

## ***PTL ENTERPRISES LTD***

(CIN-L25111KL1959PLC009300)

Regd. Office: 3rd floor, Areekal Mansion, Near Manorama Junction, Panampilly  
Nagar, Kochi- 682036

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### **COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS (MEMBERS)**

**Day :** Monday

**Date :** 4th July, 2016

**Time :** 10:30 AM (IST)

**Venue :** Bharat Hotel, Durbar Hall Road, Ernakulam, Kerala - 682016



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**IN THE HIGH COURT OF JUDICATURE AT ERNAKULAM**  
Original Jurisdiction

**Misc. Company Application No. 24 of 2016**

In the matter of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 or the Companies Act, 2013

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013;

AND

In the matter of Scheme of Arrangement for Demerger of demerged undertaking of PTL Enterprises Limited to Artemis Global Life Sciences Limited and their respective shareholders and creditors.

PTL Enterprises Limited, a company incorporated under the Companies Act, 1956 having its registered office at 3rd floor, Areekal Mansion, Near Manorama Junction, Panampilly Nagar, Kochi- 682036, Kerala ("PTL")

...Applicant Company/Demerged Company

**NOTICE CONVENING THE MEETING OF THE MEMBERS OF PTL ENTERPRISES LIMITED**

To,

The Members of PTL Enterprises Limited,

**TAKE NOTICE** that by an Order made on 30.5.2016, the Hon'ble High Court of Kerala has directed that a meeting of the members of PTL Enterprises Limited, be convened and held on 4th day of July 2016 at 10.30AM, at Bharat Hotel, Durbar Hall Road, Ernakulam, Kerala- 682016; for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Arrangement for Demerger of demerged undertaking of PTL Enterprises Limited to Artemis Global Life Sciences Limited and their respective shareholders and creditors.

**TAKE FURTHER NOTICE** that in pursuance of the said Order, and as directed therein, a meeting of the members of the Demerged Company will be convened and held on 4th day of July 2016 at 10.30AM, at Bharat Hotel, Durbar Hall Road, Ernakulam, Kerala- 682016 when you are requested to attend.

**TAKE FURTHER NOTICE** that you may attend and vote at the said meeting in person or by proxy, provided that the proxy in the prescribed form duly signed and stamped by you or by your authorised representative in case of Company / Body Corporate, is deposited at the registered office of the Demerged Company, not later than 48 (Forty Eight) hours before the said meeting.

The Hon'ble High Court of Kerala has appointed Shri. Liju V Stephen, to be the Chairman of the said meeting.

A copy of each of the Scheme of Arrangement, the Explanatory Statement under Section 393 of the Companies Act, 1956, Complaints Report, Observation Letters issued by BSE and NSE, Share Entitlement Ratio Report, Fairness Opinion, Form of Proxy and Attendance Slip are enclosed.

Sd/-

Chairman appointed for the meeting

**Note:**

1. All alteration made in the Form of Proxy should be initialled.
2. Only registered members of the Demerged Company may attend and vote (either in person or proxy) at the Meeting. The authorised representative of a body corporate which is a registered member of the Demerged Company may attend and vote at the Meeting provided that a certified true copy of the resolution of Board of Directors or other governing body of the body corporate authorizing such a representative to attend and vote at the Meeting is deposited at the registered office of the Demerged Company not later than 48 hours before the said meeting.

**IN THE HIGH COURT OF JUDICATURE AT ERNAKULAM**  
Ordinary Original Jurisdiction

**Misc. Company Application No. 24 of 2016**

In the matter of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 or the Companies Act, 2013

And

In the matter of Sections 391 to 394 of the Companies Act and other applicable provisions of the Companies Act, 1956 and the relevant provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement for Demerger of demerged undertaking of PTL Enterprises Limited to Artemis Global Life Sciences Limited and their respective shareholders and creditors

PTL Enterprises Limited, a company )  
incorporated under the Companies Act, )  
1956 having its registered office at 3rd )  
Floor, Areekal Mansion, Near Manorama )  
Junction Panampilly Nagar, Kochi - )  
682036, Kerala. ("PTL") )

... Applicant/ Demerged Company

**EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956 TO THE NOTICE CONVENING MEETING OF MEMBERS OF PTL ENTERPRISES LIMITED, FOR CONSIDERING AND APPROVING SCHEME OF ARRANGEMENT FOR DEMERGER OF DEMERGED UNDERTAKING**

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- A. Pursuant to Order dated May 30, 2016 passed by the Hon'ble High Court of Kerala at Ernakulam in the Company Application No. 24 of 2016, meeting of members of PTL Enterprises Limited, is being convened and held on 4th July, 2016 at 10:30 AM (IST) at Bharat Hotel, Durbar Hall Road, Ernakulam, Kerala- 682016, for the purpose of considering and if thought fit, approving with or without modification(s), the aforesaid Scheme of Arrangement for Demerger of demerged undertaking i.e. Medicare and Healthcare Undertaking of PTL Enterprises Limited ("PTL" or "Demerged Company" or "Applicant Company") to Artemis Global Life Sciences Limited (formerly known as PTL Projects Limited) ("AGLSL" or "Resulting Company") pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and applicable provisions of the Companies Act, 2013.
- B. The Board of Directors of the Demerged Company and the Resulting Company had vide resolutions passed at their Board Meetings held on February 02, 2016 and February 02, 2016 respectively, approved the terms and conditions of the Scheme pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and applicable provisions of the Companies Act, 2013. The Scheme was filed with BSE Limited ("BSE") as well as The National Stock Exchange of India Limited ("NSE") for obtaining their approval.
- C. As required by Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 issued by the Securities and Exchange Board of India ("SEBI") ("SEBI Circular"), the Scheme along with related documents were hosted on the websites of the Demerged Company, BSE and NSE and was open for complaints / comments for the prescribed period i.e. from March 01, 2016 to March 21, 2016 for BSE and February 18, 2016 to March 10, 2016 for NSE. During the above period, the Demerged Company has not received any complaint / comment and accordingly, the Demerged Company has filed a NIL complaints report with BSE and NSE on March 23, 2016 and March 11, 2016 respectively.
- D. Post receipt of comments from SEBI on the Scheme, the Demerged Company has received, in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, observation letter from BSE dated May 10, 2016 and observation letter from NSE dated May 11, 2016, conveying their respective 'No-Objection' for filing the Scheme with the High Court of Kerala.
- E. BACKGROUND OF THE COMPANIES**
- 1 PTL Enterprises Limited
- 1.1 PTL was incorporated on October 19, 1959 under the Companies Act, 1956 as Premier Tyres Limited and its name was changed to PTL Enterprises Ltd. ("PTL") on May 31, 2005. PTL presently has its registered office at 3rd floor, Areekal Mansion, Near Manorama Junction, Panampilly Nagar, Kochi- 682036, Kerala. The Company Identification Number of PTL is L25111KL1959PLC009300.

1.2 The objects of PTL as set out in its Memorandum of Association inter alia include:

- (i) *To manufacture, produce, prepare, press, vulcanize, repair, retread, export, import, purchase, sell (whether for ready or for future delivery) and generally to carry on business in tyres, and semi-tyres for different types of vehicles, including buses, omnibuses, charabanes, trucks, lorries, automobiles, motor-cycles, cycles, tractors, aeroplanes, and also in industrial tyres, inner tubes, flaps, miscellaneous repair materials and other articles and appliances made with or from natural or synthetic rubber, its compounds, substances, derivatives and substitutes, India rubber, or the same in combination with any metallic or non-metallic substances, vulcanite, leather, rayon, hessian or plastics, or products in which rubber, rayon, hessian or plastic is or are used.*
- (ii) *To buy, sell manage, improve, maintain, take on lease, promote, administer, own or run, hospitals, clinics, nursing homes, dispensaries, maternity homes, health resorts and health clubs, polyclinic, medical centres, child welfare and family welfare/planning centres, diagnostic centres, research centers, laboratories for carrying out clinical, pathological, biological and diagnostic investigations, such as X-ray, CT/CAT Scan, ultra sound, ECG, MRI, blood tests, and provide all kinds of medical and health services.*
- (iii) *To design, manufacture, import, export, buy, sell, install, maintain and deal in all kinds of pharmaceuticals, chemicals, medicines and drugs and all kinds of medical equipments, instruments, apparatus and the like.*

1.3 PTL is a multi-business corporate. It has a tyre manufacturing facility located at Kerala, which has been leased out to its associate company viz. Apollo Tyres Limited ("Tyre Business"). PTL is also engaged in the business of providing and promoting medicare and healthcare services, including through Artemis Health Institute, Gurgaon, a state of the art medicare facility run by its step down wholly owned subsidiary, AMSL (defined hereafter)(collectively, the "Medicare and Healthcare Services Business").

1.4 The equity shares of PTL have been listed on NSE and BSE.

1.5 As per the Audited Balance Sheet of the Demerged Company on March 31, 2016, the share capital consists of the following:

Particulars	Amount (Rs.)
<b>Authorised</b>	
10,00,00,000 (Ten Crores) equity shares of Rs.2/- each	20,00,00,000/-
<b>Issued, Subscribed and Paid Up</b>	
6,61,88,500 (Six Crores Sixty One Lakhs Eighty Eight Thousand and Five Hundred only) equity shares of Rs.2/- each, fully paid up	13,23,77,000/-

Subsequent to March 31, 2016, there is no change in the capital structure of the Demerged Company.

1.6 The details of Directors of PTL are as under:

S. No.	Name of Director	Designation	Age
1.	Mr. Onkar S. Kanwar	Chairman	74 years
2.	Mr. Neeraj Kanwar	Director	44 years
3.	Mr. Akshay Chudasama	Director	46 Years
4.	Mr. Birendra Kumar Singh	Director	64 years
5.	Mr. Harish Bahadur	Director	64 years
6.	Mr. Pullukottayil Habel Kurian	Nominee Director	57 years
7.	Ms. Shivi Mohan Rastogi	Director	38 years
8.	Mr. Ugar Sain Anand	Director	73 years

**2 Artemis Global Life Sciences Limited ("AGLSL")**

2.1 AGLSL was incorporated on March 25, 2011 under the Companies Act, 1956 as PTL Projects Limited and its name was changed to AGLSL on December 29, 2015. AGLSL has its registered office at 414/1, 4th Floor, DDA Commercial Complex, District Centre, Janakpuri, New Delhi 110058. The Company Identification Number of AGLSL is U85191DL2011PLC216530.

2.2 The objects of AGLSL as set out in its Memorandum of Association *inter alia* include:

- (i) *To buy, sell, manage, improve, maintain, take on lease, promote administer, own or run Hospital(s), clinic(s), Nursing homes Dispensaries, maternity homes, old age homes, health resorts and health clubs, polyclinics, medical, centres, child welfare and family planning centres, Diagnostics centres, All types of laboratories, for carrying on investigation, X-ray, cat scan, ECG and medical research centres and provide all kind of medical and health services and acquirements.*
- (ii) *To promote, market, outsource, provide and undertake bio services including manufacturing of small volume, high end, specialized protein molecules and as well as bio analysis, biotechnology related services, contract research, indigenous research, medical research projects in the field of medicine and surgical advancement at national and international level, professional exchange of information, experience, expertise and advanced training within and among various countries across the globe.*
- (iii) *To encourage the discovery of new medical and/or surgical management of diseases and infection and to investigate and make known the nature and merits of investigations and finding and research in the said field and to acquire any patent and licences or other protective devices relating to the results of any discovery, investigations, findings or researches and to acquire any processes upon such terms as to manufacture.*
- (iv) *To buy, sell, manufacture or deal in all type of drugs, medicines including alternative/Ayurveda medicines pharmaceuticals, chemicals and colours used in drugs, medicines and pharmaceuticals and in their raw materials.*

- (v) *To set up, run, administrate laboratories, medical colleges, training institutes and to buy, sell, acquire, manufacture or deal in any equipment and instruments required for carrying out medical research or otherwise and to educate and train medical students, nurses, midwives and hospital administrators and to grant such diplomas or recognitions as the Company may prescribe or deem fit from time to time and to grant stipends, scholarships or any other assistance, monetary or otherwise to whomsoever to further the course of medicine and/or medical research.”*

2.3 The share capital of the Resulting Company as on March 31, 2015 is as under:

Particulars	Amount (Rs.)
<b>Authorised</b>	
5,00,000 (Five lakhs) equity shares of Rs.10/- each	50,00,000/-
<b>Issued, Subscribed and Paid Up</b>	
1,00,000 (One lakh) equity shares of Rs.10/- each, fully paid up	10,00,000/-

Subsequent to March 31, 2015: (i) the equity shares of the Resulting Company were sub-divided, consequent to which each existing equity share (including the paid-up shares) of face value of Rs. 10/- each was sub-divided into 5 (five) equity shares of Rs. 2/- each; and (ii) the authorized capital of the Resulting Company was also increased to Rs. 20,00,00,000/- (INR Twenty Crores) comprising of 10,00,00,000 equity shares of Rs. 2/- each. Consequent to the said sub-division and increase in authorized capital, the share capital of the Resulting Company as on March 31 2016, is as under:

Particulars	Amount (Rs.)
<b>Authorised</b>	
10,00,00,000 (Ten Crores) equity shares of Rs.2/- each	20,00,00,000/-
<b>Issued, Subscribed and Paid Up</b>	
5,00,000 (Five lakh) equity shares of Rs.2/- each fully paid up	10,00,000/-

Subsequent to March 31, 2016, there is no change in the capital structure of the Resulting Company

2.4 The details of Directors of AGLSL are as under:

S. No.	Name of Director	Designation	Age
1.	Mr. Onkar S. Kanwar	Director	74 years
2.	Mr. Harish Bahadur	Director	64 years
3.	Mr. Pradeep Kumar	Additional Director	63 years

## **F. RATIONALE AND PURPOSE**

- 1 The businesses in which PTL is engaged are varied in nature, as well as at different stages of growth and development. The Tyre Business and the Medicare and Healthcare Services Business require sharpened focus and specific and skilled management attention to tap their respective growth and profitability potential. They also require different capitalization models. In order to facilitate the growth and development of each of the businesses it is proposed to demerge the Medicare and Healthcare Undertaking (defined hereinafter) from PTL into the Resulting Company viz. AGLSL.
- 2 It is expected that the proposed segregation of the Medicare and Healthcare Undertaking will result in more efficient management, control and running of the Medicare and Healthcare Services Business, as well as the Remaining Business (i.e. the Tyre Business) which would continue to be operated by PTL so as to sharpen strategic business focus in each of these businesses, enhance growth prospects, reduce administrative functions and costs and remove inefficiencies for each of the different businesses, thereby creating enhanced value for shareholders and enabling them to select investments best suited to their investment strategies.

## **G. SALIENT FEATURES OF THE SCHEME**

### **PART I**

#### **DEFINITIONS AND CAPITAL STRUCTURE**

### **1. DEFINITIONS**

#### **1.1 Definitions**

In the Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- (a) **"AHSL"** means Artemis Health Sciences Limited, a company incorporated under the Companies Act, 1956, having its registered office at 414/1, 4th floor, DDA Commercial Complex, District Centre, Janakpuri, New Delhi – 110058, the entire paid up equity share capital of which is held by the Demerged Company;
- (b) **"AMSL"** means Artemis Medicare Services Limited, a company incorporated under the Companies Act, 1956, having its registered office at 414/1, 4th floor, DDA Commercial Complex, District Centre, Janakpuri, New Delhi – 110058, the entire paid up equity share capital of which is held by AHSL;
- (c) **"Appointed Date"** means opening hours of business as on April 1, 2016 or such other date as may be approved by the High Court;
- (d) **"BSE"** means Bombay Stock Exchange Limited;
- (e) **"Companies Act, 1956"** means the Companies Act, 1956 and includes any statutory amendment or modification thereof, which has been partially repealed from time to time after the introduction of the Companies Act, 2013;



- (f) **"Companies Act, 2013"** means the Companies Act, 2013 as notified, clarified and/or modified by notifications issued by the Ministry of Corporate Affairs, from time to time;
- (g) **"Costs"** has the meaning ascribed to such term in para 15 below;
- (h) **"Demerged Company"** or "PTL" means PTL Enterprises Limited;
- (i) **"Encumbrances"** has the meaning ascribed to such term in para 8.1 below.
- (j) **"Effective Date"** means the last of the dates on which the conditions and matters referred to in para 14.1 below, occur or have been fulfilled or waived in accordance with the Scheme. All references in the Scheme to the date of "upon coming into effect of the Scheme" or "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date.
- (k) **"Funds"** has the meaning ascribed to such term in para 6.2 below.
- (l) **"High Court"** means the Hon'ble High Court of Kerala, in relation to the Demerged Company, and the Hon'ble High Court of New Delhi, in relation to the Resulting Company, and shall in each case include the National Company Law Tribunal, if applicable;
- (m) **"IT Act"** means the Income Tax Act, 1961, as amended from time to time;
- (n) **"Medicare and Healthcare Services Business"** has the meaning ascribed to such term in para B(5.1.3) above;
- (o) **"Medicare and Healthcare Undertaking"** means the Demerged Company's undertaking, business, activities and operations pertaining to Medicare and Healthcare Services Business comprising all the assets (moveable and immoveable) and liabilities, which relate thereto or are necessary therefor, and including specifically the following:
  - (i) All tangible movable assets through which the Demerged Company carries on its business, activities and operations pertaining to Medicare and Healthcare Services Business including those described in Part 'A' of Schedule I hereto.
  - (ii) All investments of the Demerged Company in AHSL, and other financial and intangible assets through which the Demerged Company carries on its business, activities and operations pertaining to Medicare and Healthcare Services Business including those described in Part 'A' of Schedule I hereto;
  - (iii) All the debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of the Demerged Company of every kind, nature and description whatsoever and howsoever accruing or arising out of, and all loans and borrowings raised or incurred and utilized for its businesses, activities and operations pertaining to Medicare and Healthcare Services Business including those described in Part 'B' of Schedule I hereto;
  - (iv) All agreements, rights, contracts, entitlements, permits, licences, approvals, consents, engagements, arrangements and all other privileges and benefits of every kind, nature and description whatsoever relating to the Demerged Company's business, activities and operations pertaining to Medicare and Healthcare Services Business;

- (v) All intellectual property rights, records, files, papers, data and documents relating to the Demerged Company's business, activities and operations pertaining to Medicare and Healthcare Services Business; and
- (vi) All employees engaged in or relating to the Demerged Company's business, activities and operations pertaining to Medicare and Healthcare Services Business;
- (p) **"NSE"** means National Stock Exchange of India Ltd.;
- (q) **"Record Date"** means the date to be fixed by the Board of Directors of the Demerged Company in consultation with the Board of Directors of the Resulting Company for the purpose of reckoning names of the equity shareholders of the Demerged Company, who shall be entitled to receive the equity shares of the Resulting Company upon coming into effect of the Scheme;
- (r) **"Resulting Company"** or **"AGLSL"** shall mean Artemis Global Life Sciences Limited;
- (s) **"Remaining Business of the Demerged Company"** means the Tyre Business and all the businesses, activities and operations of the Demerged Company, except the Medicare and Healthcare Services Undertaking;
- (t) **"Scheme"** means the Scheme of Arrangement in its present form or with any amendment(s)/modification(s) made under Clause 16 of the Scheme as approved or directed by the High Court.
- (u) **"Share Entitlement Ratio"** has the meaning ascribed to such term in para 10.1.
- (v) **"Tyre Business"** has the meaning ascribed to such term in para B (5.1.3) above.

## 2. CAPITAL STRUCTURE

- 2.1 The pre demerger capital structure of the Demerged Company as on March 31, 2016 and its post demerger capital structure is as under:

Particulars	Pre Demerger (As on March 31, 2016)	Post Demerger
<b>Authorised</b>	Amount (Rs.)	Amount (Rs.)
10,00,00,000 (Ten Crores) equity shares of Rs.2/- each	20,00,00,000/-	20,00,00,000/-
<b>Issued, Subscribed and Paid Up</b>		
6,61,88,500 (Six Crores Sixty One Lakhs Eighty Eight Thousand & Five Hundred only) equity shares of Rs.2/- each, fully paid up	13,23,77,000/-	13,23,77,000/-

2.2 The pre and post demerger, the shareholding pattern of the Demerged Company are given below herein:

S. No.	Category of Shareholders	Pre Scheme (As on March 31, 2016)		Post Scheme	
		No. of Shares Held	%	No. of Shares Held	%
<b>(A)</b>	<b>Promoter &amp; Promoter Group</b>				
	Individuals /Hindu undivided Family	2500	0	2500	0
	Any Other	46212899	69.82	46212899	69.82
<b>(B)</b>	<b>Public</b>				
<b>1)</b>	<b>Institutions</b>				
a.	Mutual Funds	538110	0.81	538110	0.81
b.	Foreign Portfolio Investors	149175	0.23	149175	0.23
c.	Financial Institutions/ Banks	601100	0.91	601100	0.91
2)	Central Government/ State Government(s)/President of India	1500000	2.27	1500000	2.27
3)	Non-Institutions				
a.	Individuals				
a(i)	Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	4084820	6.17	4084820	6.17
a(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	4598879	6.95	4598879	6.95
b.	NBFCs registered with RBI	100	0	100	0
c.	Any other				
c(i)	Corporate Body	6936049	10.48	6936049	10.48
c(ii)	NRI	1564868	2.36	1564868	2.36
	<b>Total (A)+(B)</b>	<b>66188500</b>	<b>100</b>	<b>66188500</b>	<b>100</b>

- 2.3 The pre demerger capital structure of the Resulting Company as on (As on March 31, 2016) and its post demerger capital structure is as under:

Particulars	Pre Demerger (As on March 31, 2016)	Post Demerger
Authorised	Amount (Rs.)	Amount (Rs.)
10,00,00,000 (Ten Crore) equity shares of Rs.2/- each  [Post Demerger 10,00,00,000 (Ten Crores) equity shares of Rs.2/- each]	20,00,00,000/-	20,00,00,000/-
Issued, Subscribed and Paid Up 5,00,000 (Five lakh) equity shares of Rs.2/- each fully paid up  [Post Demerger 6,61,88,500 (Six Crores Sixty One Lakhs Eighty Eight Thousand and Five Hundred only) equity shares of Rs.2/- each]	10,00,000/-	13,23,77,000/-

- 2.4 The pre and post demerger shareholding pattern of the Resulting Company are given below herein:

#### SHAREHOLDING PATTERN (PRE SCHEME OF ARRANGEMENT)

S. No.	Name & Address	No. of Shares Held	Value per Share (In Rupees)	Total Amount (In Rupees)
1.	<b>PTL Enterprises Limited</b> 3rd Floor, Areekal Mansion, Near Manorama Junction, Panampilly Nagar, Kochi - 682036, Kerala	499700	2/-	999400/-
2.	<b>Mrs. Seema Thapar</b> E 19 Block-E, Saket, New Delhi-110017 <b>Nominee- PTL Enterprises Ltd</b>	50	2/-	100/-
3.	<b>Mr. Prem Narain Wahal</b> BP-79, Paschimi Shalimar Bagh, Delhi- 110088 <b>Nominee- PTL Enterprises Ltd</b>	50	2/-	100/-
4.	<b>Mr. Anuj Sood</b> D-6/10 Rana Pratap Bagh New Delhi-110007 <b>Nominee- PTL Enterprises Ltd</b>	50	2/-	100/-

S. No.	Name & Address	No. of Shares Held	Value per Share (In Rupees)	Total Amount (In Rupees)
5.	<b>Mr. Rajan Sabharwal</b> 13C M Type, Shalimar APPTS, Shalimar Garden Main, Distt Ghaziabad, 201005, Uttar Pradesh <b>Nominee- PTL Enterprises Ltd</b>	50	2/-	100/-
6.	<b>Mr. Harish Bahadur</b> Maharaja Niwas 9950, Sarai Rohilla, Delhi- 110005 <b>Nominee- PTL Enterprises Ltd</b>	50	2/-	100/-
7.	<b>Mr. Pradeep Kumar</b> B 39, Vikalp CO-OP Group Housing Society, Plot No-92, IP EXTN. Patparganj, Delhi-110092 <b>Nominee- PTL Enterprises Ltd</b>	50	2/-	100/-
			<b>Total</b>	<b>10,00,000/-</b>

#### SHAREHOLDING PATTERN (POST SCHEME OF ARRANGEMENT)

S.NO.	Category of Shareholders	No. of Shares Held	%
<b>(A)</b>	<b>Promoter &amp; Promoter Group</b>		
	Individuals /Hindu undivided Family	2500	0
	Any Other	46212899	69.82
<b>(B)</b>	<b>Public</b>		
<b>1)</b>	<b>Institutions</b>		
a.	Mutual Funds	538110	0.81
b.	Foreign Portfolio Investors	149175	0.23
c.	Financial Institutions/ Banks	601100	0.91
<b>2)</b>	<b>Central Government/ State Government(s) / President of India</b>	1500000	2.27
<b>3)</b>	<b>Non-Institutions</b>		
<b>a</b>	<b>Individuals</b>		
a(i)	Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	4084820	6.17
a(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	4598879	6.95
b	NBFCs registered with RBI	100	0
c	Any other		
c(i)	Corporate Body	6936049	10.48
c(ii)	NRI	1564868	2.36
	<b>Total (A)+(B)</b>	<b>66188500</b>	<b>100</b>

**PART II**  
**EFFECTIVENESS OF SCHEME**

**3. DATE OF TAKING EFFECT AND OPERATIVE DATE**

Although the Scheme shall become effective from the Effective Date, the provisions of the Scheme shall be applicable, come into operation and be deemed to come into operation from the Appointed Date.

**PART III**  
**DEMERGER OF MEDICARE AND HEALTHCARE UNDERTAKING**

**4. TRANSFER AND VESTING OF MEDICARE AND HEALTHCARE UNDERTAKING OF THE DEMERGED COMPANY**

4.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the whole of the Medicare and Healthcare Undertaking, shall pursuant to the provisions contained in Sections 391 to 394 of the Companies Act, 1956 and all other applicable provisions, if any, of the Companies Act, 1956, and Companies Act, 2013, and without any further act, deed, matter or thing, stand transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company so as to vest in the Resulting Company all right, title and interest pertaining to the Medicare and Healthcare Undertaking on a going concern basis in the following manner:

**4.1.1**

- (i) Any and all assets relating to the Medicare and Healthcare Undertaking, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by delivery instructions in relation to dematerialized shares or transfer by vesting and recordal pursuant to the Scheme, shall stand transferred to and vested in Resulting Company and shall become the property of Resulting Company. The vesting pursuant to this sub-Clause shall be deemed to have occurred by manual delivery or endorsement and delivery or by delivery instructions in relation to dematerialized shares or by vesting, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- (ii) Any and all movable properties of the Demerged Company relating to the Medicare and Healthcare Undertaking, other than those specified above, including cash and cash equivalents, 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 shall without any further act, instrument or deed become the property of Resulting Company.

- (iii) In relation to assets relating to the Medicare and Healthcare Undertaking, which require separate documents for vesting in Resulting Company, or which the Demerged Company and/or Resulting Company otherwise desire to be vested separately, the Demerged Company and Resulting Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
  - (iv) All assets acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operation of the Medicare and Healthcare Undertaking shall be deemed to have been acquired for and on behalf of Resulting Company and shall also stand transferred to and vested in Resulting Company with effect from the Effective Date.
  - (v) It is hereby clarified that if any assets (including but not limited to any estate, rights, title, interest in or authorities relating to such assets) in relation to the Medicare and Healthcare Undertaking which the Demerged Company owns, cannot be transferred to Resulting Company for any reason whatsoever, the Demerged Company shall hold such asset in trust for the benefit of Resulting Company.
- 4.1.2 All debts, liabilities, contingent liabilities, secured and unsecured loans, duties and obligations of every kind, nature and description of the Demerged Company pertaining to Medicare and Healthcare Undertaking shall also, under the provisions of Sections 391 to 394 of the Companies Act, 1956 and all other applicable provisions, if any, of the Companies Act, 1956 and/or the Companies Act, 2013, and without any further act, application, instrument, deed, matter or thing stand transferred to and assumed by and/or be deemed to be transferred to and assumed by the Resulting Company, so as to become from the Appointed Date the debts, liabilities, contingent liabilities, secured and unsecured loans, duties and obligations of the Resulting Company and on the same terms and conditions as were applicable to the Demerged Company and further that 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, secured and unsecured loans, duties and obligations have arisen in order to give effect to the provisions of this sub-Clause. Where any of the liabilities and obligations attributed to the Medicare and Healthcare Undertaking which are deemed to be transferred as on the Appointed Date, have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Resulting Company.
- 4.1.3 Subject to the provisions of the Scheme, all contracts, deeds, bonds, lease deeds, agreements and arrangements of whatsoever nature in respect of the Medicare and Healthcare Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible or for the obligations of which the Demerged Company may be liable, and which are subsisting or have effect immediately before the Effective Date shall continue in full force and effect on/or against or in favour, as the case may be, of the Resulting Company and maybe enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or a beneficiary or obligee thereto.

- 4.1.4 All licenses, quotas, permissions, exemptions, approvals, consents, registrations, certificates, clearances, municipal permissions, insurance policies, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Medicare and Healthcare Undertaking and which are subsisting or have effect immediately before the Effective Date, shall stand vested in or transferred to the Resulting Company without any further act, instrument, application or deed, and shall be appropriately mutated by the relevant authorities/persons concerned therewith in favour of the Resulting Company and the benefit of all such licenses, permissions, exemptions, approvals, consents, registrations, certificates, clearances, municipal permissions, insurance policies, authorities, powers of attorney shall vest in and become available to the Resulting Company as if they were originally obtained by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, obligations and duties thereunder and the rights and benefits under the same shall be available to the Resulting Company. In so far as the various incentives, exemptions, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Demerged Company relating to the Medicare and Healthcare Undertaking, are concerned, the same shall vest with and be available to the Resulting Company on the same terms and conditions as applicable to the Demerged Company, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Resulting Company. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Resulting Company pursuant to the sanction of the Scheme by the High Court and upon the Scheme becoming effective in accordance with the terms hereof. For this purpose, the Resulting Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.
- 4.1.5 All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company pertaining to the Medicare and Healthcare Undertaking after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company. Similarly, the banker of the Resulting Company shall honour all cheques issued by the Demerged Company pertaining to the Medicare and Healthcare Undertaking for payment after the Effective Date. If required, the Demerged Company shall allow maintaining of bank accounts in the name of the Demerged Company by the Resulting Company for such time as may be determined to be necessary by the Demerged Company and the Resulting Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Demerged Company in connection with the business of the Medicare and Healthcare Undertaking. It is hereby expressly clarified that any legal proceedings by or against the Demerged Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the



Demerged Company pertaining to the Medicare and Healthcare Undertaking shall be instituted, or as the case may be, continued, by or against, the Resulting Company after the Effective Date.

- 4.2 Without prejudice to the other provisions of the Scheme and notwithstanding the fact that the vesting of the Medicare and Healthcare Undertaking occurs by virtue of the Scheme itself, the Resulting Company may at any time after the Scheme coming into effect in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangements to which the Demerged Company is a party or any writing as may be necessary to be executed in order to give formal effect to the above provisions. The Resulting Company shall under the provisions of the Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities, compliances referred to above on the part of the Resulting Company to be carried out or performed in relation to the Medicare and Healthcare Undertaking being transferred by the Demerged Company.
- 4.3 Without prejudice to the aforesaid, it is clarified that if any assets and any estate, claims, rights, title, interest in or authorities relating to such assets or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Medicare and Healthcare Undertaking which the Demerged Company is a party to cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such assets or contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is effected.
- 4.4 Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Medicare and Healthcare Undertaking or whether it arises out of the activities or operations of Medicare and Healthcare Undertaking shall be decided by mutual agreement between the Board of Directors of Demerged Company and the Resulting Company, which shall be conclusive and binding.

## **5. PENDING SUITS**

- 5.1 Upon the Scheme becoming effective, all legal, taxation or other proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal), by or against the Demerged Company, in relation to the Medicare and Healthcare Undertaking pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Resulting Company as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Resulting Company and all of the rights vested in the Demerged Company whether under tax laws or any other law shall be transferred to and be deemed to be the rights of and vested in the Resulting Company as if they had arisen to and belonged to the Resulting Company.

- 5.2 If proceedings are taken against the Demerged Company in respect of the matters referred to in Clause 5.1 above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company.
- 5.3 The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company in relation to the Medicare and Healthcare Undertaking, referred to in Clause 5.1 above transferred to its name to the extent permissible and to have the same continued, prosecuted and enforced by or against the Resulting Company.
- 5.4 Any question that may arise as to whether a proceeding pertains or does not pertain to the Medicare and Healthcare Undertaking or whether it arises out of the activities or operations of Medicare and Healthcare Undertaking shall be decided by mutual agreement between the Board of Directors of Demerged Company and the Resulting Company, which shall be conclusive and binding.

## **6. EMPLOYEES**

- 6.1 Upon the coming into effect of the Scheme, all staff, workmen and employees (whether full time or part time) of the Demerged Company engaged in, or in relation to the Medicare and Healthcare Undertaking, in service on the Effective Date, shall be deemed to have become staff, workmen and employees of the Resulting Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Resulting Company shall not be less favorable than those on which they are engaged by the Demerged Company. The services of such staff, workmen and employees with the Demerged Company upto the Effective Date shall be taken into account for the purposes of all benefits to which the said staff, workmen and employees may be eligible, including for the purposes of payment of any retrenchment compensation, gratuity and other benefits. The Resulting Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Demerged Company with such staff, workmen and employees.
- 6.2 Insofar as the existing provident fund, gratuity fund and pension and/or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Company for the employees of the Medicare and Healthcare Undertaking are concerned (collectively referred to as the **"Funds"**), the Funds and such of the investments made by the Funds which are referable to the employees of the Medicare and Healthcare Undertaking being transferred to the Resulting Company in terms of the Scheme shall be transferred to the Resulting Company and shall be held for their benefit pursuant to the Scheme in the manner provided hereinafter. The Funds shall, subject to the necessary approvals and permissions and at the discretion of the Resulting Company, either be continued as separate Funds of the Resulting Company for the benefit of the employees of the Medicare and Healthcare Undertaking or be transferred to and merged with other similar funds of the Resulting Company. In the event that the Resulting Company does not have its own funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the Funds of the Demerged Company, until such time

that the Resulting Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the employees of the Medicare and Healthcare Undertaking shall be transferred to the funds created by the Resulting Company.

- 6.3 Any question that may arise as to whether any staff, workmen or employee is engaged in or in relation to the Medicare and Healthcare Undertaking in service as on the Effective Date shall be decided by mutual agreement between the Board of Directors of Demerged Company and the Resulting Company, on the basis of any evidence they may deem relevant for this purpose, which decision shall be conclusive and binding.

## **7. APPROVALS AND TAXES AND AMENDMENT TO CHARTER DOCUMENTS**

All taxes including income tax, sales tax, minimum alternate tax, value added tax, excise duty, customs duty, service tax, CENVAT, VAT, or any other duty, cess or tax paid or payable by, or refundable to, the Demerged Company with regard to the Medicare and Healthcare Undertaking, its operations and/or profits, including all or any refunds or claims, before the Appointed Date, shall pursuant to the Scheme becoming effective, be deemed to have been paid or payable by, or refundable to, the Resulting Company, and insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, minimum alternate tax, value added tax, excise duty, customs duty, service tax, CENVAT etc.) whether by way of advance tax, certificate of tax deducted at source or any other tax credit certificate, or otherwise howsoever, by the Demerged Company in respect of the Medicare and Healthcare Undertaking, its profits or operations, after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company, and shall in all proceedings, be dealt with accordingly. Further, any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Demerged Company in respect of the Medicare and Healthcare Undertaking, shall pursuant to the Scheme becoming effective, be available to the Resulting Company.

## **8. SECURITY**

- 8.1 The transfer and vesting of the Medicare and Healthcare Undertaking pursuant to the Scheme shall be subject to the securities, charges, liens, guarantees, mortgages and other encumbrances ("**Encumbrances**"), if any, affecting the same as hereinafter provided:
- (a) The Encumbrances, if any, created by the Demerged Company after the Appointed Date, in terms of the Scheme, over the assets comprised in any of the Medicare and Healthcare Undertaking or any part thereof transferred to the Resulting Company by virtue of the Scheme, shall after the Effective Date continue to relate and attach to such assets or any part thereof to which they are related or attached, prior to the Effective Date and as are transferred to the Resulting Company and such Encumbrances shall not relate to or attach to any of the other assets of the Resulting Company or to any assets of the Demerged Company.
- (b) In so far as any Encumbrances over the assets comprised in the Medicare and Healthcare Undertaking are security for liabilities of the Remaining Business of the Demerged Company,

the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets of the Medicare and Healthcare Undertaking shall stand released and discharged from the obligations and security relating to the same and the Encumbrances shall only extend to and continue to operate against the assets retained with the Demerged Company and shall cease to operate against any of the assets transferred to the Resulting Company in terms of the Scheme. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

- (c) In so far as any Encumbrances over the assets comprised in the Remaining Business of the Demerged Company are security for liabilities transferred to the Medicare and Healthcare Undertaking, the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets of the Remaining Business of the Demerged Company shall stand released and discharged from the obligations and security relating to the same and the Encumbrances shall only extend to and continue to operate against the assets transferred to the Resulting Company and shall cease to operate against any of the assets retained by the Demerged Company in terms of the Scheme. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.
- (d) Without prejudice to the provisions of the foregoing clauses, upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall execute all instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modifications of charge with the Registrar of Companies, Kerala, and/or Registrar of Companies, New Delhi to give formal effect to the above provisions, if required.
- (e) Upon the coming into effect of the Scheme, the Resulting Company alone shall be liable to perform all obligations in respect of the liabilities, which have been transferred to them respectively in terms of the Scheme, and the Demerged Company shall not have any obligations in respect of such liabilities, and the Resulting Company shall indemnify the Demerged Company in relation to any claim, at any time, against the Demerged Company in respect of the liabilities which have been transferred to the Resulting Company.
- (f) Upon the coming into effect of the Scheme, the Demerged Company alone shall be liable to perform all obligations in respect of the liabilities pertaining to the Remaining Business of the Demerged Company, and the Resulting Company shall not have any obligations in respect of such liabilities, and the Demerged Company shall indemnify the Resulting Company in relation to any claim, at any time, against the Resulting Company in respect of the liabilities of the Remaining Business of the Demerged Company.
- (g) It is expressly provided that, save as mentioned in Clause 4 and this Clause 8, no other term or condition of the liabilities transferred to the Resulting Company is modified by virtue of the Scheme except to the extent that such amendment is required by necessary implication.
- (h) Subject to the necessary consents being obtained in accordance with the terms of the Scheme, the provisions of Clause 4 and this Clause 8 shall operate, notwithstanding anything

to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

## **9. SAVING OF CONCLUDED TRANSACTIONS**

- 9.1 The transfer and vesting of assets, properties, obligations and liabilities in respect of the Medicare and Healthcare Undertaking as per the Scheme in the Resulting Company and the continuance of proceedings by or against the Resulting Company shall not affect any transaction or proceedings already concluded by the Demerged Company, in relation to the Medicare and Healthcare Undertaking on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company, in relation to the Medicare and Healthcare Undertaking, in respect thereto as done and executed on behalf of itself.

## **10. CONSIDERATION, ISSUANCE MECHANICS AND OTHER PROVISIONS**

- 10.1 Upon the Scheme becoming effective and in consideration of the demerger including the transfer and vesting of the Medicare and Healthcare Undertaking of the Demerged Company in the Resulting Company, the Resulting Company shall, without any further act, application, instrument or deed, issue and allot equity share of Rs.2/- (Indian Rupees Two only) each fully paid up on a proportionate basis to each shareholder of the Demerged Company whose name appears in the Register of Members of the Demerged Company as on the Record Date or to the heirs, executors, administrators or the successors-in-title of such shareholders, as the case may be, in the ratio of 1:1 i.e. one (1) equity share of Rs. 2/- (Indian Rupees Two only) each in the Resulting Company for every one (1) equity share of Rs. 2/- (Indian Rupees Two only) each in the Demerged Company ("**Share Entitlement Ratio**") held by the shareholder.
- 10.2 Accordingly, every shareholder holding shares in the Demerged Company shall become a shareholder of the Resulting Company by virtue of the demerger of the Medicare and Healthcare Undertaking pursuant to the Scheme. If approval of the Foreign Investment Promotion Board and/or the Reserve Bank of India is required under applicable law for the allotment of equity shares by the Resulting Company to any non-resident shareholder(s) of the Demerged Company, the Demerged Company and/or the Resulting Company will apply for the requisite approvals in this regard. The allotment of equity shares to such non-resident shareholder will be subject to such terms and conditions as may be prescribed by the relevant Government authority. If all the requisite approvals for the allotment of equity shares to the non-resident shareholders have not been received as on the Effective Date, at the discretion of the Board of Directors of the Resulting Company, either the allotment of equity shares may be held in abeyance, or the equity shares to be allotted to such non-resident shareholders shall be consolidated and shall be issued and allotted in lieu thereof to such Director(s), officer(s) or other person(s) as shall be nominated by the Resulting Company ("**Trustees**") who shall hold such equity shares in trust on behalf of the non-resident shareholder(s) of the Demerged

Company on the express understanding that such Trustee(s) shall, subject to such legal and regulatory approvals as may be required under applicable law, sell the same in the market at such time or times and at such price or prices, as deemed fit by such Trustee(s), and the net sale proceeds thereof shall be distributed, subject to deduction of tax as applicable and related expenses, pro rata to the non-resident shareholders of the Demerged Company.

- 10.3 The equity shares to be issued by the Resulting Company pursuant to Clause 10.1 above shall be issued in dematerialized form, unless otherwise notified in writing by any shareholder of the Demerged Company on or before such date as may be determined by the Board of Directors of Resulting Company or a committee thereof. In the event that such notice has not been received by Resulting Company in respect of any of the shareholders of the Demerged Company as of the Record Date, the equity shares shall be issued to such members in dematerialized form provided that such members shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event any shareholder has notified Resulting Company as contemplated above that they desire to be issued shares in the physical form or if the details furnished by any member do not permit electronic credit of the shares of Resulting Company, then Resulting Company shall issue equity shares in physical form to such shareholders.
- 10.4 In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors of the Demerged Company or any committee thereof shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company as if such changes in the registered holders were operative on the Record Date, in order to remove any difficulties arising to the transfer of the shares in Resulting Company and in relation to equity shares to be issued to the members of the Demerged Company pursuant to Clause 10.1 above.
- 10.5 The equity shares to be issued by the Resulting Company pursuant to the Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of the Companies Act, 2013 or otherwise, shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company.
- 10.6 For the purposes of IT Act:
- (a) the cost of acquisition of the shares of the Resulting Company in the hands of the shareholders of the Demerged Company shall be the amount which bears to the cost of acquisition of shares held by the shareholder in the Demerged Company the same proportion as the net book value of the assets transferred in the demerger to the Resulting Company bears to the net worth of the Demerged Company immediately before the demerger hereunder;
  - (b) the period for which the share(s) in Demerged Company were held by the shareholders shall be included in determining the period for which the shares in the Resulting Company have been held by the respective shareholder.



- 10.7 The issue and allotment of equity shares by Resulting Company to the shareholders of Demerged Company as provided in the Scheme is an integral part thereof, it shall be deemed that the members have accorded their consent under Section 62(1A) of the Companies Act, 2013, or any other applicable provision of the Companies Act, 2013 as may be applicable. The Resulting Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including SEBI and the NSE and the BSE, for the issue and allotment by the Resulting Company of equity shares of Resulting Company to the members of Demerged Company pursuant to the Scheme.
- 10.8 All equity shares of the Resulting Company issued in terms of the Scheme or otherwise shall, subject to the execution of the listing agreement and payment of the appropriate fees, be listed on the NSE and the BSE and on such other recognized stock exchange(s) in India, and/or admitted to trading if any, as may be decided by the Board of Directors of the Resulting Company.
- 10.9 The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the designated stock exchange. There shall be no change in the shareholding pattern or control of the Resulting Company between the Record Date and the date of listing of equity shares of the Resulting Company which may affect the status of the NSE's and the BSE's approval.
- 10.10 Unless otherwise determined by the Board of Directors, or any committee thereof, of the Demerged Company and the Board of Directors, or any committee thereof, of the Resulting Company, allotment of equity shares in terms of the Scheme shall be completed within forty five (45) days from the Effective Date.
- 10.11 Simultaneous with the issuance and allotment of equity shares by Resulting Company in terms of Clause 10.1 above, the existing issued and paid up equity share capital of Resulting Company, comprising [5,00,000] equity shares of Rs. 2/- each, aggregating to Rs. 10,00,000/-, as held by the Demerged Company shall be cancelled as an integral part of the Scheme in accordance with provisions of Section 100 to 103 of the Companies Act, 1956 and/or Section 66 of the Companies Act, 2013, and the Order of the High Court sanctioning the Scheme shall be deemed to be also the Order under Section 102 of the Companies Act, 1956 and/or Section 66 of the Companies Act, 2013, for the purpose of confirming the reduction. The share certificates held by the Demerged Company and its nominees representing the equity shares in Resulting Company shall be deemed to be cancelled and not tradable from and after such cancellation.

#### **PART IV**

#### **CONDUCT OF BUSINESS AND REMAINING BUSINESS OF THE DEMERGED COMPANY**

#### **11. BUSINESS AND PROPERTY IN TRUST**

- 11.1. With effect from the Appointed Date and upto and including the Effective Date:
- (a) Demerged Company shall carry on and deemed to have carried on the business and activities of the Medicare and Healthcare Undertaking and shall hold and stand possessed and shall

- deemed to have held or stood possessed of the Medicare and Healthcare Undertaking, for and on account of and in trust for the Resulting Company.
- (b) All the income or profits accruing or arising to Demerged Company, in relation to the Medicare and Healthcare Undertaking and all costs, charges, expenses, losses or taxes (including but not limited to advance tax, tax deducted at source etc) arising or incurred by Demerged Company, in relation to the Medicare and Healthcare Undertaking shall for all purposes be treated and be deemed to be treated and accrued as the income, profits, costs, charges, expenses losses or taxes, as the case may be of the Resulting Company.
  - (c) All compliances with respect to advance tax, withholding taxes or tax deduction at source, etc, to be done or done by the Demerged Company in relation to the Medicare and Healthcare Undertaking shall for all purposes be treated as compliances to be done or done by the Resulting Company.
  - (d) Demerged Company, in relation to the Medicare and Healthcare Undertaking shall carry on its business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiary or group companies or any third party, or alter its businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except:
    - (i) in the ordinary course of business as carried on by it as on the date of filing the Scheme with the High Court; or
    - (ii) if the same is expressly permitted by the Scheme; or
    - (iii) if prior written consent of the Resulting Company has been obtained; or
    - (iv) pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme.
- 11.2. Demerged Company shall not make any change in its capital structure either by way of any increase (by issue of equity or shares on a rights basis, bonus shares, convertible debentures or otherwise), decrease, reduction, re-classification, sub-division or consolidation, re-organisation, or in any other manner except by mutual consent of the respective Board of Directors of Demerged Company and the Resulting Company or except as may be expressly permitted under the Scheme.
- 11.3. The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government(s) and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Resulting Company, may require to carry on the Medicare and Healthcare Undertaking.



## **12. REMAINING BUSINESS OF THE DEMERGED COMPANY**

12.1. It is clarified that the Remaining Business of the Demerged Company shall continue with the Demerged Company as follows:

- (a) The Remaining Business of the Demerged Company and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
- (b) All legal, taxation and other proceedings by or against the Demerged Company under any statute, or quasi-judicial authority or tribunal, whether pending on the Effective Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duty, of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and enforced by or against the Demerged Company. The Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding against the Demerged Company. If proceedings are taken up against the Resulting Company in respect of the matters referred to in this Clause, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company and the latter shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.
- (c) With effect from the Appointed Date and including the Effective Date -
  - (i) the Demerged Company shall carry on and be carrying on all business and activities relating to the Remaining Business of the Demerged Company for and on its own behalf;
  - (ii) all profits accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Remaining Business of the Demerged Company shall, for all purposes, be treated as the profit, or losses, as the case may be, of the Demerged Company.

## **PART V**

### **ACCOUNTING TREATMENT**

## **13. ACCOUNTING TREATMENT**

13.1 In the books of the Demerged Company

### **13.1.1 Upon the Scheme becoming effective:**

- (a) The assets and liabilities comprised in the Medicare and Healthcare Undertaking shall be transferred to the Resulting Company at their values appearing in the books of accounts of the

Demerged Company on the Appointed Date, and the books of accounts of Demerged Company shall reflect the assets and liabilities of the Remaining Business of the Demerged Company.

- (b) The difference that is the excess of the book value of assets pertaining to the Medicare and Healthcare Undertaking demerged by the Demerged Company into the Resulting Company pursuant to the Scheme over the book value of the liabilities pertaining to the Medicare and Healthcare Undertaking so demerged pursuant to the Scheme shall be adjusted first against the revaluation reserve and balance, if any, after such adjustment, will be adjusted against the general reserves of the Demerged Company. The balances of the revaluation reserve and the general reserve, as the case may be, shall stand reduced to that extent.

### 13.2 In the books of the Resulting Company

#### 13.2.1 Upon the Scheme becoming effective:

- (a) The Resulting Company shall record the assets and liabilities comprised in the Medicare and Healthcare Undertaking transferred to and vested in the Resulting Company pursuant to the Scheme, at the same value as are appearing in the books of account of the Demerged Company on the Appointed Date.
- (b) The Resulting Company shall credit to its Share Capital Account, the aggregate face value of the equity shares issued by it pursuant to the Scheme. The face value of the existing equity shares cancelled pursuant to Clause 10.11 shall be credited to the Capital Reserve Account of the Resulting Company.
- (c) The difference being excess of assets over liabilities recorded by the Resulting Company, over the amount credited as share capital after giving effect to Clause 13.2.1(b) above, will deemed to comprise and be recognized as a Capital Reserve. In case of there being shortfall, the same shall be debited as Goodwill.

## **PART VI**

### **MISCELLANEOUS AND GENERAL PROVISIONS**

#### **14. CONDITIONALITY OF THE SCHEME**

##### 14.1 The Scheme is and shall be conditional upon and subject to:

- (a) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of Demerged Company and the Resulting Company as may be directed by the Honorable High Courts and/or any other competent authority, as may be applicable;
- (b) The Scheme being sanctioned by the High Courts under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013;
- (c) The certified copies of the orders of High Court or any other authority under Sections 391 and 394 of the Companies Act, 1956 and other applicable provisions of the

Companies Act, 1956 and Companies Act, 2013 sanctioning the Scheme are filed with the Registrar of Companies, Kerala and Registrar of Companies, New Delhi;

- (d) All statutory, regulatory and other approvals necessary for the Scheme to be given effect to being received.

#### **15. COSTS, CHARGES AND EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses (collectively referred as "Costs"), if any (save as expressly otherwise agreed) of the Demerged Company and the Resulting Company arising out of or incurred in connection with and implementing the Scheme and matters incidental thereto, shall be respectively borne by each company incurring the Costs.

**The features set out above being only the salient features of the said Scheme pertaining to the proposed demerger of the Medicare and Healthcare Undertaking; the members are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof.**

- A. The Scheme is not prejudicial to the interest of the shareholders, creditors and all the stakeholders of both the companies.
- B. The share exchange ratio for the issue of equity shares of the Resulting Company to the equity shareholders of the Demerged Company in consideration of the demerger of the Medicare and Healthcare Undertaking was computed and recommended by Chitale & Associates, Mumbai ("**Valuer**") who have submitted the valuation report dated January 14, 2016 containing their recommendations.
- C. The Demerged and the Resulting Company have also sought and obtained Fairness Opinion on the Valuation carried out by the Valuer from JM Financial Institutional Securities Limited. The said merchant banker after reviewing the methodology and fairness of valuation arrived at by the Valuer has opined that the valuation carried out by the Valuer and the share exchange ratio recommended is fair.
- D. The Scheme was placed before the Audit Committee of the Company at its meeting held on February 02, 2016. The Audit Committee of the Company took into account the recommendations on the Share Entitlement Ratio by Chitale & Associates, Chartered Accountants acting as independent Chartered Accountants, and the Fairness Opinion provided by JM Financial Institutional Securities Limited, Merchant Bankers. The Audit Committee concluded that the Scheme would be to the benefit of the Demerged Company and also its shareholders and recommended the Scheme to the Board of Directors of the Demerged Company by its report dated February 02, 2016.
- E. The Board of Directors of the Demerged Company and the Resulting Company based on and relying upon the expert advice and the report by the Audit Committee on the basis of their independent evaluation and judgment, come to the conclusion that the proposed share

exchange ratio is fair and reasonable to the shareholders of the Demerged Company and the Resulting Company and have accepted the said suggested share exchange ratio.

- F. Accordingly, the Board of the Demerged Company and the Resulting Company have at their respective meetings held on February 02, 2016 and February 02, 2016 respectively, passed resolutions approving the same.
- G. No investigation proceedings have been instituted or are pending under Section 235 to 251 of the Companies Act, 1956 or the corresponding sections of the Companies Act, 2013, against the Demerged Company.
- H. On the Scheme between Demerged Company and the Resulting Company being approved by the shareholders and creditors as per the requirements of Section 391 of the Act, the Demerged Company will seek the sanction of the Hon'ble High Court of Kerala at Ernakulam. The Resulting Company is separately in the process of obtaining sanction to the Scheme from the High Court of Delhi.
- I. Exemption from Postal Ballot Procedure: Approval of the shareholders was not sought by postal ballot and e-voting (as required under Para I(A)(9)(a) of Annexure I of SEBI Circular No.CIR/CFD/CMD/16/2015 dated November 30, 2015) since the proposed Scheme is not covered under any of the cases listed under the aforesaid Para I(A)(9)(a) of Annexure I of SEBI Circular No.CIR/CFD/CMD/16/2015 dated November 30, 2015. As per Para I (A) (9) (c) of Annexure I of SEBI Circular No.CIR/CFD/CMD/16/2015 dated November 30, 2015, the necessary undertaking/approval/certification has been obtained.
- J. In the event that the Scheme is not sanctioned by the Court or in the event any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme not being obtained or complied with or for any reason, the Scheme cannot be implemented, the Scheme shall become null and void.
- K. No winding up petitions have been pending and/or admitted against the Demerged Company and the Resulting Company.
- L. The following is the list of common directors on the board of the Demerged Company and the Resulting Company

S.NO	Name of the Director
1.	Mr. Onkar S Kanwar
2.	Mr. Harish Bahadur

- M. The directors of the Demerged Company and the Resulting Company may be deemed to be concerned and/or interested in the proposed Scheme to the extent of the shares that may be held by them or their relatives or by the companies, firms, institutions or trusts of which they or their relatives are directors, partners, members or trustees in the Demerged Company or the Resulting Company, as the case may be. None of the directors of the Demerged Company or the Resulting Company have material interest in the Scheme except as shareholders to the extent which will appear from the register of directors' shareholding maintained by the Demerged Company and the Resulting Company .

- N. The shares held by the directors of the Demerged Company either individually or jointly as on 31st March, 2016 are as follows:

Name of the Director	Equity Shares held in the Demerged Company	Equity Shares held in the Resulting Company
Mr. Onkar S Kanwar	2500	Nil
Mr. Harish Bahadur	Nil	50*

\*Holding shares as Nominee of PTL Enterprises Ltd

The shares held by the directors of the Resulting Company either individually or jointly as on March 31, 2016 are as follows:

Name of the Director	Equity Shares held in the Demerged Company	Equity Shares held in the Resulting Company
Mr. Onkar S Kanwar	2500	Nil
Mr. Harish Bahadur	Nil	50*
Mr. Pradeep Kumar	Nil	50*

\*Holding shares as Nominee of PTL Enterprises Ltd

- O. With effect from the Effective Date, upon the filing of the certified copies of the Orders of the Hon'ble High Court of Kerala and Hon'ble High Court of Delhi, under Section 391 and 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013 as may be applicable with the Registrar of Companies, Ernakulam and Registrar of Companies, Delhi; the Scheme shall come into effect.
- P. The following documents will be open for inspection upto 1 (One) day prior to the date of the meeting at the Registered Office of the Demerged Company between 09:00 A.M and 05:00 P.M on any working day (Monday to Friday):
- Certified copy of the Order of the Hon'ble High Court of Kerala dated May 30, 2016 passed in Company Application No. 24 of 2016 for the Demerged Company.
  - Certified copy of the Order of the Hon'ble High Court of Delhi dated May 24, 2016 passed in Company Application (M) No. 82 of 2016 for the Resultant Company.
  - Scheme of Arrangement.
  - Memorandum and Articles of Association of PTL Enterprises Limited and Artemis Global Life Sciences Limited.
  - The latest Audited Accounts of Demerged Company as at March 31, 2016
  - The latest Audited Accounts of Resulting Company as at March 31, 2016
  - Copy of letters from BSE and NSE approving the Scheme along with correspondence with SEBI in this regard.
  - Share Entitlement Ratio report by Chitale & Associates dated January 14, 2016.
  - Copy of the Fairness opinion by Merchant Banker, JM Financial Institutional Securities Limited dated January 28, 2016.

- j) Copy of the Audit Committee Report dated February 02, 2016.
- k) Register of directors' shareholding of the Demerged Company.
- l) Register of directors' shareholding of the Resulting Company.
- m) Copies of the resolutions passed by the respective Board of Directors of the Demerged Company and the Resulting Company approving the Scheme.

**This statement may be treated as an Explanatory Statement under section 393 of the Companies Act, 1956. A copy of the Scheme and Explanatory Statement may be obtained from the Registered Office of PTL Enterprises Limited at 3rd floor, Areekal Mansion, Near Manorama Junction, Panampilly Nagar, Kochi- 682036, Kerala.**

Sd/-

Chairman appointed for the meeting

Dated at Ernakulam this the 3rd day of June 2016

Registered Office:

3rd floor, Areekal Mansion, Near Manorama Junction,  
Panampilly Nagar, Kochi - 682036  
Kerala

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## **SCHEDULE I**

### **PART A : ASSETS**

Medical Equipment including equipment leased to AMSL

Investment in 24,499,993 equity shares of Rs. 10/- each of Artemis Health Sciences Ltd

Investment in 38,800 11% Non Convertible Redeemable Preference Shares of Rs. 100/- each of Artemis Health Sciences Ltd

Loans and advances pertaining to Medicare and Healthcare Services Business

Receivables pertaining to Medicare and Healthcare Services Business

### **PART B : LIABILITIES**

Borrowings relating to Medicare and Healthcare Services Business

Sundry creditors, liabilities including contingent liabilities with respect to Medicare and Healthcare Services Business, including dues, if any, to employees relating to the Medicare and Healthcare Services Business

**SCHEME OF ARRANGEMENT**  
**UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956**  
**BETWEEN**  
**PTL ENTERPRISES LIMITED (Demerged Company)**  
**AND**  
**ARTEMIS GLOBAL LIFE SCIENCES LIMITED (Resulting Company)**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

This Scheme of Arrangement is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956, and Companies Act, 2013, for the demerger of Medicare and Healthcare Undertaking (defined hereinafter) of PTL Enterprises Limited into Artemis Global Life Sciences Limited (formerly known as PTL Projects Limited).

**PREAMBLE**

**A. DESCRIPTION OF COMPANIES**

**(1) PTL Enterprises Limited ("PTL")**

PTL is a company incorporated on 19 October 1959 under the Companies Act, 1956, having its registered office at 6th floor, Cherupushpam Building, Shanmugham Road, Kochi- 682 031, Kerala.

The objects of PTL as set out in its Memorandum of Association inter alia include:

- (i) To manufacture, produce, prepare, press, vulcanize, repair, retread, export, import, purchase, sell (whether for ready or for future delivery) and generally to carry on business in tyres, and semi-tyres for different types of vehicles, including buses, omnibuses, charabanes, trucks, lorries, automobiles, motor-cycles, cycles, tractors, aeroplanes, and also in industrial tyres, inner tubes, flaps, miscellaneous repair materials and other articles and appliances made with or from natural or synthetic rubber, its compounds, substances, derivatives and substitutes, India rubber, or the same in combination with any metallic or non-metallic substances, vulcanite, leather, rayon, hessian or plastics, or products in which rubber, rayon, hessian or plastic is or are used.
- (ii) To buy, sell manage, improve, maintain, take on lease, promote, administer, own





or run, hospitals, clinics, nursing homes, dispensaries, maternity homes, health resorts and health clubs, polyclinic, medical centres, child welfare and family welfare/planning centres, diagnostic centres, research centers, laboratories for carrying out clinical, pathological, biological and diagnostic investigations, such as X-ray, CT/CAT Scan, ultra sound, ECG, MRI, blood tests, and provide all kinds of medical and health services.

- (iii) To design, manufacture, import, export, buy, sell, install, maintain and deal in all kinds of pharmaceuticals, chemicals, medicines and drugs and all kinds of medical equipments, instruments, apparatus and the like.

PTL is a multi-business corporate. It has a tyre manufacturing facility located at Kerala, which has been leased out to its associate company viz. Apollo Tyres Limited (**"Tyre Business"**). PTL is also engaged in the business of providing and promoting medicare and healthcare services, including through Artemis Health Institute, Gurgaon, a state of the art medicare facility run by its step down wholly owned subsidiary, AMSL (defined hereafter)(collectively, the **"Medicare and Healthcare Services Business"**).

The equity shares of PTL have been listed on NSE and BSE.

(2) Artemis Global Life Sciences Limited (**"AGLSL"**)

AGLSL is a company incorporated on 25 March 2011 under the Companies Act, 1956 (earlier known as PTL Projects Limited), having its registered office at 414/1, 4th Floor, DDA Commercial Complex, District Centre, Janakpuri, New Delhi 110058.

The objects of AGLSL as set out in its Memorandum of Association inter alia include:

- (i) To buy, sell, manage, improve, maintain, take on lease, promote administer, own or run Hospital(s), clinic(s), Nursing homes Dispensaries, maternity homes, old age homes, health resorts and health clubs, polyclinics, medical, centres, child welfare and family planning centres, Diagnostics centres, All types of laboratories, for carrying on investigation, X-ray, cat scan, ECG and medical research centres and provide all kind of medical and health services and acquirements.
- (ii) To promote, market, outsource, provide and undertake bio services including manufacturing of small volume, high end, specialized protein molecules and as well as bio analysis, biotechnology related services, contract research, indigenous research, medical research projects in the field of medicine and surgical advancement at national and international level, professional exchange of information, experience, expertise and advanced training within and among various countries across the globe.





- (iii) To encourage the discovery of new medical and/or surgical management of diseases and infection and to investigate and make known the nature and merits of investigations and finding and research in the said field and to acquire any patent and licences or other protective devices relating to the results of any discovery, investigations, findings or researches and to acquire any processes upon such terms as to manufacture.
- (iv) To buy, sell, manufacture or deal in all type of drugs, medicines including alternative/Ayurveda medicines pharmaceuticals, chemicals and colours used in drugs, medicines and pharmaceuticals and in their raw materials.
- (v) To set up, run, administrate laboratories, medical colleges, training institutes and to buy, sell, acquire, manufacture or deal in any equipment and instruments required for carrying out medical research or otherwise and to educate and train medical students, nurses, midwives and hospital administrators and to grant such diplomas or recognitions as the Company may prescribe or deem fit from time to time and to grant stipends, scholarships or any other assistance, monetary or otherwise to whomsoever to further the course of medicine and/or medical research.”

## **B. RATIONALE AND PURPOSE**

- (1) The businesses in which PTL is engaged are varied in nature, as well as at different stages of growth and development. The Tyre Business and the Medicare and Healthcare Services Business require sharpened focus and specific and skilled management attention to tap their respective growth and profitability potential. They also require different capitalization models. In order to facilitate the growth and development of each of the businesses it is proposed to demerge the Medicare and Healthcare Undertaking (defined hereinafter) from PTL into the Resulting Company viz. AGLSL.
- (2) It is expected that the proposed segregation of the Medicare and Healthcare Undertaking will result in more efficient management, control and running of the Medicare and Healthcare Services Business, as well as the Remaining Business (i.e. the Tyre Business) which would continue to be operated by PTL so as to sharpen strategic business focus in each of these businesses, enhance growth prospects, reduce administrative functions and costs and remove inefficiencies for each of the different businesses, thereby creating enhanced value for shareholders and enabling them to select investments best suited to their investment strategies.



## **C. PARTS OF THE SCHEME**

**The Scheme is divided into the following parts:**

1. PART I which deals with Definitions and Interpretation;
2. PART II which deals with Capital Structure and Effectiveness of the Scheme;
3. PART III which deals with Demerger of Medicare and Healthcare Undertaking;
4. PART IV which deals with Conduct of Business and Remaining Business of Demerged Company;
5. Part V which deals with the Accounting Treatment; and
6. PART VI which deals with Miscellaneous and General Provisions.



## PART I

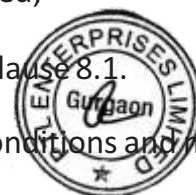
### DEFINITIONS AND INTERPRETATION

#### 1. DEFINITIONS AND INTERPRETATION

##### 1.1. Definitions

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- (a) **"AHSL"** means Artemis Health Sciences Limited, a company incorporated under the Companies Act, 1956, having its registered office at 414/1, 4th floor, DDA Commercial Complex, District Centre, Janakpuri, New Delhi – 110058, the entire paid up equity share capital of which is held by the Demerged Company;
- (b) **"AMSL"** means Artemis Medicare Services Limited, a company incorporated under the Companies Act, 1956, having its registered office at 414/1, 4th floor, DDA Commercial Complex, District Centre, Janakpuri, New Delhi – 110058, the entire paid up equity share capital of which is held by AHSL;
- (c) **"Appointed Date"** means opening hours of business as on [April 1, 2016] or such other date as may be approved by the High Court;
- (d) **"BSE"** means Bombay Stock Exchange Limited;
- (e) **"Companies Act, 1956"** means the Companies Act, 1956 and includes any statutory amendment or modification thereof, which has been partially repealed from time to time after the introduction of the Companies Act, 2013;
- (f) **"Companies Act, 2013"** means the Companies Act, 2013 as notified, clarified and/or modified by notifications issued by the Ministry of Corporate Affairs, from time to time;
- (g) **"Costs"** has the meaning ascribed to such term in Clause 19;
- (h) **"Demerged Company"** or **"PTL"** means PTL Enterprises Limited;
- (i) **"Encumbrances"** has the meaning ascribed to such term in Clause 8.1.
- (j) **"Effective Date"** means the last of the dates on which the conditions and matters



referred to in Clause 14.1 of this Scheme occur or have been fulfilled or waived in accordance with this Scheme.

All references in this Scheme to the date of **“upon coming into effect of this Scheme”** or **“upon the Scheme becoming effective”** or **“effectiveness of this Scheme”** shall mean the Effective Date.

- (k) **“Funds”** has the meaning ascribed to such term in Clause 6.2.
- (l) **“High Court”** means the Hon’ble High Court of Kerala, in relation to the Demerged Company, and the Hon’ble High Court of New Delhi, in relation to the Resulting Company, and shall in each case include the National Company Law Tribunal, if applicable;
- (m) **“IT Act”** means the Income Tax Act, 1961, as amended from time to time;
- (n) **“Medicare and Healthcare Services Business”** has the meaning ascribed to such term in Preamble Clause (A)(1) of this Scheme;
- (o) **“Medicare and Healthcare Undertaking”** means the Demerged Company’s undertaking, business, activities and operations pertaining to Medicare and Healthcare Services Business comprising all the assets (moveable and immoveable) and liabilities, which relate thereto or are necessary therefor, and including specifically the following:
  - (i) All tangible movable assets through which the Demerged Company carries on its business, activities and operations pertaining to Medicare and Healthcare Services Business including those described in **Part ‘A’ of Schedule I** hereto.
  - (ii) All investments of the Demerged Company in AHSL, and other financial and intangible assets through which the Demerged Company carries on its business, activities and operations pertaining to Medicare and Healthcare Services Business including those described in **Part ‘A’ of Schedule I** hereto;
  - (ii) All the debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of the Demerged Company of every kind, nature and description whatsoever and howsoever accruing or arising out of, and all loans and borrowings raised or incurred and utilized for its businesses, activities and operations pertaining to Medicare and Healthcare Services Business including those described in **Part ‘B’ of Schedule I** hereto;



- (iii) All agreements, rights, contracts, entitlements, permits, licences, approvals, consents, engagements, arrangements and all other privileges and benefits of every kind, nature and description whatsoever relating to the Demerged Company's business, activities and operations pertaining to Medicare and Healthcare Services Business;
  - (iv) All intellectual property rights, records, files, papers, data and documents relating to the Demerged Company's business, activities and operations pertaining to Medicare and Healthcare Services Business; and
  - (v) All employees engaged in or relating to the Demerged Company's business, activities and operations pertaining to Medicare and Healthcare Services Business;
- (p) **"NSE"** means National Stock Exchange of India Ltd.;
- (q) **"Record Date"** means the date to be fixed by the Board of Directors of the Demerged Company in consultation with the Board of Directors of the Resulting Company for the purpose of reckoning names of the equity shareholders of the Demerged Company, who shall be entitled to receive the equity shares of the Resulting Company upon coming into effect of this Scheme;
- (r) **"Resulting Company"** or **"AGLSL"** shall mean Artemis Global Life Sciences Limited;
- (s) **"Remaining Business of the Demerged Company"** means the Tyre Business and all the businesses, activities and operations of the Demerged Company, except the Medicare and Healthcare Services Undertaking;
- (t) **"Scheme"** means this Scheme of Arrangement in its present form or with any amendment(s)/modification(s) made under Clause 16 of the Scheme as approved or directed by the High Court.
- (u) **"Share Entitlement Ratio"** has the meaning ascribed to such term in Clause 10.1 of this Scheme.
- (v) **"Trustees"** has the meaning ascribed to such term in Clause 10.2 of this Scheme.
- (w) **"Tyre Business"** has the meaning ascribed to such term in Preamble Clause (A)(1) of this Scheme.



## 1.2. Interpretation

- (a) Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Companies Act, 1956, the Companies Act, 2013, the Securities & Exchange Board of India Act, 1992 (including regulations made thereunder), the IT Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, and as appropriate, including any statutory modification or re-enactment thereof, from time to time.
- (b) In this Scheme, unless the context otherwise requires:
  - (i) references to “persons” shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
  - (ii) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
  - (iii) references to one gender includes all genders;
  - (iv) words in the singular shall include the plural and vice versa; and
  - (v) any references to sections of the Companies Act, 1956 shall be deemed to include references to the equivalent provisions of the Companies Act, 2013, as and when notified.



## PART II

### CAPITAL STRUCTURE AND EFFECTIVENESS OF SCHEME

#### 2. SHARE CAPITAL

(a) The share capital of the Demerged Company as on 31 March 2015 is as under:

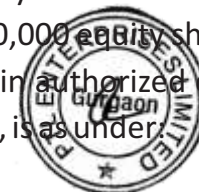
Particulars	Amount (Rs.)
<b>Authorised</b>	
10,00,00,000 (Ten Crores) equity shares of Rs.2/- each	20,00,00,000/-
<b>Issued, Subscribed and Paid Up</b>	
6,61,88,500 (Six Crores Sixty One Lakhs Eighty Eight Thousand Five Hundred only) equity shares of Rs.2/- each, fully paid up	13,23,77,000/-
<b>Total</b>	13,23,77,000/-

Subsequent to 31 March 2015, there is no change in the capital structure of the Demerged Company.

(b) The share capital of the Resulting Company as on 31 March 2015 is as under:

Particulars	Amount (Rs.)
<b>Authorised</b>	
5,00,000 (Five lakhs) equity shares of Rs.10/- each	50,00,000/-
<b>Issued, Subscribed and Paid Up</b>	
1,00,000 (One lakh) equity shares of Rs.10/- each, fully paid up	10,00,000/-
<b>Total</b>	10,00,000/-

Subsequent to 31 March 2015: (i) the equity shares of the Resulting Company were sub-divided, consequent to which each existing equity share (including the paid-up shares) of face value of Rs. 10/- each was sub-divided into 5 (five) equity shares of Rs. 2/- each; and (ii) the authorized capital of the Resulting Company was also increased to Rs. 20,00,00,000/- (INR Twenty Crores) comprising of 10,00,00,000 equity shares of Rs. 2/- each. Consequent to the said sub-division and increase in authorized capital, the share capital of the Resulting Company as on 31 January 2016, is as under:



Particulars	Amount (Rs.)
<b>Authorised</b>	
10,00,00,000 (Ten Crores) equity shares of Rs.2/- each	20,00,00,000/-
<b>Issued, Subscribed and Paid Up</b>	
5,00,000 (Five lakh) equity shares of Rs.2/- each fully paid up	10,00,000/-
<b>Total</b>	<b>10,00,000/-</b>

Subsequent to 31 January 2016, there is no change in the capital structure of the Resulting Company.

### 3. DATE OF TAKING EFFECT AND OPERATIVE DATE

Although this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable, come into operation and be deemed to come into operation from the Appointed Date.





## PART III

### DEMERGER OF MEDICARE AND HEALTHCARE UNDERTAKING

#### **4. TRANSFER AND VESTING OF MEDICARE AND HEALTHCARE UNDERTAKING OF THE DEMERGED COMPANY**

4.1. Upon this Scheme becoming effective and with effect from the Appointed Date, the whole of the Medicare and Healthcare Undertaking, shall pursuant to the provisions contained in Sections 391 to 394 of the Companies Act, 1956 and all other applicable provisions, if any, of the Companies Act, 1956, and Companies Act, 2013, and without any further act, deed, matter or thing, stand transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company so as to vest in the Resulting Company all right, title and interest pertaining to the Medicare and Healthcare Undertaking on a going concern basis in the following manner:

##### 4.1.1.

- (i) Any and all assets relating to the Medicare and Healthcare Undertaking, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by delivery instructions in relation to dematerialized shares or transfer by vesting and recordal pursuant to this Scheme, shall stand transferred to and vested in Resulting Company and shall become the property of Resulting Company. The vesting pursuant to this sub-Clause shall be deemed to have occurred by manual delivery or endorsement and delivery or by delivery instructions in relation to dematerialized shares or by vesting, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- (ii) Any and all movable properties of the Demerged Company relating to the Medicare and Healthcare Undertaking, other than those specified above, including cash and cash equivalents, 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 shall without any further act, instrument or deed become the property of Resulting Company.
- (iii) In relation to assets relating to the Medicare and Healthcare Undertaking, which require separate documents for vesting in Resulting Company, or which



the Demerged Company and/or Resulting Company otherwise desire to be vested separately, the Demerged Company and Resulting Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.

- (iv) All assets acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operation of the Medicare and Healthcare Undertaking shall be deemed to have been acquired for and on behalf of Resulting Company and shall also stand transferred to and vested in Resulting Company with effect from the Effective Date.
- (v) It is hereby clarified that if any assets (including but not limited to any estate, rights, title, interest in or authorities relating to such assets) in relation to the Medicare and Healthcare Undertaking which the Demerged Company owns, cannot be transferred to Resulting Company for any reason whatsoever, the Demerged Company shall hold such asset in trust for the benefit of Resulting Company.

4.1.2. All debts, liabilities, contingent liabilities, secured and unsecured loans, duties and obligations of every kind, nature and description of the Demerged Company pertaining to Medicare and Healthcare Undertaking shall also, under the provisions of Sections 391 to 394 of the Companies Act, 1956 and all other applicable provisions, if any, of the Companies Act, 1956 and/or the Companies Act, 2013, and without any further act, application, instrument, deed, matter or thing stand transferred to and assumed by and/or be deemed to be transferred to and assumed by the Resulting Company, so as to become from the Appointed Date the debts, liabilities, contingent liabilities, secured and unsecured loans, duties and obligations of the Resulting Company and on the same terms and conditions as were applicable to the Demerged Company and further that 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, secured and unsecured loans, duties and obligations have arisen in order to give effect to the provisions of this sub-Clause. Where any of the liabilities and obligations attributed to the Medicare and Healthcare Undertaking which are deemed to be transferred as on the Appointed Date, have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Resulting Company.

4.1.3. Subject to the provisions of the Scheme, all contracts, deeds, ~~bonds, lease~~ deeds, agreements and arrangements of whatsoever nature in respect of the Medicare and



Healthcare Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible or for the obligations of which the Demerged Company may be liable, and which are subsisting or have effect immediately before the Effective Date shall continue in full force and effect on/or against or in favour, as the case may be, of the Resulting Company and maybe enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or a beneficiary or obligee thereto.

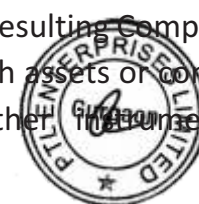
4.1.4. All licenses, quotas, permissions, exemptions, approvals, consents, registrations, certificates, clearances, municipal permissions, insurance policies, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Medicare and Healthcare Undertaking and which are subsisting or have effect immediately before the Effective Date, shall stand vested in or transferred to the Resulting Company without any further act, instrument, application or deed, and shall be appropriately mutated by the relevant authorities/persons concerned therewith in favour of the Resulting Company and the benefit of all such licenses, permissions, exemptions, approvals, consents, registrations, certificates, clearances, municipal permissions, insurance policies, authorities, powers of attorney shall vest in and become available to the Resulting Company as if they were originally obtained by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, obligations and duties thereunder and the rights and benefits under the same shall be available to the Resulting Company. In so far as the various incentives, exemptions, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Demerged Company relating to the Medicare and Healthcare Undertaking, are concerned, the same shall vest with and be available to the Resulting Company on the same terms and conditions as applicable to the Demerged Company, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Resulting Company. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Resulting Company pursuant to the sanction of this Scheme by the High Court and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Resulting Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

4.1.5. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company pertaining to the



Medicare and Healthcare Undertaking after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company. Similarly, the banker of the Resulting Company shall honour all cheques issued by the Demerged Company pertaining to the Medicare and Healthcare Undertaking for payment after the Effective Date. If required, the Demerged Company shall allow maintaining of bank accounts in the name of the Demerged Company by the Resulting Company for such time as may be determined to be necessary by the Demerged Company and the Resulting Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Demerged Company in connection with the business of the Medicare and Healthcare Undertaking. It is hereby expressly clarified that any legal proceedings by or against the Demerged Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company pertaining to the Medicare and Healthcare Undertaking shall be instituted, or as the case may be, continued, by or against, the Resulting Company after the Effective Date.

- 4.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Medicare and Healthcare Undertaking occurs by virtue of this Scheme itself, the Resulting Company may at any time after the Scheme coming into effect in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangements to which the Demerged Company is a party or any writing as may be necessary to be executed in order to give formal effect to the above provisions. The Resulting Company shall under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities, compliances referred to above on the part of the Resulting Company to be carried out or performed in relation to the Medicare and Healthcare Undertaking being transferred by the Demerged Company.
- 4.3. Without prejudice to the aforesaid, it is clarified that if any assets and any estate, claims, rights, title, interest in or authorities relating to such assets or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Medicare and Healthcare Undertaking which the Demerged Company is a party to cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such assets or contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of



whatsoever nature in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is effected.

- 4.4. Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Medicare and Healthcare Undertaking or whether it arises out of the activities or operations of Medicare and Healthcare Undertaking shall be decided by mutual agreement between the Board of Directors of Demerged Company and the Resulting Company, which shall be conclusive and binding.

## **5. PENDING SUITS**

- 5.1. Upon the Scheme becoming effective, all legal, taxation or other proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal), by or against the Demerged Company, in relation to the Medicare and Healthcare Undertaking pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Resulting Company as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Resulting Company and all of the rights vested in the Demerged Company whether under tax laws or any other law shall be transferred to and be deemed to be the rights of and vested in the Resulting Company as if they had arisen to and belonged to the Resulting Company.
- 5.2. If proceedings are taken against the Demerged Company in respect of the matters referred to in Clause 5.1 above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company.
- 5.3. The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company in relation to the Medicare and Healthcare Undertaking, referred to in Clause 5.1 above transferred to its name to the extent permissible and to have the same continued, prosecuted and enforced by or against the Resulting Company.
- 5.4. Any question that may arise as to whether a proceeding pertains or does not pertain to the Medicare and Healthcare Undertaking or whether it arises out of the activities or operations of Medicare and Healthcare Undertaking shall be decided by mutual agreement between the Board of Directors of Demerged Company and the Resulting Company, which shall be conclusive and binding.

## **6. EMPLOYEES**

- 6.1. Upon the coming into effect of this Scheme, all staff, workmen and employees (whether full time or part time) of the Demerged Company engaged in, or in relation to



the Medicare and Healthcare Undertaking, in service on the Effective Date, shall be deemed to have become staff, workmen and employees of the Resulting Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Resulting Company shall not be less favorable than those on which they are engaged by the Demerged Company. The services of such staff, workmen and employees with the Demerged Company upto the Effective Date shall be taken into account for the purposes of all benefits to which the said staff, workmen and employees may be eligible, including for the purposes of payment of any retrenchment compensation, gratuity and other benefits. The Resulting Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Demerged Company with such staff, workmen and employees.

- 6.2. Insofar as the existing provident fund, gratuity fund and pension and/or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Company for the employees of the Medicare and Healthcare Undertaking are concerned (collectively referred to as the **"Funds"**), the Funds and such of the investments made by the Funds which are referable to the employees of the Medicare and Healthcare Undertaking being transferred to the Resulting Company in terms of this Scheme shall be transferred to the Resulting Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Funds shall, subject to the necessary approvals and permissions and at the discretion of the Resulting Company, either be continued as separate Funds of the Resulting Company for the benefit of the employees of the Medicare and Healthcare Undertaking or be transferred to and merged with other similar funds of the Resulting Company. In the event that the Resulting Company does not have its own funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the Funds of the Demerged Company, until such time that the Resulting Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the employees of the Medicare and Healthcare Undertaking shall be transferred to the funds created by the Resulting Company.
- 6.3. Any question that may arise as to whether any staff, workmen or employee is engaged in or in relation to the Medicare and Healthcare Undertaking in service as on the Effective Date shall be decided by mutual agreement between the Board of Directors of Demerged Company and the Resulting Company, on the basis of any evidence they may deem relevant for this purpose, which decision shall be conclusive and binding.





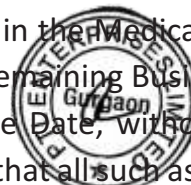
## 7. APPROVALS AND TAXES AND AMENDMENT TO CHARTER DOCUMENTS

All taxes including income tax, sales tax, minimum alternate tax, value added tax, excise duty, customs duty, service tax, CENVAT, VAT, or any other duty, cess or tax paid or payable by, or refundable to, the Demerged Company with regard to the Medicare and Healthcare Undertaking, its operations and/or profits, including all or any refunds or claims, before the Appointed Date, shall pursuant to the Scheme becoming effective, be deemed to have been paid or payable by, or refundable to, the Resulting Company, and insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, minimum alternate tax, value added tax, excise duty, customs duty, service tax, CENVAT etc.) whether by way of advance tax, certificate of tax deducted at source or any other tax credit certificate, or otherwise howsoever, by the Demerged Company in respect of the Medicare and Healthcare Undertaking, its profits or operations, after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company, and shall in all proceedings, be dealt with accordingly. Further, any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Demerged Company in respect of the Medicare and Healthcare Undertaking, shall pursuant to this Scheme becoming effective, be available to the Resulting Company.

## 8. SECURITY

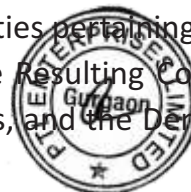
8.1. The transfer and vesting of the Medicare and Healthcare Undertaking pursuant to this Scheme shall be subject to the securities, charges, liens, guarantees, mortgages and other encumbrances ("**Encumbrances**"), if any, affecting the same as hereinafter provided:

- (a) The Encumbrances, if any, created by the Demerged Company after the Appointed Date, in terms of this Scheme, over the assets comprised in any of the Medicare and Healthcare Undertaking or any part thereof transferred to the Resulting Company by virtue of this Scheme, shall after the Effective Date continue to relate and attach to such assets or any part thereof to which they are related or attached, prior to the Effective Date and as are transferred to the Resulting Company and such Encumbrances shall not relate to or attach to any of the other assets of the Resulting Company or to any assets of the Demerged Company.
- (b) In so far as any Encumbrances over the assets comprised in the Medicare and Healthcare Undertaking are security for liabilities of the Remaining Business of the Demerged Company, the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets of



the Medicare and Healthcare Undertaking shall stand released and discharged from the obligations and security relating to the same and the Encumbrances shall only extend to and continue to operate against the assets retained with the Demerged Company and shall cease to operate against any of the assets transferred to the Resulting Company in terms of this Scheme. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

- (c) In so far as any Encumbrances over the assets comprised in the Remaining Business of the Demerged Company are security for liabilities transferred to the Medicare and Healthcare Undertaking, the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets of the Remaining Business of the Demerged Company shall stand released and discharged from the obligations and security relating to the same and the Encumbrances shall only extend to and continue to operate against the assets transferred to the Resulting Company and shall cease to operate against any of the assets retained by the Demerged Company in terms of this Scheme. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.
- (d) Without prejudice to the provisions of the foregoing clauses, upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall execute all instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modifications of charge with the Registrar of Companies, Kerala, and/or Registrar of Companies, New Delhi to give formal effect to the above provisions, if required.
- (e) Upon the coming into effect of this Scheme, the Resulting Company alone shall be liable to perform all obligations in respect of the liabilities, which have been transferred to them respectively in terms of the Scheme, and the Demerged Company shall not have any obligations in respect of such liabilities, and the Resulting Company shall indemnify the Demerged Company in relation to any claim, at any time, against the Demerged Company in respect of the liabilities which have been transferred to the Resulting Company.
- (f) Upon the coming into effect of this Scheme, the Demerged Company alone shall be liable to perform all obligations in respect of the liabilities pertaining to the Remaining Business of the Demerged Company, and the Resulting Company shall not have any obligations in respect of such liabilities, and the Demerged





Company shall indemnify the Resulting Company in relation to any claim, at any time, against the Resulting Company in respect of the liabilities of the Remaining Business of the Demerged Company.

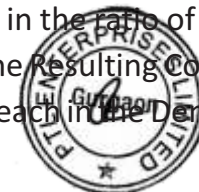
- (g) It is expressly provided that, save as mentioned in Clause 4 and this Clause 8, no other term or condition of the liabilities transferred to the Resulting Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- (h) Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of Clause 4 and this Clause 8 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

## **9. SAVING OF CONCLUDED TRANSACTIONS**

- 9.1. The transfer and vesting of assets, properties, obligations and liabilities in respect of the Medicare and Healthcare Undertaking as per this Scheme in the Resulting Company and the continuance of proceedings by or against the Resulting Company shall not affect any transaction or proceedings already concluded by the Demerged Company, in relation to the Medicare and Healthcare Undertaking on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company, in relation to the Medicare and Healthcare Undertaking, in respect thereto as done and executed on behalf of itself.

## **10. CONSIDERATION, ISSUANCE MECHANICS AND OTHER PROVISIONS**

- 10.1. Upon the Scheme becoming effective and in consideration of the demerger including the transfer and vesting of the Medicare and Healthcare Undertaking of the Demerged Company in the Resulting Company, the Resulting Company shall, without any further act, application, instrument or deed, issue and allot equity share of Rs.2/- (Indian Rupees Two only) each fully paid up on a proportionate basis to each shareholder of the Demerged Company whose name appears in the Register of Members of the Demerged Company as on the Record Date or to the heirs, executors, administrators or the successors-in-title of such shareholders, as the case may be, in the ratio of 1:1 i.e. one (1) equity share of Rs. 2/- (Indian Rupees Two only) each in the Resulting Company for every one (1) equity share of Rs. 2/- (Indian Rupees Two only) each in the Demerged Company ("**Share Entitlement Ratio**") held by the shareholder.



- 10.2. Accordingly, every shareholder holding shares in the Demerged Company shall become a shareholder of the Resulting Company by virtue of the demerger of the Medicare and Healthcare Undertaking pursuant to this Scheme. If approval of the Foreign Investment Promotion Board and/or the Reserve Bank of India is required under applicable law for the allotment of equity shares by the Resulting Company to any non-resident shareholder(s) of the Demerged Company, the Demerged Company and/or the Resulting Company will apply for the requisite approvals in this regard. The allotment of equity shares to such non-resident shareholder will be subject to such terms and conditions as may be prescribed by the relevant Government authority. If all the requisite approvals for the allotment of equity shares to the non-resident shareholders have not been received as on the Effective Date, at the discretion of the Board of Directors of the Resulting Company, either the allotment of equity shares may be held in abeyance, or the equity shares to be allotted to such non-resident shareholders shall be consolidated and shall be issued and allotted in lieu thereof to such Director(s), officer(s) or other person(s) as shall be nominated by the Resulting Company (**"Trustees"**) who shall hold such equity shares in trust on behalf of the non-resident shareholder(s) of the Demerged Company on the express understanding that such Trustee(s) shall, subject to such legal and regulatory approvals as may be required under applicable law, sell the same in the market at such time or times and at such price or prices, as deemed fit by such Trustee(s), and the net sale proceeds thereof shall be distributed, subject to deduction of tax as applicable and related expenses, pro rata to the non-resident shareholders of the Demerged Company.
- 10.3. The equity shares to be issued by the Resulting Company pursuant to Clause 10.1 above shall be issued in dematerialized form, unless otherwise notified in writing by any shareholder of the Demerged Company on or before such date as may be determined by the Board of Directors of Resulting Company or a committee thereof. In the event that such notice has not been received by Resulting Company in respect of any of the shareholders of the Demerged Company as of the Record Date, the equity shares shall be issued to such members in dematerialized form provided that such members shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event any shareholder has notified Resulting Company as contemplated above that they desire to be issued shares in the physical form or if the details furnished by any member do not permit electronic credit of the shares of Resulting Company, then Resulting Company shall issue equity shares in physical form to such shareholders.



- 10.4. In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors of the Demerged Company or any committee thereof shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company as if such changes in the registered holders were operative on the Record Date, in order to remove any difficulties arising to the transfer of the shares in Resulting Company and in relation to equity shares to be issued to the members of the Demerged Company pursuant to Clause 10.1 above.
- 10.5. The equity shares to be issued by the Resulting Company pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of the Companies Act, 2013 or otherwise, shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company.
- 10.6. For the purposes of IT Act:
- (a) the cost of acquisition of the shares of the Resulting Company in the hands of the shareholders of the Demerged Company shall be the amount which bears to the cost of acquisition of shares held by the shareholder in the Demerged Company the same proportion as the net book value of the assets transferred in the demerger to the Resulting Company bears to the net worth of the Demerged Company immediately before the demerger hereunder;
  - (b) the period for which the share(s) in Demerged Company were held by the shareholders shall be included in determining the period for which the shares in the Resulting Company have been held by the respective shareholder.
- 10.7. The issue and allotment of equity shares by Resulting Company to the shareholders of Demerged Company as provided in this Scheme is an integral part thereof, it shall be deemed that the members have accorded their consent under Section 62(1A) of the Companies Act, 2013, or any other applicable provision of the Companies Act, 2013 as may be applicable. The Resulting Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including SEBI and the NSE and the BSE, for the issue and allotment by the Resulting Company of equity shares of Resulting Company to the members of Demerged Company pursuant to the Scheme.
- 10.8. All equity shares of the Resulting Company issued in terms of this Scheme or otherwise shall, subject to the execution of the listing agreement and payment of the appropriate fees, be listed on the NSE and the BSE and on such other recognized stock exchange(s)



in India, and/or admitted to trading if any, as may be decided by the Board of Directors of the Resulting Company.

- 10.9. The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the designated stock exchange. There shall be no change in the shareholding pattern or control of the Resulting Company between the Record Date and the date of listing of equity shares of the Resulting Company which may affect the status of the NSE's and the BSE's approval.
- 10.10. Unless otherwise determined by the Board of Directors, or any committee thereof, of the Demerged Company and the Board of Directors, or any committee thereof, of the Resulting Company, allotment of equity shares in terms of this Scheme shall be completed within forty five (45) days from the Effective Date.
- 10.11. Simultaneous with the issuance and allotment of equity shares by Resulting Company in terms of Clause 10.1 above, the existing issued and paid up equity share capital of Resulting Company, comprising [5,00,000] equity shares of Rs. 2/- each, aggregating to Rs. 10,00,000/-, as held by the Demerged Company shall be cancelled as an integral part of this Scheme in accordance with provisions of Section 100 to 103 of the Companies Act, 1956 and/or Section 66 of the Companies Act, 2013, and the Order of the High Court sanctioning the Scheme shall be deemed to be also the Order under Section 102 of the Companies Act, 1956 and/or Section 66 of the Companies Act, 2013, for the purpose of confirming the reduction. The share certificates held by the Demerged Company and its nominees representing the equity shares in Resulting Company shall be deemed to be cancelled and not tradable from and after such cancellation.



## PART IV

### CONDUCT OF BUSINESS AND REMAINING BUSINESS OF THE DEMERGED COMPANY

#### 11. BUSINESS AND PROPERTY IN TRUST

11.1. With effect from the Appointed Date and upto and including the Effective Date:

- (a) Demerged Company shall carry on and deemed to have carried on the business and activities of the Medicare and Healthcare Undertaking and shall hold and stand possessed and shall deemed to have held or stood possessed of the Medicare and Healthcare Undertaking, for and on account of and in trust for the Resulting Company.
- (b) All the income or profits accruing or arising to Demerged Company, in relation to the Medicare and Healthcare Undertaking and all costs, charges, expenses, losses or taxes (including but not limited to advance tax, tax deducted at source etc) arising or incurred by Demerged Company, in relation to the Medicare and Healthcare Undertaking shall for all purposes be treated and be deemed to be treated and accrued as the income, profits, costs, charges, expenses losses or taxes, as the case may be of the Resulting Company.
- (c) All compliances with respect to advance tax, withholding taxes or tax deduction at source, etc, to be done or done by the Demerged Company in relation to the Medicare and Healthcare Undertaking shall for all purposes be treated as compliances to be done or done by the Resulting Company.
- (d) Demerged Company, in relation to the Medicare and Healthcare Undertaking shall carry on its business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiary or group companies or any third party, or alter its businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except:
  - (i) in the ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or
  - (ii) if the same is expressly permitted by this Scheme; or
  - (iii) if prior written consent of the Resulting Company has been obtained; or



- (iv) pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme.
- 11.2. Demerged Company shall not make any change in its capital structure either by way of any increase (by issue of equity or shares on a rights basis, bonus shares, convertible debentures or otherwise), decrease, reduction, re-classification, sub-division or consolidation, re-organisation, or in any other manner except by mutual consent of the respective Board of Directors of Demerged Company and the Resulting Company or except as may be expressly permitted under this Scheme.
- 11.3. The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government(s) and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Resulting Company, may require to carry on the Medicare and Healthcare Undertaking.

## **12. REMAINING BUSINESS OF THE DEMERGED COMPANY**

- 12.1. It is clarified that the Remaining Business of the Demerged Company shall continue with the Demerged Company as follows:
- (a) The Remaining Business of the Demerged Company and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
- (b) All legal, taxation and other proceedings by or against the Demerged Company under any statute, or quasi-judicial authority or tribunal, whether pending on the Effective Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duty, of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and enforced by or against the Demerged Company. The Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding against the Demerged Company. If proceedings are taken up against the Resulting Company in respect of the matters referred to in this Clause, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company and the latter shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.



(c) With effect from the Appointed Date and including the Effective Date -

- (i) the Demerged Company shall carry on and be carrying on all business and activities relating to the Remaining Business of the Demerged Company for and on its own behalf;
- (ii) all profits accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Remaining Business of the Demerged Company shall, for all purposes, be treated as the profit, or losses, as the case may be, of the Demerged Company.





## **PART V**

### **ACCOUNTING TREATMENT**

#### **13. ACCOUNTING TREATMENT**

##### **13.1. In the books of the Demerged Company**

###### **13.1.1 Upon the Scheme becoming effective:**

- (a) The assets and liabilities comprised in the Medicare and Healthcare Undertaking shall be transferred to the Resulting Company at their values appearing in the books of accounts of the Demerged Company on the Appointed Date, and the books of accounts of Demerged Company shall reflect the assets and liabilities of the Remaining Business of the Demerged Company.
- (b) The difference that is the excess of the book value of assets pertaining to the Medicare and Healthcare Undertaking demerged by the Demerged Company into the Resulting Company pursuant to this Scheme over the book value of the liabilities pertaining to the Medicare and Healthcare Undertaking so demerged pursuant to this Scheme shall be adjusted first against the revaluation reserve and balance, if any, after such adjustment, will be adjusted against the general reserves of the Demerged Company. The balances of the revaluation reserve and the general reserve, as the case may be, shall stand reduced to that extent.

##### **13.2. In the books of the Resulting Company**

###### **13.2.1 Upon the Scheme becoming effective:**

- (a) The Resulting Company shall record the assets and liabilities comprised in the Medicare and Healthcare Undertaking transferred to and vested in the Resulting Company pursuant to this Scheme, at the same value as are appearing in the books of account of the Demerged Company on the Appointed Date.
- (b) The Resulting Company shall credit to its Share Capital Account, the aggregate face value of the equity shares issued by it pursuant to this Scheme. The face value of the existing equity shares cancelled pursuant to Clause 10.11 shall be credited to the Capital Reserve Account of the Resulting Company.
- (c) The difference being excess of assets over liabilities recorded by the Resulting Company, over the amount credited as share capital after giving effect to Clause 13.2.1(b) above, will deemed to comprise and be recognized as a Capital Reserve. In case of there being shortfall, the same shall be debited as Goodwill.





## **PART VI**

### **MISCELLANEOUS AND GENERAL PROVISIONS**

#### **14. CONDITIONALITY OF THE SCHEME**

14.1. This Scheme is and shall be conditional upon and subject to:

- (a) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of Demerged Company and the Resulting Company as may be directed by the Honorable High Courts and/or any other competent authority, as may be applicable;
- (b) The Scheme being sanctioned by the High Courts under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013;
- (c) The certified copies of the orders of High Court or any other authority under Sections 391 and 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013 sanctioning the Scheme are filed with the Registrar of Companies, Kerala and Registrar of Companies, New Delhi;
- (d) All statutory, regulatory and other approvals necessary for the Scheme to be given effect to being received.

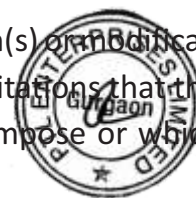
#### **15. SHAREHOLDERS' APPROVAL**

15.1. Upon this Scheme becoming effective, the shareholders of the Resulting Company shall be deemed to have also accorded their approval under all relevant provisions of the Companies Act, 1956 and Companies Act, 2013 for giving effect to the provisions contained in this Scheme.

#### **16. AMENDMENTS TO THE SCHEME**

16.1. Demerged Company and the Resulting Company by their respective Board of Directors or any duly authorized committee appointed by such Board of Directors in this behalf may jointly and as mutually agreed:

- (a) in their full and absolute discretion, assent to any alteration(s) or modification(s) or amendments to the Scheme or to any conditions or limitations that the High Court or any other authority may deem fit to direct or impose or which may

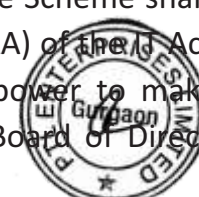


otherwise be considered necessary, desirable or appropriate by the Board of Directors or committee and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect;

- (b) any modification to this Scheme by the High Court shall not be binding on Demerged Company and the Resulting Company except where its prior consent has been obtained;
- (c) give such directions (acting jointly) as may be mutually agreed by Demerged Company and the Resulting Company as they may be necessary to settle any question or difficulty arising under this Scheme in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors or debenture holders of the respective companies), or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those (to the extent permitted under law);
- (d) in their full and absolute discretion and by mutual agreement between Demerged Company and the Resulting Company modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time;
- (e) determine jointly by mutual agreement between Demerged Company and the Resulting Company any issue as to whether any asset, liability, employee, legal or other proceedings pertains to the Medicare and Healthcare Undertaking or not, on the basis of any evidence they may deem relevant for this purpose.

## **17. COMPLIANCE WITH LAWS AND CONSEQUENTIAL MATTERS RELATING TO TAX**

- 17.1. This Scheme is presented and drawn up to comply with the provisions/ requirements of Sections 391 to 394 of the Companies Act, 1956, for the purpose of demerger of the Medicare and Healthcare Undertaking to the Resulting Company.
- 17.2. This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the IT Act. If any terms or provisions of the Scheme is/are inconsistent with the provisions of Section 2(19AA) of the IT Act, the provisions of Section 2(19AA) of the IT Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the IT Act; such modification to not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of



Demerged Company and the Resulting Company, which power can be exercised at any time and shall be exercised in the best interests of the companies and their shareholders.

17.3. The demerger of the Medicare and Healthcare Undertaking from the Demerged Company to Resulting Company shall comply with the provisions of Section 2(19AA) of the IT Act such that:

- (a) all the properties of the Medicare and Healthcare Undertaking being transferred by the Demerged Company, immediately before the demerger shall become the properties of Resulting Company by virtue of such demerger;
- (b) all the liabilities (including general or multi-purpose borrowings allocable) relating to the Medicare and Healthcare Undertaking being transferred by the Demerged Company, immediately before the demerger shall become the liabilities of Resulting Company by virtue of such demerger;
- (c) the properties and the liabilities relating to the Medicare and Healthcare Undertaking being transferred by Demerged Company shall be transferred to Resulting Company at the values appearing in the books of account of Demerged Company immediately before the demerger;
- (d) Resulting Company shall issue, in consideration of the demerger, shares to the shareholders of the Demerged Company on a proportionate basis;
- (e) Shareholders holding at least 75% value of shares of the Demerged Company shall become the shareholders of Resulting Company by virtue of the demerger, otherwise than as a result of the acquisition of the property or assets of the Demerged Company or any undertaking thereof by Demerged Company; and
- (f) the transfer of the Medicare and Healthcare Undertaking shall be on a going concern basis.

17.4. Upon the Scheme becoming effective, the Demerged Company and the Resulting Company are expressly permitted to revise their financial statements. The order of the High Court sanctioning the Scheme shall be deemed to be an order of the National Company Law Tribunal permitting the Demerged Company and the Resulting Company to revise its financial statements and books of accounts and no further act shall be required to be undertaken by the Demerged Company and the Resulting Company.

17.5. Upon the Scheme coming into effect, the Resulting Company may, if it considers necessary or expedient, revise its income tax returns, service tax returns, sales tax



- returns, withholding tax returns, excise and CENVAT returns, and other tax returns, and claim refunds and/or credits, benefit of carry forward of accumulated losses etc. pertaining to the Medicare and Healthcare Undertaking pursuant to the provisions of the Scheme.
- 17.6. Upon the Scheme coming into effect, the Demerged Company is also expressly permitted to revise its income tax returns, service tax returns, sales tax returns, withholding tax returns, excise and CENVAT returns, and other tax returns, and to claim refunds and/or credits, benefit of carry forward of accumulated losses etc, pertaining to the Remaining Business of the Demerged Company pursuant to the provisions of the Scheme.
- 17.7. Upon the Scheme coming into effect, notwithstanding anything to the contrary contained in the provisions of this Scheme, all accumulated tax loss, unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation, minimum alternate tax credit, if any, of the Medicare and Healthcare Undertaking as on the Appointed Date, respectively shall, for all purposes, be treated as accumulated tax losses, unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation and minimum alternate tax credits of the Resulting Company.
- 17.8. Upon the Scheme becoming effective, the Resulting Company shall be entitled to claim refunds or credits, including input tax credits, with respect to taxes paid by, for, or on behalf of, the Medicare and Healthcare Undertaking under applicable laws, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed.
- 17.9. Upon the Scheme becoming effective, any TDS certificates issued by the Demerged Company to, or for the benefit of, the Medicare and Healthcare Undertaking under the Income Tax Act, 1961 with respect to the inter se transactions would be available to the Resulting Company to seek refund of from the tax authorities in compliance with law. Further, TDS deposited, TDS certificates issued or TDS returns filed by the Demerged Company pertaining to the Medicare and Healthcare Undertaking on transactions other than inter se transactions shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Resulting Company. Any TDS deducted by, or on behalf of, the Medicare and Healthcare Undertaking on inter se transactions will be treated as advance tax deposited by the Resulting Company.



17.10. The Resulting Company is also expressly permitted to claim refunds, credits, including restoration of input CENVAT credit, tax deduction in respect of nullifying of any transaction between or amongst the Medicare and Healthcare Undertaking and the Resulting Company.

17.11. The obligation for deduction of tax at source on any payment made by or to be made by the Demerged Company pertaining to the Medicare and Healthcare Undertaking under the Income Tax Act, 1961, service tax laws, central sales tax, state value added tax or other applicable laws and/or regulations dealing with taxes, duties or levies shall be deemed to have been made and duly complied with on behalf of the Resulting Company.

## **18. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of any of the sanctions, approvals or conditions enumerated in the Scheme not being obtained or complied, and/or the Scheme not being sanctioned by the High Court or such other competent authority and/or the Order not being passed as aforesaid before 31 March 2017 or within such period or periods as may be agreed upon between Demerged Company and the Resulting Company by their Board of Directors (or any committee thereof) and/or the Scheme not being complied, or for any other reason, this Scheme cannot be implemented within 120 days from the Effective Date, then the Board of Directors of Demerged Company and the Resulting Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement the Scheme shall become null and void, and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person in terms of the Scheme, save and except any right or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

## **19. COSTS, CHARGES AND EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses (collectively referred as "Costs"), if any (save as expressly otherwise agreed) of the Demerged Company and the Resulting Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto, shall be respectively borne by each company incurring the Costs.



## 20. SEVERABILITY

If any part of this Scheme is invalid, ruled illegal or rejected or is unreasonably delayed or not sanctioned by any court of competent jurisdiction, or unenforceable under present or future laws, or not sanctioned or is unreasonably delayed, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Demerged Company and the Resulting Company, acting through their respective Boards of Directors, shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part, which is invalid, ruled illegal or rejected, or being unreasonably delayed or not sanctioned or is unreasonably delayed by any court of competent jurisdiction, or unenforceable under present or future law.



## **SCHEDULE I**

### **PART A : ASSETS**

Medical Equipment including equipment leased to AMSL

Investment in 24,499,993 equity shares of Rs. 10/- each of Artemis Health Sciences Ltd

Investment in 38,800 11% Non Convertible Redeemable Preference Shares of Rs. 100/- each of Artemis Health Sciences Ltd

Loans and advances pertaining to Medicare and Healthcare Services Business

Receivables pertaining to Medicare and Healthcare Services Business

### **PART B : LIABILITIES**

Borrowings relatable to Medicare and Healthcare Services Business

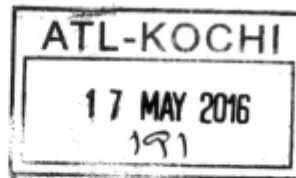
Sundry creditors, liabilities including contingent liabilities with respect to Medicare and Healthcare Services Business, including dues, if any, to employees relatable to the Medicare and Healthcare Services Business





DCS/AMAL/MN/24(f)/383/2016-17  
May 10, 2016

The Company Secretary  
**PTL ENTERPRISES LTD.**  
Cherupushpam Building ,  
6th Floor Shanmugham Road ,  
Kochi, Kerala, 682031.



**Sub: Observation letter regarding the Draft Scheme of Arrangement between PTL Enterprises Limited and Artemis Global Life Science Limited.**

We are in receipt of Draft Scheme of Scheme of Arrangement between PTL Enterprises Limited and Artemis Global Life Science Limited.

As required under SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI vide its letter dated May 10, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- ***“Company shall duly comply with various provisions of the Circulars.”***

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To duly comply with various provisions of the circulars

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

- a. Copy of the High Court approved Scheme;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- d. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- e. Status of compliance with the Observation Letter/s of the stock exchanges;
- f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- g. Complaints Report as per Annexure II of this Circular.
- h. Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

**Nitin Pujari**  
Manager



BSE Limited (Formerly Bombay Stock Exchange Ltd.)  
Registered Office : Floor 25, P.J. Towers, Dalal Street, Mumbai 400 001 India  
T: +91 22 2272 1234/33 | E: corp.comm@bseindia.com | www.bseindia.com  
Corporate Identity Number : U67120MH2005PLC155183



Ref: NSE/LIST/72562

May 11, 2016

The Company Secretary  
PTL Enterprises Limited  
6th Floor, Cherupushpam Building,  
Shanmugham Road,  
Kochi – 682031

**Kind Attn.: Mr. Pradeep Kumar**

Dear Sir,

**Sub: Observation letter for draft Scheme of Arrangement between PTL Enterprises Limited (Demerged Company) and Artemis Global Life Sciences Limited (Resulting Company) and their respective shareholders and creditors**

This has reference to draft Scheme of Arrangement between PTL Enterprises Limited (Demerged Company) and Artemis Global Life Sciences Limited (Resulting Company) and their respective shareholders and creditors submitted to NSE vide your letter dated February 03, 2016.

Based on our letter reference no Ref: NSE/LIST/67809 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CDM/16/2015 dated November 30, 2015, SEBI has vide letter dated May 10, 2016, has given following comments on the draft Scheme of Arrangement:

“The Company shall duly comply with various provisions of the Circulars.”

We hereby convey our ‘No-objection’ with limited reference to those matters having a bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Companies to file the Scheme with Hon’ble High Court.

However, the listing of equity shares of Artemis Global Life Sciences Limited on the National Stock Exchange India Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957. Further, Artemis Global Life Sciences Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authorities and Rules, Byelaws and Regulations of the Exchange.

The Company should also fulfill the Exchange’s criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Artemis Global Life Sciences Limited is at the discretion of the Exchange.

The listing of Artemis Global Life Sciences Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Artemis Global Life Sciences Limited and its group companies in line with the disclosure requirements applicable for public issues with NSE for making the same available to the public through website of the companies.



2. To publish an advertisement in the newspapers containing all the information about Artemis Global Life Sciences Limited in line with the details required as per SEBI circular no. CIR/CFD/CDM/16/2015 dated November 30, 2015. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about Artemis Global Life Sciences Limited to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations 2015, for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the scheme:
  - (a) "The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange."

"There shall be no change in the shareholding pattern or control in Artemis Global Life Sciences Limited between the record date and the listing which may affect the status of this approval."

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with the Hon'ble High Court.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (LODR) Regulations 2015, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from May 11, 2016, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circular upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

- a. Copy of Scheme as approved by the High Court;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per SEBI Circular No. CIR/CFD/CDM/16/2015 dated November 30, 2015.

Yours faithfully,  
For National Stock Exchange of India Limited

Kautuk Upadhyay  
Manager

This Document is digitally Signed

Singer : Kautuk Rohit Upadhyay  
Date: Wed, May 11, 2016 15:54:43 GMT 05:30  
Location: NSE

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL [http://www.nseindia.com/corporates/content/further\\_issues.htm](http://www.nseindia.com/corporates/content/further_issues.htm)

# PTL ENTERPRISES LIMITED

Website: [www.ptlenterprise.com](http://www.ptlenterprise.com)

E.mail: [investors@ptlenterprises.com](mailto:investors@ptlenterprises.com)

CIN - L25111KL1959PLC009300

## Complaints Report:

### Part A

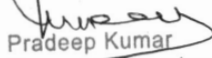
Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NA
5.	Number of complaints pending	NA

### Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.			
2.			
3.			

Date: 23.03.2016  
Place: Gurgaon



For PTL ENTERPRISES LIMITED  
  
Pradeep Kumar  
Company Secretary (F4971)  
B-39, Vikalp Appts. Plot No. 92,  
I.P. Extn., Delhi-110092

Corporate Office : C/o Apollo Tyres Limited, Apollo House, 7, Institutional Area, Sector-32, Gurgaon- 122001 (Haryana)

Tel. : (0124) – 2383002, 2383003, Fax : (0124) – 2383021, 2383017

Registered Office : 6th floor, Cherupushpam Building, Shanmugham Road, Kochi- 682 031 (Kerala)

Tel. : (0484) – 2381808, 2381895, 2372767, Fax : (0484) – 2370351

# PTL ENTERPRISES LIMITED

Website: [www.ptlenterprise.com](http://www.ptlenterprise.com)

E.mail: [investors@ptlenterprises.com](mailto:investors@ptlenterprises.com)

CIN - L25111KL1959PLC009300

## Complaints Report:

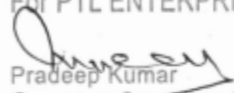
### Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NA
5.	Number of complaints pending	NA

### Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NOT APPLICABLE		
2.			
3.			

For PTL ENTERPRISES LIMITED

  
Pradeep Kumar  
Company Secretary (F4971)  
B-39, Vikalp Appts. Plot No. 92,  
I.P. Extn., Delhi-110092

Date: 11-03-2016  
Place: Gurgaon



Corporate Office : C/o Apollo Tyres Limited, Apollo House, 7, Institutional Area, Sector-32, Gurgaon- 122001 (Haryana)

Tel. : (0124) – 2383002, 2383003, Fax : (0124) – 2383021, 2383017

Registered Office : 6th floor, Cherupushpam Building, Shanmugham Road, Kochi- 682 031 (Kerala)

Tel. : (0484) – 2381808, 2381895, 2372767, Fax : (0484) – 2370351

# Chitale & Associates

Chartered Accountants

Nirlon House, Annie Besant Road, Worli, Mumbai 400 030, India. T/+91 22 40041010-15 / 66396833-34 E/ca@chitale.net

Date: 14 January, 2016

The Board of Directors,  
PTL Enterprises Ltd.,  
6<sup>th</sup> floor, Cherupushpam Building,  
Shanmugham Road,  
Kochi- 682 031, Kerala

The Board of Directors,  
Artemis Global Life Sciences Limited  
(Formerly known as PTL Projects Ltd.),  
414/1, 4th Floor,  
DDA Commercial Complex,  
District Centre, Janakpuri,  
New Delhi 110058.

Dear Sirs,

Ref: Share Entitlement Ratio ("Report")

## 1. Context

1.1 We refer to the Engagement Letter dated 02<sup>nd</sup> January 2016 and the subsequent discussions we had with you, wherein you requested our report on the ratio of allotment of equity shares of the resultant company, Artemis Global Life Sciences Limited (formerly known as PTL Projects Ltd.) ("**AGLSL**" or "**Resulting Company**") to be issued to the shareholders of PTL Enterprises Limited ("**PTL**" or "**Demerged Company**") in connection with proposed demerger of the Medicare and Healthcare Undertaking (as defined below) from PTL Enterprises Ltd. with 1<sup>st</sup> April, 2016 as appointed date ("**Appointed Date**").

## 2. Background

2.1 PTL has a tyre manufacturing facility located at Kerala, which has been leased out to Apollo Tyres Limited, a group company (whose shares are listed on Bombay Stock Exchange and National Stock Exchange), on an operating lease basis ("**Tyre Undertaking**"). Additionally, PTL is also engaged in healthcare business enfolded health care equipment leasing to its wholly owned sub-subsidiary Artemis Medicare Services Ltd. and the delivery of healthcare services through the state-of-the art tertiary care hospital in Gurgaon called Artemis Health Institute ("**AHI**") owned and operated through its subsidiary and its sub-subsidiary namely, Artemis Health Sciences Ltd ("**AHS**") and, Artemis Medicare Services Limited ("**AMS**"). Collectively, the healthcare business comprising health care equipment leasing and the investment in AHS & AMS is hereinafter referred to as the "**Medicare and Healthcare Undertaking**".



2.2 PTL's equity shares are listed on Bombay Stock Exchange and National Stock Exchange.

2.3 The authorized, issued, subscribed and paid-up share capital of PTL as on 31<sup>st</sup> December 2015.

Share Capital	Amount in Rs.Lacs
Authorised Share Capital	
10,00,00,000 Equity shares of Rs. 2 each	2,000.00
<b>Total</b>	<b>2,000.00</b>
Issued, Subscribed and paid up capital	
6,61,88,500 Equity Shares of Rs. 2 each fully paid	1,323.77
<b>Total</b>	<b>1,323.77</b>

Subsequent to the above mentioned date, there has been no change in the issued subscribed and paid up share capital of PTL.

2.4 AGLSL is a company incorporated in 2011 under the Companies Act, 1956 having its registered office at 414/1, 4th Floor, DDA Commercial Complex, District Centre, Janakpuri, New Delhi 110058.

2.5 The authorized, issued, subscribed and paid-up share capital of AGLSL as on 31<sup>st</sup> December 2015.

Share Capital	Amount in Rs.Lacs
Authorised Share Capital	
25,00,000 Equity shares of Rs. 2/- each	50.00
<b>Total</b>	<b>50.00</b>
Issued, Subscribed and paid up capital	
5,00,000 Equity Shares of Rs. 2/- each fully paid	10.00
<b>Total</b>	<b>10.00</b>

Subsequent to the above mentioned date, there has been no change in the issued subscribed and paid up share capital of AGLSL.

2.6 The entire issued capital of AGLSL (the Resulting Company) is held by PTL (the Demerged Company).

### 3. Valuation Objective

3.1 We understand that management of PTL is contemplating to demerge its Medicare and Healthcare Undertaking carried on by PTL directly or through its subsidiary and sub-subsidiary namely, AHS & AMS ("**Demerged Business**") vide a

Scheme of Arrangement proposed between PTL and AGLSL under sec. 391 to sec.394 and other applicable provisions of the Companies Act, 1956 and other applicable provisions of Companies Act, 2013 (hereinafter referred to as "**Draft Scheme**").

3.2 In connection with the demerger, and based on the information made available by the management of PTL ("**Management**"), the Management requested Chitale & Associates ("**C&A**"/"**we**"/"**us**") to provide a report on the ratio of allotment of equity shares of AGLSL (the Resulting Company) to be issued to the shareholders of PTL (the Demerged Company). As per the Draft Scheme provided to us, the Appointed Date for the demerger is 1<sup>st</sup> April 2016.

3.3 We understand that consequent to the demerger, the existing share capital of AGLSL held by PTL will stand cancelled pursuant to the Draft Scheme.

3.4 We understand that consequent to the demerger, the beneficial economic interest of the shareholders of PTL (the Demerged Company) in the paid-up equity share capital of AGLSL (the Resulting Company) would be the same as it is in the paid-up equity share capital of PTL (the Demerged Company).

#### 4. **Sources of Information**

4.1 For the purpose of this valuation exercise, we have relied upon the following information/documents made available to us by the management of both the companies and the information available in the public domain.

- (a) Draft Scheme of Arrangement between PTL and AGLSL and their respective shareholders to be adopted at the respective board meeting;
- (b) Shareholding pattern of PTL and AGLSL as on 31<sup>st</sup> December 2015 certified by the company secretary of PTL;
- (c) Audited financial statements for the financial year ended 31<sup>st</sup> March 2015 for PTL and AGLSL;
- (d) Provisional statement of assets and liabilities of the Medicare and Healthcare Undertaking and provisional statement of assets and liabilities of the Tyre Undertaking, in each case, as on 31<sup>st</sup> December 2015 as certified by the Management of PTL;
- (e) Copy of report of M/s. Vincy Thomas dated 15<sup>th</sup> December 2015 on revaluation of the tyre undertaking of PTL; and
- (f) Our discussions from time to time and representations provided by the management of PTL and AGLSL.

#### 5. **Share Swap Ratio**

5.1 Considering the following aspects:

- (a) AGLSL is the wholly owned subsidiary (WOS) of PTL;
- (b) upon the Draft Scheme becoming effective, existing shareholding of PTL in AGLSL shall stand cancelled without any payment;



- (c) upon the Draft Scheme becoming effective, shareholders of PTL would be entitled to shares in AGLSL in the same proportion in which they own shares in PTL; and
- (d) upon the Draft Scheme becoming effective, the beneficial economic interest of the shareholders of PTL in the paid-up equity share capital of AGLSL would be the same as it is in the paid-up equity share capital of PTL,

the determination of swap ratio would not have any economic impact on the ultimate value of the shareholders of PTL and the proposed demerger of Demerged Business of PTL into AGLSL will be value neutral to PTL's shareholders.

Hence, the determination of swap ratio of companies is at best an internal arrangement between companies and its shareholders and a detailed valuation of the companies to determine the swap ratio would not be relevant in the present case.

5.2 We have been informed by the management of PTL that the net asset value (as revalued) of Tyre Undertaking is about Rs. 535.23 crores as on 31 December 2015. Similarly, net asset value of the Medicare and Healthcare Undertaking on a consolidated basis is about Rs. 146.54 crores as 31 December 2015. Having regard to the size of the net assets of Tyre Undertaking and the Medicare and Healthcare Undertaking, the requirement of capital of the Medicare and Healthcare Undertaking, and other relevant factors, the Management has proposed share entitlement ratio of 1 (One) fully paid up equity share of Face Value of Rs. 2/- (Rupees Two) each of AGLSL for every 1 (One) fully paid up equity share of Face Value of Rs. 2/- (Rupees Two) each held in PTL.

5.3 We have been informed by the management of the AGLSL that upon effective date (as defined in the Draft Scheme), the authorized capital of AGLSL would be increased to Rs. 20 crores. Alternatively, the authorized capital of AGLSL would be increased to Rs. 20 crores before the appointed date of the Scheme.

5.4 Based on the aforesaid, in particular read with paragraph 3, 5.1 and 5.3 above and the Caveats below, and considering that all shareholders of PTL are and will, upon demerger, become shareholders of AGLSL holding beneficial economic interest in the same proportion as they hold in PTL, the following proposed share entitlement ratio is fair to the shareholders of PTL in relation to the demerger:

**"1 (One) fully paid up equity share of Face Value of Rs. 2/- (Rupees) each of AGLSL for every 1 (One) fully paid up equity share of Face Value of Rs. 2/- (Rupees Two) each held in PTL."**

## 6. Caveats

6.1 We have relied upon the information, data, and explanations set out at para 3 above, for the purpose of reporting on the ratio of allotment of equity shares of AGLSL to the shareholders of PTL in connection with the proposed Demerger. Our



recommendation is dependent upon the information furnished to us being complete in all material respects.

6.2 For the purpose of opining on the Share Entitlement Ratio, we have used financial and other information provided by the Management, which we believe to be reliable and our conclusions are dependent on such information being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the financial and other information provided to us by the Management. We have, therefore, not carried out any due diligence review, independent audit or other test or validation of such financial and other information to establish the accuracy or sufficiency of the financial statements referred to above or of the information, explanations and representations provided to us. We have thus relied upon the audits carried out by H.N. Mehta Associates, Chartered Accountants, of the financials of PTL provided to us. Accordingly, we do not express any opinion or any other form of assurance thereon and accept no responsibility for the same.

6.3 The Healthcare Undertaking is proposed to be demerged into PTL with effect from the Appointed Date, 1<sup>st</sup> April, 2016. The Management has explained that the business of the Healthcare Undertaking would be carried on in the due course of business till the Appointed Date and subsequently till the Demerger Scheme is approved. The Management has further represented that there would be no change in the structure of the paid up equity share capital of PTL or AGLSL till the Appointed Date and subsequently, till the Demerger Scheme is approved.

6.4 We have assumed that the final terms of the scheme of merger will not vary from those set forth in the draft reviewed by us.

6.5 This report has been prepared for the Board of Directors of PTL and AGLSL and solely for the purpose of recommending the share entitlement ratio for issue of equity shares of AGLSL to the shareholders of PTL in consideration for the demerger of Healthcare Undertaking of PTL.

6.6 Our report is not nor should it be construed as our opining or certifying the compliance of the proposed demerger of Healthcare Undertaking of PTL with the provisions of any law including Companies Act, FEMA and Regulations thereunder, Income tax Act, SEBI Act and Regulations thereunder, or as regards any legal implications or issue arising from such proposed demerger.

6.7 We have not opined on the fairness of any terms and conditions of the Scheme other than the Exchange Ratio. Further, we have neither opined nor advised on the viability or legality of the proposed structure, mechanics and terms and conditions of the Scheme. We have not provided any opinion whatsoever as to any scenario where



only some (and not all) parts of the Scheme take effect (including on account of non-receipt of governmental approvals). Our opinion is not intended to be and does not constitute a recommendation to any shareholder, creditor or other person of PTL & AGLSL as to how such shareholder, creditor or other person should vote or act on any matters relating to the proposed Scheme.

6.8 The information contained herein and our report is intended only for the sole use and information of the PTL & AGLSL, and only in connection with the proposed demerger as aforesaid including for the purpose of obtaining requisite approvals. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed demerger as aforesaid, can be done only with our prior permission in writing.

6.9 No investigation on the PTL and AGLSL claims to title of assets has been made for the purpose of this report and their claim to such rights has been assumed to be valid. Therefore, no responsibility is assumed for matters of a legal nature.

6.10 We assume no responsibility for any errors in the information furnished by the PTL and AGLSL and consequential impact on the present exercise.

6.11 By reason of delivering this opinion, neither C&A, nor its partners, directors, manager, employees or agents are required to give expert testimony nor are required to be in attendance in any court or at any governmental or regulatory hearing with reference to the matter dealt with in this opinion, unless prior arrangement has been made with C&A in that regard as an additional engagement.

6.12 We acknowledge that we have no present or contemplated financial interest in the companies. We have been retained by PTL & AGLSL act as advisor to the Board of Directors of PTL & AGLSL with respect to this opinion and will receive a fee for our services in connection with the delivery of this opinion. Our fee for our services will be payable on delivery of this opinion and is not contingent on the successful completion of the De-merger.

6.13 We and our affiliates in the past may have provided services to PTL & AGLSL and its subsidiaries unrelated to the proposed Merger, for which services we and such affiliates have received professional fees. Further, we and our affiliates may maintain professional relationships with PTL & AGLSL its subsidiaries and their respective affiliates.

6.14 Further, PTL & AGLSL respectively agrees to indemnify and hold harmless C&A, its directors, partners, shareholders, manager, employees and agents from and against any and all costs, expenses, losses, claims, demands, actions, suits or proceedings paid, incurred or suffered by or made or initiated against them or any of them by any third

party arising out of or in connection with this engagement, except to the extent that any such costs, expenses, claims, demands, actions, suits or proceedings arise from our willful default.

**7. Distribution of our Report**

7.1 This letter report is prepared for the board of directors of PTL and AGLSL to the extent mandatorily required under applicable laws of India may be produced before judicial, regulatory or government authorities, in connection with the transaction envisaged in the Draft Scheme.

7.2 In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the PTL & AGLSL, their directors, employees or agents. In no circumstances shall the liability of Chitale & Associates, its partners, directors or employees, relating to the service provided in connection with the engagement set out in this report exceed the amount paid to us in respect of the fees charged for these services.

We would like to record our appreciation for the courtesy and co-operation received by us during the course of our work.

Yours faithfully



**Chitale & Associates**  
**Chartered Accountants**  
**Firm Reg. No. 115044W**



CONFIDENTIAL

January 28, 2016

**The Board of Directors**

PTL Enterprises Limited,  
Apollo House, 7,  
Institutional Area, Sector -32,  
Gurgaon-122001

Dear Sirs

We refer to the engagement letter dated January 20, 2016 in respect of the proposed scheme of arrangement between PTL Enterprises Limited ("**PTL**" or the "**Company**" or the "**Demerged Company**" or "you"), Artemis Global Life Sciences Limited ("**AGLSL**" or the "**Resulting Company**") and their respective shareholders and creditors under the provisions of the Sections 391 to 394 of the Companies Act, 1956, and relevant provisions of the Companies Act, 2013 (the "**Proposed Scheme**" or the "**Proposed Scheme of Arrangement**").

In connection with the Proposed Scheme, you have requested us to provide a fairness opinion on the Share Allotment Ratio (hereinafter defined) recommended by Chitale & Associates, Chartered Accountants, appointed by the management of the Company (the "**Report**").

**Companies that are party to the Proposed Scheme**

- (a) PTL is a public limited company incorporated under the provisions of the Companies Act, 1956. The equity shares of PTL are listed on the BSE and NSE. PTL is a multi-business corporate. It has a tyre manufacturing facility located at Kerala, which has been leased out to its associate company viz. Apollo Tyres Limited. PTL is also engaged in the healthcare business of (i) leasing of health care equipment to Artemis Medicare Services Limited ("**AMSL**") and (ii) the delivery of healthcare services through Artemis Health Institute, Gurgaon, a state of the art medicare facility owned and operated through Artemis Health Sciences Limited ("**AHSL**") and AMSL ("**Healthcare Undertaking**"). AHSL is a wholly owned subsidiary of PTL and AMSL is a wholly owned subsidiary of AHSL.
- (b) AGLSL is a company incorporated under the provisions of the Companies Act, 1956. AGLSL is a wholly owned subsidiary of PTL.

**Proposed Scheme Background**

We understand that the Proposed Scheme, inter alia, provides for de-merger of the Healthcare Undertaking into AGLSL ("**De-merger**").

**JM Financial Institutional Securities Limited**

(Formerly known as JM Financial Institutional Securities Private Limited)

Corporate Identity Number : U65192MH1995PLC092522

**Regd. Office:** 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

T: +91 22 6630 3030 F: +91 22 6630 3344 www.jmfi.com

Pursuant to the said De-merger, shareholders of PTL will be issued shares of AGLSL in the same proportion as held by them in PTL and the existing shareholding of PTL in AGLSL will be cancelled.

Currently, AGLSL is a wholly owned subsidiary of PTL. The said De-merger is equivalent to a vertical split of PTL with mirror shareholding in AGLSL and the shares of AGLSL would be listed on stock exchanges on which shares of PTL are currently listed. Further, the said De-merger will be compliant with the requirements of the Section 2(19AA) of the Income tax Act, 1961. Accordingly, PTL will transfer the assets and liabilities of Healthcare Undertaking at its book value as appearing in the books of PTL.

Upon De-merger, the effective economic interest of shareholders of PTL will remain the same as shares of AGLSL would be issued to them in the same proportion as held by them in PTL. Simultaneous with the issue and allotment of shares by AGLSL as per the Proposed Scheme, the existing issued and paid up equity share capital of Resulting Company held by the Demerged Company shall be cancelled.

We understand that the appointed date for the Proposed Scheme is April 1, 2016 and the De-merger shall take effect from the date on which the Orders of the High Court of Judicature at Kerala, in relation to the Demerged Company and High Court of Judicature at New Delhi, in relation to the Resulting Company sanctioning the Proposed Scheme of Arrangement is filed with the Registrar of Companies, Kerala and/ or Registrar of Companies, New Delhi.

### **Scope and purpose**

PTL had appointed Chitale & Associates, Chartered Accountants (“**Valuer**”) to recommend a fair and equitable equity share entitlement ratio for the De-merger pursuant to which the Valuer has issued a valuation report dated January 14, 2016 (“**Valuation Report**”). The Valuation Report recommended that all equity shareholders of PTL will be entitled to receive 1 (one) equity share of AGLSL of Rs. 2/- each for every 1 (one) equity share of PTL of Rs. 2/- each (the “**Share Allotment Ratio**”).

In this connection, the management of the Company has engaged JM Financial Institutional Securities Limited (“**JM Financial**”) to submit a report on the fairness of the Share Allotment Ratio recommended by Valuer for allotment of equity shares of AGLSL to the equity shareholders of PTL with respect to the De-merger of the Healthcare Undertaking of PTL into AGLSL. Scope of work of this Report includes commenting only on the fairness of the Share Allotment Ratio recommended by the Valuer and not on the fairness or economic rationale of the De-merger per se or the valuation methods used by the Valuer.

This Report is addressed to the Board of Directors of PTL. This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the Report is to be read in totality, not in parts and in conjunction with the



relevant documents referred to herein. The same has been issued as per the requirements of SEBI circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015. This Report has been issued only for the purpose of opining on the fairness of the Share Allotment Ratio under the Proposed Scheme of Arrangement and should not be used for any other purpose.

### **Sources of Information**

For the said examination and for arriving at the opinion set forth below, we have:

- i) Reviewed the draft Proposed Scheme of Arrangement;
- ii) perused the Valuation Report based upon which Chitale & Associates, Chartered Accountants, the independent accounting firm appointed by you for the Proposed Scheme, have arrived at the fair share allotment ratio;
- iii) reviewed financial information relating to PTL and AGLSL, for the year ended March 31, 2015 included in the Annual reports provided by the management and financial information relating to PTL for the period ended December 31, 2015 provided by the management;
- iv) reviewed the provisional assets and liabilities of the Healthcare Undertaking as on December 31, 2015 as certified by the management;
- v) reviewed the current shareholding pattern of PTL and AGLSL; and
- vi) reviewed relevant management representations received from PTL.

The management has informed us that there shall be no change in the shareholding patterns of PTL and AGLSL till the Proposed Scheme becomes effective.

### **Scope Limitations**

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by PTL for the purposes of this opinion. We express no opinion and accordingly accept no responsibility with respect to or for such information, or the assumptions on which it is based. We have not reviewed any books and records of PTL or AGLSL, other than those provided or made available to us. We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of PTL and/ or AGLSL and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of PTL or AGLSL, nor have we been furnished with any such appraisals. We have not reviewed any internal management information statements or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by PTL or AGLSL for the purposes of this opinion. We are not experts in the evaluation of litigation or other



actual or threatened claims. In addition, we have assumed that the Proposed Scheme of Arrangement will be approved by regulatory authorities and that the Proposed Scheme will be consummated substantially in accordance with the terms set forth in the Proposed Scheme of Arrangement. We have assumed that there are no other contingent liabilities or circumstances that could materially affect the business or financial prospects of PTL or AGLSL, other than those disclosed in the information provided.

We understand that the management of PTL would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion]. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Proposed Scheme of Arrangement, no restrictions will be imposed that will have a material adverse effect on the benefits of the Proposed Scheme that may have been contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving PTL or any of its assets, nor did we negotiate with any other party in this regard.

In the ordinary course of business, the JM Financial group is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of the JM Financial group may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Proposed Scheme.

We express no opinion whatever and make no recommendation at all as to PTL's underlying decision to effect the Proposed Scheme or as to how the holders of equity shares or secured or unsecured creditors of PTL should vote at their respective meetings held in connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Proposed Scheme. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of PTL or AGLSL will trade following the announcement of the Proposed Scheme or as to the financial performance of PTL or AGLSL following the consummation of the Proposed Scheme.

### **Conclusion**

The economic interest of the shareholders of PTL will remain unaffected on account of the De-merger. In light of the above and based on our examination of the Proposed Scheme and Valuation Report and subject to the foregoing and to the best of our



knowledge and belief, we are of the opinion that the Share Allotment Ratio is fair in relation to the Proposed Scheme.

### **Distribution of Report**

This Report is for the purpose of submission to Stock Exchanges and disclosure on the Company and Stock Exchange websites as required under the SEBI circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015 (the “**Purpose**”) and shall not be disclosed or referred to publicly or to any third party other than for the Purpose as mentioned above. The Report should be read in totality and not in parts. Further this Report should not be used or quoted for any purpose other than the Purpose mentioned in the Report.

In no circumstances however, will JM Financial or its directors, officers, employees and controlling persons of JM Financial accept any responsibility or liability including any pecuniary or financial liability to any third party.

It is understood that this Report is solely for the Purpose, and should not be relied on by anybody to whom this Report is not addressed. If this Report is used by any person other than to whom this Report is addressed or other than for the Purpose, then we will not be liable for any consequences thereof. Neither this Report nor its contents may be referred to or quoted to/by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties. This Report should not be shared with any other third party without our prior written consent.

Yours truly,

**For JM Financial Institutional Securities Limited**



Name: Vikas Kothari  
Designation: VP

**IN THE HIGH COURT OF JUDICATURE AT ERNAKULAM**

Ordinary Original Jurisdiction

**Misc. Company Application No. 24 of 2016**

In the matter of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 or the Companies Act, 2013

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013;

AND

In the matter of Scheme of Arrangement for Demerger of demerged undertaking of PTL Enterprises Limited to Artemis Global Life Sciences Limited and their respective shareholders and creditors.

PTL Enterprises Limited, a company )  
incorporated under the Companies Act, )  
1956 having its registered office at 3rd ) Applicant Company  
floor, Areekal Mansion, Near Manorama )  
Junction, Panampilly Nagar, Kochi- 682036, )  
Kerala. ("PTL") )

**PROXY FORM**

Folio/DP ID Client ID No.\*

Name of the member(s) & Registered address:

E-mail Id:

\* Applicable for member(s) holding shares in Electronic Form.

I/we, being the member(s) of \_\_\_\_\_ equity shares of PTL Enterprises Ltd, hereby appoint:

- 1) Name \_\_\_\_\_ Address \_\_\_\_\_  
Email Id \_\_\_\_\_ Signature \_\_\_\_\_ of failing him
- 2) Name \_\_\_\_\_ Address \_\_\_\_\_  
Email Id \_\_\_\_\_ Signature \_\_\_\_\_ of failing him

3) Name \_\_\_\_\_ Address \_\_\_\_\_  
Email Id \_\_\_\_\_ Signature \_\_\_\_\_ of failing him

as my/our proxy to attend and vote for me/us and on my/our behalf at the meeting of Equity Shareholders of the Company, to be held on 4th July, 2016 at 10.30 AM (IST) at Bharat Hotel, Durbar Hall Road, Ernakulam, Kerala - 682016 for the purpose of considering and, if thought fit, approving, with or without modification(s), the Scheme of Arrangement between PTL Enterprises Limited, Artemis Global Life Sciences Limited and their respective shareholders and creditors ("**Scheme of Arrangement**") and at any adjournment/ adjournments, 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 below "either with or without modifications" after the word "Arrangement") the said Scheme of Arrangement either with or without modifications\* as my/our proxy may approve.

*\*(strikeout what is not necessary)*

Signed this \_\_\_\_ day of \_\_\_\_\_, 2016

Signature of shareholder(s) \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Insert  
Revenue  
Stamp of not  
less than  
Re.1/-

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. In case of multiple Proxies, the Proxy received later in time shall be accepted.
2. This Form of Proxy shall be signed by the Shareholder(s) or his/their duly authorised attorney, or if Shareholder is a body corporate, it shall be duly sealed and signed by an officer or an attorney. The Proxy Form which is unstamped or inadequately stamped or where the stamps have not been cancelled or is undated or which does not state the name of the Proxy shall not be considered valid. All alterations made in the Form of Proxy should be initialled.
3. Proxy need not be a member of the Company. Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.
4. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting. If both member and proxy attend the meeting, the proxy shall stand automatically revoked.



