

②

SCHEME OF AMALGAMATION

between

HINDUSTHAN NATIONAL GLASS & INDUSTRIES LTD

and

GLASS EQUIPMENT (INDIA) LTD

and

QUALITY MINERAL LTD

and

their respective members

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.

Company Secretary

PART-I**1.1.1**

C. HINDUSTHAN NATIONAL GLASS & INDUSTRIES LTD (HNGIL), the Transferee Company is an existing a public limited company, under the Companies Act, 1956 having its registered office in the state of West Bengal. The shares of HNGIL were listed on the Bombay Stock Exchange (stock code: 515145), The National Stock Exchange (stock code: HINGNATGLS) and the Calcutta Stock Exchange (Stock code: 10018003)

The Transferee Company is the largest glass container manufacturing company in India registered with ROC, Kolkata. The Company has 7 manufacturing units in various places across the country.

A. GLASS EQUIPMENT (INDIA) LTD (GEIL), The Transferor Companies No.1 is a public limited company, incorporated on January 15, 1970 under the Companies Act, 1956. The Transferor Company No.1 has its registered office in the State of West Bengal

The Transferor Company No.1 manufactures IS Machines and do servicing of IS Machines which is used in Glass manufacturing industry.

B. QUALITY MINERAL LTD (QML), the Transferor Company No.2 is a Public limited company, incorporated on July 26, 1974 under the Companies Act, 1956. The Transferor Company No.2 has its registered office is the State of West Bengal.

The Transferor Company No.2 carries on business of cursing of Feldspar and supply of same.

D. The Transferor Companies are wholly owned subsidiaries of the Transferee Company.

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

E. Since the Transferee Company is the Holding Company of the Transferor Company the shares of the Transferee Company in the Transferor Company will stand cancelled as a result of the amalgamation.

PART II

1. DEFINITIONS

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

- 1.1 **"The Act"** means the Companies Act, 1956 or any statutory modification or re-enactment thereof.
- 1.2 The **"Appointed Date"** means the 1st day of April 2014 or such other date as may be determined by the Board of Directors of the Transferor Company and Transferee Companies.
- 1.3 **"Board of Directors"** in relation to respective Transferor Companies and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a Committee of Directors or any person authorized by the Board of Directors or such Committee of Directors.
- 1.4 **"Court"** or the **"High Court"** means the Hon'ble High Court at Calcutta.
- 1.5 **"Cross Holding of Shares"** shall mean the equity shares of the respective Companies held by either of the Transferee Company or Transferor Companies or vice versa or inter companies between the Transferor Companies;
- 1.6 The **"Effective Date"** shall mean the date on which certified copy of the Order of the Hon'ble High Court at

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

Calcutta sanctioning the Scheme is filed with the Registrar of Companies, West Bengal.

- 1.7 **"Encumbrance"** means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever and the term "Encumbered" shall be construed accordingly.
- 1.8 **"Record Date"** means such date following the Effective Date as may be fixed by the Board of Directors of the Transferee Company for the purpose of issue of shares in terms of the Scheme.
- 1.9 The **"Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the Hon'ble High Court at Calcutta.
- 1.10 **"Shareholders"** with reference to the Transferor Companies or Transferee Company means persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies as on the Record Date.
- 1.11 **"Stock Exchange"** shall have the same meaning as ascribed to it under the Securities Contract (Regulation) Act, 1956.
- 1.12 **"The Transferee Company"** shall mean Hindusthan National Glass & Industries Limited, an existing company under the Companies Act, 1956, and having its registered office situated at 2, Red Cross Place, Kolkata - 700 001.
- 1.13 The **"Transferor Company"** or **"Transferor Companies"** shall mean:

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

1.13.1 Glass Equipment (India) Limited, a company incorporated under the Companies Act, 1956, and having its registered office situated at 2, Red Cross Place, Kolkata – 700 001.

1.11.1 Quality Minerals Limited, a company incorporated under the Companies Act, 1956, and having its registered office situated at 2, Red Cross Place, Kolkata – 700 001.

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

- a. all the assets and properties of the Transferor Companies as on the Appointed Date i.e. all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, investments and current assets, including but not limited to deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, guarantees, authorizations, approvals, agreements, contracts, leases, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, benefits of all taxes including but not limited to Minimum Alternate Tax ("MAT") paid under Section 115JA/115JB of the Income Tax Act, 1961 ("IT Act"), advance taxes and tax deducted at source, right to carry forward and set off unabsorbed losses and depreciation, MAT credit under the provisions

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

of the IT Act, right to claim deductions under the IT Act including its continuing benefits; engagements, arrangements of all kinds, exemptions, benefits, incentives, privileges and rights under any law for the time being in force; loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights to use and avail of telephones, telexes, facsimile, email, interest, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated. (hereinafter referred to as the "Assets");

- b. all the debts, liabilities, duties and obligations of the Transferor Companies as on the Appointed Date (hereinafter referred to as the "Liabilities");
- c. without prejudice to the generality of sub-Clause (a) above, the Undertaking of the Transferor Companies shall include all the movable and immovable properties, assets, including lease-hold rights, tenancy rights, industrial and other licenses, permits, authorisations, quota rights, trade marks, patents and other industrial and intellectual

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

(8)

properties, import quotas, telephones, telex, facsimile and other communication facilities and equipments, rights and benefits of all agreements, guarantees, deeds, bonds, insurance policies and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals of whatsoever nature and wheresoever situate, belonging to or in the ownership, power or possession or control of the Transferor Companies;

- d. all earnest monies and/or security deposits paid by the Transferor Companies.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or reenactment thereof from time to time.

2 SHARE CAPITAL

- A. The present Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferee Company as on the date of finalization of this Scheme was as under:

Hindusthan National Glass & Industries Limited	
Particulars	Amount in Rs.
Authorised:	
2,55,75,00,000 Equity Shares of Rs. 2/- each	5,11,50,00,000

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.



Company Secretary

Issued and Subscribed & Paid up:	
8,73,38,565 Equity Shares of Rs. 2/- each fully paid up	17,46,77,130

B. The present Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Companies as on the date of finalization of this Scheme was as under:

Glass Equipment (India) Limited	
Particulars	Amount in Rs.
Authorised: 50,000 Equity Shares of Rs. 100/- each	50,00,000
Issued, subscribed and paid-up: 38,400 Equity Shares of Rs. 100/- each	38,40,000

Quality Minerals Limited	
Particulars	Amount in Rs.
Authorised: 10,000 Equity Shares of Rs. 100/- each	10,00,000
Issued, subscribed and paid-up: 9410 Equity Shares of Rs. 100/- each	9,41,000

C. Rationale :

(i) This Scheme envisages the amalgamation of GEIL and QML into HNGIL, resulting in consolidation of the business of the three companies in one entity and strengthening the position of the merged entity, by enabling it to harness and optimize the synergies of the Manufacturing of Glass Containers, which is in the best interests of all the companies and their respective shareholders. The proposed

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

amalgamation aims to achieve consolidation, integration and thereby greater financial strength which is ultimately aimed at maximizing shareholder value. The merged entity is likely to achieve higher ability to garner funds for the long term and consequently achieve stable long-term financial returns for the merged entity. Besides achieving increased financial strength, the merged entity can reap benefits of cost reduction and efficiencies of operation.

(ii) The proposed amalgamation is in the interest of the shareholders, creditors, stakeholders and employees, as it would enable a focused business approach for the maximization of benefits to all stakeholders and for the purposes of synergies of business.

PART III

3 TRANSFER AND VESTING

- 3.1 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as a going concern, without any further act or instrument and pursuant to the provisions of Sections 391 to 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 3.2 With effect from the Appointed Date, the entire business and the whole of the Undertaking of the Transferor Companies shall, without any further act or deed, be and shall stand transferred to and vested in or deemed to have been transferred to or vested in the Transferee Company as a going concern, pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act.
- 3.3 Any legal or other proceedings by or against Transferor Companies pending on the Effective Date and relating to the

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary



Undertaking (including property rights, powers, liabilities, obligations and duties) of Transferor Companies shall be continued and enforced by or against the Transferee Company, in the same manner and to the same extent as it would or might have been continued and enforced by or against Transferor Companies.

- 3.4 It is expressly provided that in respect of such of the assets of the Transferor Companies as are moveable in nature or are otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Companies by physical delivery and shall become the property of the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Act.
- 3.5 In respect of such of the Assets other than those referred to in sub-Clause 3.4 above, they shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Act and shall form an integral part of the Undertaking.
- 3.6 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Companies to carry out or perform all such formalities or compliance referred to above on the part of the Transferor Companies to be carried out or performed.
- 3.7 With effect from the Appointed Date, all liabilities, debts, duties and obligations of the Transferor Companies shall, without any further act or deed, also stand transferred to the Transferee

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

Company, pursuant to the applicable provisions of the Act, so as to become as from the Appointed Date, the liabilities, debts, duties and obligations of the Transferee Company.

- 3.8 Upon the coming into effect of the Scheme, benefits of all taxes paid including but not limited to MAT paid under Section 115JA/115JB of the IT Act, advance taxes and tax deducted at source, right to carry forward and set off unabsorbed losses and depreciation, MAT credit under the provisions of the IT Act, right to claim deductions under the IT Act including its continuing benefits, by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same and shall be deemed to be the rights/claims of the Transferee Company.
- 3.9 All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies alongwith any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company, so as to become the debts, liabilities, duties and obligations of the Transferee 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, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies is concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent

CERTIFIED TRUE COPY

For Hindustan National Glass & Industries Ltd.


Company Secretary

(13)

warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.

- 3.10 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, benefits, licenses, approvals, permissions and authorities etc. as described in Clause 1.12 (a) accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, rights, titles, interests, benefits, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 3.11 All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 3.12 All inter party transactions between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.



Company Secretary



considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.

4. ALTERATIONS/AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF TRANSFEE COMPANY:

With respect to the Transferee Company, upon this Scheme becoming effective:

- 4.1 The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- 4.2 With effect from the Effective Date, without following any further procedure as laid in Section 149(2A) and other applicable provisions of the Act, the Transferee Company shall be deemed to be authorised to commence such business as laid down in the Objects Clauses of the Memorandum of Association of the Transferor Companies.

5. ISSUE OF SHARES BY THE TRANSFEE COMPANY:

In the referred amalgamation there will no requirement of allotment of Shares of Transferee Company, as Transferee Company hold 100% shares of both the Transferor Company. Hence both the Transferor Company is 100% Subsidiary of

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

(15)

Transferee Company and there is no exchange ratio in case of this amalgamation.

6. TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE:

6.1 With effect from the Appointed Date and upto and including the Effective Date;

- (i) the Transferor Companies shall be deemed to have been carrying on and shall carry on all business and activities relating to the Undertaking and stand possessed of the properties so to be transferred, for and on account of and in trust for the Transferee Company, including but without limitation, the manufacturing activity, the investment portfolio, payment of advance income tax and subsequent instalments of income tax and other statutory levies, etc.
- (ii) all incomes, profits, benefits and incentives accruing to the Transferor Companies or losses arising or incurred by it relating to the Undertaking shall, for all purposes, be treated as the incomes, profits, benefits and incentives or losses, as the case may be, of the Transferee Company;

6.2 The Transferor Companies and the Transferee Company do hereby undertake, from the Appointed Date upto and including the Effective Date -

- (i) to carry on the business of the Undertaking with reasonable diligence and business prudence and not to borrow, alienate, charge mortgage, encumber or otherwise deal with or dispose of the Undertaking or any part thereof, nor to undertake any new business or a substantial expansion of its existing business except with the prior written consent of the other Companies.

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

- (ii) not to utilise the profits, if any, relating to the Undertaking for the purposes of declaring or paying any dividend in respect of the period falling on and after 1st April, 2014 without obtaining the prior approval of the other Companies.

7. TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES:

On and from the Effective Date:

- 7.1 All employees of the Transferor Companies in service on the Effective Date shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions not less favorable than those on which they are engaged by the Transferor Companies as on the Effective Date.
- 7.2 The accumulated balances standing to the credit of the employees of the Transferor Companies on the Effective Date in the Provident fund, Gratuity fund, Superannuation fund and/or other funds and including any surplus in any such funds created or existing for the benefit of the employees of the Transferor Companies shall be identified, determined and transferred to the corresponding funds of the Transferee Company in due course.

8. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS:

- 8.1 Subject to other provisions of this Scheme, the Transferee Company shall accept all acts, deeds and things relating to the Undertaking of the Transferor Companies done and executed by and/or on behalf of the Transferor Companies on or after the

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

17

Appointed Date as acts, deeds and things done and executed by and/or on behalf of the Transferee Company.

- 8.2 Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, leases, insurance policies and other instrument of whatsoever nature relating to the Undertaking to which the Transferor Companies is a party and subsisting or having effect on or before the Effective date shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if, instead of the Transferor Companies, the Transferee Company had at all material times been a party thereto.
- 8.3 On this Scheme finally taking effect as aforesaid:
- (i) All the agreements, guarantees, approvals, consents, permissions, licenses, sanctions, leases and the like entered into with and/or given by, as the case may be, the various State Governments, statutory or regulatory body or agencies or third parties with/to GEIL and QML shall, without any further act, deed, matter or thing, stand transferred to and vested in HNGIL;
 - (ii) All business activities engaged in by GEIL and QML shall be continued by HNGIL under its new name; and

9. LEGAL PROCEEDINGS:

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

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

prosecuted and enforced by or against the Transferor Companies as if the Scheme had not been made.

10. APPROVALS AND EFFECTIVENESS

10.1 On the Scheme being agreed to by the respective requisite majorities of the members of the Transferor Companies and the Transferee Company,

- a) The Transferor Companies shall with all reasonable despatch, apply to the Hon'ble High Court at Calcutta for sanctioning this Scheme of Arrangement under Section 391 of the Act and for an order or orders under Section 394 of the Act for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up as also any order or orders as may be necessary and appropriate under the Act;
- b) The Transferee Company shall also with all reasonable despatch make applications/petitions under Section 391 and 394 and other applicable provisions of the said Act to the Hon'ble High Court at Calcutta for sanctioning this Scheme of arrangement under Section 391 of the Act and for an order or orders under Section 394 of the Act for carrying this Scheme into effect.

10.2 The Transferor Companies (by its Directors), and the Transferee Company (by its Directors) may, assent to any alteration or modification of this Scheme which the Court and/or any other Competent Authority may deem fit to approve or impose and may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith; (including any question or difficulty arising in connection with any deceased or insolvent shareholder of the respective Companies). In the event that any conditions are imposed by any Competent Authority which the Transferor

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

Companies or the Transferee Company find unacceptable for any reason whatsoever then the Transferor Companies or the Transferee Company shall be entitled to withdraw from the Scheme.

10.3 This Scheme is conditional upon and subject to:

- (a) The Scheme being agreed to by the respective requisite majorities as are referred to in Clause 10.1 hereof (on behalf of the Transferor Companies and the Transferee Company) and the requisite Order or Orders referred to in Clause 10.1 being obtained;
- (b) Such other sanctions and approvals including sanctions of any governmental or regulatory authority as may be required by law in respect of the Scheme being obtained.
- (c) The certified copies of the Court Order referred to herein being filed with the Registrar of Companies, West Bengal.

10.4 This Scheme although to come into operation from the Appointed Date shall not become effective until the last of the following dates, namely:

- (a) the date on which the last of the aforesaid consents, approvals, permissions, resolutions and orders shall be obtained or passed; or
- (b) the date on which all necessary certified copies of orders under Sections 391 and 394 of the Act shall be duly filed with the appropriate Registrar of Companies.

10.5 In the event any of the approvals or conditions enumerated in clause 10.1 are not being obtained or complied with on or before 31/03/2015 or with such further periods or period as may be agreed upon by and between the Transferor Companies and the Transferee Company (through their respective Boards of Directors) the Scheme shall become null and void and in that

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

event no rights or liabilities whatsoever shall accrue to or be incurred inter se between the Transferor Companies and the Transferee Company.

PART IV

11. ACCOUNTING TREATMENT:

Upon the Scheme becoming finally effective, the Transferee Company shall incorporate the assets and liabilities of The Transferor Companies in accordance with the Accounting Standards prescribed under the Companies (Accounting Standards) Rules, 2006 under section 211(3C) of the Companies Act, 1956.

PART V

12. OPERATIVE DATE OF THE SCHEME

The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.

13. DISSOLUTION OF THE TRANSFEROR COMPANIES:

On the Scheme becoming effective, the Transferor Companies shall be dissolved without winding up in accordance with the provisions of Sections 391 to 394 of the Act.

14. EXPENSES CONNECTED WITH THE SCHEME:

- 14.1 Save and except as provided elsewhere in the Scheme, all costs, charges taxes, levies and other expenses including registration fee of any deed, in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of the Scheme shall be borne and paid by the Transferee Company.

CERTIFIED TRUE COPY

For Hindustan National Glass & Industries Ltd.


Company Secretary

- 14.2 In the event that this Scheme fails to take effect within such period or periods as may be decided by the Transferor Companies (by their Board of Directors) and the Transferee Company (by its Board of Directors), or the scheme is rendered null and void for any reason then, the Transferor Companies and Transferee Company shall bear their own costs and expenses incurred by them, in relation to or in connection with the Scheme.

15. CANCELLATION OF SHARES OF THE TRANSFEROR COMPANIES

Upon the Scheme coming into effect, all equity shares of the Transferor Company held by the Transferee Company (either directly or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash whatsoever by the Transferee Company in lieu of such shares of the Transferor Company.

16. SEVERABILITY

If any part of this scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Companies and Transferee Company, affect the validity of implementation of the other parts and or provisions of the Scheme.

The Transferee Company shall be entitled to file /revise its income tax returns, TDS Certificates, TDS returns, Wealth Tax returns and other statutory returns, if required.

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary

17. GENERAL TERMS AND CONDITIONS

- 17.1 The Transferor Companies and the Transferee Company shall, with all reasonable dispatch, make all applications / petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.
- 17.2 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any Committee of Directors or Officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 17.3 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 17.4 If any part of this Scheme is invalid, ruled illegal by any court or authority of competent jurisdiction or unenforceable under the present or future laws, 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 parties 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.

CERTIFIED TRUE COPY

For Hindusthan National Glass & Industries Ltd.


Company Secretary