



GUJARAT AMBUJA EXPORTS LIMITED

A. NOTICE FOR COURT CONVENED MEETING FOR PROPOSED AMALGAMATION

B. 12TH ANNUAL REPORT FOR THE YEAR 2002-03

30TH SEPTEMBER, 2003

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SCHEDULE OF COURT CONVENED MEETING

Date : 30th September, 2003
 Day : Tuesday
 Time : 1:30 P.M.
 Venue : Dinesh Hall, Nr. Income Tax Circle,
 Off. Ashram Road, Ahmedabad: 380009

SCHEDULE OF ANNUAL GENERAL MEETING

Date : 30th September, 2003
 Day : Tuesday
 Time : 12.30 P.M.
 Venue : Dinesh Hall, Nr. Income Tax Circle,
 Off. Ashram Road, Ahmedabad: 380009

FORM NO. 37

[Rule 73 of the Companies(Court) Rules,1959]
IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
ORIGINAL JURISDICTION
IN THE MATTER OF THE COMPANIES ACT,1956

AND
IN THE MATTER OF GUJARAT AMBUJA EXPORTS LIMITED
COMPANY APPLICATION NO. 411 OF 2003

In the matter of the Companies Act,1956

And

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

And

In the matter of Gujarat Ambuja Exports Limited

And

In the matter of the Scheme of Amalgamation of
Jupiter Biotech Limited

with

Gujarat Ambuja Exports Limited

Gujarat Ambuja Exports Limited

A company incorporated under the
Companies Act, 1956 and having its
Registered Office at
Ambuja Tower, Opp.Memnagar Fire Station,
P.O.Navjivan, Navrangpura,
AHMEDABAD - 380 014

Applicant

FORM OF PROXY

I/We, the undersigned Equity Shareholder(s) of the above Applicant Company hereby appoint _____
of _____
and failing him/her _____ of _____

as my/our proxy, to act for me/us at the meeting of the

Equity Shareholder(s) of the Applicant Company to be held at Dinesh Hall, Nr. Income Tax Circle, Off Ashram Road, Ahmedabad -380 009 on Tuesday, the 30th September, 2003 at 1.30 p.m. for the purpose of considering and if thought fit, approving, with or without modification(s), the compromise or arrangement in the nature of amalgamation of Jupiter Biotech Limited, with the Applicant Company and at such meeting and any adjournment thereof, to vote for me/us and in my/our name(s) _____ (here" if for" insert 'for', "if against" insert 'against', and in the latter case, strike out the words either "with" or "without modification" after the word "Amalgamation" appearing hereinafter) the said arrangement embodied in the Scheme of Amalgamation either "with" or "without modification(s)", as my/our proxy may approve.

Dated this _____ day of _____ 2003.

Name of Equity Shareholder(s) :

Signature _____

Address : _____

Revenue
stamp of
Re. 1/- to
be affixed

Folio No/DP-ID & Client ID: _____

- Notes : 1. The Form of Proxy must be deposited at the Registered Office of the Applicant Company at "AMBUJA TOWER" Opp. Memnagar Fire Station, Po. Navjivan, Navrangpura, Ahmedabad - 380 014 at least 48 hours before the first time for holding the meeting as mentioned above. The proxy need not be a Equity Shareholder of the Applicant Company.
2. All alterations made in the Form of Proxy should be initialed.
3. Please affix appropriate Revenue Stamp before putting signature(s) & sign across the stamp as per specimen signature registered with the Company.

GUJARAT AMBUJA EXPORTS LIMITED**ATTENDANCE SLIP FOR EQUITY SHAREHOLDERS' COURT CONVENED MEETING**

I hereby record my presence at the Court convened meeting of the Equity Shareholders of **Gujarat Ambuja Exports Limited** to be held at Dinesh Hall, Nr. Income Tax Circle, Off Ashram Road, Ahmedabad - 380 009 on Tuesday, the 30th September, 2003 at 1.30 p.m.

Full Name of the Shareholder : _____
(In block letters)

Folio No. (For Physical Shares) or DP_ID and Client-ID (For Demat Shares) _____

No. of Shares held : _____ Signature of Shareholder _____

Full name of the Proxy : _____
(in block letters)

Signature of Proxy : _____

Note: The Equity shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

FORM NO. 36

[Rule 73 of the Companies (Court) Rules, 1959]

**IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
ORIGINAL JURISDICTION**

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

**IN THE MATTER OF GUJARAT AMBUJA EXPORTS LIMITED
COMPANY APPLICATION NO. 411 OF 2003**

In the matter of the Companies Act, 1956

And

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

And

In the matter of Gujarat Ambuja Exports Limited

And

In the matter of the Scheme of Amalgamation of
Jupiter Biotech Limited

with

Gujarat Ambuja Exports Limited

Gujarat Ambuja Exports Limited

A company incorporated under the
Companies Act, 1956 and having its
Registered Office at
Ambuja Tower, Opp Memnagar Fire Station,
P.O. Navjivan, Navrangpura,
AHMEDABAD - 380 014

Applicant

**NOTICE CONVENING MEETING OF THE EQUITY
SHAREHOLDERS OF GUJARAT AMBUJA EXPORTS LIMITED,
THE APPLICANT COMPANY**

To,

The Equity Shareholders of the Applicant Company

TAKE NOTICE that by an Order made on the 29th July, 2003, the Honourable High Court has directed that a meeting of the Equity Shareholders of the Applicant Company be held at Dinesh Hall, Nr. Income Tax Circle, Off Ashram Road, Ahmedabad -380 009 on Tuesday, the 30th September, 2003 at 1.30 p.m. for the purpose of considering and if thought fit, approving, with or without modification(s), the compromise or arrangement in the nature of amalgamation of Jupiter Biotech Limited with the Applicant Company.

TAKE FURTHER NOTICE that in pursuance to the said Order, a meeting of the Equity Shareholders of the Applicant Company will be held at Dinesh Hall, Nr. Income Tax Circle, Off Ashram Road, Ahmedabad -380 009 on Tuesday, the 30th September, 2003 at 1.30 p.m. at which time and place you are requested to attend.

TAKE FURTHER NOTICE that you, the Equity Shareholders may attend and vote at the said meeting in person or by proxy, provided that the proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the Applicant Company at "AMBUJA TOWER" Opp. Memnagar Fire Station, P.O. Navjivan, Navrangpura, Ahmedabad - 380 014 not later than 48 hours before the meeting.

The High Court has appointed Mr. Vijay Kumar Gupta, Chairman & Managing Director of the Company and failing him Mr. Manish Gupta, Managing Director of the Company to be the Chairman of the said meeting.

A copy of each of the Scheme of Amalgamation, the statement under Section 393 of the Companies Act, 1956 and Form of Proxy is enclosed.

Dated this 4th August, 2003

Registered Office :

"AMBUJA TOWER"

Opp. Memnagar Fire Station,
Po. Navjivan, Navrangpura,
Ahmedabad - 380 014.

Sd/-

(Vijaykumar D Gupta)

Chairman (appointed for the Meeting)

[Note: All alteration made in the form of proxy should be initialed]

SCHEME OF AMALGAMATION

of

JUPITER BIOTECH LIMITED

with

GUJARAT AMBUJA EXPORTS LIMITED

1.

DEFINITIONS

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

- 1.1 "The Act" means the Companies Act, 1956 as amended from time to time.
- 1.2 "The Appointed Date" means 1st April, 2003.
- 1.3 "The Effective Date" means the date on which the certified copies of the orders of the High Court at Ahmedabad under Section 391 and 394 of the Act are filed with the Registrar of Companies, Gujarat at Ahmedabad and if the certified copies are filed on different dates, the last of the dates.
- 1.4 "Scheme" means this "Scheme of Amalgamation" for the amalgamation of the Transferor Company with the Transferee Company.
- 1.5 "The Transferee Company" means GUJARAT AMBUJA EXPORTS LIMITED, an existing company under the Companies Act, 1956 having its Registered Office at "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, P.O. Navjivan, Ahmedabad 380014
- 1.6 "The Transferor Company" means JUPITER BIOTECH LIMITED, a company incorporated under the Companies Act, 1956, having its Registered Office at "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, P.O. Navjivan, Ahmedabad 380014
- 1.7 "The Undertaking" means all business and properties, whether movable or immovable, real or personal, corporal or incorporeal, material or intellectual, present or contingent including but without being limited to all assets, fixed assets, current assets, investments, reserves, provisions, funds, immovable properties, quota rights, licences, registrations, copyrights, patents, trade marks and other industrial rights and licences in respect thereof, applications for copyrights, patents, trade marks, leases, licences, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, computers, office equipments and all utilities including electricity, water and other service connections, telephones, telexes, facsimile connections, installations, communication facilities, equipment and installations, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, funds, cash, bank balances, accounts and all other rights, claims and powers of whatsoever nature and wheresoever situate belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date and all earnest money and/or deposits including security deposits paid by the Transferor Company as on the Appointed Date (hereinafter the "Assets") and all debts, Liabilities, duties, contingent liabilities, and obligations of every kind, nature and description of the Transferor Company.

2.

DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out in its present form or with any modification(s) approved or imposed or directed by the High Court of Judicature at Ahmedabad though operative from the Effective date shall be effective from the 'Appointed date'.

3.

TRANSFER OF UNDERTAKING

- 3.1 Upon the coming into effect of the Scheme that is with effect from the Appointed Date the whole of the undertaking of Transferor Company shall be transferred to and/or vest in or be deemed to be transferred to and/or vested in the Transferee Company without any further act, instrument or deed.
- 3.2 Notwithstanding what is stated in Para 3.1 above, it is expressly provided that such of the assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery of the same shall be so transferred by the Transferor Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.
- 3.3 In respect of such of the assets other than those referred to in Para 3.2 above, the same shall, without further act, instrument or deed, be transferred to and/or vested in and/or deemed to be transferred to and/or vested in the Transferee Company on the appointed day in accordance with the provisions of Section 391 to Section 394 of the Companies Act, 1956.

3.4 All debts, Liabilities, duties, contingent liabilities, and obligations of every kind, nature and description of the Transferor Company shall also, under the provisions of Section 391 and 394 of the Act, without further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties, contingent liabilities and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties, contingent liabilities and obligations have arisen, in order to give effect to the provisions of this Sub-clause.

3.5 The transfer and vesting of the undertaking of the Transferor Company as aforesaid shall be subject to the existing securities charges and mortgages, if any subsisting, over or in respect of the property and assets or any part thereof of the Transferor Company provided however, any reference in any security documents or arrangements (to which the Transferor Company is a party) to the assets of the Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the undertaking of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Company or any of the assets of the Transferee Company, unless specifically agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company. Provided Further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company, unless specifically agreed to by the Transferee Company with such secured creditors of the Transferee Company and subject to the consents and approvals of the existing secured creditors of the Transferor Company. Provided Always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation of the Transferor Company with the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefore after the amalgamation has become operative.

4. ISSUE OF SHARES

- 4.1 Upon this Scheme coming into effect and in consideration thereof, the Transferee Company shall, without any application or deed, issue and allot to every member of the Transferor Company (other than the Transferee Company) holding fully paid-up equity shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on such date (hereinafter called "the Record Date") as the Board of Directors of the Transferee Company will determine, One fully paid-up Equity Share of Rs. 10/- each of the Transferee Company with rights attached thereto as hereinafter mentioned (hereinafter referred to as "the new Equity Shares") in respect of every One Fully paid-up Equity Shares of the face value of Rs. 10/- each held by such member in the capital of the Transferor Company as on the Record Date. The Equity Shares of Transferee Company shall be issued in Electronic form to the such shareholders of Transferor Company who hold shares in Electronic form in Transferor Company as on record date and to other shareholders of Transferor Company in physical form.
- 4.2 Upon the Scheme being operative, the equity shares held by the Transferee Company in the share capital of the Transferor Company, shall stand cancelled.
- 4.3 Upon this Scheme becoming finally effective, all shareholders of the Transferor Company holding shares in physical form only, if so required by the Transferee Company, shall surrender their share certificates for cancellation thereof to the Transferee Company. Notwithstanding anything to the contrary upon the issue and allotment of new shares in the Transferee Company to the eligible shareholders of the Transferor Company whose names appear in its Register of Members on date to be fixed by the Directors of the Transferee Company, the share certificates in relation to the shares held by them in the Transferor Company shall be deemed to have been automatically

cancelled and be of no effect, on and from such Record Date and the Transferee Company may at its option instead of requiring the surrender of the share certificates, as above, directly issue and dispatch new share certificates of the Transferee Company in lieu thereof.

- 4.4 The Transferee Company Shall, if and to the extent necessary, apply for and obtain the consent and approval of the Reserve Bank of India and other authorities for the issue and allotment of the Equity Shares in Share Capital of Transferee Company.
- 4.5 The Transferor Company shall be entitled to declare and pay dividend to its shareholders for any financial year or any period after the Appointed Date subject, however, to the prior written approval of the Board of Directors of the Transferee Company.
- 4.6 The Equity Shares of the Transferee Company to be issued and allotted to the equity shareholders of the Transferor Company as provided in Sub Clause 4.1 hereof shall rank pari passu in all respects with the Equity Shares of the Transferee Company including dividend voting rights and in all other respects. The holders of the shares of the Transferor Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends from the Transferor Company till the Effective Date.
- 4.7 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company to demand or claim any dividend which, subject to the provisions of the said Act, shall be entirely at the discretion of the Boards of Directors of the Transferor Company and the Transferee Company and subject to the approval of the shareholders of the Transferor Company and the Transferee Company respectively.
- 4.8 The Equity shares of the Transferee Company so allotted to the shareholders of Transferor Company shall be listed at the Stock Exchanges where the existing Equity Shares of Transferee Company are listed as on Effective Date.

5. ACCOUNTING TREATMENT OF ASSETS, LIABILITIES AND RESERVES OF THE TRANSFEROR COMPANY

- 5.1 It is provided that upon the Scheme being effective, the balances appearing under the Deferred Tax Liabilities net off of Deferred Tax Assets in the books of Accounts of the Transferor Company, shall be available as free reserves and be credited to General Reserves of the Transferee Company.
- 5.2 The Transferee Company shall record the reserves (including the Share Premium Account) of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company at the close of business of the day immediately preceding the Appointed Date. Balances in the Profit and Loss Account of the Transferor Company shall be similarly aggregated with the balances in Profit and Loss Account of the Transferee Company.
- 5.3 To the extent that there are inter-corporate loans or balances, if any between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 5.4 It is provided that the excess of the value of the net assets of the Transferor company as appearing in the books of account of the Transferor Company over the paid up value of the shares to be issued and allotted pursuant to the terms of Clause 4 above, shall be credited in the books of the Transferee Company to a separate account to be named and styled as "Amalgamation Reserve Account". The said account shall be considered as free reserve and shall form part of the net worth of the Transferee Company.
- 5.5 The shortfall of the value of the net assets of the Transferor Companies as appearing in the books of accounts of the Transferor Companies from the paid up value of the shares to be issued and allotted pursuant to the terms of Clause 4 above, shall be accounted for and dealt with in the books of the Transferee Company as separate account to be named and styled as "Amalgamation/Goodwill Account".
- 5.6 Further, in case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted in the Amalgamation Reserve OR Goodwill Account as mentioned earlier to ensure that the financial statement to the Transferee Company reflects the financial position on the basis of consistency in the accounting policy.

- 5.7 Notwithstanding the above, the Board of Directors of the Transferee Company, in consultation with its Auditors, is authorised to account any of the balances in any manner whatsoever as may be deemed fit.
- 6. BUSINESS AND PROPERTY IN TRUST FOR TRANSFeree COMPANY**
- 6.1 With effect from the "Appointed Date" and up to Effective Date:
- The Transferor Company shall carry on and shall be deemed to have carried on its business and activities and shall stand possessed of and shall be deemed to have held and stood possessed of its part of the Assets referred to in Clause 3 above, on account of and in trust for the Transferee Company.
 - The Transferor Company shall carry on its business and activities with due business prudence and diligence and shall not without the prior written consent of the Transferee Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with any part of the said Assets referred to in Clause 3 above nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of its business.
- 6.2 With effect from the Appointed Date, all the profits or incomes accruing or arising to the Transferor Companies shall for all purposes be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses, as the case may be, of the Transferee Company.
- 7. LEGAL PROCEEDINGS**
- On and from the Appointed Date, all suits, actions and other legal proceedings by or against the Transferor Company and pending on the Effective Date shall be continued and/or enforced by or against the Transferee Company as effectively and in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company as if the same had been instituted and/or pending by or against the Transferee Company.
- 8. EMPLOYEES**
- On Amalgamation of the Transferor Company with the Transferee Company the services of all the permanent employees of the Transferor Company shall stand transferred to the Transferee Company on the terms and conditions not less favourable than those subsisting with reference to the Transferor Companies and without any interruption of service. The position, rank and designation of the employees would be decided by the Transferee Company. The Transferee Company agrees that the services of all such employees with the Transferor Company upto the "Effective Date" will be taken into account for the purpose of all retirement benefits to which they may be eligible in the Transferor Company on the Effective Date. The Transferee Company further agrees that for the purpose of any retrenchment compensation, such past services with the Transferor Company shall also be taken into account.
- 9. CONTRACTS AND DEEDS**
- On and from the Appointed Date and subject to the provisions to the contrary herein contained, if any, all contracts, deeds, bonds, agreements, arrangements, engagements and other instruments, if any, of whatsoever nature to which the transferor Company is a party or to the benefit of which the Transferor Company is entitled and subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectively as if, instead of the Transferor Company it had been a party thereto or beneficiary in respect thereof. The Transferee Company shall if and to the extent by law required, enter into and/or execute deeds, writings or confirmations to give formal effect to the provisions of this Clause and to the extent that the Transferor Company is required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company.
- 10. SAVING OF CONCLUDED TRANSACTIONS**
- The transfer of undertaking under Clauses 3 above and/or the continuance of proceedings by or against the Transferee Company under Clause 6, 7, 8 & 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds, and things done and executed by the Transferor
- Company in respect thereto in accordance with the Scheme as done and executed on behalf of itself.
- 11. DISSOLUTION OF THE TRANSFEROR COMPANY**
- On the Scheme becoming operative, The Transferor Company shall be dissolved without winding up.
- 12. APPLICATION TO HIGH COURT**
- The Transferor Company and the Transferee Company shall with all reasonable dispatch, make applications to the High Court of Gujarat at Ahmedabad under Section 391 and Section 394 and other applicable provisions, if any, of the Act, for sanctioning of this Scheme and for dissolution of the Transferor Company without winding up and apply for and obtain such other approvals, as may be applicable, under the law.
- 13. APPROVALS AND MODIFICATIONS**
- 13.1 The Transferor Company and the Transferee Company may assent from time to time on behalf of all the persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations which the High Court of Judicature at Ahmedabad and/or the other competent authorities, if any, under the law may deem fit and approve of or impose and which the Transferor Company and the Transferee Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise for carrying out this Scheme and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Boards of Directors, a Committee of the concerned Board or any Director, authorized in that behalf by the concerned Board of Directors (hereinafter referred to as the "delegate").
- 13.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate of the Transferee Company may give and is hereby authorized to determine and give all such directions as are necessary including directions for setting 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.
- 14. SCHEME CONDITIONAL UPON**
- This Scheme is conditional upon and subject to :
- 14.1 Approval by the requisite majorities in number and value of Equity shareholders of the Transferee Company and Transferor Company as well as the creditors of the Transferor company or as may be directed by the Honorable High Court of Gujarat at Ahmedabad.
- 14.2 All Court sanctions and orders as are legally necessary or required under the Act, being obtained or passed before the 30th day of March, 2004 or within such further period or periods as may be agreed upon between the Board of Directors of the Transferor Company and the Board of Directors of the Transferee Company and which the respective Boards of Directors are hereby authorized to agree to and extend from time to time. In the event of any such consents, approvals, permissions, resolutions, agreements, sanctions or orders not being so obtained or passed or, obtained, being subject to any conditions, restrictions not reasonably acceptable to the Board of Directors of the Transferee Company, this Scheme shall become null and void, and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Transferor Company and the Transferee Company or their of any act or deed done prior there respective shareholders or creditors or employees or any other persons save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each Company shall bear its own cost unless otherwise mutually agreed.
- 15. COSTS, CHARGES AND EXPENSES**
- All costs, charges, taxes, including stamp duties, levies and all other expenses, if any (save as expressly otherwise agreed) 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 Transferee Company.

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
ORIGINAL JURISDICTION

COMPANY APPLICATION NOS. : 411 and 412 OF 2003

Explanatory statement to the Scheme of Amalgamation between Jupiter Biotech Limited and Gujarat Ambuja Exports Limited under Section 393 (1)(a) of the Companies Act, 1956.

1. A Scheme of amalgamation under the Provisions of the Companies Act, 1956 is proposed between Jupiter Biotech Limited (JBL), (hereinafter referred to as the Transferor Company) and Gujarat Ambuja Exports Limited (GAEL), (hereinafter referred to as the Transferee Company). Pursuant to the said scheme the Honorable High Court of Gujarat has directed to hold the meetings of Equity Shareholders of both the companies and Unsecured Creditors of the Transferor Company. Notice of the said meetings together with the copy of the Scheme of Amalgamation is sent herewith. This statement explaining the terms of the scheme of Amalgamation is being furnished as required u/s 393 (1)(a) of the Companies Act, 1956.
2. (a) The Transferor Company was incorporated on 6th November, 1986 under the Companies Act, 1956, in the name of Gujarat Vita Pharma Limited and later assumed its present name "Jupiter Biotech Limited" vide fresh certificate of incorporation issued consequent on change of name vide certificate dated. 18th January, 2001.
- (b) The Registered Office of the Transferor Company is situated at "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, PO. Navjivan, Ahmedabad 380014.
- (c) The Transferor Company is, inter alia engaged in the manufacturing and trading of Cattle Feed and other Agro Processing commodities. The objects for which the Transferor Company has been established are set out in its Memorandum of Association.
- (d) The Authorised Share Capital of the Transferor Company is Rs. 5,00,00,000/- divided into 50,00,000 Equity Shares of Rs.10/- each.
The Issued, Subscribed and Paid up Capital is Rs.4,14,00,000/- divided into 41,40,000 Equity Shares of Rs.10/- each.
3. (a) The Transferee Company was incorporated on 21st August, 1991 under the Companies Act, 1956, in the name of Gujarat Ambuja Exports Limited and since then it is carrying on its business in its present name, as appears in the Memorandum of Association.
Vide an Order dt. 17th December, 1998 passed by the Hon'ble High Court of Gujarat, M/s. Gujarat Ambuja Cotspin Limited and M/s. Gujarat Ambuja Proteins Limited were amalgamated with the Transferee Company.
- (b) The Registered Office of the Transferee Company is situated at "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, PO. Navjivan, Ahmedabad 380014.
- (c) The Transferee Company is engaged in the business of manufacture, sale and exports of Agro based commodities such as Cotton Yarn, Soya and other oil seeds processing and its derivatives, Maize based Starch and its derivatives, Wheat Flour and other products. The objects for which the Transferee Company has been established are set out in its Memorandum of Association.
- (d) The Authorised Share Capital of the Transferee Company is Rs. 30,00,00,000/- divided into 3,00,00,000 Equity Shares of Rs.10/- each.
The present Issued, Subscribed and Paid up capital of the Company is Rs. 23,76,56,980/- divided into 2,37,65,698 Equity Shares of Rs.10/- each.
4. The Amalgamation of the Transferor Company with the Transferee Company will be effected by a Scheme of Amalgamation (hereinafter referred to as "the Scheme") under Section 391 to 394 of the Companies Act, 1956.
5. The main benefits of the Amalgamation of the Transferor Company with the Transferee Company will be as follows:
 - (a) The Transferor Company has the vertical integration value added project of manufacturing of Cattle Feed while the Transferee Company manufactures basic raw materials required for this project. By amalgamation the project of Cattle Feed as well as the manufacture of De-oiled Cake would stand to benefit.
 - (b) The Amalgamation shall result into economies of scale and reduce unnecessary overheads and administrative expenses.

- (c) The nature of business of both the companies is similar to each other and the amalgamation would enable the amalgamated company to achieve optimum utilization of its resources and maximize returns.
- (d) The amalgamation would result in effective control, increased productivity, concentration of efforts particularly in export orientation, brand image and building corporate goodwill.
- (e) The amalgamation would result into effective utilization of technology, expert manpower and resources.
- (f) The amalgamation would result into strong asset base and improved presence in the market and it would help the growth at faster rate to give competitive edge over the others in the industry.

6. The Salient features of the Scheme are as under:

1. DEFINITIONS

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

- 1.2 "The Appointed Date" means 1st April, 2003.
- 1.3 "The Effective Date" means the date on which the certified copies of the orders of the High Court at Ahmedabad under Section 391 and 394 of the Act are filed with the Registrar of Companies, Gujarat at Ahmedabad and if the certified copies are filed on different dates, the last of the dates.
- 1.4 "Scheme" means this "Scheme of Amalgamation" for the amalgamation of the Transferor Company with the Transferee Company.
- 1.5 "The Transferee Company" means GUJARAT AMBUJA EXPORTS LIMITED, an existing company under the Companies Act, 1956 having its Registered Office at "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, PO. Navjivan, Ahmedabad 380014.
- 1.6 "The Transferor Company" means JUPITER BIOTECH LIMITED, a company incorporated under the Companies Act, 1956, having its Registered Office at "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, PO. Navjivan, Ahmedabad 380014.
- 1.7 "The Undertaking" means all business and properties, whether movable or immovable, real or personal, corporal or incorporeal, material or intellectual, present or contingent including but without being limited to all assets, fixed assets, current assets, investments, reserves, provisions, funds, immovable properties, quota rights, licences, registrations, copyrights, patents, trade marks and other industrial rights and licences in respect thereof, applications for copyrights, patents, trade marks, leases, licences, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, computers, office equipments and all utilities including electricity, water and other service connections, telephones, telexes, facsimile connections, installations, communication facilities, equipment and installations, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, funds, cash, bank balances, accounts and all other rights, claims and powers of whatsoever nature and wheresoever situate belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date and all earnest money and/or deposits including security deposits paid by the Transferor Company as on the Appointed Date (hereinafter the "Assets") and all debts, Liabilities, duties, contingent liabilities, and obligations of every kind, nature and description of the Transferor Company.
3. TRANSFER OF UNDERTAKING
 - 3.1 Upon the coming into effect of the Scheme that is with effect from the Appointed Date the whole of the undertaking of Transferor Company shall be transferred to and vest in or be deemed to be transferred to and vested in the Transferee Company without any further act, instrument or deed.
 - 3.2 Notwithstanding what is stated in Para 3.1 above, it is expressly provided that such of the assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery of the same shall be so transferred by the Transferor Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.

- 5.7 Notwithstanding the above, the Board of Directors of the Transferee Company, in consultation with its Auditors, is authorised to account any of the balances in any manner whatsoever as may be deemed fit.
- 6. BUSINESS AND PROPERTY IN TRUST FOR TRANSFeree COMPANY**
- 6.1 With effect from the "Appointed Date" and up to Effective Date:
- The Transferor Company shall carry on and shall be deemed to have carried on its business and activities and shall stand possessed of and shall be deemed to have held and stood possessed of its part of the Assets referred to in Clause 3 above, on account of and in trust for the Transferee Company.
 - The Transferor Company shall carry on its business and activities with due business prudence and diligence and shall not without the prior written consent of the Transferee Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with any part of the said Assets referred to in Clause 3 above nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of its business.
- 6.2 With effect from the Appointed Date, all the profits or incomes accruing or arising to the Transferor Companies shall for all purposes be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses, as the case may be, of the Transferee Company.
- 7. LEGAL PROCEEDINGS**
- On and from the Appointed Date, all suits, actions and other legal proceedings by or against the Transferor Company and pending on the Effective Date shall be continued and/or enforced by or against the Transferee Company as effectively and in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company as if the same had been instituted and/or pending by or against the Transferee Company.
- 8. EMPLOYEES**
- On Amalgamation of the Transferor Company with the Transferee Company the services of all the permanent employees of the Transferor Company shall stand transferred to the Transferee Company on the terms and conditions not less favourable than those subsisting with reference to the Transferor Companies and without any interruption of service. The position, rank and designation of the employees would be decided by the Transferee Company. The Transferee Company agrees that the services of all such employees with the Transferor Company upto the "Effective Date" will be taken into account for the purpose of all retirement benefits to which they may be eligible in the Transferor Company on the Effective Date. The Transferee Company further agrees that for the purpose of any retrenchment compensation, such past services with the Transferor Company shall also be taken into account.
- 9. CONTRACTS AND DEEDS**
- On and from the Appointed Date and subject to the provisions to the contrary herein contained, if any, all contracts, deeds, bonds, agreements, arrangements, engagements and other instruments, if any, of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company is entitled and subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectively as if, instead of the Transferor Company it had been a party thereto or beneficiary in respect thereof. The Transferee Company shall if and to the extent by law required, enter into and/or execute deeds, writings or confirmations to give formal effect to the provisions of this Clause and to the extent that the Transferor Company is required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company.
- 10. SAVING OF CONCLUDED TRANSACTIONS**
- The transfer of undertaking under Clauses 3 above and/or the continuance of proceedings by or against the Transferee Company under Clause 6, 7, 8 & 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds, and things done and executed by the Transferor Company in respect thereto in accordance with the Scheme as done and executed on behalf of itself.
- 11. DISSOLUTION OF THE TRANSFEROR COMPANY**
- On the Scheme becoming operative, The Transferor Company shall be dissolved without winding up.
- 12. APPLICATION TO HIGH COURT**
- The Transferor Company and the Transferee Company shall with all reasonable dispatch, make applications to the High Court of Gujarat at Ahmedabad under Section 391 and Section 394 and other applicable provisions, if any, of the Act, for sanctioning of this Scheme and for dissolution of the Transferor Company without winding up and apply for and obtain such other approvals, as may be applicable, under the law.
- 13. APPROVALS AND MODIFICATIONS**
- 13.1 The Transferor Company and the Transferee Company may assent from time to time on behalf of all the persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations which the High Court of Judicature at Ahmedabad and/or the other competent authorities, if any, under the law may deem fit and approve of or impose and which the Transferor Company and the Transferee Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise for carrying out this Scheme and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Boards of Directors, a Committee of the concerned Board or any Director, authorized in that behalf by the concerned Board of Directors (hereinafter referred to as the "delegate").
- 13.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate of the Transferee Company may give and is hereby authorized to determine and give all such directions as are necessary including directions for setting 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.
- 14. SCHEME CONDITIONAL UPON**
- This Scheme is conditional upon and subject to :
- 14.1 Approval by the requisite majorities in number and value of Equity shareholders of the Transferee Company and Transferor Company as well as the creditors of the Transferor company or as may be directed by the Honorable High Court of Gujarat at Ahmedabad.
- 14.2 All Court sanctions and orders as are legally necessary or required under the Act, being obtained or passed before the 30th day of March, 2004 or within such further period or periods as may be agreed upon between the Board of Directors of the Transferor Company and the Board of Directors of the Transferee Company and which the respective Boards of Directors are hereby authorized to agree to and extend from time to time. In the event of any such consents, approvals, permissions, resolutions, agreements, sanctions or orders not being so obtained or passed or, obtained, being subject to any conditions, restrictions not reasonably acceptable to the Board of Directors of the Transferee Company, this Scheme shall become null and void, and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Transferor Company and the Transferee Company or their of any act or deed done prior thereto respective shareholders or creditors or employees or any other persons save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each Company shall bear its own cost unless otherwise mutually agreed.
- 15. COSTS, CHARGES AND EXPENSES**
- All costs, charges, taxes, including stamp duties, levies and all other expenses, if any (save as expressly otherwise agreed) 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 Transferee Company.

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
ORIGINAL JURISDICTION

COMPANY APPLICATION NOS. : 411 and 412 OF 2003

Explanatory statement to the Scheme of Amalgamation between Jupiter Biotech Limited and Gujarat Ambuja Exports Limited under Section 393 (1)(a) of the Companies Act, 1956.

1. A Scheme of amalgamation under the Provisions of the Companies Act, 1956 is proposed between Jupiter Biotech Limited (JBL), (hereinafter referred to as the Transferor Company) and Gujarat Ambuja Exports Limited (GAEL), (hereinafter referred to as the Transferee Company). Pursuant to the said scheme the Honorable High Court of Gujarat has directed to hold the meetings of Equity Shareholders of both the companies and Unsecured Creditors of the Transferor Company. Notice of the said meetings together with the copy of the Scheme of Amalgamation is sent herewith. This statement explaining the terms of the scheme of Amalgamation is being furnished as required u/s 393 (1)(a) of the Companies Act, 1956.
2. (a) The Transferor Company was incorporated on 6th November, 1986 under the Companies Act, 1956, in the name of Gujarat Vita Pharma Limited and later assumed its present name "Jupiter Biotech Limited" vide fresh certificate of incorporation issued consequent on change of name vide certificate dated. 18th January, 2001.
(b) The Registered Office of the Transferor Company is situated at "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, PO. Navjivan, Ahmedabad 380014.
(c) The Transferor Company is, inter alia engaged in the manufacturing and trading of Cattle Feed and other Agro Processing commodities. The objects for which the Transferor Company has been established are set out in its Memorandum of Association.
(d) The Authorised Share Capital of the Transferor Company is Rs. 5,00,00,000/- divided into 50,00,000 Equity Shares of Rs.10/- each.
The Issued, Subscribed and Paid up Capital is Rs.4,14,00,000/- divided into 41,40,000 Equity Shares of Rs.10/- each.
3. (a) The Transferee Company was incorporated on 21st August, 1991 under the Companies Act, 1956, in the name of Gujarat Ambuja Exports Limited and since then it is carrying on its business in its present name, as appears in the Memorandum of Association.
Vide an Order dt. 17th December, 1998 passed by the Hon'ble High Court of Gujarat, M/s. Gujarat Ambuja Cotspin Limited and M/s. Gujarat Ambuja Proteins Limited were amalgamated with the Transferee Company.
(b) The Registered Office of the Transferee Company is situated at "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, PO. Navjivan, Ahmedabad 380014.
(c) The Transferee Company is engaged in the business of manufacture, sale and exports of Agro based commodities such as Cotton Yarn, Soya and other oil seeds processing and its derivatives, Maize based Starch and its derivatives, Wheat Flour and other products. The objects for which the Transferee Company has been established are set out in its Memorandum of Association.
(d) The Authorised Share Capital of the Transferee Company is Rs. 30,00,00,000/- divided into 3,00,00,000 Equity Shares of Rs.10/- each.
The present Issued, Subscribed and Paid up capital of the Company is Rs. 23,76,56,980/- divided into 2,37,65,698 Equity Shares of Rs.10/- each.
4. The Amalgamation of the Transferor Company with the Transferee Company will be effected by a Scheme of Amalgamation (hereinafter referred to as "the Scheme") under Section 391 to 394 of the Companies Act, 1956.
5. The main benefits of the Amalgamation of the Transferor Company with the Transferee Company will be as follows:
(a) The Transferor Company has the vertical integration value added project of manufacturing of Cattle Feed while the Transferee Company manufactures basic raw materials required for this project. By amalgamation the project of Cattle Feed as well as the manufacture of De-oiled Cake would stand to benefit.
(b) The Amalgamation shall result into economies of scale and reduce unnecessary overheads and administrative expenses.

- (c) The nature of business of both the companies is similar to each other and the amalgamation would enable the amalgamated company to achieve optimum utilization of its resources and maximize returns.
- (d) The amalgamation would result in effective control, increased productivity, concentration of efforts particularly in export orientation, brand image and building corporate goodwill.
- (e) The amalgamation would result into effective utilization of technology, expert manpower and resources.
- (f) The amalgamation would result into strong asset base and improved presence in the market and it would help the growth at faster rate to give competitive edge over the others in the industry.

6. The Salient features of the Scheme are as under:

1. **DEFINITIONS**

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

- 1.2 "The Appointed Date" means 1st April, 2003.
- 1.3 "The Effective Date" means the date on which the certified copies of the orders of the High Court at Ahmedabad under Section 391 and 394 of the Act are filed with the Registrar of Companies, Gujarat at Ahmedabad and if the certified copies are filed on different dates, the last of the dates.
- 1.4 "Scheme" means this "Scheme of Amalgamation" for the amalgamation of the Transferor Company with the Transferee Company.
- 1.5 "The Transferee Company" means GUJARAT AMBUJA EXPORTS LIMITED, an existing company under the Companies Act, 1956 having its Registered Office at "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, PO. Navjivan, Ahmedabad 380014.
- 1.6 "The Transferor Company" means JUPITER BIOTECH LIMITED, a company incorporated under the Companies Act, 1956, having its Registered Office at "Ambuja Tower", Opp. Memnagar Fire Station, Navrangpura, PO. Navjivan, Ahmedabad 380014.
- 1.7 "The Undertaking" means all business and properties, whether movable or immovable, real or personal, corporal or incorporeal, material or intellectual, present or contingent including but without being limited to all assets, fixed assets, current assets, investments, reserves, provisions, funds, immovable properties, quota rights, licences, registrations, copyrights, patents, trade marks and other industrial rights and licences in respect thereof, applications for copyrights, patents, trade marks, leases, licences, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, computers, office equipments and all utilities including electricity, water and other service connections, telephones, telexes, facsimile connections, installations, communication facilities, equipment and installations, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, funds, cash, bank balances, accounts and all other rights, claims and powers of whatsoever nature and wheresoever situate belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date and all earnest money and/or deposits including security deposits paid by the Transferor Company as on the Appointed Date (hereinafter the "Assets") and all debts, liabilities, duties, contingent liabilities, and obligations of every kind, nature and description of the Transferor Company.

3. **TRANSFER OF UNDERTAKING**

- 3.1 Upon the coming into effect of the Scheme that is with effect from the Appointed Date the whole of the undertaking of Transferor Company shall be transferred to and vest in or be deemed to be transferred to and vested in the Transferee Company without any further act, instrument or deed.
- 3.2 Notwithstanding what is stated in Para 3.1 above, it is expressly provided that such of the assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery of the same shall be so transferred by the Transferor Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.

- 3.3 In respect of such of the assets other than those referred to in Para 3.2 above, the same shall, without further act, instrument or deed, be transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company on the appointed day in accordance with the provisions of Section 391 to Section 394 of the Companies Act, 1956.
- 3.4 All debts, liabilities, duties, contingent liabilities, and obligations of every kind, nature and description of the Transferor Company shall also, under the provisions of Section 391 and 394 of the Act, without further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties, contingent liabilities and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third part or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties, contingent liabilities and obligations have arisen, in order to give effect to the provisions of this Sub-clause.
- 3.5 The transfer and vesting of the undertaking of the Transferor Company as aforesaid shall be subject to the existing securities charges and mortgages, if any subsisting, over or in respect of the property and assets or any part thereof of the Transferor Company provided however, any reference in any security documents or arrangements (to which the Transferor Company is a party) to the assets of the Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the undertaking of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Company or any of the assets of the Transferee Company, unless specifically agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company. Provided Further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company, unless specifically agreed to by the Transferee Company with such secured creditors of the Transferee Company and subject to the consents and approvals of the existing secured creditors of the Transferor Company. Provided Always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation of the Transferor Company with the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefore after the amalgamation has become operative.
- 4. ISSUE OF SHARES**
- 4.1 Upon this Scheme coming into effect and in consideration thereof, the Transferee Company shall, without any application or deed, issue and allot to every member of the Transferor Company (other than the Transferee Company) holding fully paid-up equity shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on such date (hereinafter called "the Record Date") as the Board of Directors of the Transferee Company will determine, One fully paid-up Equity Share of Rs. 10/- each of the Transferee Company with rights attached thereto as hereinafter mentioned (hereinafter referred to as "the new Equity Shares") in respect of every One Fully paid-up Equity Shares of the face value of Rs. 10/- each held by such member in the capital of the Transferor Company as on the Record Date. The Equity Shares of Transferee Company shall be issued in Electronic form to the such shareholders of Transferor Company who hold shares in Electronic form in Transferor Company as on record date and to other shareholders of Transferor Company in physical form.
- 4.2 Upon the Scheme being operative, the equity shares held by the Transferee Company in the share capital of the Transferor Company, shall stand cancelled.
- 4.3 Upon this Scheme becoming finally effective, all shareholders of the Transferor Company holding shares in physical form only, if so required by the Transferee Company, shall surrender their share certificates for cancellation thereof to the Transferee Company. Notwithstanding anything to the contrary upon the issue and allotment of new shares in the Transferee Company to the eligible shareholders of the Transferor Company whose names appear in its Register of Members on date to be fixed by the Directors of the Transferee Company, the share certificates in relation to the shares held by them in the Transferor Company shall be deemed to have been automatically cancelled and be of no effect, on and from such Record Date and the Transferee Company may at its option instead of requiring the surrender of the share certificates, as above, directly issue and dispatch new share certificates of the Transferee Company in lieu thereof.
- 4.4 The Transferee Company Shall, if and to the extent necessary, apply for and obtain the consent and approval of the Reserve Bank of India and other authorities for the issue and allotment of the Equity Shares in Share Capital of Transferee Company.
- 4.5 The Transferor Company shall be entitled to declare and pay dividend to its shareholders for any financial year or any period after the Appointed Date subject, however, to the prior written approval of the Board of Directors of the Transferee Company.
- 4.6 The Equity Shares of the Transferee Company to be issued and allotted to the equity shareholders of the Transferor Company as provided in Sub Clause 4.1 hereof shall rank *pari passu* in all respects with the Equity Shares of the Transferee Company including dividend voting rights and in all other respects. The holders of the shares of the Transferor Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends from the Transferor Company till the Effective Date.
- 4.7 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company to demand or claim any dividend which, subject to the provisions of the said Act, shall be entirely at the discretion of the Boards of Directors of the Transferor Company and the Transferee Company and subject to the approval of the shareholders of the Transferor Company and the Transferee Company respectively.
- 4.8 The Equity shares of the Transferee Company so allotted to the shareholders of Transferor Company shall be listed at the Stock Exchanges where the existing Equity Shares of Transferee Company are listed as on Effective Date.
- 5. ACCOUNTING TREATMENT OF ASSETS, LIABILITIES AND RESERVES OF THE TRANSFEROR COMPANY**
- 5.1 It is provided that upon the Scheme being effective, the balances appearing under the Deferred Tax Liabilities net off of Deferred Tax Assets in the books of Accounts of the Transferor Company, shall be available as free reserves and be credited to General Reserves of the Transferee Company.
- 5.2 The Transferee Company shall record the reserves (including the Share Premium Account) of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company at the close of business of the day immediately preceding the Appointed Date. Balances in the Profit and Loss Account of the Transferor Company shall be similarly aggregated with the balances in Profit and Loss Account of the Transferee Company.

5.3 To the extent that there are inter-corporate loans or balances, if any between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.

5.4 It is provided that the excess of the value of the net assets of the Transferor company as appearing in the books of account of the Transferor Company over the paid up value of the shares to be issued and allotted pursuant to the terms of Clause 4 above, shall be credited in the books of the Transferee Company to a separate account to be named and styled as "Amalgamation Reserve Account". The said account shall be considered as free reserve and shall form part of the net worth of the Transferee Company.

5.5 The shortfall of the value of the net assets of the Transferor Companies as appearing in the books of accounts of the Transferor Companies from the paid up value of the shares to be issued and allotted pursuant to the terms of Clause 4 as above, shall be accounted for and dealt with in the books of the Transferee Company as separate account to be named and styled as "Amalgamation /Goodwill Account".

5.6 Further, in case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted in the Amalgamation Reserve OR Goodwill Account as mentioned earlier to ensure that the financial statement to the Transferee Company reflects the financial position on the basis of consistency in the accounting policy.

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

7. LEGAL PROCEEDINGS

On and from the Appointed Date, all suits, actions and other legal proceedings by or against the Transferor Company and pending on the Effective Date shall be continued and/or enforced by or against the Transferee Company as effectively and in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company as if the same had been instituted and/or pending by or against the Transferee Company.

11. DISSOLUTION OF THE TRANSFEROR COMPANY

On the Scheme becoming operative, The Transferor Company shall be dissolved without winding up .

7. The Scheme would not be prejudicial to the interests of the creditors (secured and unsecured) of either of the two Companies. The latest audited accounts for the year ended 31st March, 2003 of both the Companies indicate that they are in a solvent position and would be able to meet liabilities as they arise in the course of business. Hence, the amalgamation will not cast any additional burden on the shareholders of either Company, nor will it affect the interest of any of the shareholders or creditors;

8. No investigation proceedings have been instituted or are pending under Sections 235 and 250A of the Companies Act, 1956 in respect of the Applicant Company and the Transferor Company.

9. Briefly stated, the financial position of GAEL (Transferee Company) as on March 31, 2003 is as under

Liabilities	Rs.	Assets	Rs.
(In Crores)		(In Crores)	
Share Capital	23.76	Fixed Assets (Net)	163.95
Reserves & Surplus	161.34	Investments	3.13
Loan Funds	67.16	Net Current Assets	100.86
Deferred Tax Liability	15.68	Miscellaneous Exp.	Nil
Total	267.94		267.94

10. Briefly stated, the financial position of JBL (Transferor Company) as on March 31, 2003 is as under :

Liabilities	Rs.	Assets	Rs.
(In Crores)		(In Crores)	
Share Capital	4.14	Fixed Assets (Net)	1.64
Reserves & Surplus	0.29	Investments	2.45
Loan Funds	Nil	Net Current Assets	0.73
Deferred Tax Liability	0.39	Miscellaneous Exp.	Nil
Total	4.82		4.82

11. (a) The Directors of the Transferor and Transferee Company have no interest in the Scheme except as shareholders in general, the extent of which will appear from the Register of Directors' Shareholding maintained by the Transferee Company and the Transferor Company as summarised hereinunder as on 30th June, 2003. :

Name	Directorship in	No. of shares held in Transferee Company	No. of shares held in Transferor Company
Vijay Kumar Gupta	Transferor & Transferee	7750049	1455934
Sulochana Gupta	Transferor & Transferee	341777	675000
Manish Gupta	Transferee	2964594	276300
Sandeep Agarwal	Transferee	Nil	Nil
P G Makhija	Transferee	Nil	Nil
J S Varshneya	Transferee	300	Nil
C M Maniar	Transferee	Nil	Nil
P G Ramrakhiani	Transferee	Nil	Nil
Ashok C Gandhi	Transferee	Nil	Nil
Manish Bagadia	Transferor	Nil	Nil
M P Sharma	Transferor	Nil	500
Nareesh Gupta	Transferor	Nil	Nil

(b) Mr. Vijaykumar Gupta and Mrs. Sulochana Gupta are common Directors of Transferee Company and the Transferor Company and Mr. Manish Gupta being relative be deemed to be interested in or concerned with the Scheme. Except as stated as above, none of the other Directors of the Transferor Company and the Transferee Company are interested in the Scheme otherwise than as Shareholders in general.

12. The following documents will be open for inspection at the Registered Office of the Transferor Company and Transferee Company on any working day between 11.00 a.m. to 1.00 p.m. upto the date of the Meeting.

- Copies of the Applications moved before the Hon'ble Gujarat High Court for convening the meetings and Orders dated 29th July, 2003 of the Hon'ble High Court directing the meetings.
- Scheme of Amalgamation.
- Memorandum and Articles of Association of both the Companies.
- The balance sheet and Profit and Loss Account of Gujarat Ambuja Exports Ltd., and Jupiter Biotech Ltd., for the year ended 31st March, 2003.
- The valuation reports obtained from M/s. Kantilal Patel & Co., Chartered Accountants and M/s. Shah & Shah Associates., Chartered Accountants fixing the Exchange ratio between the shares of the Transferor Company and the Transferee Company.

Sd/-

Date : 04.08.2003

VIJAYKUMAR GUPTA

Place : Ahmedabad CHAIRMAN APPOINTED FOR THE MEETING