

**SCHEME OF AMALGAMATION**  
(By way of Merger by Absorption)

**UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER  
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013**

**OF**

**LESHA COMMERCIAL PVT LTD**

**(TRANSFEROR COMPANY 1)**

**AND**

**ADIRISH PROPERTIES PRIVATE LIMITED**

**(TRANSFEROR COMPANY 2)**

**WITH**

**ACME CHEM LTD**

**(TRANSFEREE COMPANY)**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS**

**PREAMBLE**

This Scheme of Amalgamation or Scheme of Merger by Absorption (herein after referred to as "the Scheme") is formulated and presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for amalgamation of Lesha Commercial Pvt Ltd (Transferor Company 1) and Adirish Properties Private Limited (Transferor Company 2) with Acme Chem Ltd (Transferee Company)

**1. BACKGROUND OF COMPANIES**

**1.1 Transferor Company 1**

A. Lesha Commercial Pvt Ltd (hereinafter referred to as "LCPL" or the "Transferor Company 1") is a private limited company bearing CIN - U51909WB1995PTC075669, incorporated under the Companies Act, 1956 on 29 November 1995 under the name and style of 'Lesha Commercial Pvt Ltd'. The

Certified true copy

*[Signature]*

For ADIRISH PROPERTIES PRIVATE LIMITED

For LESHA COMMERCIAL PVT. LTD.

For ACMECHEM LTD.

*[Signature]*

Authorised Signatory

*[Signature]*

Authorised Signatory

*[Signature]*

Authorised Signatory



Registered Office of the company is situated at 9A, Saket Appt 2, Ho-Chi Minh Sarani, Park St, Kolkata – 700071, West Bengal, India. LCPL is engaged into real estate business.

## 1.2 Transferor Company 2

B. **Adirish Properties Private Limited** (hereinafter referred to as “APPL” or the “Transferor Company 2”) is a private limited company bearing CIN - U70102WB2010PTC146365, incorporated under the Companies Act, 1956 on 30 April 2010 under the name and style of ‘Adirish Properties Private Limited’. The Registered Office of the company is situated at 9A, Saket Apartment 2, Ho-Chi Minh Sarani, Kolkata – 700071, West Bengal, India. APPL is engaged into real estate business.

## 1.3 Transferee Company

C. **Acme Chem Ltd** (hereinafter referred to as “ACL” or “Transferee Company”), was incorporated as a private limited company on the 21<sup>st</sup> July, 1992 and subsequently converted into a public limited company with effect from the 11<sup>th</sup> February, 2005 bearing CIN – U24118WB1992PLC055994, under the Companies Act 1956. The Registered Office of the company is situated at 9A, Saket 2, Ho-Chi Minh Sarani, Kolkata – 700071, West Bengal, India. ACL is primarily engaged into three line of business segments (i.e. manufacture and supply of rubber chemical, real estate and treasury operations)

1.4 Transferor Company 1 and Transferor Company 2 are hereinafter collectively referred to as the “Transferor Companies”

## 2. RATIONALE AND PURPOSE OF THE SCHEME

The background and rationale for the amalgamation of LCPL (i.e. the Transferor Company 1) and APPL (i.e. the Transferor Company 2) with ACL (i.e. the Transferee Company) by way of merger by absorption, *inter-alia* are as under:

2.1 The amalgamation will enable the optimal utilisation of the available resources and yield benefits to the Transferee Company including achieve business synergies, market access, unified platform for growth, access to customer base and cost effectiveness.

2.2 The amalgamation will enable the resulting business and activities of the Transferee Company to be carried on more efficiently, conveniently and advantageously with greater economies of scale, pooling and more efficient utilisation of their resources, elimination of duplication of work, rationalization of administrative structure, reduction in overheads and other expenses and improvement in various other operating parameters.



2.3 Further, the amalgamation of the Transferor Company with the Transferee Company would *inter alia* have the following benefits:

2.3.1 Consolidation of businesses under single entity and achieve simplified corporate structure;

2.3.2 Reducing managerial overlaps and enable effective utilization of valuable resources which will enhance the management focus thereby leading to higher operational efficiency; and

2.3.3 Post the amalgamation of Transferor Company 1 and Transferor Company 2, the Transferor Company 1 and Transferor Company 2 will be dissolved. Consequently, there would be lesser regulatory and legal compliance obligations including accounting, reporting requirements, statutory and internal audit requirements, tax filings, company law requirements, etc. and therefore reduction in administrative costs.

The Scheme will neither impose any additional burden on the shareholders of the Transferor Company 1 and Transferor Company 2, nor will it adversely affect the interests of any of the shareholders or creditors of the Transferor Company 1, Transferor Company 2 and Transferee Company. Further, the Scheme is only with regard to amalgamation of the Transferor Company 1 and Transferor Company 2 with the Transferee Company and is not an arrangement with the creditors of any of the entities involved.

The Scheme is divided into the following sections:

<b>PART A</b>	Dealing with Definitions, Date of taking effect and Share Capital.
<b>PART B</b>	Dealing with the Transfer and Vesting of Transferor Company 1 and Transferor Company 2 into Transferee Company, Consideration, Accounting Treatment, Books and Records of Transferee Company.
<b>PART C</b>	Dealing with General Terms and Conditions of the Scheme.

#### PART A - DEFINITIONS AND SHARE CAPITAL

### 3. DEFINITIONS

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

3.1.1 “Act” or “the Act” means the Companies Act, 2013 and rules made thereunder, including any statutory modifications, re-enactments or amendments thereof for the time being in force.



- 3.1.2 **“Appointed Date”** means 1 April 2020 or such other date as may be mutually agreed by the Board of Directors of the Transferor Company 1, Transferor Company 2 and the Transferee Company and as may be sanctioned by the NCLT (defined herein below) for the purposes of amalgamation of the Transferor Company 1 and Transferor Company 2 with the Transferee Company.
- 3.1.3 **“Amalgamation”** means the amalgamation of the Transferor Company with the Transferee Company in accordance with Section 2(1B) of the Income-tax Act, 1961.
- 3.1.4 **“Appropriate Authority”** means any government, statutory, regulatory, departmental or public body or authority having jurisdiction over the Transferor Companies and the Transferee Company, including but not limited to the Central Government, Regional Director, Registrar of Companies, Reserve Bank of India and the National Company Law Tribunal, Kolkata Bench;
- 3.1.5 **“Board of Directors”** means and includes the Board of Directors of LCPL, APPL and ACL, or any committee constituted by the Board of Directors of any of the respective Companies for this Scheme.
- 3.1.6 **“Effective Date”** means the date or last of the dates on which the certified / authenticated copy of the order of the NCLT sanctioning this Scheme is filed with the respective applicable Registrar of Companies by the Transferor Company1, the Transferor Company 2 and the Transferee Company.
- 3.1.7 **“Government”** means any applicable Central, State Government or local body, legislative body, regulatory or administrative authority, agency or commission.
- 3.1.8 **“IT Act”** means the Indian Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof (including Income Tax Rules) for the time being in force.
- 3.1.9 **“NCLT”** means the National Company Law Tribunal, Kolkata Bench for approving any scheme of compromises, arrangement and merger of companies under Sections 230 to 232 read with Section 66 and other applicable sections of the Companies Act, 2013.
- 3.1.10 **“Registrar of Companies”** means the Registrar of Companies, Kolkata, West Bengal having jurisdiction over LCPL, APPL and ACL for filing of the certified copy of the order of the NCLT approving any scheme of compromises, arrangement and amalgamation of companies under Sections 230 to 232 read with Section 66 and other applicable sections of the Companies Act, 2013.



3.1.11 "Scheme of Amalgamation" or "Scheme of Merger by Absorption" or "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Merger by absorption in its present form with any modification(s) made under Clause 20 under Part C of this Scheme as approved or directed by the NCLT.

3.1.12 "Transferor Company 1" means "Lesha Commercial Pvt Ltd" or "LCPL" bearing CIN U51909WB1995PTC075669.

3.1.13 "Transferor Company 2" means "Adirish Properties Private Limited" or "APPL" bearing CIN U70102WB2010PTC146365.

3.1.14 "Transferee Company" means "Acme Chem Ltd" or "ACL" bearing CIN U24118WB1992PLC055994.

3.1.15 "Undertaking" means and includes the whole of the undertaking and entire business of the Transferor Companies on a going concern including (and without any restriction):

- a) All the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building (freehold or leasehold), all plant and machinery, fixed assets, work in progress, current assets, reserves, investments in shares, debentures, bonds and other securities, investment in real estate or properties, provisions, funds, owned, leased, licenses, registrations, certificates, permissions, consents, approvals from state, central, municipal or any other authority for the time being in force, concessions, remissions, remedies, subsidies, guarantees, bonds, rights and licenses, tenancy rights, premises, hire purchase, lending arrangements, benefits of security arrangements, security contracts, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, contracts and arrangements, technology/technical agreements, powers, authorities, permits, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, , benefit and advantage, deposits including security deposits, reserves, preliminary expenses, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax and other credits [including but not limited to credits in respect of income-tax, minimum alternate tax i.e. tax on book profits (whether recorded or not in the financial statements), tax deducted at source, tax collected at source, value added tax, central sales tax, sales tax, CENVAT, excise duty, service tax, goods and service tax ("GST") etc.], all losses (including but not limited to brought forward tax losses, tax



unabsorbed depreciation, brought forward book losses, unabsorbed depreciation as per books), tax benefits and other claims and powers, all books of accounts, documents and records of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies as on the respective Appointed Date.

b) All intellectual property rights including patents, designs, copyrights, trademarks, brands (whether registered or otherwise), goodwill, customer contracts, vendor contracts, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Companies business activities and operations.

c) all letters of intent, request for proposal, prequalification, bid acceptances (including benefit arising out of or in relation to any bank guarantees submitted to any authority in respect thereof by the Transferor Companies), tenders, contracts, deeds, memorandum of understanding, bonds, agreements, arrangements, track-record, technical know-how, technical experience (including experience in executing projects), experience, goodwill and all other rights, claims and powers and any other instrument of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies for all intents and purposes and specifically including but not limited to, the turnover, the profitability, performance, and market share, prequalification, net worth and reserves of the Transferor Companies.

d) Right to any claim not preferred or made by the Transferor Companies in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Companies and any interest thereon, with regard to any law, act or rule or Scheme made by the Government, and in respect of set-off, carry forward of unabsorbed losses and/ or unabsorbed depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said statute(s) or under and in accordance with any law or statute, whether in India or anywhere outside India.

e) All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Companies and all other obligations of whatsoever kind, nature and description. Provided that, any reference in the security documents or arrangements entered into by the Transferor Companies and under which, the assets of the Transferor Companies stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining those Transferor Companies only as are vested in Transferee Company by virtue of the Scheme and the Scheme shall not operate to enlarge security for any loan, deposit or facility created by Transferor Companies which shall vest



in Transferee Company by virtue of the merger and Transferee Company shall not be obliged to create any further or additional security thereof after the merger has become effective.

- f) All employees, as on the Effective Date, engaged by the Transferor Companies at various locations who are willing to become employees of Transferee Company.
- g) all balances with government, quasi-government, municipal, local and other authorities and bodies, customers and any other persons, earnest moneys and/or security deposits paid or received by the Transferor Companies; and
- h) all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and backup copies, drawings, other manuals, data catalogues, emails, presentation, correspondences /communications with third parties/authorities, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form.
- i) All other obligations of whatsoever kind, including liabilities of the Transferor Companies with regard to their employees with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment.

It is intended that the definition of Undertaking under this clause will enable the transfer of all property, assets, rights, duties, obligations, entitlements, benefits, employees and liabilities of Transferor Companies into Transferee Company pursuant to this Scheme.

3.2 In this Scheme, unless the context otherwise requires:

- 3.2.1 words denoting singular shall include plural and vice versa;
- 3.2.2 headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- 3.2.3 references to the word “include” or “including” shall be construed without limitation;
- 3.2.4 a reference to an article, clause, section, paragraph is, unless indicated to the contrary, a reference to an article, clause, section or paragraph of this Scheme;
- 3.2.5 reference to a document includes an amendment or supplement to, or replacement or novation of, that document;



- 3.2.6 reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation;
- 3.2.7 reference in this Scheme to the date of "coming into effect of this Scheme or effectiveness of this Scheme" shall mean references to the Effective Date;
- 3.2.8 word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them; and
- 3.2.9 references to a person include any individual, firm, LLP, body corporate (whether incorporated), trust, artificial juridical person, government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether having separate legal personality).
- 3.2.10 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the IT Act or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

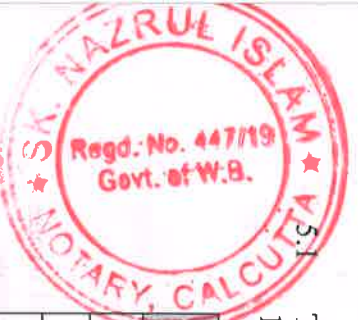
#### 4. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT, unless otherwise specified in the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date. Therefore, for all regulatory and tax purposes, the amalgamation would have been deemed to be effective from the Appointed Date of this Scheme.

#### 5. SHARE CAPITAL

The authorized, issued, subscribed and paid-up share capital of the Transferor Company 1 (LCPL) as on 31<sup>st</sup> March 2020 is as under:

Particulars	Amount (in Rs)
<b>Authorised Share Capital</b>	
13,10,000 Equity Shares of Rs. 10/- each	1,31,00,000
<b>TOTAL</b>	<b>1,31,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
12,81,040 Equity Shares of Rs. 10/- each	1,28,10,400
<b>TOTAL</b>	<b>1,28,10,400</b>





Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferor Company 1.

- 5.2 The authorized, issued, subscribed and paid-up share capital of the Transferor Company 2 (APPL) as on 31<sup>st</sup> March 2020 is as under:

Particulars	Amount (in Rs)
<b>Authorised Share Capital</b>	
1,00,000 Equity Shares of Rs. 10/- each	10,00,000
<b>TOTAL</b>	<b>10,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
84,643 Equity Shares of Rs. 10/- each	8,46,430
<b>TOTAL</b>	<b>8,46,430</b>

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferor Company 2.

- 5.3 The authorized, issued, subscribed and paid-up share capital of Transferee Company (ACL) as on 31 March 2020 is as under:

Particulars	Amount (in Rs)
<b>Authorised Share Capital</b>	
60,00,000 Equity shares of Rs. 10/- each	6,00,00,000
<b>TOTAL</b>	<b>6,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
58,60,000 Equity Shares of Rs. 10/- each	5,86,00,000
<b>TOTAL</b>	<b>5,86,00,000</b>

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

**PART B-AMALGAMATION OF THE TRANSFEROR COMPANY 1 AND TRANSFEROR COMPANY 2 WITH THE TRANSFEEEE COMPANY**

6. **TRANSFER AND VESTING OF THE TRANSFEROR COMPANY1 AND TRANSFEROR COMPANY 2 INTO THE TRANSFEEEE COMPANY**

- 6.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, the Undertakings of the Transferor Companies shall, pursuant to the sanction of this Scheme



by the Appropriate Authority and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the properties, estates, assets, titles and interests of the Transferee Company by virtue of and in the manner provided in the Scheme subject to all charges, liens, mortgages, lis pendens, if any, then affecting the same or any part thereof and all the creditors of the Transferor Company shall become the creditors of the Transferee Company on the same terms and conditions, in the manner described in sub-paragraph (a) to (n) below:

- a) Upon this scheme coming into effect from the Appointed Date, all assets and liabilities shall, under the provisions of Section 230 to Section 232 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in Sub-clauses (b),(c),(d) and (e) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become as from the Appointed Date the undertaking of Transferee Company;
- b) The transfer of ownership, right, title, or interest in the immovable properties, if any in favor of the Transferee Company shall be made and duly recorded by the Appropriate Authority pursuant to the sanction of this Scheme and it becoming effective in accordance with the terms thereof;
- c) All the movable assets including cash in hand, if any, capable of passing by manual delivery or constructive delivery or by endorsement and delivery or in any other manner, shall be so delivered or endorsed and delivered, or necessary instruction shall be given to third parties to effect such delivery, as the case may be, to the Transferee Company, to the end and intent that the ownership and property therein passes to the Transferee Company on such handing over in pursuance of the provisions of Section 230 to Section 232 of the Act (as an integral part of the Undertakings of the Transferor Companies).
- d) In respect of all movables, other than those specified in sub-clause (c) above, including trade receivables, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of the Act.
- e) All debts, liabilities (including deferred tax liability), duties, guarantees, indemnities and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet shall also, under the provisions of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company on the same terms and conditions, as applicable, so as to become as from the Appointed Date, the debts, liabilities, duties, guarantees, indemnities and obligations of the Transferee Company



and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties, guarantees, indemnities and obligations have arisen, in order to give effect to the provisions of this sub-clause.

f) However, the Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favor of the creditors, or lenders, as the case may be, or in favor of any other party to the contract or arrangement to which either of the Transferor Companies is a party or any writing, as may be necessary, in order to give formal effect to the provisions mentioned herein. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Companies as well as to implement and carry out all such formalities and compliances referred to above.

g) The transfer and vesting of the Undertakings of the Transferor Companies as aforesaid shall be subject to the subsisting securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the concerned Transferor Company.

h) Provided however, that any reference in any security documents or arrangements (to which a Transferor Company is a party) pertaining to the assets of the concerned Transferor Company, offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to such assets, as are offered or agreed to be offered as security, pertaining to the concerned Transferor Company as is vested in the Transferee Company by virtue of the aforesaid clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Companies or any of the assets of the Transferee Company. Further, the filing of the certified copy of the order of the NCLT sanctioning this Scheme with the respective Registrar of Companies shall be deemed to be sufficient for creating or modifying the charges in favour of the secured creditors, if any, of the Transferor Company 1 or Transferor Company 2, as required as per the provisions of this Scheme.

i) All existing and future incentives, unavailed credits and exemptions, benefit of carried forward losses, refunds available and other statutory benefits, including in respect of income tax (including tax deducted at source and advance tax), excise (including MODVAT/ CENVAT), customs, VAT, sales tax, service tax (including input credit), goods and service tax etc. which the Transferor Companies are entitled to shall also stand vested in Transferee Company.

j) Inso far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including minimum alternate tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax and other incentives), granted by any Government body, local authority or by any other person and availed of by the Transferor Companies, the same shall vest with and be available to the Transferee Company on the same terms and conditions as presently available to the Transferor Companies.



k) Upon coming into effect of this Scheme and till such time that the names of the bank accounts of the Transferor Companies is replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank account of the Transferor Companies, in their names, in so far as may be necessary. Further, until the transfer and vesting of rights and obligations of the Transferor Companies to the Transferee Company under this Scheme is formally affected by the parties concerned, the Transferee Company, shall be entitled to complete and enforce all pending contracts and transactions in the name of Transferor Companies insofar as may be necessary.

l) With effect from the Appointed Date, all permits, quotas, rights, entitlements, tenancies and licenses relating to brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Undertakings of the Transferor Companies and which are subsisting or having effect immediately before the Appointed Date, shall remain in full force and effect in favor of the Transferee Company and may be enforced fully and effectually as if, instead of the concerned Transferor Company, the Transferee Company had been a beneficiary or obligee thereto.

m) With effect from the Appointed Date, any statutory licenses, permissions, approvals and/ or consents held by the Transferor Companies as required to carry on its operations shall stand vested in, or transferred to, the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favor of the Transferee Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Transferor Companies shall vest in, and become available to, the Transferee Company upon the Scheme coming into effect.

n) Without prejudice to the above provisions, with effect from the Appointed Date, all inter-party transactions between the Transferor Company 1, Transferor Company 2 and the Transferee Company shall be considered as intra-party transactions for all purposes.

6.2 All registrations, benefits, incentives, exemptions etc. which the Transferor Companies are eligible for and / or which are actually availed by the Transferor Companies will be transferred to the Transferee Company upon the Transferee Company intimating the concerned authority or undertaking the necessary actions for the transfer and the Board of Directors of the Transferee Company will be authorized to enter into agreement with the concerned authority and /or undertake such other activity as is necessary for being eligible for such registrations, benefits, incentives, exemptions, etc. as were availed by the Transferor Companies.



6.3 The Transferee Company, under the provisions of this Scheme, is hereby authorized or deemed to be authorized to execute all and any writings on behalf of the Transferor Companies, to implement and carry out all formalities and compliances in relation to the abovementioned clause(s), if required.

## 7. BOOKS AND RECORDS

All books, records, files, papers, engineering and process information, building plans, business plans, databases, catalogues, quotations, advertising materials, if any, lists of present and former clients and all other books and records, whether in physical or electronic form, of the Transferor Companies, to the extent possible and permitted under applicable laws, shall be handed over to the Transferee Company.

## 8. COMPLIANCE WITH TAX LAWS

8.1 This Scheme is in compliance with the conditions relating to "amalgamation" as specified under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said Section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act.

8.2 On or after the Effective Date, the Transferee Company shall be entitled to, amongst others, file/or revise its income tax returns, TDS/TCS returns, wealth tax returns, service tax, excise duty, sales tax, value added tax, entry tax, cess, Goods and Services tax, custom duties, professional tax or any other statutory returns, if required, credit for advance tax paid, tax deducted at source, claim for sum prescribed under Section 43B of the Income Tax Act on payment basis, claim for deduction of provisions written back by Transferee Company previously disallowed in the hands of Transferor Company under the Income Tax Act, credit of tax under section 115JB read with section 115JAA of the Income Tax Act, credit of foreign tax paid/withheld, if any, pertaining to Transferor Companies as may be required consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limited for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum.

8.3 The Transferee Company shall have the right to claim refunds, tax credits, set-offs and/or adjustments relating to the income or transactions entered into by it by virtue of this Scheme with effect from Appointed Date. The taxes or duties paid by, for, or on behalf of the Transferor Companies relating to the period on or after Appointed Date, shall be deemed to be the taxes or duties paid by the Transferee Company and the Transferee Company shall be entitled to claim credit or refund for such taxes or duties

8.4 As and from the Appointed Date, all tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the concerned Transferor Company. Further, all tax proceedings shall not in any way be prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme.



8.5 Any tax liabilities under the IT Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, Goods and Service tax, VAT law or other applicable laws/ regulations dealing with taxes, duties, levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred or stand transferred to Transferee Company. Any surplus in the provision for taxation / duties/ levies account including advance tax and tax deducted at source and MAT credit as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.

8.6 Any refund under the IT Act, Wealth-tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies due to Transferor Companies consequent to the assessment made on the Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

8.7 Any tax payment (including, without limitation, income-tax, minimum alternate tax, taxes withheld/ paid in a foreign country, dividend distribution tax, securities transaction tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax, etc) whether by way of deduction at source, advance tax or otherwise, howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business on or after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by the Transferor Companies or the Transferee Company including on payables to Transferee Company/ Transferor Company 1/ Transferor Company 2 on account of investments (if any) held by the Transferor Company 1/Transferor Company 2/ Transferee Company in the Transferor Company 1/Transferor Company 2/ Transferee Company which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

8.8 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies under the IT Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws/ regulations dealing with taxes / duties / levies shall be made or deemed to be have been made and duly complied with by the Transferee Company.

8.9 All deductions otherwise admissible to the Transferor Companies including payment admissible on actual payment or on deduction of appropriate taxes or on payment or tax deducted at source (such as under Sections 40, 40A, 43B, etc of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Companies.



8.10 The accumulated losses and the allowances for unabsorbed depreciation of the Transferor Companies shall be deemed to be the loss and allowance for unabsorbed depreciation of the Transferee Company in accordance with Section 72A of the Act.

8.11 Further, the losses and unabsorbed depreciation as per books of accounts of the Transferor Companies as on the date immediately preceding the Appointed Date shall be deemed to be the brought forward losses and unabsorbed depreciation of the Transferee Company for the purpose of computation of book profit to calculate minimum alternate tax payable by the Transferee Company.

8.12 Without prejudice to the generality of the above, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of accounts, credits (including, without limitation income tax, minimum alternate tax, tax deducted at source, taxes withheld/ paid in a foreign country, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, customs duty drawback, goods and service tax, etc.) to which the Transferor Companies are entitled to in terms of applicable laws, shall be available to and vest in / deemed to be carried out by the Transferee Company, upon coming into effect of this Scheme.

**9. CONTRACTS, DEEDS, CONSENTS AND OTHER INSTRUMENTS**

9.1 Upon the coming into effect of this Scheme and subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, instruments, licenses, contracts, engagements, certificates, permissions, consents, approvals, concessions and incentives (minimum alternative tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax and other incentives), remissions, remedies, subsidies, guarantees and other instruments, if any, of whatsoever nature to which the either of the Transferor Companies are parties or to the benefit of which either of the Transferor Companies may be eligible and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force and effect against or in favor of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the concerned Transferor Company, the Transferee Company had been a party or beneficiary thereto.

9.2 Upon the coming into effect of this Scheme and subject to the other provisions of this Scheme, the Transferee Company may enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Companies will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Companies and to implement or carry out all formalities required on the part of the Transferor Companies to give effect to the provisions of this Scheme.

9.3 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government or any other agency, department or other



authorities concerned as may be necessary under law, for such consents, approvals and sanctions which the Transferee Company may require to own and operate the Undertakings of Transferor Companies.

9.4 The above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Companies on or before the Appointed Date and after the Appointed Date till the Effective Date. The Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

**10. LEGAL AND OTHER PROCEEDINGS**

10.1 Upon the Scheme becoming effective, all legal and other proceedings including proceedings before any statutory or quasi-judicial authority or tribunal of whatsoever nature by or against any of the Transferor Companies pending and/or arising at the Appointed Date shall be continued and/or enforced by or against the Transferee Company only, to the exclusion of the concerned Transferor Company in the same manner and to the same extent as would have been continued and enforced by or against the concerned Transferor Company.

10.2 Further, the aforementioned proceedings shall not be abated or be discontinued nor in any way be prejudicially affected by reason of amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme.

10.3 On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings which the Transferor Companies had the right to initiate, in the same manner and to the same extent as would or might have been initiated by the concerned Transferor Company.

**11. STAFF, WORKMEN AND EMPLOYEES**

11.1 On the Scheme coming into effect, all staff, workmen and employees of the Transferor Companies in service on the Effective Date shall stand transferred and vested and / or be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Effective Date without any break or interruption in their service and on the terms and conditions not less favorable than those applicable to them in the concerned Transferor Companies on the Effective Date. The position, rank and designation of the staff, workmen and employees would however be decided by the Transferee Company.

11.2 If it is expressly provided that, in so far as the gratuity fund, provident fund and superannuation fund (hereinafter referred as "Fund or Funds") created or existing for the benefit of the staff, workmen and employees of the Transferor Companies is concerned, upon the Scheme coming into effect, the Transferor Companies shall be substituted by the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Fund or Funds, if any, to the end and intent that all rights,





duties, powers and obligations of the Transferor Companies in relation to such Fund or Funds shall become those of the Transferee Company and all the rights, duties and benefits of the staff, workmen and employees of the Transferor Companies under such Fund or Funds shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Transferor Companies will be treated as having been continuous for the purpose of the Fund or Funds and for other benefits such as long service awards.

11.3 In so far as the Fund or Funds created or existing for the benefit of the employees of the Transferor Companies are concerned, upon the coming into effect of this Scheme, balances lying in the accounts of the employees of the Transferor Companies in the Fund or Funds as on the Effective Date shall stand transferred from the respective Fund or Funds of the Transferor Companies to the corresponding Fund or Funds set up by the Transferee Company.

## 12. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of Undertaking of Transferor Company 1 and Transferor Company 2 under Clause 6 (*Transfer And Vesting of Transferor Company 1 and Transferor Company 2 into Transferee Company*) above, the effectiveness of contracts and deeds under Clause 9 (*Contracts, Deeds, Consents and Other Instruments*) above and continuance of proceedings by or against the Transferee Company under Clause 10 (*Legal and Other Proceedings*) above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Companies on or before the Appointed Date and after the Appointed Date till the Effective Date. The Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

## 13. CONDUCT OF BUSINESS

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

- a) The Transferor Companies shall carry on and be deemed to have carried on its business and activities and shall stand possessed of whole of their Undertakings, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- b) Any income or profit accruing or arising to the Transferor Companies and all costs, charges, expenses and losses (including brought forward losses, book losses, etc.) or taxes (including but not limited to advance tax, tax deducted at source, minimum alternative tax, credit, taxes withheld, etc.), incurred by the Transferor Companies shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.



- a) The Transferor Companies shall carry on their respective businesses with reasonable diligence and in the same manner as they have been doing hitherto in normal course.
- b) The Transferor Companies shall not without the prior consent in writing of any of the persons authorized by Board of Directors of the Transferee Company;
- i. Sell, alienate, charge, mortgage, encumber, or otherwise deal with or dispose of the assets comprising the Undertakings of Transferor Companies or any part thereof or undertake any financial commitments of any nature whatsoever, except in the ordinary course of business.
  - ii. Undertake any new business or substantially expand its business.
- 13.2 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorized to carry on the businesses carried on by the Transferor Companies.
- 13.3 The Transferor Companies shall continue to comply with the provisions of the Act, including those relating to preparation, presentation, circulation and filing of accounts as and when they become due for compliance.
- 13.4 The Transferor Companies shall not make any modification to its capital structure either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or re-organization, or in any other manner whatsoever, except by mutual consent of the Board of Directors of the concerned Transferor Company and the Transferee Company.

#### 14. CONSIDERATION

14.1 Upon coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets, liabilities of the Transferor Company 1 in the Transferee Company in terms of this Scheme:

- a) In respect of the shareholders of the Transferor Company 1, the Transferee Company shall, without any further act or deed, issue and allot to each shareholder of Transferor Company 1 whose names appear in the Register of Members of Transferor Company 1 as on the Effective Date, 589 equity shares of Rs 10 each of Transferee Company credited as fully paid up ("New Equity Shares") for every 10,000 equity shares of Rs 10 each of Transferor Company 1.

- b) With regard to shares held by the Transferee Company in the Transferor Company 1 will be cancelled and no shares will be issued as a consideration for merger in respect thereof

14.2 Upon coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets, liabilities of the Transferor Company 2 in the Transferee Company in terms of this Scheme:



232

a) In respect of the shareholders of the Transferor Company 2, the Transferee Company shall, without any further act or deed, issue and allot to each shareholder of Transferor Company 2 whose names appear in the Register of Members of Transferor Company 2 as on the Effective Date, 2,43,852 equity shares of Rs 10 each of Transferee Company credited as fully paid up ("New Equity Shares") for every 10,000 equity shares of Rs 10 each of Transferor Company 2.

b) With regard to shares held by the Transferee Company in the Transferor Company 2 will be cancelled and no shares will be issued as a consideration for merger in respect thereof.

14.3 The New Equity Shares to be issued by the Transferee Company on merger of the Transferor Company 1 and Transferor Company 2 with the Transferee Company as provided in Clause 14.1 and 14.2 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company.

14.4 The fractional entitlements, if any shall be rounded off to the nearest integer.

14.5 The issue and allotment of the New Equity Shares to be issued by the Transferee Company on merger shall be deemed to have been issued in terms of this Scheme and shall be deemed to have been carried out as if the procedure laid down under section 62 of the Act and any other applicable provisions of the Act have been complied with.

14.6 The New Equity Shares of the Transferee Company as per Clause 14.1 and 14.2 above will be issued in physical or demat form (as the case may be).

14.7 Upon this Scheme becoming effective, all shares held by and between the Transferor Companies and Transferee Company inter se as shall stand cancelled as an integral part of this Scheme and in lieu thereof no allotment of any new shares in the Transferee Company shall be made to any person whatsoever

14.8 The Transferee Company shall, if and to the extent required, increase and / or reclassify its Authorized share capital to facilitate issue of New Equity Shares under this Scheme.

## 15. ACCOUNTING TREATMENT

15.1 Transferee Company shall account for the amalgamation of the Transferor Companies in its books of account with effect from the Appointed Date according to the Pooling of Interest method as per the applicable accounting standards and generally accepted accounting principles in India.

15.2 Accordingly on and from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required and except to the extent required otherwise by law, all assets, liabilities and reserves of the Transferor Companies transferred to the Transferee Company under the Scheme shall be recorded in the books of accounts of the Transferee Company at the book value as recorded in the Transferor Companies.



books of accounts. Further, all reserves of the Transferor Companies shall be incorporated in the books of account of the Transferee Company in the same form in which they appear in the books of account of the Transferor Companies.

15.3 All inter-company investments held by and between the Transferor Companies and Transferee Company inter se shall stand cancelled as an integral part of this Scheme and in lieu thereof no allotment of any new shares in the Transferee Company shall be made to any person whatsoever. The difference, if any between the cost of investments and face value of inter-company holdings shall be adjusted with the reserves of the Transferee company post merger.

15.4 In case of any differences in any accounting policy between the Transferor Companies and Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy.

15.5 Difference between the value of assets, liabilities and reserves, so recorded in the books of the Transferee Company, as reduced by the aggregate face value of the new equity shares issued by the Transferee company along with the impact of the difference of the cost of investments and carrying amount thereof as dealt with in para 15.3 above and impact with respect to the differences in accounting policies as per para 15.4 above, shall be adjusted in the books of accounts of the Transferee Company in its Reserves.

15.6 To the extent that there are inter-company loans, investments advances, deposits or other obligations as between the Transferor Companies and the Transferee Company, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company as well as the Transferor Companies for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

15.7 The Transferee Company shall record in its books of account, all transactions of the Transferor Companies in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date.

## 16. REDUCTION OF SHARE CAPITAL OF THE TRANSFERREE COMPANY

16.1 Upon the coming into effect of this Scheme, the issued, subscribed and paid up equity share capital of Transferee Company to the extent of shares held by Transferor Company 1 and Transferor Company 2 in Transferee Company as on the Effective Date shall stand cancelled pursuant to merger of Transferor Company 1 and Transferor Company 2 into Transferee Company. The existing shares of Transferee Company held by the Transferor Companies shall stand cancelled. Any shares of the Transferee Company that is held by the Transferor Companies, to the extent the same has not been transferred prior to the Effective Date, shall, without any further act, document or deed, upon the Scheme becoming effective, be deemed to have been transferred to the Transferee Company pursuant to this Scheme for the express purpose of cancellation, and be so



cancelled and there would be no issuance of shares by the Transferee Company in relation to such shares so held.

16.2 The cancellation of the share capital of Transferee Company as held by the Transferor Companies shall be effected as an integral part of this Scheme without having to follow the process under Section 66 of the Act separately and the Order of NCLT sanctioning the Scheme shall be deemed to be the Order under Section 66 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital and hence the provisions of Section 66 of the Act will not be applicable. Transferee Company shall not be required to add the words "and reduced" as a suffix to its name consequent upon such reduction.

17. **CONSOLIDATION OF AUTHORIZED SHARE CAPITAL, AMENDMENT OF MEMORANDUM AND ARTICLES OF ASSOCIATION POST AMALGAMATION**

17.1 Upon this Scheme becoming effective, the aggregate of authorized share capital of Transferor Company 1 as mentioned in Clause 5.1.i.e. Rs. 1,31,00,000/- and the aggregate of authorized share capital of Transferor Company 2 as mentioned in Clause 5.2 i.e. Rs. 10,00,000/- shall be added to the Authorized Share Capital of the Transferee Company and the Transferee Company shall accordingly increase its authorized share capital and reclassify the shares into equity shares and /or preference shares of the Transferee Company as on the Effective Date. It is hereby clarified that the fees paid by the Transferor Companies on their authorised share capital shall be set off against any fees payable by the Transferee Company on its authorized share capital subsequent to the amalgamation. Accordingly, Clause V of the Memorandum of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended.

17.2 With effect from the Appointed Date and upon the Scheme becoming effective, the Main Object Clause of the Transferor Companies shall be added to the existing main objects of the Transferee Company in its Memorandum of Association in order to facilitate the continuance of business of the Transferor Companies in the Transferee Company.

17.3 Pursuant to the increase of authorized share capital and the addition of main objects as envisaged above, the Memorandum of Association and Articles of Association of Transferee Company shall automatically stand amended and altered accordingly.

17.4 Pursuant to the scheme, the Transferee Company shall file the requisite forms with the Registrar of Companies for Alteration and reclassification of its Authorised Share Capital and amendment to the Memorandum of Association and Articles of Association, of the Transferee Company under the aforesaid clause.

17.5 It is hereby provided that the above referred amendment in the Memorandum and Articles of Association of the Transferee Company, viz. Change in the Capital Clause



and Main Objects Clause shall become operative on the scheme being effective by virtue of the fact that the shareholders of the Transferee Company, while approving the scheme as a whole, have also resolved and accorded the relevant consents as required respectively under Sections 13, 14, 61 of the Act or any other provisions of the Act and shall not be required to pass separate resolutions as required under the Act.

- 17.6 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

#### 18. DISSOLUTION OF THE TRANSFEROR COMPANIES

Pursuant to the Effective Date, the Transferor Companies shall, without any further act or deed, matter or thing, stand dissolved without being wound up.

### PART C - GENERAL TERMS AND CONDITIONS

#### 19. APPLICATIONS TO THE NCLT OR SUCH OTHER APPROPRIATE AUTHORITY

The Transferor Companies and the Transferee Company shall, with all reasonable dispatch, make Applications to the NCLT or such other Appropriate Authority under Sections 230 to 232 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of their respective shareholders and creditors and for sanctioning this Scheme with such modifications, as may be approved by the NCLT.

#### 20. MODIFICATIONS / AMENDMENTS TO THE SCHEME

- 20.1 The Transferor Companies and the Transferee Company, through approval by their Board of Directors or any committee thereof may consent on behalf of all persons concerned, to any modifications or amendments of this Scheme or to any conditions which the NCLT and/or any other authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in carrying out this Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme into effect, including but not limited to withdrawal of the Scheme before the Scheme is approved by the NCLT.

- 20.2 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 Companies, affect the validity or implementation of the other parts and/or provisions of this Scheme.



20.3 For the purpose of giving effect to this Scheme or to any modification, amendment or condition thereof, the Board of Directors of the Transferee Company are authorized to give such directions and/or to take such step as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

## 21. CONDITIONALITIES TO THE SCHEME

This Scheme is conditional upon and subject to:

- a) The approval of the Scheme by the requisite majority of the shareholders and creditors of the Transferor Companies and the Transferee Company, as required under the Act, as applicable, and the requisite order of the NCLT being obtained, or dispensation having been received from the NCLT in relation to obtaining such consents from the shareholders and/or creditors, as applicable; and
- b) Sanctions under the provisions of Sections 230 and 232 of the Act alongwith other relevant provision of the Act and the necessary orders of NCLT under Section 232 of the Act being obtained; and
- c) Such certified/authenticated copy of the Order of the NCLT being filed with the Registrar of Companies, Kolkata by all the Transferor Companies and the Transferee.

## 22. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS AND / OR REVOCATION OF THE SCHEME

22.1 In the event of necessary sanctions and approvals 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 by such date as may be mutually agreed upon by the respective Board of Directors of the Transferor Companies and the Transferee Company, this Scheme shall stand revoked, cancelled and be of no effect.

22.2 In the event of revocation under Clause 22.1 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Transferor Companies 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 is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each Company shall bear its own costs unless otherwise mutually agreed.

22.3 The Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to withdraw this Scheme or any part thereof any time prior to the Effective Date.



22.4 Further, the Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if the Board of Directors of the Transferor Companies and the Transferee Company are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have an adverse implication(s) on all or any of the Transferor Companies or the Transferee Company.

### 23. REPEAL AND SAVINGS

The transfer of assets, liabilities and business to, and the continuance of proceedings by or against, the Transferee Company as envisaged in this scheme shall not affect any transaction or proceedings already concluded by either the Transferor Companies or the Transferee Company on or before the Effective Date, to the end and intend that the Transferee Company shall be automatically deemed to accept and adopt all such acts, deed and things done or executed by Transferor Companies.

### 24. COSTS, CHARGES AND EXPENSES

All taxes including duties (including the adjudication charges/ fees and stamp duty, if any, applicable in relation to this Scheme), levies and all other similar expenses, if any (save as expressly otherwise agreed) of the Transferor Companies and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company and shall be adjusted with the reserves of the Transferee company.

