

**SCHEME OF AMALGAMATION
UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT 2013
BETWEEN
TEA TIME LIMITED ("TRANSFEROR COMPANY 1")
AND
ORIENT INTERNATIONAL LIMITED ("TRANSFEROR COMPANY 2")
AND
NEPTUNE EXPORTS LIMITED ("TRANSFEROR COMPANY 3")
AND
NORTHERN PROJECTS LIMITED ("TRANSFEROR COMPANY 4")
AND
HINDUSTHAN UDYOG LIMITED ("TRANSFEREE COMPANY")
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

1. BACKGROUND AND DESCRIPTION OF COMPANIES

1.1 Tea Time Limited (Transferor Company 1), is a public company incorporated under the Companies Act, 1956, having its registered office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata - 700046. The Corporate Identification Number of the Transferor Company 1 is L01132WB1979PL032246 and is *inter-alia* engaged in following businesses:

1. *To buy, sell, import, export, blend, package, process, mix various kinds of tea including leaf tea, dust tea, instant tea, tea bags and to do the same in India or elsewhere individually or in collaboration with others.*
2. *To carry on the business of owning, managing, operating, taking on lease, developing tea gardens and tea plantations and also to produce, cultivate, sell, purchase, manufacture all kinds of plantation products and generally to deal in all kinds of plantation products, forest products and various kinds of crops including rubber, shellac, timber, coffee, cocoa and cinchona among others and to do the same in India or elsewhere.*
3. *To carry on the business of ware housing, transporting, storing tea and other commodities and also to act as commission agents, auctioneers, distributors, and recognized export house.*

The Equity Shares of the Transferor Company 1 are listed on BSE Limited and Calcutta Stock Exchange.

1.2 Orient International Limited (Transferor Company 2), is a public company incorporated under the Companies Act, 1956, having its registered office at Trinity



Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata - 700046. The Corporate Identification Number of the Transferor Company 2 is L27310WB1981PLC034139 and is inter-alia engaged in following businesses:

1. *To carry on the business of casting, forging, rolling, refining, smelting, altering, improving, buying, selling, importing, exporting, manufacturing and otherwise dealing in Iron & Steel all forms, shapes and sizes and alloys thereof and of owning, operating and managing mini-steel plants.*
2. *To carry on the business of casting, forging, rolling, refining, smelting, altering, improving, buying, selling, importing, exporting, manufacturing and otherwise dealing in aluminum, copper, zinc and other metals and alloys.*
3. *To carry on the business of manufacturing, buying, selling and otherwise dealing in material handling equipments, coal mining equipments and other engineering goods and to act as boiler makers, mill, wrights, smiths metallurgists and mechanical engineers.*

The Equity Shares of the Transferor Company 2 are listed on Calcutta Stock Exchange and Delhi Stock Exchange.

1.3 Neptune Exports Limited (Transferor Company 3), is a public company incorporated under the Companies Act, 1956, having its registered office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata - 700046. The Corporate Identification Number of the Transferor Company 3 is L51909WB1982PLC034494 and is *inter-alia* engaged in following businesses:

1. *To carry on the business of importers, exporters, recognised export house, indenting agents and commission agents in connection with export - import business of various goods and articles and to carry on the above activity in India or elsewhere either individually or in collaboration with others.*
2. *To carry on the business of packaging, purchasing, selling and generally dealing in all kinds of goods and articles in connection with export import business and to act as retailers, wholesalers, godown keepers, stockists, aratdars or agents in connection with the above trade.*
3. *To carry on the business of buying, selling, importing exporting and otherwise, dealing in silk and silk products of every description, leather and leather goods of every kind, ordinary tea, dust tea, packaged tea, tea bags and other kinds of tea and to do the same in India or elsewhere either individually or in collaboration with others.*



The Equity Shares of the Transferor Company 3 are listed on BSE Limited and Calcutta Stock Exchange.

1.4 Northern Projects Limited (Transferor Company 4), is a public company incorporated under the Companies Act, 1956, having its registered office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata - 700046. The Corporate Identification Number of the Transferor Company 4 is LA5400WB1983PLC035987 and is *inter-alia* engaged in following businesses:

- (1) *To carry on the business of manufacturers, importers, exporters and founders of ferrous and non-ferrous metals, sheet metal workers, mechanical, structural, electrical and metallurgical engineers, to carry on the work of cast Iron foundry for the manufacture of all types of pipes and pipe-fittings, water reservoirs, drainage requisites including manhole frames and covers, gratings and ladders, cast-iron-sanitary appliances and fittings including flushing cisterns, bath-tubs, wash-basins, cast iron building requisite including railing, spiral stairs, ladders, ventilators ornamental window-frames, pillars, agricultural implements including choppers, ploughs, cast iron, railway casting including sleepers, fish-plates, wheels and other fittings, household requisites and utensils including cooking pans, containers, coal mining and engineering requisites including pinions, tube-wheels, pump parts and other general and special castings.*
- (2) *To carry on the work of mechanical and electrical engineers and to run a workshop to undertake and execute all types of mechanical and structural jobs of manufacturing, fabrication and erection of buildings and articles and to do various types of sheets, metal work including manufacturing and construction of storage tanks, buckets, drums, various types of containers and other similar items that may be easily marketable.*
- (3) *To carry on the business of financing Industrial Enterprises whether by way of making loans or advances to or subscribing to the capital of Private Industrial Enterprises in India.*
- (4) *To invest, buy, sell, transfer, hypothecate and dispose of any shares, stocks, securities, properties, bonds or any Government/Local Authority bonds & certificates, debentures whether perpetual or redeemable and debenture-stocks.*

The Transferor Company 4 is a Non-Banking Financial Institution, registered with the Reserve Bank of India vide Certificate of Registration dated 16th May, 1998 bearing registration no. 05.02409.

The Equity Shares of the Transferor Company 4 are listed on BSE Limited and Calcutta Stock Exchange.



1.5 Hindusthan Udyog Limited (Transferee Company), is a public company incorporated under the Companies Act, 1956, having its registered office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata - 700046. The Corporate Identification Number of the Transferee Company is L27120WB1947PLC015767 and is *inter-alia* engaged in following businesses:

1. To carry on the business of steel fabrication, iron foundries, cast iron castings, die & pressure die castings, and to run, operate, steel foundries, mini steel plant and to manufacture, buy, sell, exchange, refine, smelt, prepare, work, alter, improve, import, export and otherwise deal in round, square, flat steel or sheets, deformed bars, machine, parts, buckets, corrugated sheets, screws, bolts, nuts, nails, rods, plates, tubes, bends, sockets, flanges, fittings, tees, beams, joists, tools, implements, torsteel, torkari and other articles and things made of iron, steel and other metals.
2. To carry on the business of mechanical engineers and manufacturers of agricultural implements and other machinery, tools makers, brass foundries, metal workers, boiler makers, mill wrights, machinists, iron and steel converters, smiths and general iron and steel processors, wire-drawers, galvanisers, enamellers, electroplaters, tin plate makers, boiler makers, anodisers, mettalaugists and iron masters.
3. To purchase, take on lease or otherwise acquire any iron and steel manufacturing unit or units, iron foundries, workshop, rolling mills, steel casting sheds, are furnaces, wire drawing units and other going concern dealing in metals and minerals.
4. To carry on the business or businesses of manufacturers, importers and exporters of and dealers in sheet metals (ferrous and non-ferrous) and sheet metal articles and in ferrous and non-ferrous castings of all kinds and in particular galvanised buckets, fire buckets, bath tubs, mugs, drums, tanks, tin containers, and other articles for carrying or storing water, oil and other materials, solid or liquid, suit cases, trunks, boxes, tables, chairs, shelves, almirahs, safe, and other kind or steel, and metal furniture, chimneys, pipes, ridgings, ventilators roofings, dust-bins, hand carts, municipal carts, and all such other articles, pans, rice bowls, cooking pots and hollow wares of all kinds; cooking stoves of all description and their accessories, cast iron pipes and fittings, railings, stair cases, ventilators and all building materials, manhole covers, surface boxes, cisterns, weights and castings of all description, big and small, chilled and malleable castings, special alloy castings, steel castings, gun-metal, copper, brass and aluminium castings and foundry works of all kinds; hurricane lanterns and other kinds of lanterns and lamps and all their parts and accessories, oil stoves, gas stoves and other kinds of stoves, cookers, torches, batteries and all their parts anti accessories, gates and railings, collapsible gates and grills, stairs, columns, trusses, metal doors and windows and other buildings materials, bolts and nuts, rivets, washers, wire nails, screws, hinges, hook bolts, tower bolts, dogspikes, signaling materials and railway carriage and wagon fittings, and die and press work of all kinds rods, bars, wires, sheets and all kinds of ferrous and non-ferrous rolling works, mill, factory, tea garden and colliery requisites of all kinds.
5. To carry on the business of cultivating, growing, processing, blending, packing tea and to sell, dispose of export, import and otherwise deal in tea either in its raw or manufactured state either in whole sale or retail either in packed or loose form.

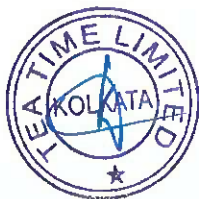


6. *To carry on the business of public carriers, transporters and carrier of goods, passengers, merchandise and other products and goods and luggage of all kinds and description in any part of India and elsewhere on land, water and air by any conveyances whatsoever.*
7. *To buy, sell, deal in or to act as distributors, stockists, importers, exporters, area representatives, manufacturers agents, whole selling agents for all kinds of building and construction materials, machineries and tools, stores, hardware items, tea-garden implements and stores including pig iron, hard coke, coal, G. C. Sheets, asbestos sheets, R. C. Posts, CTC segments, Cement, wire, fencing, hoop iron, pallets, chests and various other merchandise whether produced In India or elsewhere.*

The Equity Shares of the Transferee Company are listed on BSE Limited and Calcutta Stock Exchange.

2. DESCRIPTION OF THE SCHEME

- 2.1 This Scheme provides, *inter alia*, for the amalgamation of the Transferor Companies into the Transferee Company, by way of merger by absorption and dissolution of the Transferor Companies without winding up and the consequent issuance of the Transferee Company Shares (as defined hereunder) in accordance with the Share Exchange Ratio (as defined hereunder) to the Eligible Members (as defined hereunder) in respect of each share of the Transferor Companies held by them in accordance with this Scheme (“Amalgamation”) and Sections 230 to 232 along with other relevant provisions of the Act and in compliance with the provisions of the Income Tax Act, 1961.
- 2.2 The Amalgamation of the Transferor Companies into the Transferee Company shall be in full compliance with the conditions relating to “amalgamation” as provided under Section 2(1B) and other related provisions of the Income Tax Act, 1961 such that, *inter alia*:
 - (i) all the properties of the Transferor Companies, immediately before the Amalgamation, shall become the properties of the Transferee Company, by virtue of the Amalgamation;



- (ii) all the liabilities of the Transferor Companies, immediately before the Amalgamation, shall become the liabilities of the Transferee Company, by virtue of the Amalgamation; and
- (iii) shareholders holding at least three fourths in value of the shares in the Transferor Companies, will become shareholders of the Transferee Company by virtue of the Amalgamation.

3. PURPOSE AND RATIONALE FOR THE SCHEME OF ARRANGEMENT/
AMALGMATION

The Board of the Transferor Companies and the Transferee Company are of the opinion that the proposed arrangement between the Transferor Companies with the Transferee Company will be for the benefit of all the companies in the following manner:

- a) The amalgamation will enable pooling of resource of the companies involved in the amalgamation to their common advantage, resulting in more productive utilization of such resources, cost and operational efficiencies which would be beneficial for all stakeholders.
- b) The amalgamation would result in the creation of a Transferee Company with larger asset base and net worth with strong financials enabling further growth and development of the Transferee Company and enable it to withstand with the growing competition in the market scenario.
- c) The proposed amalgamation will result in reduction in overhead and other expenses, reduction in administrative and procedural work and eliminate duplication of work and will enable the companies concerned to effect internal economies and optimize productivity.
- d) If the proposed amalgamation comes into effect then it will strengthen the credibility of the Transferee Company with the financial institutions, banks and general public and which would eventually benefit the shareholders of the Transferee Company and the Transferor Companies.



There is no likelihood that interest of any shareholder or creditor of any of the Transferor Companies or the Transferee Company would be prejudiced as a result of the Scheme. The Scheme of Arrangement/Amalgamation will not impose any additional burden on the members of the Transferor Companies or the Transferee Company.

4. This Scheme is divided into the following parts:

- (i) Part I which deals with the introduction and definition, and sets out the share capital of the Transferor Companies and the Transferee Company;
- (ii) Part II which deals with the Amalgamation; and
- (iii) Part III which deals with the general terms and conditions applicable to the Scheme.

PART I

5. DEFINITIONS

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

- (a) "Act" shall mean the Companies Act, 2013 as amended from time to time, and shall include any other statutory re-enactment thereof, read with all surviving and applicable provisions of the Companies Act, 1956 and shall include all rules, regulations, circulars, notifications, guidelines made or issued in relation thereto, from time to time.
- (b) "Amalgamation" shall have the meaning ascribed to it in Clause 2.1 above.
- (c) "Applicable Law" shall mean any applicable law, statute, ordinance, rule, regulations, guideline or policy having the force of law, of any governmental authority.



- (d) "Appointed Date" shall mean 1st April, 2019 or such other date as maybe approved by the National Company Law Tribunal, Kolkata Bench or such other appropriate authority.
- (e) "Board" in relation to any of the Transferor Companies and the Transferee Company, as the case maybe, means the Board of Directors of such company and shall, where applicable, include a duly authorized committee of the Board.
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- (f) "Effective Date" means the date on which certified copies of the order of the National Company Law Tribunal or any appropriate authority sanctioning this scheme of Amalgamation under the applicable provisions of the Act are filed with the Registrar of Companies.
- (g) "Eligible Member" shall mean the person whose name appears in the register of members of the Transferor Companies and/or whose name appears as the beneficial owner of the shares of Transferor Companies in the record of depositories on the Record Date.
- (f) "NCLT" shall mean the National Company Law Tribunal at Kolkata, West Bengal.
- (g) "Record Date" shall mean any date after the Effective Date to be fixed by the Board of the Transferee Company for issuing shares of the Transferee Company to the shareholders of the Transferor Companies.
- (g) "SEBI" means the Securities and Exchange Board of India.
- (h) "SEBI Listing Regulations" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines, etc., that may replace such regulations.



- (i) "SEBI Scheme Circular" means the SEBI Circular dated March 10, 2017 bearing reference number CFD/DIL3/CIR/2017/21, as amended or replaced from time to time.
- (j) "Share Exchange Ratio" shall have the meaning as ascribed in paragraph 9.1(ii) of the Scheme.
- (k) "Transferor Companies" shall mean and include Transferor Company 1, Transferor Company 2, Transferor Company 3 and Transferor Company 4.
- (l) "Transferee Company Shares" shall mean fully paid up equity shares of the Transferee Company each having a face value of Rs. 10/- and one vote per share.
- (m) "Transferor Companies Undertaking" means and includes:
- (i) All properties and assets, both movable and immovable, including liabilities of the Transferor Companies immediately before amalgamation;
- (ii) Without prejudice to the generality of the foregoing clause and subject to the provisions of the Scheme, the said undertaking shall include the entire business and all the properties and assets, movable or immovable, real or personal, corporal or incorporeal, in possession or reversion, present or contingent or whatsoever nature and wheresoever situated including furniture & fixtures, office equipment, air conditioners, electrical fittings, vehicles, leasehold improvements, computer software, current assets, sundry debtors, cash and bank balances, loans and advances, motor car, powers, authorities, allotments, approvals and consents, licences, registrations, contracts, engagements, arrangements, rights, titles, interest, benefits and advantages belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by any of the Transferor Companies



including but without being limited to all trademarks, trade names, and other industrial rights of any nature whatsoever and licences in respect thereof, right to use and avail telephones, telexes, internet, facsimiles, connections, installations, utilities, electricity and other services, reserves and provisions, funds and benefit of all agreements, contracts and all other interest, duties and obligations of the Transferor Companies or which the Transferor Companies are entitled to and all debts, paper, documents and records relating to the above.

5.2 In this Scheme, unless the context otherwise requires:

- (a) reference to persons shall include individuals, body corporates (wherever incorporated), unincorporated associations and partnerships;
- (b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (c) words in the singular shall include the plural and vice versa;
- (d) any reference in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date; and
- (e) all terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have same meaning prescribed to them under the Act and other Applicable Laws.

5.3 **Date of taking effect and Operative Date**

Upon the occurrence of the Effective Date, the Scheme set out herein, its present form or with any modification(s) approved or imposed or directed by NCLT or any other appropriate authority, shall become operative with effect from the Appointed Date.



6. SHARE CAPITAL

(i) The share capital structure of the Transferor Company 1 as on March 31, 2019 is as follows:

PARTICULARS	AMOUNT (in INR)
<u>Authorized Share Capital</u>	
30,00,000 equity shares of INR 10/- each	3,00,00,000
<u>Issued, Subscribed and Paid-Up Share Capital</u>	
29,03,919 equity shares of INR 10/- each	2,90,39,190

(ii) The share capital structure of the Transferor Company 2 as on March 31, 2019 is as follows:

PARTICULARS	AMOUNT (in INR)
<u>Authorized Share Capital</u>	
22,00,000 equity shares of INR 10/- each.	2,20,00,000
<u>Issued, Subscribed and Paid-Up Share Capital</u>	
22,00,000 equity shares of INR 10/- each.	2,20,00,000

(iii) The share capital structure of the Transferor Company 3 as on March 31, 2019 is as follows:

PARTICULARS	AMOUNT (in INR)
<u>Authorized Share Capital</u>	
30,00,000 equity shares of INR 10/- each.	3,00,00,000
<u>Issued, Subscribed and Paid-Up Share Capital</u>	
30,00,000 equity shares of INR 10/- each.	3,00,00,000



(iv) The share capital structure of the Transferor Company 4 as on March 31, 2019 is as follows:

PARTICULARS	AMOUNT (in INR)
<u>Authorized Share Capital</u>	
22,50,000 equity shares of INR 10/- each.	2,25,00,000
<u>Issued, Subscribed and Paid-Up Share Capital</u>	
22,05,000 equity shares of INR 10/- each.	2,20,50,000

(v) The share capital structure of the Transferee Company as on March 31, 2019 is as follows:

PARTICULARS	AMOUNT (in INR)
<u>Authorized Share Capital</u>	
485,00,000 equity shares of INR 10/- each.	48,50,00,000
60,00,000 10% Cumulative Redeemable Preference Share of INR 10/- each.	6,00,00,000
TOTAL	54,50,00,000
<u>Issued, Subscribed and Paid-Up Share Capital</u>	
71,76,725 equity shares of INR 10/- each.	7,17,67,250

NB: In addition to the aforesaid, the Transferee Company has also issued 60,00,000 10% Cumulative Preference Share of INR 10/- each.

PART - II

7. AMALGAMATION, TRANSFER & VESTING OF UNDERTAKING

7.1 Transfer

With effect from the Appointed Date and upon the Scheme becoming effective on the Effective Date, the transfer and vesting of Transferor Companies Undertaking including all its properties, assets and liabilities of whatsoever nature shall under the provisions of Section 230 to 232 of the Act and pursuant to order(s) of the NCLT or any other appropriate authority sanctioning the Scheme and without any further act, instrument, deed, matter or thing, stand transferred and vested in and/or deemed to



be transferred to and vested in Transferee Company so as to become the undertaking, properties, assets and liabilities of the Transferee Company in accordance with the Section 2(IB) of the Income Tax Act, 1961, in the following manner:-

7.2 Transfer of Assets:

- (i) With effect from the Appointed Date and upon the Scheme becoming effective, all the estates, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances of the Transferor Companies Undertaking, of whatsoever nature and wherever situated, whether or not included in the books of the concerned Transferor Companies shall subject to the provisions of this Clause 7.2 in relation to the mode of vesting and pursuant to Sections 230 to 232 of the Act and without any further act, deed, matter or thing, be and stand transferred to and vested in or shall be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest, authorities of the Transferee Company.
- (ii) With effect from the Appointed Date and upon the Scheme becoming effective all the assets of Transferor Companies as are movable in nature including but not limited to, stock of goods, sundry debtors, investments, plants and equipment, motor vehicles, outstanding loans and advances, insurance claims, advance tax, Minimum Alternate Tax (MAT), set-off rights, pre-paid taxed, levies/liabilities, CENVAT/VAT credits/ GST credits, if any, with government, local and other authorities and bodies, customers and other persons or any other assets otherwise capable of transfer by physical delivery would get transferred by endorsement and delivery by vesting and recordable pursuant to this Scheme, shall stand vested in Transferee Company, and shall become the property and an integral part of Transferee Company and, if required, appropriate governmental and registration authorities shall substitute the name of Transferee Company without any



further instrument, deed or act or payment of any further fee, charge or securities.

- (iii) In respect of such of the assets belonging to the Transferor Companies other than those referred to in sub-clause (ii) above the same shall, as more particularly provided in sub-clause (i) above without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 230 to 232 of the Act.

7.3. Contracts, Deeds, Licenses etc.

- (i) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, approvals, subsidies, rights, claims, leases, tenancy, liberties or other benefits or privileges, deeds, bonds, agreements, schemes, licenses, permits, quotas, arrangements and other instruments of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible or for the obligations of which the Transferor Companies may be liable, and which are subsisting or have effect immediately before the Appointed Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the concerned Transferor Companies, the Transferee Company has been a party or beneficiary or oblige thereto.
- (ii) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Transferor Companies Undertaking occurs by virtue of this Scheme itself, 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 (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement 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 as a successor of the concerned Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of the concerned Transferor Companies to be carried out or performed.

- (iii) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and subject to Applicable Law, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of any of the Transferor Companies shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to any governmental authority as may be necessary in this behalf.
- (iv) Without prejudice to the provisions of Clause 7.4 to 7.7, with effect from the Appointed Date, all transactions between any of the Transferor Companies and the Transferee Company, if any, that have not been completed, shall stand cancelled.

7.4. Transfer of Liabilities

- (i) With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts or disclosed in the balance sheets of the Transferor Companies shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company as a going concern so as to become on and from the Appointed Date, the liabilities of the Transferee Company by virtue of and in the manner provided in this scheme.



- (ii) Without prejudice to the generality of the provisions contained herein, all loans raised after the Appointed Date but till the Effective Date and liabilities incurred by the Transferor Companies after the Appointed Date but till the Effective Date for their operations shall be deemed to be of Transferee Company.
- (iii) The transfer and vesting of the Transferor Companies Undertaking, as aforesaid, shall be subject to the existing securities, charges and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of the Transferor Companies, as the case may be.

Provided that the securities, charges and mortgages (if any subsisting) over and in respect of the part thereof, of Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of Transferor Companies vested in Transferee Company pursuant to the Scheme.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by Transferor Companies which shall vest in Transferee Company by virtue of the amalgamation of Transferor Companies with Transferee Company and Transferee Company shall not be obliged to create any further or additional security after the amalgamation has become operative.

- (iv) Transferee Company will, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangements in relation to Transferor Companies to which the concerned Transferor Company is party, in order to give formal effect to the above provisions. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any

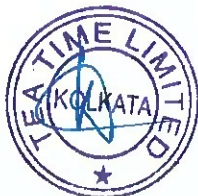


such writings on behalf of the concerned Transferor Company and to carry out or perform all such formalities or compliances referred to above on part of Transferor Companies.

- (v) Loans or other obligations, if any, due either between Transferee Company and Transferor Companies or in between the Transferor Companies shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by the Transferor Companies and held by the Transferee Company and vice versa are concerned, the same shall, unless sold or transferred by holder of such securities, at any time prior to the Effective Date, stand cancelled and shall have no further effect.
- (vi) Transferee Company will distribute the dividend as when declared on the proportionate basis keeping in mind the allotment/transfer of shares to the shareholders of the Transferor Companies.

7.5 Legal, taxes and other proceedings

- (i) Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal or courts), by or against the Transferor Companies, under any statute, pending on the Appointed Date, shall be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against, as the case may be, the Transferee Company.
- (ii) The Transferee Company shall have all legal, taxation or other proceedings initiated by or against the Transferor Companies referred to in clause above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Transferee Company, as a successor of the concerned Transferor Companies.



7.6. Employees

- (i) Upon the coming into effect of this Scheme, all employees of the Transferor Companies shall become the employees of the Transferee Company, subject to the provisions hereof without any break in their service and on the basis of continuity of service and, on terms and conditions no less favourable than those on which they are engaged by the concerned Transferor Company and without any interruption of service as a result of amalgamation. For the purpose of payment of any compensation, gratuity and other terminal benefits, the uninterrupted past services of the employees of the Transferor Companies with the Transferor Company shall also be taken into account and paid (as and when payable) by the Transferee Company.
- (ii) In so far as the Employee Benefit Funds created by the Transferor Companies or in respect of which the Transferor Companies makes contributions, for the employees of the Transferor Companies, all amounts standing to the credit of the employees of the Transferor Companies in such Employees Benefit Funds and investments made by such Employee Benefit Funds shall be transferred to such Employee Benefit Funds nominated by the Transferee Company and/or such new Employee Benefit Funds to be established and caused to be recognized by appropriate governmental authorities, by the Transferee Company.
- (iii) In relation to those employees of the Transferor Companies who are not covered under the provident fund trust of the concerned Transferor Company or who do not enjoy the benefit of any other provident fund trust, and for whom the concerned Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye-laws, etc. in respect of such employees, such that all the rights, duties, powers and obligations of the



concerned Transferor Company in relation to such provident fund trust shall become those of the Transferee Company.

- (iv) Pending the transfer as aforesaid, the Employee Benefit Fund dues of the employees of the Transferor Companies would be continued to be deposited in the existing Employee Benefit Funds of the concerned Transferor Companies. It is clarified that upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Companies shall stand dissolved.
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- (v) Notwithstanding the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Law, shall be entitled to:
- (a) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Companies; or
 - (b) merge the pre-existing funds of the Transferor Companies with other similar funds of the Transferee Company.

7.7. Treatment of Taxes

- (i) With effect from the Appointed Date, all the profits or incomes accruing or arising to Transferor Companies and all expenditure or losses arising or incurred by Transferor Companies shall, for all purposes, be treated (including all taxes, if any, paid or accruing in respect of any profits and income) and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of Transferee Company. Moreover, the Transferee Company shall be entitled to revise its statutory returns relating to indirect taxes like Goods and Services tax (GST) etc. and to claim refund/credits and/or set off amounts under the relevant laws towards the transactions entered into by Transferee Company and Transferor Companies which may occur between the Appointed Date and the Effective Date. The rights to make such revisions in the GST returns and to claim refunds/credits are expressly reserved in favour of Transferee Company.



- (ii) Upon the Scheme becoming effective, the Transferor Companies and the Transferee Company shall be entitled, wherever necessary and pursuant to the provisions of this Scheme, to file or revise their financial statements, tax returns, tax deduction at source certificates, tax deduction at source returns, and other statutory returns, and shall have the right to claim refunds, advance tax credits, credits for Minimum Alternate Tax, carry forward of losses and unabsorbed depreciation, deductions, tax holiday benefits, deductions or any other credits and/or set off of all amounts paid by the Transferor Companies or the Transferee Company under the relevant laws relating to Income Tax, Value Added Tax, Service Tax, Central Sales Tax, Goods and Service Tax or any other tax, as may be required consequent to the implementation of the Scheme.
- (iii) Transferee Company shall be entitled to revise its statutory returns relating to direct taxes like Income Tax and to claim refunds/advance tax credits and/or set off the tax liabilities of Transferor Companies under the relevant laws and its rights to make such revisions in the statutory returns and to claim refunds, advance tax credits and/or set off the tax liabilities is expressly granted.
- (iv) It is expressly clarified that with effect from the Appointed Date, all taxes payable by Transferor Companies including all or any refunds of the claims/TDS Certificates shall be treated as the tax liability or refunds/claims/TDS Certificates as the case may be, of the Transferee Company.
- (v) From the Effective Date and till such time as the name of the Transferee Company would get entered as the account holder in respect of all the bank accounts and demat accounts of Transferor Companies in the relevant bank's/DP's books and records, the Transferee Company shall be entitled to operate the bank/demat accounts of Transferor Companies in its existing name.



- (vi) Since each of the permissions, approvals, consents, sanctions, special reservations, incentives, concessions and other authorizations of the respective Transferor Companies shall stand transferred, by the order of the NCLT or any other appropriate authority sanctioning the Scheme, to Transferee Company, each of the Transferor Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of NCLT or any other appropriate authority.

8. Conduct of Business:

With effect from the Appointed Date and till the Scheme come into effect -

- (i) Transferor Companies shall be deemed to carry on all their businesses and activities and stand possessed of their properties and assets for and on account of and in trust for Transferee Company and all the profits accruing to the respective Transferor Company and all taxes thereon or gains or losses arising or incurred by them shall, for all purposes, be treated as and deemed to be the profits or losses, as the case may be, of Transferee Company.
- (ii) Transferor Companies shall carry on their businesses with reasonable diligence and in the same manner as they had been doing hitherto and Transferor Companies shall not alter or substantially expand its businesses except with the concurrence of Transferee Company.
- (iii) Transferor Companies shall not without the written concurrence of Transferee Company, alienate charge or encumber any of its properties except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Transferee Company, as the case may be.
- (iv) Transferor Companies shall not vary or alter except in the ordinary course of their business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Transferee Company,



the terms and conditions of employment of any of its employees, except with the written consent of Transferee Company.

(v) With effect from the date of approval of this Scheme by the respective Boards of the Transferor Companies and the Transferee Company, the Transferor Companies shall notify the Transferee Company in writing as soon as reasonable practicable of any matter, circumstance, act or omission as the case may be.

(vi) With effect from the Appointed Date, all debts, liabilities, duties and obligations of Transferor Companies as on the closing business hours of Appointed Date, whether or not provided in their books and all liabilities which are or accrue after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Transferee Company.

(vii) For the purpose of giving effect to the vesting order passed by the NCLT under Sections 230 to 232 of Companies Act, 2013 and Rules made thereunder with respect of the Scheme, the Transferee Company shall, at any time pursuant to the orders on this Scheme, be entitled to get the record of the change in the legal right(s) upon the vesting of the Transferor Companies Undertaking in accordance with the provisions of the Act. Transferee Company shall be authorized to execute any pleadings, applications, forms, etc. as are required to remove any difficulties and carry out any formalities or compliances as are necessary for the implementation of this Scheme.

9. CONSIDERATION

9.1. CONSIDERATION AND AMALGAMATION

(i) The Transferee Company shall, without further application, act or deed, issue and allot to each of the shareholder of the Transferor Companies (whose names are registered in the Register of Members of the respective Transferor Company on the Record Date, or his legal heirs, executors, administrators or successors), equity shares in the Transferee Company credited as fully paid



up in such share exchange ratio as mentioned below which has been made on a reasonable basis and on the advice of Mr. Vikash Goel, a Chartered Accountant and a Registered Valuer .

- (ii) The Transferee Company shall allot 100 equity shares of Rs. 10/- each in the Transferee Company:
- for every 807 equity shares of Rs. 10/- held as fully paid up in Transferor Company 1;
 - for every 2,555 equity shares of Rs. 10/- held as fully paid up in Transferor Company 2;
 - for every 936 equity shares of Rs. 10/- held as fully paid up in Transferor Company 3; and
 - for every 837 equity shares of Rs. 10/- held as fully paid up in Transferor Company 4.
- (iii) If any of the shareholders of any of the Transferor Companies becomes entitled to receive fraction of an Equity Share in the capital of the Transferee Company, such fraction shall be rounded off to the nearest integer.
- (iv) No fraction certificates shall be issued by Transferee Company in respect of the fractional entitlement, if any, to which the equity shareholders of any of the Transferor Companies may be entitled on issue and allotment of equity shares of Transferee Company, as aforesaid.
- (v) Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in any of the Transferor Companies and the Paid-Up Share Capital of the Transferor Companies to that extent shall stand cancelled.
- (vi) The Equity Shares in the Transferee Company to be issued to the shareholders of the Transferor Companies (herein "New Equity Shares") shall rank pari passu in all respect, with the existing equity shares in the Transferee



Company and shall be subject to the Memorandum and Articles of Association of the Transferee Company.

- (vii) New Equity Shares to be issued by the Transferee Company pursuant to Clause 9(ii) above shall be issued in dematerialized form by the Transferee Company. In that relation, the shareholders of the Transferor Companies shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event any shareholder has not provided the requisite details relating to his/its account with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the share of the Transferee Company, then the Transferee Company shall issue New Equity Shares in physical form to such shareholder or shareholders.
- (viii) The New Equity Shares to be allotted shall, subject to Applicable Laws, be listed and admitted to trading on the Stock Exchanges.
- (ix) the issue and allotment of equity shares by the Transferee Company to the shareholders of the Transferor Companies pursuant to Clause 9(ii) above is an integral part of this Scheme.
- (x) The approval of this Scheme by the Shareholders of the Transferee Company shall be deemed to be due compliance of the provisions of Section 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Transferee Company to the shareholders of the Transferor Companies as provided in this Scheme.

10. AUTHORIZED SHARE CAPITAL OF THE TRANSFEE COMPANY

- (i) Upon the Scheme becoming effective, the Authorized Share Capital of each of the Transferor Companies will get merged with that of the Transferee Company and, any additional fees will be borne by the Transferee Company



after setting off the fees paid by the Transferor Companies on their respective Authorized Share Capital. The Authorized Share Capital of the Transferee Company will automatically stand increased to the effect by simply filing the appropriate forms with the concerned authority and no separate procedure or resolution prescribed under the Act or instrument or deed or payment of any stamp duty and registration fees shall be required.

- (ii) Consequently, Clause 5 of the Memorandum of Association of the Transferee Company shall, without any act, instrument or deed be stand altered, modified or substituted pursuant to section 13 and 232 of the Act as set out below:

"5. The capital of the Company is Rs.58,95,00,000/- (Rupees Fifty Eight Crores and Ninety Five Lakhs Only) divided into 5,89,50,000 Equity Shares of Rs, 10/- each and Rs. 6,00,00,000/- (Rupees Six Crores Only) divided into 60,00,000 10% Cumulative Redeemable Preference Shares of Rs. 10/- each."

11. ACCOUNTING TREATMENT FOR AMALGAMATION

- 11.1 The amalgamation shall be accounted for in the books of account of the Transferee Company according to the applicable accounting standards i.e. Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant rules issued thereunder and in accordance with prevailing guidelines.
- 11.2 Upon the Scheme becoming effective, all assets and liabilities, including reserves of the Transferor Companies shall be recorded in the books of the Transferee Company at their existing carrying values and in the same form under 'Pooling of Interest Method' as described in Appendix "C" of Indian Accounting Standards 103 ("Ind AS 103"), Business Combinations, which provides guidance on accounting for Business Combinations of Entities under "Common Control" issued by the Institute of Chartered accountants of India.
- 11.3 The balance of the retained earnings appearing in the financial statements of the Transferor Companies will be aggregated with the corresponding balance



appearing in the financial statements of the Transferee Company.

- 11.4 The difference between the share capital of the Transferor Companies and the aggregate face value of the equity shares of the Transferee Company issued and allotted by it to the members of the Transferor Companies plus any additional consideration in the form of cash or other assets pursuant to the Scheme shall be adjusted in the capital reserve account.
- 11.5 The identity of the reserves of the Transferor Companies shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appear in the financial statements of the Transferor Companies, prior to this Scheme being made effective.
- 11.6 To the extent there are inter-corporate loans or balances between the Transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 11.7 The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by the Tribunal or any other Governmental Authority shall be effective from the Appointed Date but shall be operative from the Effective Date. However, if the Ind AS 103 require the amalgamation to be accounted with effect from a different date, then it would be accounted as per the requirements of Ind AS 103, for accounting purpose, to be compliant with the Indian accounting standards. For regulatory and tax purposes, amalgamation would have been deemed to be effective from the Appointed Date of this Scheme.
- 11.8 In case of any differences in accounting policies between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent



accounting policies. The difference, if any, in the accounting policies between the Transferor Companies and Transferee Company, shall be ascertained and the impact of the same will be quantified and adjusted in the retained earnings or another affected component of equity of the Transferee Company, as applicable, in accordance with the requirements of Ind AS 8.

- 11.9 The costs relating to the Scheme (mentioned in Clause 18 below) will be accounted in accordance with Ind AS 103.

12. SAVING OF CONCLUDED TRANSACTIONS

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

13. DISSOLUTION OF TRANSFEROR COMPANIES

On occurrence of the Effective Date, all Transferor Companies shall, without any further act or deed, shall stand dissolved without winding up.

PART - III

14. APPLICATION TO NCLT

The Transferor Companies and Transferee Company shall file necessary applications with the NCLT, Kolkata Bench, under Sections 230 to 232 and other applicable provisions of the Act read with applicable provisions of Companies (Compromise, Arrangement and Amalgamation) Rules, 2016 for sanctioning the Scheme with such modifications as may be approved by the NCLT.

15. LISTING AGREEMENT AND SEBI COMPLIANCE

Since the Transferor Companies and Transferee Company are listed companies, this Scheme is subject to the compliances of all the requirements under the SEBI Listing



Regulations and all statutory directives of SEBI in so far as they relate to sanction and implementation of the Scheme including the SEBI Scheme Circular.

16. DIVIDENDS

- (i) The Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective members in respect of the accounting period prior to the Effective Date as approved by their respective Boards.
- (ii) The members of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (iii) For the avoidance of doubt, it is hereby clarified that nothing in this Scheme shall prevent Transferee Company from declaring and paying dividends whether interim or final, to its members as on the record date and those who are members only of the Transferor Companies shall not be entitled to dividends, if any, declared by Transferee Company prior to the Effective Date.
- (iv) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any rights on any member of the Transferor Companies and/or Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of the Transferor Companies and the Transferee Company respectively, and subject to the approval, if required, of the members of the Transferor Companies and the Transferee Company, respectively.

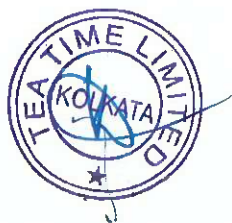
17. MODIFICATION OR AMENDMENT OF THE SCHEME AND REVOCATION OF THE SCHEME

- (i) The Transferee Company and the each of the Transferor Company by their respective Board or such other person or persons, as the respective Board



may authorize, including any committee or sub-committee thereof, may make and/or consent to any modification or amendments to the Scheme or to any conditions or limitations that the NCLT/Registrar/ Official Liquidator and/or other authority may deem fit to direct or impose or which may otherwise be considered necessary or desirable. The Transferee Company and each of the Transferor Company, by their respective Board, or such other person or persons, as the respective Board may authorize, including any committee or sub-committee thereof, shall be authorized to take such steps and do all the acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions whether by reason of any order(s) of the Regional Director or of any directive or order(s) of any other authority or otherwise however arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

- (ii) The Transferor Companies and Transferee Company acting through their respective Boards shall each be at liberty to withdraw from this Scheme: (a) in case any condition or alteration imposed by any concerned authority is unacceptable; or (b) they are of the view that coming into effect of the respective parts to this scheme could have adverse implications on the respective companies.
- (iii) The scheme is conditional upon being approved by the public shareholders of the concerned Transferor Companies and the Transferee Company through e-voting in terms of para 9(a) of Part I of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and the scheme shall be acted upon only if votes casted by the public shareholders in favour of the scheme is more than the number of votes casted by the public shareholders against it.
- (iv) In the event of any of the said sanctions/ approvals/ conditions referred hereinabove not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the NCLT and/or order or orders not being passed as aforesaid and/or the Scheme failing to be made effective, this Scheme shall stand revoked, cancelled and be of no effect in that event, no rights and liabilities whatsoever shall accrue to or be incurred



inter se the concerned Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person, save and except, in respect of any act or deed done prior thereto as in contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed. Further, the Board of each of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme to be of no effect if such Boards are of the view that the coming into effect of this Scheme in terms of provisions of this Scheme or filing of the drawn-up orders with any authority could have adverse implications on all/any of the companies.

18. COSTS

All costs, charges, fees, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company. All such costs, charges, fees, taxes, stamp duty including duties (excluding added to the value of the immovable properties), levies and all other expenses shall be debited to the profit and loss account of the Transferee Company.

19. 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 the Transferee Company through their respective Boards, affect the validity or implementation of the other parts and/or provisions of this Scheme.

