

**SCHEME OF AMALGAMATION
OF
BIGTEC INNOVATIONS PRIVATE LIMITED
WITH
MOLBIO DIAGNOSTICS PRIVATE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
(Under sections 391 to 394 of the Companies Act, 1956)**

GENERAL

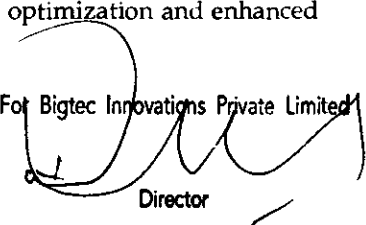
I. Purpose of Scheme

This Scheme of Amalgamation (hereinafter referred to as "the Scheme" or "this Scheme") provides for the Amalgamation of Bigtec Innovations Private Limited, (hereinafter referred to as "the Transferor Company") with Molbio Diagnostics Private Limited, (hereinafter referred to as "the Transferee Company") and their respective shareholders, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956.

II. Rationale for the Scheme

The amalgamation of the Transferor Company with the Transferee Company would *inter alia* have the following benefits:

1. Greater integration, greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value and will improve the competitive position of the combined entity.
2. Improved organizational capability and leadership, arising from the pooling of resources to compete successfully in an increasingly competitive industry.
3. Greater leverage in operations planning and process optimization and enhanced flexibility.

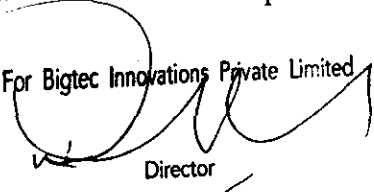
For Bigtec Innovations Private Limited

Director

4. Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, administration, finance, accounts, legal, and other related functions, leading to elimination of duplication and rationalization of administrative expenses.
5. To enable the group to attract and retain talent in a cost effective manner by consolidating its operations across geographical locations.
6. Simplification of group structure by eliminating duplication of work, multiple entities in similar business thus enabling focus on core competencies and unlocking of value through operating independence of each vertical.
7. In view of the aforesaid, the Board of Directors of the Transferor Company as well as the Board of Directors of the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of the Transferor Company and the Transferee Company. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956.

III. Parts of the Scheme

The Scheme is divided into following parts:

- (i) **Part A** - dealing with definitions of the terms used in this Scheme and sets out the share capital of the Transferor Company and the Transferee Company;
- (ii) **Part B** - dealing with amalgamation of the Transferor Company with the Transferee Company ;
- (iii) **Part C** - dealing with the accounting treatment for the amalgamation in the books of the Transferee Company; and
- (iv) **Part D** - dealing with the dissolution of the Transferor Company and the general terms and conditions applicable to this Scheme and other matters consequential and integrally connected thereto.

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PART A

DEFINITIONS AND SHARE CAPITAL

1 DEFINITIONS

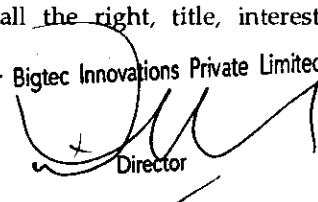
In this Scheme, unless repugnant to the context, the following expressions shall have the following meaning:

- 1.1 **"Act"** means the Companies Act, 1956 and the Companies Act, 2013 along with ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereof.
- 1.2 **"Appointed Date"** means April 1, 2015 or such other date as the Hon'ble High Court(s) having jurisdiction or such other authorities may direct/ fix.
- 1.3 **"Board of Directors" or "Board"** means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.
- 1.4 **"Effective Date"** means the last of the dates on which the certified copies of the order(s) of the High Court of Karnataka at Bangalore and the High Court of Bombay at Goa sanctioning the Scheme are filed with the Registrar of Companies, Karnataka and Registrar of Companies, Goa respectively by the Transferor Company and the Transferee Company.
- 1.5 **"Government Authority"** means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction.
- 1.6 **"High Court"** means the High Court of Karnataka at Bengaluru, having jurisdiction in relation to the Transferor Company and the High Court of Bombay, at Goa, having jurisdiction in relation to the Transferee Company and as the context may require and shall include National Company Law Tribunal, if applicable.

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- 1.7 *"Scheme"* or *"the Scheme"* or *"this Scheme"* means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 16 of this Scheme, as approved or directed by the High Court(s) or any other appropriate authority.
- 1.8 *"Transferee Company"* means Molbio Diagnostics Private Limited, a company incorporated under the Companies Act, 1956, and having its registered office at Tulip House, Dr. Antonio Do Rego Bagh, Alto Santa Cruz, Bambolim Complex P. O., Panaji, Goa - 403202.
- 1.9 *"Transferor Company"* means Bigtec Innovations Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 2nd Floor, Golden Heights, 59th 'C' Cross, 4th 'M' Block, Rajajinagar, Bengaluru - 560010.
- 1.10 *"Undertaking"* shall mean and include the whole of the undertaking of the Transferor Company, as a going concern, including their businesses, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, titles and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, medical equipments, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses, registrations, copyrights, patents, trade names, trade marks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trade marks, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, internet connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest,

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goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, service tax, etc), Software License, Domain / Websites etc., in connection / relating to the Transferor Company and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date.

- 1.11 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2 SHARE CAPITAL

- 2.1 The share capital of the Transferor Company as on March 31, 2015, was as under:

Authorised Capital	Amount Rs.
1,17,00,000 Equity shares of Rs. 10/- each	11,70,00,000/-
3,00,000 Convertible Preference shares of Rs.10/- each	30,00,000/-
Total	12,00,00,000/-
Issued, Subscribed and Paid-Up Capital	Amount Rs.
83,63,860 Equity shares of Rs. 10/- each fully paid-up	8,36,38,600/-
2,78,700 Convertible Preference shares of Rs.10/- each	27,87,000/-
Total	8,64,25,600/-

The Share Capital of the Transferor Company as on November 30th, 2015 was as follows :

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 Director

Authorised Capital	Amount Rs.
1,17,00,000 Equity shares of Rs. 10/- each	11,70,00,000/-
3,00,000 Convertible Preference shares of Rs.10/- each	30,00,000/-
Total	12,00,00,000/-
Issued, Subscribed and Paid-Up Capital	Amount Rs.
92,89,487 Equity shares of Rs. 10/- each fully paid-up	9,28,94,870/-
Total	9,28,94,870/-

- 2.2 The share capital of the Transferee Company as on March 31, 2015, was as under:

Authorised Capital	Amount Rs.
2,00,000 Equity shares of Rs. 10/- each	20,00,000/-
Issued, Subscribed and Paid-Up Capital	Amount Rs.
20,159 Equity shares of Rs. 10/- each fully paid-up	2,01,590/-

Subsequent to March 31, 2015 there has been no change in the share capital of the Transferee Company.

3 DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court of Karnataka and the High Court of Bombay, at Goa or any other appropriate authority shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART B

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

4 TRANSFER AND VESTING OF TRANSFEROR COMPANY

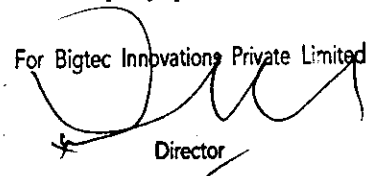
- 4.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and undertaking(s) of the

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 Director

Transferor Company including all the debts, liabilities, duties and obligations, including those arising on account of taxation laws and other allied laws, of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets (whether tangible or intangible) of the Transferor Company comprising, amongst others, all furniture and fixtures, computers / data processing, office equipment, testing equipment, electrical installations, telephones, telex, facsimile and other communication facilities and business licenses, permits, authorisations, approvals, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret or other intellectual property rights, proprietary right, title, interest, contracts, consent, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, under the provisions of Sections 391 to 394 of the Act, and pursuant to the orders of the High Court(s) sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the debts, liabilities, duties, obligations, properties, assets, rights, business and undertaking(s) of the Transferee Company.

- 4.2 With effect from the Appointed Date all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of account of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.
- 4.3 With effect from the Appointed Date, undertaking(s) of the Transferee Company shall continue to have their separate unit identity and shall not be integrated with any undertaking(s)/ unit(s) of the Transferor Company pursuant to the sanction/ approval of this Scheme.

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Director

- 4.4 With effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall stand cancelled.
- 4.5 With effect from the Appointed Date, all the loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.
- 4.6 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, encumbrances or liens secure or relate to liabilities of the Transferor Company, the same 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 Transferee Company, and such securities, mortgages, charges, encumbrances or liens shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company.
- 4.7 All the existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and

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Director

properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

- 4.8 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 4.9 With effect from the Appointed Date, all statutory licences, registrations, incentives, tax deferrals and benefits, carry-forward of tax losses, tax credits, tax refunds, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, permissions, approvals or consents to carry on the operations of the Transferor Company, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by any of the Transferor Company and all rights and benefits that have accrued or which may accrue to any of the Transferor Company, whether before or after the Appointed Date shall stand vested in or transferred to the Transferee Company, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the undertakings of the Transferor Company pursuant to this Scheme. The benefit of all statutory and regulatory permissions and approvals, factory licences, environmental approvals and consents, sales tax registrations or other licences and consents shall vest in and become available to the Transferee Company pursuant to this Scheme.
- 4.10 The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income - tax Act, 1961.

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5 CONSIDERATION AND CANCELLATION OF SHARES

- 5.1 Upon the sanction of the Scheme of Amalgamation, Transferee Company shall, without any application or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to the members of Transferor Company holding fully paid-up equity shares in Transferor Company and whose names appear in the Register of members of Transferor Company, on the Effective Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Transferor Company in the following proportion viz.:

"1 (One) fully paid up equity shares of Rs.10/- each of Transferee Company shall be issued and allotted for every 801 (Eight hundred one only) equity shares of Rs.10/- each held in Transferor Company (hereinafter referred to as "New Equity Shares")"

- 5.2 The New Equity Shares to be issued to the members of the Transferor Company under Clause 5.1 shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank *pari passu* with the existing equity shares of the Transferee Company in all respects, save and except that the said equity shares shall be eligible for dividend for the period commencing from the Appointed Date.
- 5.3 The New Equity Shares to be issued to the members of the Transferor Company shall be in multiples of 1. Any issue of fractional shares, shall be rounded-off to the next whole number.
- 5.4 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors or any committee thereof shall be empowered in appropriate cases, prior to or even subsequent to the Effective Date to effectuate such a transfer in the Transferor Company as if such changes in the registered holder were operative as on the date of issue of shares by the Transferee Company, in order to remove any difficulties arising to the transferor or transferee of equity shares.

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5.5 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of New Equity Shares to the members of the Transferor Company under the Scheme.

5.6 The Transferor Company holds 10,079 shares of Rs.10/- each of the Transferee Company. Upon sanction of the scheme, the aforesaid 10,079 shares of Rs.10/- each of the Transferee Company stands cancelled in the books of the Transferee Company.

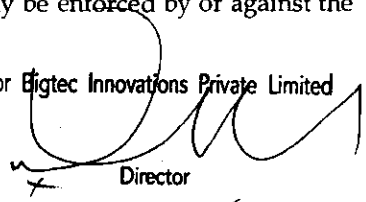
6 LEGAL PROCEEDINGS

6.1 Any suit, appeal or other proceedings of whatever nature by or against the Transferor Company is pending as on the Appointed Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

6.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company after the Appointed Date, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.

7 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

7.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to the Transferor Company and to which the Transferor Company is a party and subsisting or having effect on the Effective Date, including all rights, duties, interests and obligations thereunder, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the

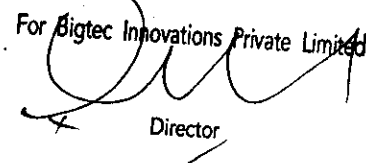
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Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

- 7.2 The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

8 STAFF AND EMPLOYEES OF THE TRANSFEROR COMPANY

- 8.1 On the Scheme becoming effective, all staff and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Appointed Date or date of joining of respective workmen and employees, whichever is later, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.
- 8.2 It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff, workmen and employees of the Transferor Company shall become trusts / funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such

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fund or funds shall become those of the Transferee Company. It is clarified that, for the purpose of the said fund or funds, the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous with the Transferee Company from the date of employment as reflected in the records of the Transferor Company.

9 TAXATION MATTERS

Upon the Scheme coming into effect, the Transferee Company through its Board of Directors, or any person(s) or committee authorised/ appointed by them, may carry out or assent to any modifications/ amendments to the returns and other documents filed by the Transferor Company for periods falling prior to the Appointed Date if required, in relation to taxation and other allied laws, as are considered appropriate by them (i.e., the Board of Directors or the person(s)/committee).

PART C

**ACCOUNTING TREATMENT FOR THE AMALGAMATION IN THE BOOKS OF
THE TRANSFEE COMPANY**

10 ACCOUNTING TREATMENT

10.1 On the Scheme becoming effective, the accounting for the amalgamation would be done in accordance with the "*Pooling of Interest Method*" referred in Accounting Standard 14 - Accounting for Amalgamation (AS 14). Accordingly, the Transferee Company shall account for the Scheme in its books of account with effect from the Appointed Date as under.

10.2 With effect from the Appointed Date, all the assets and liabilities appearing in the books of accounts of the Transferor Company shall stand transferred to and vested in the Transferee Company, as the case may be pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book values.

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10.3 The amount of any inter - company balances, loans between the Transferor Company and Transferee Company, investments in the shares of Transferor Company appearing in the books of Transferee Company shall stand cancelled without any further act or deed, upon the Scheme coming into effect, and the amounts so cancelled shall not be recorded in the books of account of the Transferee Company.

10.4 In case of any differences in accounting policies between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the Financial Statements reflect the financial position on the basis of consistent accounting policies.

11 TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

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

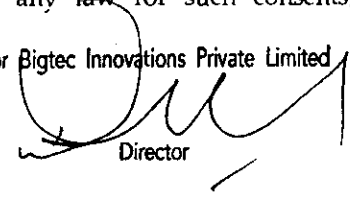
11.1 The Transferor Company shall carry on and be deemed to have carried on their business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of their entire businesses and undertakings for and on account of and in trust for the Transferee Company;

11.2 The Transferor company shall not do or cause to do any act or deed whatsoever which may be detrimental or adversely affect the business interests of transferee company pre and post amalgamation.

11.3 The Transferor Company shall carry on its business and activities in the ordinary course of business with reasonable diligence and business prudence;

11.4 All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company; and

11.5 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents,

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Director

approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

12 SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferor Company under Clause 6 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

13 REORGANISATION & RECLASSIFICATION OF THE SHARE CAPITAL OF THE TRANSFEE COMPANY

- 13.1 Upon the Scheme becoming effective, the authorised share capital of the Transferor Company shall stand combined with the authorised share capital of the Transferee Company and Clause V of the Memorandum of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified, reclassified and amended pursuant to Sections 61 to 64 and other applicable provisions of the Companies Act, 2013 as the case may be, in the manner set out below and be replaced by the following clause:

" The authorised share capital of the Company is Rs. 12,20,00,000/- (Rupees Twelve Crore Twenty Lakhs only) divided into 1,19,00,000 (One Crore Nineteen Lakhs) equity shares of Rs.10 /- (Rupees Ten) each and 3,00,000 (Three Lakh) Preference Shares of Rs.10/- Each.. The Company shall have power to increase, reduce, alter, modify and/or divide the share capital of the Company for the time being into several classes and to attach thereto respectively, such preferential qualities or special rights, privileges or conditions as may be determined by or in accordance with the Articles of the Company for the time being and to modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the act or provided by the Articles of Association of the Company."

For Bigtec Innovations Private Limited

Director

- 13.2 The alteration of authorised capital as aforesaid in Clause 13.1 above, shall be effected as a part of the Scheme only and approval / consent to the Scheme by the shareholders of the Transferee Company shall be deemed to be due compliance of the relevant provisions of the Act for alteration of the share capital clause in the Memorandum of Association and Articles of Association of the Transferee Company.
- 13.3 The filing fee, particularly stamp duty and fees payable to Registrar of Companies already paid by the Transferor Company on its authorised share capital, shall be deemed to have been so paid by the Transferee Company and the Transferee Company shall not be required to pay any additional fees already paid by the Transferor Company on such increased authorised share capital.

PART D

DISSOLUTION OF THE TRANSFEROR COMPANY AND THE GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME

14 WINDING UP

On the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up.

15 APPLICATION TO HIGH COURT

The Transferee Company and the Transferor Company shall, with all reasonable dispatch, make applications to the High Court(s), within whose jurisdiction the registered offices of the Transferor Company and the Transferee Company are situated, for sanctioning the Scheme under Sections 391 to 394 and other provisions of the Act, and for dissolution of the Transferor Company without being wound up.

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Director

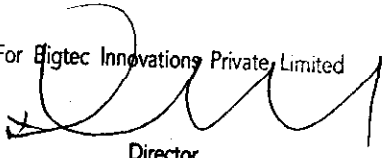
16 MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferee Company and the Transferor Company by their respective Board of Directors, or any person(s) or committee authorised / appointed by them, may carry out or assent to any modifications / amendments to the Scheme or to any conditions or limitations that the High Court and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e., the Board of Directors or the person(s) / committee). The Transferee Company and the Transferor Company by their respective Board of Directors, or any person(s) or committee authorised shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying on the Scheme into effect, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.

17 CONDITIONALITY OF THE SCHEME

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

- 13.4 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 the Transferor Company and the Transferee Company as may be directed by the respective High Court(s).
- 13.5 The sanction of the High Court(s) under Sections 391 to 394 of the said Act in favour of the Transferor Company and the Transferee Company under the said provisions and the necessary Order under Section 394 of the said Act being obtained.
- 13.6 Certified copies of the Order of High Court of Karnataka at Bengaluru and High Court of Bombay, at Goa sanctioning the Scheme being filed with the Registrar of Companies at Karnataka and Registrar of Companies at Goa respectively, by the Transferor Company and the Transferee Company.

For Bigtec Innovations Private Limited

Director

18 EFFECT OF NON-RECEIPT OF APPROVALS

- 18.1 In the event any of the approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Transferee Company and the Transferor 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, or in case the Scheme is not sanctioned by the High Courts, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.
- 18.2 Further, in case of the non- receipt of approvals to the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter se by the Transferor Company or the Transferee Company or their shareholders or creditors or employees or any other person.

19 COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

For Bigtec Innovations Private Limited

Director

13743/14

SR John.

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 16TH DAY OF SEPTEMBER, 2016

BEFORE

THE HON'BLE MR. JUSTICE L. NARAYANA SWAMY

COMPANY PETITION.NO.22/2016

BETWEEN:

BIGTEC INNOVATIONS
PRIVATE LIMITED,
REGISTERED OFFICE AT
2ND FLOOR, GOLDEN HEIGHTS,
59TH 'C' CROSS, 4TH 'M' BLOCK,
RAJAJINAGAR, BENGALURU,
KARNATAKA-560 010.

... PETITIONER

(BY SRI. SAJI P. JOHN ADV. FOR THE PETITIONER,
SRI. K.S. MAHADEVAN AND SRI. V. JAYARAM FOR O.L.,
SMT. PREMA HATTI, CGC FOR ROC)

AND

NIL

... RESPONDENT

THIS COMPANY PETITION IS FILED UNDER
SECTIONS 391 to 394 OF THE COMPANIES ACT, 1956,
PRAYING THIS HON'BLE COURT TO:

THAT THE SCHEME OF AMALGAMATION AT ANNEXURE
A HERETO, BE SANCTIONED BY THIS HON'BLE COURT
SO AS TO BE BINDING ON THE TRANSFEREE COMPANY
AND PETITIONER COMPANY AND ITS SHAREHOLDERS
AND CREDITORS, AND ETC.,



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THIS PETITION COMING ON FOR ORDERS THIS DAY, THE COURT MADE THE FOLLOWING:

ORDER

Petitioner is the Transferor Company. It is before this court seeking for the approval of Scheme of Amalgamation which is at Annexure-A to this petition.

2. Transferor Company was incorporated on 28th November 2008 and is carrying on the business of invention, innovation, research and development in all fields, system of medical sciences etc., as enumerated in the Memorandum and Articles of Association – Annexure-B.

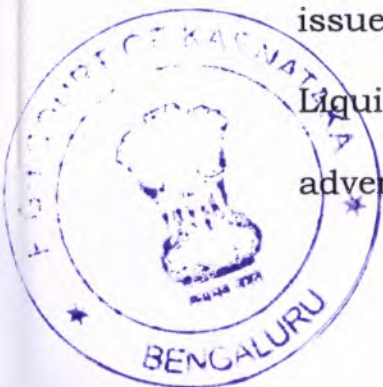
3. Transferee Company was incorporated on 20th October 2000 and is in the business of dealing in any type of diagnostics, diagnostic instruments, etc as indicated in Memorandum and Articles of Association, Annexure-D. The registered office of the Transferee Company is situated at Goa. Presently the



Transferee Company and Transferor company have evolved a Scheme of Amalgamation, as per Annexure-A. Board of Directors of Transferor Company at its meeting held on 09.12.2015 have approved and adopted the Scheme of Amalgamation. The extract of the Board resolution is produced with the petition.

4. Since Shareholders and Creditors of the Petitioner Company have indicated their consent in writing, Petitioner Company was before this court in C.A.No.1370 of 2015 seeking dispensation of meetings of its shareholders and creditors for approving the Scheme of Amalgamation. This court vide its Order dated 29.01.2016 has allowed the application and had dispensed with the convening of meetings of shareholders and creditors.

5. This court vide order dated 03.02.2016 issued notice to Regional Director and Official Liquidator and also directed the petitioner to take out advertisement of this petition by paper publication in



"The Hindu" and "Udayavani" newspapers on or before 19.02.2016 indicating the date as 11.03.2016. Accordingly, petitioner have got published the notice in newspapers on 10.02.2016 and same has been furnished along with a memo dated 12.02.2016.

6. On a prayer made by the Official Liquidator in OLR 21/2016, Mr. Murugendrappa, Chartered Accountant was appointed to scrutiny of the Books of Accounts and records of the Petitioner Companies by order dated 11.03.2016. Pursuant to the same the Official Liquidator has filed a report in OLR No.104/2016 stating that affairs of the Petitioner Company are not conducted in any manner prejudicial to the interest of the shareholders or creditors or public at large. Registrar of Companies has filed an affidavit on behalf of Regional Director and has made certain observations regarding service of notice to the Income tax Department and that the registered office of the Transferee is situated at Panaji Goa and was within the jurisdiction of High Court of



Mumbai as such the order of this court may be subjected to Hon'ble High Court of Mumbai.

7. Notice of advertisement having been taken out by the petitioner, no person interested in the affairs of the company has approached this court opposing approval of the Scheme of Amalgamation. Hence prayer made in these petitions deserves to be allowed. Hence, the following:

ORDER

- (i) Company petition is allowed.
- (ii) Scheme of Amalgamation in Annexure-A is hereby sanctioned subject to the sanction of the same by the Hon'ble High Court of Bombay at Goa.
- (iii) The Transferor Company shall serve a copy of this order on the Registrar of Companies in the State of Karnataka within 30 days from the date of receipt of copy of this order.



- (iv) The Transferor Company be dissolved without being wound up.

Sd/-
JUDGE

snc



TRUE COPY

[Signature]
Section Officer 01/10/16

High Court of Karnataka
Bengaluru-560 001

- a) The date on which the application was made 19/10/16
 b) The date on which charges and additional Charges if any, are called for 28/10/16
 c) The date on which charges and additional Charges, if any are deposited / Paid 29/10/16
 d) The date on which the copy is ready 1/11/16
 e) The date of notifying that the copy is ready for delivery 1/11/16
 f) The date on which the applicant is required to appear on or before 5/11/16
 g) The date on which the copy is delivered to the Applicant 3/11/16
 h) Examined by *[Signature]*

IN THE HIGH COURT OF BOMBAY AT GOA**COMPANY PETITION NO.5/2016
WITH
COMPANY APPLICATION (MAIN) NO. 4 OF 2016.**

Molbio Diagnostics Private Limited,
a Company incorporated under the
Companies Act, 1956, and having its
registered office at Tulip House
Dr. Antonio Do Rego Bagh,
Alto Santa Cruz, Bambolim Complex,
P.O. Panaji, Goa 403202.

Petitioner/
Transferee Company.

Mr. Jitendra P. Supekar, Advocate for the petitioner.

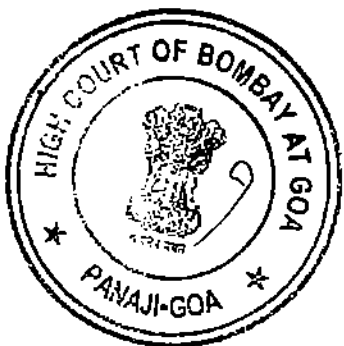
Mr. Vishwadh Sardessai holding for Mr. Mahesh Amonkar, Advocate
for the Regional Director.

CORAM :- F.M. REIS, J.

Date :- 28 September 2016.

ORAL ORDER :

1. Heard Shri Jitendra Supekar, learned Counsel appearing for the Petitioner/Transferee Company, and Mr. V. Sardessai, holding for Mr. M. Amonkar, learned Counsel appearing for the Regional Director. By this Petition, the Petitioner/Transferee Company **Molbio Diagnostics Private Limited** seeks sanction of the Scheme of Amalgamation between **Molbio Diagnostics Private Limited** (the



Transferee Company'), and **Bigtec Holdings Private Limited** ('the Transferor Company') their respective shareholders and for other consequential reliefs as mentioned therein.

2. I have perused the records and the Affidavit dated 18th February 2016 of Mr. Natarajan Sriram, Director of the Petitioner Company, verifying the said Petition and upon going through the Compliance Affidavit of Mr. Natarajan Sriram, Director of Petitioner Company dated 28th March 2016, it is seen that there is publication of the notice of the date of hearing of the Petition in the issue of "Times of India" in English daily and "Gomantak" in Marathi daily, both dated 14/3/2016 circulated in the State of Goa.

3. On going through the order dated 11/2/2016 in Company Application No. 4 of 2016, it is seen that the convening the meetings of the shareholders of the Petitioner Company to consider and approve the proposed Scheme of Amalgamation was dispensed with in view of the averments made in paragraph 21 of the Affidavit in support of the Company Application No. 4 of 2016 and convening the meetings of the unsecured creditors of the Petitioner Company to consider and approve the proposed Scheme of Amalgamation was also dispensed with in



view of the averments made in paragraphs 23 and 24 of the Affidavit in support of the Company Application No. 4 of 2016 affirmed on 21/12/2015.

4. Upon going through the Affidavit of the Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai sworn on 2/8/2016 and upon hearing Mr. Jitendra P. Supekar, Advocate for the Petitioner Company and Mr. V. Sardesai, holding for Mahesh Amonkar, Central Government Counsel for Department of Company Affairs, who submitted to the orders of the court and stated that he has no objection to the proposed Scheme of Amalgamation and no other person or persons appearing this day either in support of the Petition or to show cause against the same, the said arrangement embodied in the Scheme of Amalgamation (being ANNEXURE "F" to the Petition) being Schedule I thereto, is hereby sanctioned and it is declared the same would be binding on the Petitioner Company, the Transferor Company, and also their respective shareholders.

5. It is further ordered that the Petitioner Company shall file within 30 days from the date of sealing of the certified copy of the order sanctioning the Scheme of Amalgamation with the Registrar of



Companies, Panaji for registration under Section 391 of the Companies Act, 1956 and Registrar of Companies shall consolidate all files, documents and records of the Transferor Company with that of the Transferee Company

6. Liberty to the Petitioner Company and to all other persons interested in this Petition to apply to this Court as and when occasion may arise for any direction that may be necessary to ensure that the said Scheme of Amalgamation is fully and effectually carried out

7. The Petition is allowed in terms of Prayer Clauses (A), (B), (C), and (D). The Petitioner Company to pay a sum of Rs.25,000/- (Rupees Twenty Five Thousand only) to the Regional Director and a sum of Rs. 10,000/- (Rupees Ten Thousand only) to the Official Liquidator towards the costs of the said Petition.

F.M. REIS, J.

ssm.



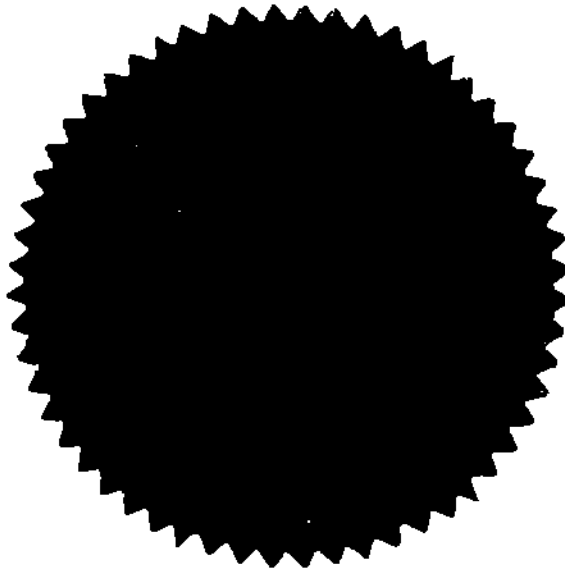
CERTIFIED COPY

Date on which copy was applied for :	29-09-2016
Date on which application was completed :	29-09-2016
Date given for taking delivery :	05-10-2016 <i>Extended to 8/11/16</i>
Date on which copy was ready :	08-11-2016
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Section Officer
High Court of Bombay at Goa
Panaji-Goa



3505/3
8/11/16



Strictly private and confidential

Valuation report on the share exchange ratio for the merger of

M/s. Bigtec Innovations Private Limited

with

M/s. Molbio Diagnostics Private Limited

8th December, 2015

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1. Introduction

M/s. MSSV & Co, Chartered Accountants has been engaged by the Board of Directors of M/s. Bigtec Innovations Private Limited (Bigtec) to provide assistance (the "**Mandate**") in determining the share exchange ratio (the "**Exchange Ratio**") for the proposed merger of Bigtec with and into M/s. Molbio Diagnostics Private Limited (Molbio), also referred to as the "**Transaction**" or the "**Merger**".

In fulfilment of this Mandate, the calculations and analyses detailed below were prepared for consideration by the Board of Directors of Bigtec, which, to the extent deemed appropriate, it may use in determining the financial terms to propose to its shareholders in relation to the Merger.

This document (the "**Valuation Report**" or "**Report**"), within the limits and with the cautions, qualifications, and caveats provided, has been prepared for the sole purpose of supporting the valuation and decision-making process of the Board of Directors of Bigtec and, therefore, may not be used in any other scope and is not intended for use by any other individual or entity.

Under no circumstances may the Valuation Report be communicated, reproduced, distributed, quoted, summarised or used as a reference, in whole or in part, at any time, in any manner or for any purpose. Neither Bigtec nor any entity within the Group make public reference to the Valuation Report without the prior written consent of MSSV & Co.

In fulfilling this Mandate and performing all valuations, we have relied on the completeness and accuracy, in all respects, of the documents, data and information provided by Bigtec (the "**Information**"), without undertaking any independent verification, certification and/or analysis. We, therefore, accepts no responsibility relating to the completeness and accuracy of the Information used in its analyses, as it is unable to exclude the possibility that such analyses may lead to different results should such Information be incomplete or inaccurate.

Additionally, in reference to the forecast data, we have relied on this information being correct, based on reasonable assumptions and reflecting the most accurate possible assessment of the management of Bigtec regarding the future performance of its business. None of the information stated in the Valuation Report may be considered a guarantee or an indication of prospective earnings or financial performance of the Parties.

In preparing the Valuation Report, MSSV & Co does not and has not given any advice, nor undertaken any verification of a legal or tax nature and/or due diligence relating to the Merger, neither is it responsible for the Information used in performing the same, which shall remain, therefore, the sole responsibility of the parties providing such information.



This Valuation Report is based on current economic and market conditions in addition to the information made available to us and taken into consideration as at the date of this Report. As such, it is understood that subsequent changes in market conditions and other information made available could have a significant impact on the conclusions of the Report. For its part, MSSV & Co, does not and shall not have any obligation to update, revise or reconfirm its conclusions.

The conclusions provided are based on all of the elements which have been taken into consideration. Each of the valuation techniques selected – which represent recognised methodologies, widely used in valuation practice both in India and internationally - presents intrinsic limitations, as discussed in more detail below. These valuations should not be considered individually, but rather interpreted as inseparable parts of a single valuation process. As such, in no event may individual parts of the Valuation Report be used separately from the Valuation Report as a whole. MSSV & Co, accepts no responsibility, direct and/or indirect, for damages or loss which may result from the improper use of the information contained in the Valuation Report.

The valuation methodologies and the resulting economic values have been determined for the sole purpose of indicating a range for the Share Exchange Ratio for the Merger which may be considered reasonable and in no event should the valuations provided in the Valuation Report be considered indications of the potential market price or value in a context other than that currently being examined. In fact, the essential premise in evaluating the financial terms of a merger transaction is the quantification of the relative value of each company being valued with the ultimate objective, rather than merely determining the economic value of each, comparable values to be used in assessing the fairness of the share exchange ratio. Consequently, we have not expressed any view regarding the potential future economic value and/or market price of Bigtec shares and/or those issued in connection with the Merger.

The valuations provided in this Report have been carried out on a stand-alone basis and, therefore, the results of the analysis exclude any considerations relating to potential operational synergies resulting from the Merger which may generate value for shareholders.

2. Description of the Transaction

The Boards of Directors of Bigtec and Molbio, in the Board meeting of the respective companies have intended to set out the essential elements of a merger between the two companies.

The respective Board, anticipate a share exchange ratio of 1 share of Molbio for every 801 ordinary shares of Bigtec (hereafter, the “**Exchange Ratio**”). No cash consideration is included as part of the offer, except towards fractional shares and rights of such shareholders will have to be settled by paying cash.



The Exchange Ratio stated is based on the financial statements of the Companies as at 31st March 2015 and with the assumption that:

The Merger will be beneficial to the both Bigtec and Molbio and to the respective members, creditors of both the companies, and will result in better and more efficient operation post-Merger. The Merger would *inter alia* have the following benefits:

- (i) *Greater integration, greater financial strength and flexibility for the Merged entity, which would result in maximising overall shareholder value and will improve the competitive position of the combined entity.*
- (ii) *Improved organizational capability and leadership, arising from the pooling of resources to compete successfully in an increasingly competitive industry.*
- (iii) *Greater leverage in operations planning and process optimization and enhanced flexibility.*
- (iv) *Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, administration, finance, accounts, legal, and other related functions, leading to elimination of duplication and rationalization of administrative expenses.*
- (v) *To enable the group to attract and retain talent in a cost effective manner by consolidating its operations across geographical locations.*
- (vi) *Simplification of group structure by eliminating duplication of work, multiple entities in similar business thus enabling focus on core competencies and unlocking of value through operating independence of each vertical.*



3. Purpose of the Report

The purpose of this Report is to provide the Board of Directors of Bigtec with elements and points of references that will aid in the determination, in its independent judgement, of the fairness of the Exchange Ratio to be proposed in the Extraordinary General Meeting of Shareholders of Bigtec called to approve the Merger.

The analysis and valuations contained in this Report have, therefore, the sole scope of determining an appropriate value range for the Exchange Ratio. As such, the values obtained cannot in any way be considered estimates of the economic value and/or current or future market value of the Bigtec on a stand-alone and/or a joint basis.

Furthermore, this Report should not be interpreted by the Shareholders of Bigtec as a recommendation in relation to the exercise of voting rights in the Extraordinary General Meeting of the Bigtec convened to vote on the Merger.

4. Reference date for the Valuation Report and documentation used

The reference date for the Valuation Report is 01 April 2015. The Parties have agreed that their respective financial statements as at 31 March 2015 will be used as the reference balance sheet date for the purpose.

In carrying out the Mandate, we have reviewed – assuming it to be complete and reliable and without undertaking any independent verification – the relevant available documentation, in particular:

- \ the approved standalone financial statements of Bigtec and Molbio for 2014 and 2015, complete with Directors' Reports and Statutory Auditors Report;
- \ the provisional financial statements of Bigtec and Molbio for the six months ending 30th September 2015;
- \ other financial, strategic and commercial information provided, in writing or verbally, by the management of the Banks or their advisors;
- \ discussions with the managements of the companies in connection with the operations of the companies, future plans and prospects, including capital expenditure, taxation related and litigation matters;



- \ certificate of valuation of shares of Bigtec for the purpose of issuing Equity Shares in lieu of Convertible Preference Shares and Share Swap ratio between Bigtec and M/s. Bigtec Private Limited;
- \ publicly available information deemed relevant for application of the chosen valuation methodologies.

Significant events occurring after 31st March 2015 which could significantly influence the determination of the Exchange Ratio were also taken into consideration. As of today's date, there have been following events which would significantly influence the valuations performed.

- a) *Equity shares were issued to preference shareholders in extinguishment of 2,78,700 compulsorily convertible preference shares. The issue of equity shares is at a premium.*
- b) *4032 Equity Shares invested in Molbio (constituting 20% of total Equity Shares of Molbio) by M/s. Bigtec Private Limited were bought over by Bigtec*
- c) *As a result of the above, total equity shares of Bigtec increased from 83,63,860 to 92,89,487*
- d) *Security deposit of Rs.40.00 Cr receivable by Molbio from M/s. Bigtec Private Limited, would be adjusted against Royalty payable by Molbio in the coming years.*

MSSV & Co, was informed by Bigtec, in particular, that the above events will not reveal variations in the swap ration determined which would require adjustments to the Exchange Ratio.

5. Description and application of the valuation methods

There are several commonly used and accepted methods for determining the fair exchange ratio for this proposal, which have been considered in the present case, to the extent relevant and applicable, including:

1. Comparable Companies Multiples method
2. Market Price method
3. Discounted Cash Flows method
4. Net Asset Value method



It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the companies, and other facts which generally influence the valuation of companies and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a value can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

5.1: Comparable Companies' Market Multiple (CMM)

Under this method, value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable companies or comparable transactions, as manifest through stock market valuations of listed companies and the transaction valuation. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

We have to use the Profitability/Income based valuation multiple of comparable listed companies for the purpose of our valuation analysis.

To arrive at the total value available to the equity shareholders of each of the companies, value arrived above under CCM method for the companies is adjusted for the value of loans, cash, non-operating assets/liabilities (e.g fair value of investments in subsidiaries/associates/mutual funds, value of surplus assets, any contingent liability, etc) and preference shareholders liability and expected future cash outflows arising out of pension liabilities. The total value for equity shareholders is then divided by the total number of equity shares in order to work out the value per equity share of the companies.

There are no comparable companies which own distinctive IP like Bigtec with Royalty revenue model. Therefore under the circumstances this method is not applicable. Further Bigtec and Molbio are yet to generate substantial revenues to adopt this methodology.



5.2: Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market.

In the present case, the shares of the companies are not listed on BSE and NSE and hence this method is not considered.

5.3: Discounted Cash Flows (DCF) Method

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.

Using the DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to all providers of the company's capital – both debt and equity.

Appropriate discount rate to be applied to cash flows i.e the cost of capital.

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

To arrive at the total value available to the equity shareholders of each of the Companies, value arrived above under DCF method for the Companies is adjusted for the value of loans, cash, non-operating assets/liabilities (e.g fair value of investments in subsidiaries/associates/mutual funds, value of surplus assets, any contingent liability, etc), preference shareholders liability and expected future cash outflows arising out of pension liabilities. The total value for equity shareholders is then divided by the total number of equity shares in order to work out the value per equity share of the Companies.

Either of the Companies do not have an established revenue stream for this method to be adopted for a share swap between existing shareholders.



5.4: Net Asset Value (NAV) Method

The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the assets base dominates earnings capability. The operating assets have therefore been considered at their book values. In such a going concern scenario, the relative earning power is of importance to the basis of amalgamation, with the values arrived at on the net asset basis being of limited relevance.

We have computed the Net Asset Value of equity shares of the Companies. We have considered the balance sheets of the Companies as of 31st March, 2015 and made suitable adjustments for non-operating assets/liabilities (e.g fair value of investments in subsidiaries/associates/mutual funds, value of surplus assets, any contingent liability, etc) goodwill on consolidation and preference shareholders liability as deemed appropriate.

6. Main difficulties and limitations in valuation

The basis of share swap ratio would have to be determined after taking into consideration all the factors and methodologies hereinabove. Though different values have been arrived at under each of the above methodologies, for the purposes of recommending a fair exchange ratio of equity shares it is necessary to arrive at a single value for the shares of Bigtec and Molbio. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of Bigtec and Molbio but at their relative values to facilitate the determination of a fair exchange ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

The analyses were performed using forecast data, which by its nature, contains uncertainty and the potential lack of comparability between related items. Our inability to gain direct access to management also limited the ability to obtain specific information, above all in relation to assumptions underlying the financial projections used.

The DCF method was used for valuing the Companies as it captures the future earning potential of the companies. It may be noted that the equity shares of the companies are not listed and company's future cash flow can be predicted with precise or near thereto, hence we have valued the companies, using Net Asset Value (NAV) Methodology (Please refer the working given below)



7. Valuation Summary:

(As per audited financial statements as on 31st March 2015)

PARTICULARS	BIGTEC INNOVATIONS PRIVATE LIMITED (Amount in Rupees)	MOLBIO DIAGNOSTICS PRIVATE LIMITED (Amount in Rupees)
Tangible Assets	1	58,87,595
Intangible Assets	13,98,052	1,98,638
Capital work in progress	0	6,47,34,607
Investments at cost	9,38,49,090	0
Current Assets	8,78,66,266	51,02,42,079
TOTAL	18,31,13,409	58,10,62,919
Less : Current Liabilities	1,46,40,860	6,07,55,417
NET ASSET VALUE	16,84,72,549	52,03,07,502
Number of Equity shares	86,42,560	20,159
Net Asset Value per share (rounded)	20	25,810
SHARE SWAP RATIO : 801 EQUITY SHARES OF Molbio FOR EACH EQUITY SHARE OF Bigtec		

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion by the valuers and judgment taking into account all the relevant factors. There will always be several factors, e.g quality and integrity of the management, present and prospective competition, yield on comparable securities and market sentiment, etc which are not evident from the fact of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. The fair exchange ratio of equity shares of Bigtec and Molbio has been arrived on the basis of a relative equity valuation for both the companies based on the various methodologies explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations.



8. Conclusion:

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we consider that the fair exchange ratio of equity shares for Bigtec by equity shares of Molbio should be a ratio of 1 (one) equity shares of Molbio of Rs.10/- each fully paid up for every 801(Eight hundred and one) equity shares of Bigtec of Rs. 10/- each fully paid up.

Total shares in MOLBIO – 20,159. The number of shares that will be cancelled on merger of BIPL – 10,079 (i.e. the shares held by BIPL which need to be cancelled on merger). The number of shares held by Exxora Trading Company Limited after the merger – 10,080. If 10,080 shares were to represent 46.5% of the total issued shares of MOLBIO, then, MOLBIO's total issued shares would be 21,680. Therefore, the difference i.e. 11,600 (21,680 – 10,080) would be the number of shares that will be allotted to the shareholders of BIPL on merger.

Respectfully submitted,

For MSSV & Co,

Chartered Accountants.

FRN 001987S



Ravi Prasad,

Partner

M. No. 203414