (19AA), Section 47, Section 72A and other relevant sections and provisions, of the Income-tax Act, 1961 and is intended to apply accordingly. If any terms or clauses of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions (including the conditions set out therein) at a later date whether as a result of a new enactment or any amendment or coming into force of any provision of the Income-tax Act, 1961 or any other law or any judicial or executive interpretation or for any other reason whatsoever, Parties shall negotiate in good faith to modify this Scheme in a mutually satisfactory manner that ensures compliance of this Scheme with such Provisions.

3.3. ADMINISTRATIVE CONVENIENCE:

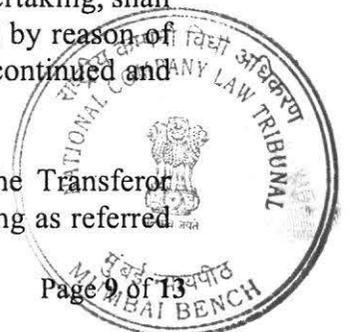
3.3.1. Notwithstanding anything contained in other clauses of this Scheme, the Transferor Company, shall enter into such documents, agreements; make applications to various authorities, regulatory bodies to facilitate the uninterrupted transitions of the business from the Transferor Company to the Transferee Company.

3.3.2. Notwithstanding anything contained in other clauses of this Scheme but in accordance with the Act and other applicable laws, the Transferor Company and the Transferee Company, may enter into such documents, agreements, arrangements and make applications to various authorities, regulatory bodies to facilitate the sharing of, *inter alia* any common services, employees, intellectual properties and other assets (whether moveable or immovable).

3.4. LEGAL PROCEEDINGS

3.4.1. All legal proceedings by or against the Transferor Company pending and/ or arising before the Effective Date and relating to the Identified Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company.

3.4.2. After the Effective Date, if any proceedings are taken against the Transferor Company in respect of the matters relating to Identified Undertaking as referred



above, it shall defend the same at the cost of the Transferee Company, and the Transferee Company will reimburse and indemnify the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.

- 3.4.3. The Transferee Company undertakes to have all respective legal or other proceedings initiated by or against the Transferor Company with respect to the Identified Undertaking post Effective Date, as referred in Clause 3.4.1 and 3.4.2 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company as the case may be, to the exclusion of the Transferor Company.

3.5. CONTRACTS, DEEDS, ETC.

- 3.5.1. All contracts, deeds, bonds, agreements, memorandum of understandings and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Identified Undertaking of the Transferor Company, shall continue in full force and effect against or in favour of the Transferee Company and may be enforced effectively by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
- 3.5.2. The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

3.6. STAFF, WORKMEN & EMPLOYEES

- 3.6.1. Upon the coming into effect of this Scheme, all employees of the Transferor Company engaged in or in relation to the Identified Undertaking and who are in such employment as on the Effective Date shall become the employees of the Transferee Company and, subject to the provisions of this Scheme, on terms and conditions not less favorable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the transfer of the Identified Undertaking.
- 3.6.2. In so far as the existing provident fund, gratuity fund and pension and/ or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company for the employees related to the Identified Undertaking (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which are referable to the employees related to the Identified Undertaking being transferred to the Transferee Company, in terms of Clause 3.6.1 above shall be transferred to the Transferee Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. In the event that the Transferee Company do not have their own funds in respect of any of the above, the Transferee Company may, subject to necessary approvals and permissions, continue to contribute to relevant funds of the Transferor Company, until such time that the Transferee Company create their own fund, at which time the Funds and the investments and contributions pertaining to the employees related to Identified Undertaking shall be transferred to the funds created by the Transferee Company. Subject to the relevant law, rules and regulations applicable to the Funds, the Boards of the Transferor Company and the Transferee Company may decide to continue to make the same.

contributions to the Funds of the Transferor Company.

3.7. BUSINESS UNTIL EFFECTIVE DATE

- 3.7.1. During the time between Appointed Date and upto the Effective Date;
- 3.7.1.1. All the profits or income accruing or arising to Athena in respect of the Identified Undertaking or expenditure or losses arising to or incurred by Athena in respect of the Identified Undertaking, shall for all purposes and intents be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses (as the case may be) of Transferee Company;
- 3.7.1.2. the Transferor Company shall stand possessed of all the properties and assets relating to the Identified Undertaking for and in trust for the Transferee Company;
- 3.7.1.3. the shareholders of the Transferor Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing respective rights under the Articles of Association of the Transferor Company;
- 3.7.1.4. the Transferor Company shall not sell, assign, license or create any encumbrance over any movable property, intellectual property or any other assets relating to the Identified Undertaking;
- 3.7.1.5. the Transferor Company shall not utilize the profits or income, if any, relating to the Identified Undertaking for the purpose of declaring or paying any dividend to its shareholders or issuing bonus shares or for any other purpose without the prior consent of the Board of Directors of the Transferee Company;
- 3.7.1.6. the Transferor Company shall not vary the terms of service of its employees to their detriment relating to the Identified Undertaking, except in the ordinary course of business or prevailing policies of the Transferor Company;
- 3.7.1.7. the Transferor Company shall preserve the properties, assets, goodwill, receivables and business of the Identified Undertakings with reasonable diligence and business prudence and shall not take any decision of material significance without the prior consent of the Board of Directors of the Transferee Company.
- 3.7.1.8. The Transferor Company shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort, either for itself or on behalf of its affiliates or associates or any third party, except in case:
- (a) such action is expressly provided in the Scheme; or
 - (b) such action is in the ordinary course of business; or
 - (c) written consent of the Transferee Company has been obtained in relation to such act.
- 3.7.1.9. Except with the written consent of the Transferee Company, the Transferor Company in relation to the Identified Undertaking shall not:
- (a) Waive, defer or release any rights that it may have against any person or any obligations that a person may have towards the Transferor Company, other than in ordinary course of business;
 - (b) Commence or settle any litigation, dispute or claim which involves any amount in excess of Rs. 10 lakh or admit any liability in any litigation, dispute or claim, where such liability corresponds to any amount in excess of Rs. 10 lakhs, as the case may be.

3.8. MODIFICATION OF SCHEME



3.8.1. Each of the Transferor Company and the Transferee Company by their respective Board of Directors or any committee thereof or any Director authorised, in that behalf (hereinafter referred to as the "Delegate") may together assent to, or make, from time to time, any modification(s) or amendment(s) or addition(s) to this Scheme which the NCLT may deem fit to approve or impose certain conditions, which both the parties may in their discretion accept, or such modification(s) or amendment(s) or addition(s) both the parties or as the case maybe, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out the purpose of this Scheme and as approved by the NCLT, and both parties by their respective Board of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event any conditions may be imposed by the NCLT or any authorities, which the Companies find unacceptable for any reason, then the both parties shall be at liberty to withdraw the Scheme. The aforesaid powers of the Transferee Company and the Transferor Company may be exercised by the Delegate of the respective Companies. It is clarified that any modification or amendment to the Scheme by the Companies, after the sanction by the NCLT, shall only be made with the prior consent of the NCLT.

3.8.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates (acting jointly) of the Companies may give and are authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

3.9. FILING OF APPLICATIONS

Each of the Companies shall with all reasonable dispatch, make and file the applications/ petitions under Sections 230 to 232 of the Act and/or other provisions under the Act as may be applicable, before the NCLT for sanction of this Scheme and the Companies shall obtain all requisite approvals as may be required under law to give effect to the Scheme.

3.10. CONDITIONALITY OF SCHEME

3.10.1. This Scheme is conditional upon and subject to:

3.10.1.1. The Scheme being approved by the requisite majority of the members and/or creditors of the Companies and/or by such other persons as may be required under the Act and as directed by the NCLT;

3.10.1.2. The requisite sanctions and approvals of any Government Authority including Stock Exchanges, SEBI and any other regulatory authority, as may be required by law, in respect of the Scheme being sanctioned;

3.10.1.3. The sanction of this Scheme by the NCLT;

3.10.1.4. Copy(ies) of the order(s) of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, Mumbai, Maharashtra;

3.11. EFFECTS OF NON-RECEIPT OF APPROVALS / SANCTIONS

3.11.1 In the event of the Scheme not being sanctioned by the NCLT and/or the order or orders not being passed by 30th September, 2021 or by such later date as may be



agreed by the respective Board of the Companies, the Scheme shall become fully null and void. Additionally, the Board of Directors of the Transferee Company and the Transferor Company may mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become fully null and void. In such event, no rights and liabilities shall accrue to the parties in terms of the Scheme, save and except, in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. In such event, each party shall bear and pay its respective costs, charges and expenses for and/or in connection with the Scheme.

3.12. SEVERABILITY

- 3.12.1. Each Part of the Scheme shall be given effect to as per the chronology in which it has been provided for in the Scheme. Each Section in each Part is independent of each Section and is severable. However, failure of any one Section of one part for lack of necessary approval from the shareholders / creditors / statutory regulatory authorities or for any other reason that the Board of respective Companies may deem fit, then this shall not result in the whole Scheme failing. It shall be open to the Board of Directors concerned to consent to sever such Section(s) of such part(s) of the Scheme and implement the rest of the Scheme with such modification.

3.13. COSTS, CHARGES AND EXPENSES

- 3.13.1. All costs, charges and all expenses of the Transferor Company, and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne and paid by the Transferor Company and the Transferee Company as mutually agreed between them.
- 3.13.2. Stamp duty on the order(s) of the Tribunal, if any, shall be borne by the Transferor Company.

Certified True Copy
Date of Application - 15.07.2024
Number of Pages - 13
Fee Paid Rs. - 65
Applicant called for collection copy on - 07.09.2024
Copy prepared on - 07.09.2024
Copy Issued on - 07.09.2024

By 
Registrar
National Company Law Tribunal, Mumbai Bench

