

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.787 OF 2008
CONNECTED WITH
COMPANY APPLICATION NO.1274 OF 2008

Verigold Fine Jewellery Private Limited. ...Petitioner/The First
Transferor Company

AND

COMPANY PETITION NO.788 OF 2008
CONNECTED WITH
COMPANY APPLICATION NO.1275 OF 2008

LJCreations Private Limited. ...Petitioner/The Second
Transferor Company

In the matter of the Companies Act I
of 1956

AND

In the matter of Section 391 to 394 of the
Companies Act, 1956

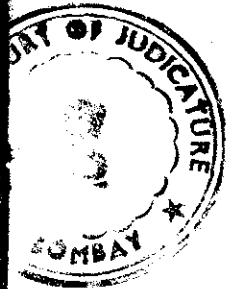
AND

In the matter of the Scheme of
Amalgamation of Verigold Fine
Jewellery Private Limited and L J
Creations Private Limited with
Renaissance Jewellery Limited

Hemant Sethi v/b Hemant Sethi & Co. Advocates for Petitioner

Mr. S. Ramakantha, Deputy Official Liquidator in both Petitions

Ms. Neeta Masurkar and Mr. P. Khosla v/b S. K. Monapatra for Regional
Director in both Petitions.



HIGH COURT, BOMBAY

1127894

CORAM: A. M. KHANWILKAR, J

DATE: 14th NOVEMBER, 2008

PC:

1. Heard learned counsel for parties.
2. The sanction of the Court is sought under Section 391 to 394 of the Companies Act, 1956 to the Scheme of Amalgamation of Verigold Fine Jewellery Private Limited, the First Transferor Company and L J Creations Private Limited, the Second Transferor Company with Renaissance Jewellery Limited, the Transferee Company.
3. Both the Transferor Companies are 100% subsidiaries of the Renaissance Jewellery Limited, the Transferee Company. In the circumstances in view of the judgement in the case of Manaamda Investments Limited v. IDI Limited 2001 (Vol. 105) Company Cases, 16, the filing of separate Application and Petition by the Transferee Company for sanction of the said scheme was dispensed with vide order dated 22nd August, 2008 in Company Application No.1274 of 2008 and 1275 of 2008 filed by the Petitioner/Transferor Companies.
4. Counsel appearing on behalf of the Petitioners have stated that they have complied with all the requirements as per directions of this Court and they have filed necessary affidavits of compliance in the Court. Moreover, Petitioner Companies also undertake to comply

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with all statutory requirements, if any, as required under the Companies Act, 1956 and the rules made thereunder.

5. The Regional Director has filed affidavit stating therein that the scheme is not prejudicial to the interest of creditors and shareholders and public. However in paragraph 6 of the said affidavit, the Regional Director has stated that the Transferee Company may be directed to furnish an undertaking that they shall comply with the accounting treatment as prescribed under the Accounting Standard 14 i.e. "Accounting for Amalgamation" issued by the Institute of Chartered Accountants of India. The Counsel appearing for the Petitioners undertakes that the Transferee Company will make necessary disclosure for accounting treatment prescribed under the Accounting Standard 14 i.e. "Accounting for Amalgamation" issued by the Institute of Chartered Accountants of India. The said undertaking is accepted.

6. The Official Liquidator has filed report stating that all the affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved.

7. Upon perusal of the entire material on record, in my opinion the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to any public policy. None of



the parties concerned have come forward to oppose the Scheme. Moreover, the Regional Director has stated that the scheme as proposed is not prejudicial to the interest of shareholders and creditors and the public and the Official Liquidator has stated that the affairs of the Transferor Companies have been conducted in a proper manner.

8. There is no objection to the Scheme, save and except as stated in paragraph 5 herein, and since all the requisite statutory compliances have been fulfilled Company Petitions filed by the Transferor Companies are made absolute in terms of prayer clause (a) to (d) in Company Petition No.787 of 2008 filed by the First Transferor Company and prayer clause (a) to (d) in Company Petition No.788 of 2008 filed by the Second Transferor Company.

9. The Transferee Company to lodge copy of this order and the Scheme with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty, payable, if any, on the same within 30 days of obtaining the authenticated and/or certified copy of this Order.

10. The Petitioner in both the Company Petitions to pay cost of Rs.7,500/- each to the Regional Director and also to the Official Liquidator, High Court Bombay. Costs to be paid within four weeks from today.



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HIGH COURT, BOMBAY

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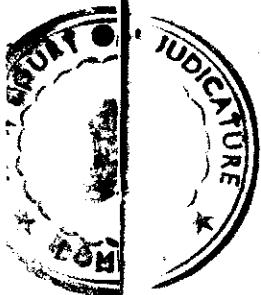
11. Filing and issuance of the drawn up order is dispensed with.
12. All concerned authorities to act on a copy of this order along with scheme duly authenticated by Company Registrar, High Court, Bombay.

(A. M. KHANWILKAR, J)

Am Khanwilkar
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In Section Officer 3/3/09
High Court, Appellate Side
Bombay



SCHEME OF AMALGAMATION
OF
VERIGOLD FINE JEWELLERY PRIVATE LIMITED,
AND
LJ CREATIONS PRIVATE LIMITED
WITH
RENAISSANCE JEWELLERY LIMITED

This Scheme of Amalgamation is presented under Section 391 read with Section 394 of the Companies Act, 1956 (the "Act") for the amalgamation of Verigold Fine Jewellery Private Limited and LJ Creations Private Limited with Renaissance Jewellery Limited.

1 DEFINITIONS:

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

1.1 "VFJPL" or "**the First Transferor Company**" means Verigold Fine Jewellery Private Limited a Company registered under the Companies Act, having its Registered office at Unit No.156, SDF V SEEPZ, Andheri(East), Mumbai- 400 096.

1.2 "LJCPL" or "**the Second Transferor Company**" means LJ Creations Private Limited a Company registered under the Companies Act, 1956 and having its Registered office at Unit No.GJ-10, SDF VII SEEPZ, Andheri(East), Mumbai- 400 096.

1.3 "RJL" or "**The Transferee Company**" means Renaissance Jewellery Limited, a Company registered under the Companies Act, 1956 and having its Registered Office at Plot No.36A and 37, SEEPZ- SEZ, Andheri (East) Mumbai – 400 096.

1.4 **The Transferor Companies**" means collectively VFJPL and LJCPL and "**the Transferor Company**" means individually each of them.

1.5 "**The Act**" means the Companies Act, 1956 including any statutory modifications, re-enactments or amendments thereof.

1.6 "**High Court**" shall mean the High Court of Judicature at Bombay. In the event of the National Company Law Tribunal (hereinafter referred to as "**the Tribunal**") being constituted by the Central Government by a Notification in the Official Gazette and the



proceedings initiated under section 391-394 of the Companies Act, 1956 relating to these scheme being transferred to the Tribunal, the words "High Court" shall deem to mean and include the Tribunal, as the context may require.

1.7 **"The Appointed Date"** means the commencement of 1st day of April 2008 or such other date as may be fixed by the High Court of Judicature at Bombay.

1.8 **"The Effective Date"** means the date on which certified copies of the High Court order sanctioning this Scheme is filed with the Registrar of Companies, Maharashtra, Mumbai.

1.9 **"Undertaking"** shall mean and include:

1.9.1 All assets, properties (whether movable or immovable, tangible or intangible, personal, corporeal or incorporeal, present, future or contingent) including rights, if any, in licenses, permits, incentives, approvals, liberties, claims, trade marks, designs, registrations of Transferor Companies as on the appointed date whether appearing in the books of accounts or not (hereinafter referred to 'the said assets').

1.9.2 All debts, liabilities, duties and obligations of the Transferor Companies as on the Appointed Date whether appearing in the books of accounts or not including contingent liabilities (hereinafter referred to 'the said Liabilities')

1.9.3 Without prejudice to the generality of Sub-clause 1.9.1 and 1.9.2 above, the undertaking of the Transferor Companies shall include all the Transferor Companies movable and immovable properties, work in progress, investments, preliminary and pre-operative expenses, assets, investments, loans advances, stock-in-trade, cash and bank balances, deposits, financial assets, claims, investments including in overseas entities, powers, authorities, allotments, approvals, consents, contracts, enactments, arrangements, rights, titles, interests, benefits, advantages, lease-hold rights and other intangible rights, assets, lending contracts, benefit of any arrangement, reversions, powers, deposits, permits, quotas, entitlements, certificates, registrations, licenses (industrial or otherwise), municipal permissions, approvals and consents, systems of any kind whatsoever, rights and benefits of all agreements and other interests including rights, entitlements, any amount claimed from Government (whether or not recorded in the books), right to claim refund of any tax, duty, cess or other charges, including right to refund or adjust of any erroneous

or excess payments and any interest thereon under any scheme or Statute made by Government, deduction, exemption, rebate, allowance, amortization benefit, etc under the Income Tax Act, 1961, the Cenvat/Modvat credit balances under the Central Excise Act, 1944, all Customs duty benefits and exemptions, export and import incentives and benefits or any other benefits /incentives/ exemption given under any policy announced, issued or promulgated by the Government of India, any State Government, or any other governmental body or authority or any other like benefits under any statute and advantages of whatsoever nature belonging to or in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, easements, advantages, and approval of whatsoever nature and whosoever situated, belonging to or in ownership of the Transferor Company, including but without being limited to trade and service marks, patents, trademarks, designs and any other intellectual property rights or industrial rights of any nature whatsoever, authorizations, permits, rights to use and avail of, telephones, telexes, facsimile, email, internet, lease line connections and installations, utilities, electricity and other services, all records, files, papers, computer programs, software, know-how, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relation to the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession, or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies, whether in India or abroad and advantages of whatsoever nature belonging to or in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies.

- 1.10 **"Scheme", "The Scheme" or "This Scheme"** means this Scheme of Amalgamation in its present form submitted to the High Court of Judicature at Bombay for sanction with any modification(s), approved or imposed or directed by the said High Court.



2. SHARE CAPITAL

(i) The authorised, issued, subscribed and paid-up share capital of the First Transferor Company as on 31st March, 2008 is as under:

Particulars	Amount in Rs.
Authorised Share Capital.	
1,000,000 Equity Shares of Rs.10/- each.	100,00,000
TOTAL	100,00,000
Issued, Subscribed and Paid up Share Capital.	
10, 000 Equity Shares of Rs.10/- each fully paid up.	1,00,000
TOTAL	1,00,000

There has been no change in capital structure of the First Transferor Company till date. The First Transferor Company is wholly owned subsidiary of the Transferee Company as entire Share Capital of the Transferor Company is held by the Transferee Company and its Nominees.

(ii) The authorised, issued, subscribed and paid-up share capital of the Second Transferor Company as on 31st March, 2008 is as under:

Particulars	Amount in Rs.
Authorised Share Capital.	
1,000,000 Equity Shares of Rs.10/- each.	100,00,000
TOTAL	100,00,000
Issued, Subscribed and Paid up Share Capital.	
10, 000 Equity Shares of Rs.10/- each fully paid up.	1,00,000
TOTAL	1,00,000

On 16th April, 2008 the Transferee Company acquired 10,000 Equity Shares of the Second Transferor Company as a result making it wholly owned subsidiary of the Transferee Company. The Issued, Subscribed and Paid up Share Capital of the Second Transferor Company has been further increased by issue of 9,90,000 (Nine Lacs Ninety Thousand) Equity Shares of Rs 10/- (Rupees Ten) each fully paid up.

Company and accordingly the Share Capital of the Second Transferor Company as on date is as under:

Particulars	Amount in Rs.
Authorised Share Capital.	
1,000,000 Equity Shares of Rs.10/- each.	10,000,000
TOTAL	10,000,000
Issued, Subscribed and Paid up Share Capital.	
1,000,000 Equity Shares of Rs.10/- each fully paid up.	10,000,000
TOTAL	10,000,000

The Second Transferor Company is wholly owned subsidiary of the Transferee Company as entire Share Capital of the Second Transferor Company is held by the Transferee Company and its Nominees.

(iii) The present authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 31st March, 2008 is as under

Particulars	Amount in Rs.
Authorised Share Capital.	
25,000,000 Equity Shares of Rs.10/- each.	250,000,000
TOTAL	250,000,000
Issued, Subscribed and Paid up Share Capital.	
18,359,440 Equity Shares of Rs.10/- each fully paid up.	183,594,400
TOTAL	183,594,400

There has been no change in capital structure of the Transferee Company till date.

3 TRANSFER OF UNDERTAKING:

The Undertaking of the Transferor Companies shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

3.1 With effect from the Appointed Date, the whole of the undertaking, of the Transferor Companies comprising of all properties and assets (whether movable or immovable,

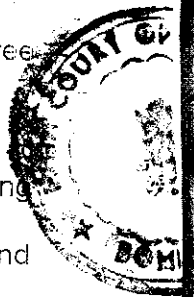
tangible or intangible) of whatsoever nature and wheresoever situated, shall, under the provisions of Section 391 read with Section 394 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in clauses 3.2 and 3.3 below), be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become as from the Appointed Date the undertaking and assets of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Companies therein.

3.2 All the movable assets including cash in hand, if any, of the Transferor Companies, capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of the Transferor Companies and the Board of Directors of the Transferee Company within thirty days from the Effective Date.

3.3 In respect of movables other than those specified in sub-clause 3.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the following modus operandi for intimating to third parties shall to the extent possible be followed:

3.3.1. The Transferee Company shall give notice in such form as it may deem fit and proper, to each person, debtor or depositor as the case may be, that pursuant to the High Court having sanctioned the Scheme between the Transferor Companies and the Transferee Company, the said debt, loan advance or deposit be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Companies to recover or realize the same stands extinguished and that appropriate entry should be passed in its books to record the aforesaid change;

3.3.2. The Transferor Companies shall also give notice in such form as they may deem fit and proper to each person, debtor or depositor that pursuant to the



High Court having sanctioned the Scheme between the Transferor Companies and the Transferee Company, the said debt, loan, advance or deposit be paid or made good or held on account of the Transferee Company and that the right of the Transferor Companies to recover or realise the same stands extinguished.

3.4 The registrations in the name of the Transferor Companies.

3.4.1 Letter of Permission and Green Card issued by Office of the Development Commissioner, SEEPZ SPECIAL ECONOMIC ZONE, Ministry of Commerce & Industries, Andheri (East), Mumbai -400 096.

3.4.2 Permission under Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989.

3.4.3 License under Factories Act, 1948.

3.4.4 Certificate of Registration under the Central Sales Tax (Registration and Turnover) Rules, 1957.

3.4.5 Registration Certificate under Bombay Sales Tax Rules, 1959

3.4.6 Certificate under Maharashtra Value Added Act, 2002

3.4.7 an importer-exporter (IE Code) under the Foreign Trade (Development and Regulation) Act, 1992 read with the Export and Import Policy of the Government of India; and

3.4.8 Any registration or any identification number allotted under or pursuant to any Regulation of Foreign Exchange Management Act, 1999.

3.4.9 Any other registrations under any other statute.

shall, if permitted by law and unless otherwise directed by the Court, without any further act, deed, matter or thing, be transferred in the name of the Transferee Company from the effective date.

3.5 With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Transferor Companies shall also, under the provisions of Section 391 read with Section 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts,



liabilities, 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.

- 3.6 It is clarified that the Scheme shall not in any manner affect the rights and interest of the creditors of the Transferor Companies or be deemed to be prejudicial to their interests.
- 3.7 The transfer and vesting of all the assets of the Transferor Companies, as aforesaid, shall be subject to the existing debts, duties, liabilities, charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof of the Transferor Companies, provided however, any reference in any security documents or arrangements (to which any of the Transferor Companies is a party) to the assets of the Transferor Companies offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to the assets pertaining to the undertaking of the Transferor Companies as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Companies or any of the assets of the Transferee Company, provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferor Companies vested in the Transferee Company, provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Companies which shall vest in the Transferee Company by virtue of the amalgamation of the Transferor Companies with the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security there for after the amalgamation has become operative.



3.8 Loans or other obligations, if any, due between or amongst the Transferor Companies and the Transferee Company shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by the Transferor Companies, and held by the Transferee Company and vice versa are concerned the same shall, unless sold or transferred by the Transferor Companies or the Transferee Company, as the case may be, at any time prior to the effective date, stand cancelled as on the effective date, and shall have no effect and the Transferor Companies, as the case may be, shall have no further obligation outstanding in that behalf.

3.9 Upon the Scheme coming into effect, the borrowing limits of the Transferee Company in terms of Section 293(1)(d) of the Act, shall without any further act or deed, stand enhanced by an amount equivalent to the authorised borrowing limits of the Transferor Companies, such limits being incremental to the existing limits of the Transferee Company. The Transferee Company may thereafter increase these limits as enhanced from time to time by obtaining sanction from its shareholders in accordance with the provisions of the Act.

3.10 Upon the Scheme coming into effect, the authorised share capital of the Transferee Company, shall without any further act or deed, stand enhanced by an amount equivalent to the authorised share capital of the Transferor Companies.

4 CONTRACTS, DEEDS AND OTHER INSTRUMENTS:

Subject to all the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectively as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which the Transferor Companies will, if necessary, also be a party in order to give formal effect to this Clause if so required or become necessary.

5 LEGAL PROCEEDINGS.

If any suit, writ petition, appeal, revision or other proceedings of whatever nature (hereinafter called "the Proceedings") by or against the Transferor Companies be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertakings of the Transferor Companies or of anything contained in the Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if the Scheme had not been made.

6 OPERATIVE DATE OF THE SCHEME.

The Scheme set out herein in its present form or with any modification(s) as approved or imposed or directed by the Hon'ble High Court of Judicature at Bombay shall be operative from the Appointed Date but shall become effective on the Effective Date.

7 CONDUCT OF BUSINESS BY TRANSFEROR COMPANIES TILL EFFECTIVE DATE:

With effect from the Appointed Date, and up to the Effective Date:

- 7.1 The Transferor Companies shall carry on or deemed to have carried on all their respective business and activities and shall be deemed to have held or stood possessed of and shall hold and stand possessed all the said Assets for and on account of and in trust for the Transferee Company
- 7.2 All the profits or income accruing or arising to the Transferor Companies or expenditure or losses arising or incurred by the Transferor Companies shall for all purposes be treated and be deemed to be and accrued as the profits and income or expenditure or losses of the Transferee Company, as the case may be.
- 7.3 The Transferor Companies shall carry on their respective business activities with reasonable diligence, business prudence and shall not alienate, charge, mortgage, encumber or otherwise deal with the said assets or any part thereof except in the ordinary course of business or pursuant to any preexisting obligation undertaken by the Transferor Companies prior to the Appointed Date except with prior written consent of the Transferee Company.



7.4 The Transferor Companies shall not, without prior written consent of the Transferee Company, undertake any new business.

7.5 The Transferor Companies shall not, without prior written consent of the Transferee Company, take any major policy decisions in respect of management of the Company and for the business of the Company and shall not change its present capital structure.

8 EMPLOYEES:

8.1 All employees of the Transferor Companies in service on the Effective Date shall become employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to the Transferor Company as on the said date.

8.2 It is provided that so far as the Provident Fund, or any other Special Scheme(s) / Fund(s), if any, created or existing for the benefit of the employees of the Transferor Companies are concerned, upon the coming into effect of this Scheme, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever related to the administration or operation of such Schemes or Funds or in relation to the obligation to make contributions to the said Schemes / Funds in accordance with provisions of such Schemes / Funds as per the terms provided in the respective Trust Deeds, to the end and intent that all the rights, duties, powers and obligations of the Transferor Companies in relation to such Schemes / Funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Companies will be treated as having been continuous for the purpose of the aforesaid Schemes / Funds.

9 ISSUE OF SHARES BY THE TRANSFEE COMPANY:

Since the Transferor Companies are wholly owned subsidiaries of the Transferee Company and all the shares of the Transferor Companies are held by the Transferee Company and its nominee, no new shares will be issued in the course of the said amalgamation of Transferor Companies with the Transferee Company.

10 ACCOUNTING TREATMENT

- 10.1 The Transferee Company shall, upon the Scheme coming into effect, record the assets and liabilities of the Transferor Companies vested in it pursuant to this Scheme, at the respective book values thereof as appearing in the books of the Transferor Companies with effect from the Appointed Date.
- 10.2 Subject to any corrections and adjustments as may in the opinion of the Board of Directors of the Transferee Company be required, the reserves of the Transferor Companies at the close of business of the day immediately preceding the respective Appointed Dates will be merged with those of the Transferee Company in the same form as they appear in the financial statements of the Transferor Companies. Balances in the Profit & Loss account of the Transferor Companies shall be similarly aggregated with the balances in Profit & Loss account of the Transferee Company. In other words, the identity of the reserves of the Transferor Companies shall be preserved in the hands of the Transferee Company.
- 10.3 Investments of the Transferee Company represented by the Share Capital in the Transferor Companies shall be cancelled in the books of the Transferee Company.
- 10.4 To the extent that there are inter-corporate loans or balances between the Transferor Companies inter se and/or the Transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be. For the removal of doubts, it is hereby clarified that there would be no accrual of interest or other charges in respect of any such inter-company loans or balances with effect from the Appointed Date.
- 10.5 In case of any difference in any of the accounting policies between the Transferor Companies and the Transferee Company, the impact of the same in the amalgamation will be quantified and adjusted in the General Reserve to ensure that the financial statement of the Transferee Company reflects the financial position on the basis of consistent accounting policies.

10.6 Subject to what is contained in articles 10.1 to 10.5 hereinabove, excess, if any, of the value of the net assets of the Transferor Companies over the liabilities shall be credited by the Transferee Company to the General Reserve and the said account shall be treated as free reserve of the Transferee Company. The deficit, if any, shall be debited by the Transferee Company to its Goodwill Account.

10.7 Notwithstanding the above, the Board of Directors of the Transferee Company, in consultation with the auditors, is authorised to account any of these balances in any manner whatsoever, as may be deemed fit.

11 DIVIDEND, PROFIT, BONUS, RIGHT SHARES:

11.1. Without prior approval from board of directors of the Transferee Company, the Transferor Companies shall not declare and pay dividends, whether interim or final, to their respective Equity Shareholders in respect of the financial year ending on or after the Appointed Date.

11.2. Subject to the provisions of this Scheme, the profits of the Transferor Companies for the period beginning from 1st April, 2008 shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit.

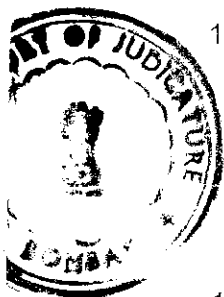
11.3. The Transferor Companies shall not except with the consent of the Board of Directors of the Transferee Company alter its paid up capital structure, after the approval of the Scheme by the Board of Directors of the Transferor Companies and the Transferee Company.

12 DISSOLUTION OF THE TRANSFEROR COMPANIES:

The Transferor Companies shall be dissolved without winding up on an order made by the High Court of Bombay under Section 394 of the Companies Act.

13 APPLICATION TO THE HIGH COURT:

The Transferor Companies and the Transferee Company with all reasonable dispatch, make applications/petitions under Sections 391 and 394 and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanctioning of this Scheme and for dissolution of the Transferor Companies without winding up under the provisions of the Act.



14 MODIFICATIONS, AMENDMENTS TO THE SCHEME:

14.1 The Transferor Companies (by their Board of Directors) and the Transferee Company (by its Board of Directors) may, in their full and absolute discretion, assent to any alteration or modification or amendment of this Scheme which the Courts and/or any other Competent Authority may deem fit to direct or impose and may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith.

14.2 The Board of Directors of the Transferor Companies hereby authorise the Board of Directors of the Transferee Company to give assent to any modifications or amendment(s) in the Scheme which may be considered necessary or desirable for any reason whatsoever and without prejudice to the generality of the foregoing, any modification to the Scheme involving withdrawal of any of the parties to the Scheme at any time and for any reason whatsoever, the implementation of the Scheme shall not get adversely affected as a result of acceptance of any such modification by the Board of the Transferee Company and the Board of the Transferee Company be and is hereby authorized by the Board of Directors of the Transferor Companies to take such steps and to do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith. For the removal of doubt, it is hereby clarified that withdrawal by any one of the Transferor Companies from the Scheme shall not prejudicially affect the implementation of the Scheme between the remaining party. In such a circumstance, the Scheme shall remain in full force and effect and be implemented by and between the remaining Transferor Companies and the Transferee Company as if the party withdrawing from the Scheme was never a party to the Scheme in that behalf.

15 SCHEME CONDITIONAL UPON APPROVALS / SANCTIONS:

This Scheme is specifically conditional upon and subject to:

15.1 Approval of and agreement to the Scheme by the requisite majorities of such Classes of persons of the Transferor Companies and Transferee Company as may be directed by the High Court of Judicature at Bombay on the applications made for directions under Section 391 of the said Act for calling or dispensing with meetings and necessary resolutions being passed under the Act for the purpose.

15.2 The sanctions of the High Court of Judicature at Bombay being obtained under Sections 391 and 394 and other applicable provisions of the Act, if so required on behalf of the Transferor Companies and Transferee Company.

15.3 The authenticated / certified copies of the Court Order referred to in the Scheme being filed with the Registrar of Companies, Maharashtra, Mumbai.

15.4 All other sanctions and approvals as may be required under this law with regard to this scheme obtained.

16 EFFECT OF NON-RECEIPT OF APPROVAL / SANCTION:

In the event of any of the approvals or conditions enumerated in clause 15 above not being obtained or complied or for any reasons this Scheme cannot be implemented then the Board of Directors of the Transferor Companies and the Transferee Company shall waive such conditions as they consider appropriate to give effect appropriately and, as far as possible, to this Scheme and failing such agreement or in case this Scheme is not sanctioned by the High Court of Judicature at Bombay, then the Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se between the Transferor Companies and the Transferee Company or their shareholders or creditors or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.

17 EXPENSES CONNECTED WITH THE SCHEME.

All cost, charges, and expenses in relation to or in connection with this scheme and of carrying out and completing the terms and provisions of this scheme and/or incidental to the completion of amalgamation of the said undertaking of the Transferor Companies in pursuance of the scheme shall be borne and paid by the Transferee Company. Similarly the Transferee Company shall alone bear any duties or taxes



leviable including stamp duty in pursuance to or as a consequence of the scheme of amalgamation.

*Prady
V. S. Srinivasan*

TRUE-COPY
M. D. Nair 13/03/19
M. D. NAIR
OFFICIAL SECRETARY
HIGH COURT (S.S.)
BOMBAY



IN THE HIGH COURT OF JUDICATURE AT

BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 787 OF 2008

CONNECTED WITH

COMPANY APPLICATION NO. 1275 OF 2008

In the matter of the Companies Act I of 1956

AND

In the matter of Sections 391 to 394 of the
Companies Act, 1956;

AND

In the matter of the Scheme of
Amalgamation of

VERIGOLD FINE JEWELLERY PRIVATE
LIMITED

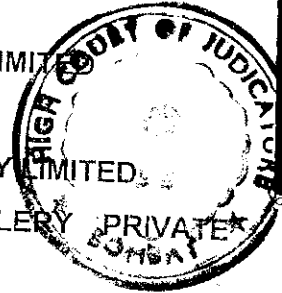
AND

LJ CREATIONS PRIVATE LIMITED

WITH

RENAISSANCE JEWELLERY LIMITED

VERIGOLD FINE JEWELLERY PRIVATE
LIMITED..... PETITIONER



AUTHENTICATED COPY OF ORDER DATED
14th NOVEMBER, 2008 AND SCHEME OF
AMALGAMATION ANNEXED TO PETITION

HEMANT SETHI & CO

ADVOCATE FOR THE PETITIONER

302 SATNAM BUILDING

3-A SION (WEST)

MUMBAI - 400 022

5-03-2009
5-03-2009
13/03/09
16/03/09