

**BSE Limited
Listing Department
25th Floor Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001**

04.09.2024

Scrip Code: 530431

Dear Sir / Madam,

**Sub: Scheme of Amalgamation of Ador Fontech Limited with Ador Welding Limited
Ref: Intimation about receipt of Certified copy of the Order from Hon'ble NCLT Mumbai Bench
sanctioning the Scheme of Amalgamation of Ador Fontech Limited with Ador Welding
Limited and their respective Shareholders**

This is in furtherance to our earlier letter dated 22nd August 2024, wherein we had informed the Stock Exchange about the approval of the Scheme of Amalgamation of Ador Fontech Limited ("**Transferor Company**" or "**ADFL**" or "**the Company**") with Ador Welding Limited ("**Transferee Company**" or "**AWL**") and their respective Shareholders under Sections 230 to 232 of the Companies Act, 2013 ("**Scheme**") by the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**").

In this regard, we would like to inform that certified copy of Order of NCLT sanctioning the Scheme has been received on 3rd September 2024.

Kindly take the information on record.

Thanking You

Yours Faithfully

For ADOR FONTECH LIMITED

**Geetha D
Company Secretary
Membership No.: F 12998**

Encl: Certified true copy of Order

ADOR FONTECH LIMITED

Regd. and Head Office: Belview, 7 Haudin Road, Bangalore 560 042, Karnataka - India.

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CIN: L31909KA1974PLC020010



IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT-III

CP (CAA)246/MB/2023
CP (CAA) 296/MB/2023
IN
CA (CAA) 47/MB/2023
TP-1/2023

In the matter of the Companies Act,
2013

And

In the matter of Section 230 to Section
232 of the Companies Act, 2013 and
other applicable provisions of the
Companies Act, 2013 and Rules
framed thereunder.

And

In the matter of **Scheme of Merger by
Absorption** of ADOR FONTECH
LIMITED ("Transferor Company" or
"ADFL") with ADOR WELDING
LIMITED ("Transferee Company" or
"AWL") and their respective
shareholders (**Scheme**)

ADOR FONTECH LIMITED (*earlier
known as Cosmic Fontech Limited*), a
Public Limited Listed Company
incorporated under the provisions of
Companies Act, 1956 having its
registered office at Belview, 7, Haudin
Road, Bengaluru-560042, Karnataka,
India
CIN: L319009KA1974PLC020010

...Transferor Company/
ADFL

ADOR WELDING LIMITED (*earlier
known as Advani - Oerlikon Limited*), a
Public Limited Listed Company
incorporated under the provisions of
Companies Act, VII of 1913 having its
registered office at Ador House, 6, K.
Dubash Marg Fort, Mumbai - 400001-
16, Maharashtra, India
CIN: L70100MH1951PLC008647

...Transferee Company/
AWL

Order Pronounced on 20.08.2024



THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT-III
C.P. (C.A.A.)/ 246 /MB-III/2023 & C.P. (CAA) / 296 / MB-III / 2023
IN C.A (C.A.A.)/ 47 /MB/2023 & TP-1/2023



Coram:

SMT. LAKSHMI GURUNG, HON'BLE MEMBER (JUDICIAL)
SHRI. CHARANJEET SINGH GULATI, HON'BLE MEMBER (TECHNICAL)

Appearances:

For the Transferor Mr. Hemant Sethi, Ms. Tanaya Sethi, Ms. Company and Transferee Devanshi Sethi i/b Hemant Sethi Co., Company Advocates
(via videoconferencing):

For the Regional Director: Mr. Gaurav Jaiswal, Company Prosecutor, in the office of RD WR.

ORDER

Per - **SH. CHARANJEET SINGH GULATI, MEMBER (TECHNICAL)**

1. Heard the Ld. Professional for the Transferor Company and the Transferee Company and Ld. Counsel for the Regional Director, Western Region.
2. The sanction of the Tribunal is sought under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with rules framed under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, to the Scheme of Merger by Absorption of ADOR FONTECH LIMITED ("ADFL" or "Transferor Company") with ADOR WELDING LIMITED ("AWL" or "Transferee Company") and their respective shareholders ("Scheme").
3. The registered office of the Transferor Company is situated in the state of Karnataka. The registered office of the Transferee Company is situated in the state of Maharashtra. The Company Scheme Petition 296 of 2023 has been filed by Transferor Company and the Company Scheme Petition 246 of 2023 has been filed by Transferee Company. Further, the Transferor Company filed an application with the Principal Bench, New Delhi on 01.03.2023 for transfer of application from Bengaluru Bench to Mumbai Bench, which was allowed by NCLT Principle Bench vide order dated





17.03.2023. Hence, both the Petition are within the jurisdiction of the NCLT, Mumbai Bench.

4. The Board of Directors of the Transferor Company and the Transferee Company have approved the said Scheme at the respective Board Meetings held on 31.05.2022.

5. The Appointed Date is **1st April 2022.**

6. **Nature of Business:**

6.1. The **Transferor Company** is engaged in the business of 'Life enhancement of Industrial Components' which *inter-alia* includes providing products, services and solutions for reclamation, repairs and maintenance.

6.2. The **Transferee Company** is primarily engaged in the business of manufacturing and selling of various products such as welding consumables, welding and cutting equipment, CNC machines, welding automation products as well as welding accessories. The Transferee Company is also engaged in the business of Flares and Process Equipment.

7. **Rationale of the Scheme:**

The Learned Counsel for the Transferor Company and Transferee Company states that, by sanction of this Scheme of Amalgamation the Transferor Company and Transferee Company will be able to achieve the following rationale:

- *The Transferor Company and the Transferee Company are engaged in similar lines of business and complement each other. With an intent to expand the business and achieve larger product portfolio, economies of scale, efficiency, optimization of logistics and distribution network and other related economies by consolidating the business operations being managed by different management teams, the Board of Directors of the Transferor Company and the Transferee Company propose to consolidate the business of the Transferor Company with the Transferee Company.*





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

- i. *Enable the consolidation of the Welding business of the Transferor Company with the Transferee Company to create one of the largest welding and cutting product manufacturer and refurbishment player in the industry.*
- ii. *Creation of a combined entity, hosting all products under the Transferee Company, thereby resulting in diversified portfolio of products, economies of scale, operational rationalization, efficiency of management, broader and deeper market presence and maximizing value for the shareholders.*
- iii. *Greater synergies between businesses and optimum use of manufacturing facilities, marketing strength, R & D facilities, optimized production, streamlining of supply chains, enhancing customer delight, brand strengthening and certifications resulting in productivity gains, thereby maximizing value for the shareholders.*
- iv. *Enable greater access to different market segments in conduct of its business and addition of new products in the portfolio would improve the competitive position of the combined entity.*
- v. *Optimum use of infrastructure and organizational efficiency by pooling of financial, managerial, and technical resources, personnel, capabilities, skills, expertise and technologies of the Transferor Company and the Transferee Company, thereby significantly contributing to the future growth and maximizing shareholder value.*
- vi. *Better financial leverage, resulting in greater efficiency in cash and debt management and access to cash flow generated by the combined business, which can be deployed more efficiently to realize higher profits/ margins for the combined entity.*
- vii. *Improved organizational capability and leadership, arising from the pooling of human capital, who have the diverse skills, talent and vast experience, to compete successfully in an increasingly competitive industry.*
- viii. *Cost savings because of standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.*
- ix. *Reduction in regulatory and legal compliances and avoidance of multiple records keeping.*





x. *Strengthening ability to face increasing competitive, regulatory, environmental and global risks, thereby resulting in sustainable and profitable long-term growth for the combined entity.*

8. The Shares of the Transferor Company are listed on Bombay Stock Exchange Limited (BSE). Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI circular CFD/DIL3/CIR/2017/21 dated 10.03.2017 read with SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665, provides for prior approval from BSE. Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI circular CFD/DIL3/CIR/2017/21 dated 10.03.2017 read with SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665, provides for prior approval from BSE. In compliance of the same, the Transferor Company had applied to BSE for its Observation Letter/ No Objection Letter to file the Scheme for sanction for this Tribunal. BSE, vide its letter dated 26.09.2022 has given their 'No Objection Letter' to the Transferor Company to file the Scheme with Tribunal. A copy of the observation letter, received from BSE by the Transferor Company is annexed to the Company Scheme Petition 296 of 2023.
9. The Shares of Transferee Company are listed on BSE and National Stock Exchange of India Limited (NSE). Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI circular CFD/DIL3/CIR/2017/21 dated 10.03.2017 read with SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665, provides for prior approval from BSE/ NSE. Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI circular CFD/DIL3/CIR/2017/21 dated 10.03.2017 read with SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665, provides for prior approval from BSE/ NSE. In compliance of the same, the Transferee Company had applied to BSE and NSE for its Observation Letter/ No Objection Letter to file the Scheme for sanction for this Tribunal. BSE, vide



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its letter dated 26.09.2022 and NSE vide its 'Observation Letter'/ 'No Objection Letter' dated 27.09.2022 have given their 'No Objection Letter' to the Transferee Company to file the Scheme with Tribunal. A copy of the observation letter, received from BSE and NSE by the Transferee Company is annexed to the Company Scheme Petition 246 of 2023.

10. The Authorized, Issued, Subscribed and Paid-up Share Capital of the Transferor Company and the Transferee Company are as under:

10.1. Transferor Company (ADFL)

Particulars	Amount (Rs.)
Authorized Share Capital:	
5,00,00,000 Equity shares of Rs.2/- each	10,00,00,000
TOTAL	10,00,00,000
Issued, Subscribed and Paid Up Share Capital	
3,50,00,000 Equity shares of Rs.2/- Each	7,00,00,000
TOTAL	7,00,00,000

10.2. Transferee Company (AWL)

Particulars	Amount (Rs.)
Authorized Share Capital:	
3,30,00,000 Equity shares of Rs.10/- Each	33,00,00,000
TOTAL	33,00,00,000
Issued, Subscribed and Paid Up Share Capital	
1,35,98,467 Equity shares of Rs.10/- Each	13,59,84,670
TOTAL	13,59,84,670

11. **Consideration:**

11.1. Upon this Scheme becoming effective and upon Amalgamation of Transferor Company/ ADFL with Transferee Company/ AWL in terms of this Scheme, Transferee Company shall, following such transfer and vesting of the Undertaking of Transferor Company into Transferee





Company without any application or deed, issue and allot Equity shares, credited as fully paid up, to the extent indicated below, to the equity shareholders of Transferor Company whose names appear in the register of members of Transferor Company (except Transferee Company or its subsidiaries held directly or jointly with its nominee shareholders), on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title in the following proportion:

“5 (Five) equity shares of AWL having face value of INR 10 each fully paid up shall be issued for every 46 (Forty-Six) equity shares held in ADFL having face value of INR 2 each fully paid up”

- 11.2. The above Share Exchange Ratio is based on the Joint Valuation Report dated 31st May 2022 issued by Mr. Niranjan Kumar attached as Annexure E in C.P./(CAA)/296/MB/2023 filed by the Transferor Company and Annexure E in C.P. (CAA)/ 246/ MB-III/ 2023 filed by the Transferee Company.
- 11.3. The Fairness Opinion on the Share Stock Exchange Ratio of the Transferor Company issued by Fedex Securities Private Limited is attached as Annexure F in C.P. (CAA)/ 246/ MB-III/ 2023 filed by the Transferor Company.
- 11.4. The Fairness Opinion on the Share Exchange Ratio of the Transferee Company issued by Systematix Corporate Services Limited is attached as Annexure F in C.P. (CAA)/ 246/ MB-III/ 2023 filed by the Transferee Company.
12. The Company Petition has been filed by the Transferor Company and Transferee Company in consonance with the order dated 24.08.2023 and 28.08.2023 respectively, passed by this Bench in the connected Company Scheme Application bearing TP-1/2023 and C.A.(CAA)/47/MB/2023 respectively. The Transferor Company and Transferee Company have filed necessary Affidavits of compliance with this Tribunal. Moreover, the





Transferor Company and Transferee Company undertakes to comply with all the statutory requirements, if any, as may be required under the Companies Act, 2013 and the Rules made there under.

13. The Tribunal vide order dated 24.08.2023, directed the meeting of Equity shareholders of the Transferor Company to be held on 30.10.2023 to consider the Scheme and approve the same, with or without modifications. The Transferor Company has duly convened the meeting of Equity Shareholders on Monday, 30.10.2023 at 11:00 AM (IST) through video conferencing. As per Chairman's report the Scheme was approved by 98.42% of the Equity Shareholders (including Promoter and Promoter Group). The Chairman in his report has mentioned that *"The Scheme of Amalgamation was approved by requisite majority by the Equity Shareholders (including Protomer and Promoter Group) of the Transferor Company"*.
14. The Transferor Company has no secured creditors, so the question of dispensation of the meeting of the secured creditors of Transferor Company did not arise. The meeting of unsecured creditors was dispensed with the direction to serve notice to all of its unsecured creditors. The Affidavit of Service is annexed to the Company Scheme Petition no. 296/ 2023.
15. The Tribunal vide order dated 18.05.2023, directed the meeting of Equity shareholders of the Transferee Company to be held on 10.08.2023 to consider the Scheme and approve the same, with or without modifications. The Transferor Company has duly convened the meeting of Equity Shareholders on Thursday, 10.08.2023 at 11:00 AM (IST) through video conferencing. As per Chairman's report the Scheme was approved by 99.998% of the Equity Shareholders (including Promoter and Promoter Group). The Chairman in his report has mentioned that *"The Scheme of Amalgamation was approved by requisite majority by the Equity*





Shareholders (including Protomer and Promoter Group) of the Transferee Company”.

16. Tribunal vide order dated 18.05.2023, dispensed the meeting of secured creditors of the Transferee Company on account of consent affidavits from all its secured creditors, also the meeting of unsecured creditors of Transferee Company was dispensed with the direction to serve notice to its unsecured creditors having value above Rs. 1,00,000. The Affidavit of Service is annexed to the Company Scheme Petition no. 246/ 2023.
17. In relation to the Transferor Company, the Regional Director (South East Region), Ministry of Corporate Affairs, Hyderabad has filed its Report dated 20.02.2024. The Transferor Company has filed an affidavit in rejoinder to the report filed by the Regional Director with this Tribunal on 16.03.2024 providing clarification/undertakings to the observations made by the Regional Director. The observations made by the Regional Director and the clarifications/undertakings given by the Transferor Company are summarized in the table below:

Para	RD Report / Observations dated 20th February, 2024	Response of Transferor Company
6.	The Transferor Company is a Listed Company. The equity shares of the Transferor Company are listed on Bombay Stock Exchange Limited. The Hon'ble Tribunal may be pleased to direct the Petitioner Company to furnish the compliance of SEBI (Listing Obligations and Disclosure Requirements), 2015 and other applicable Regulations as a proof of compliance.	As regards the observation made in Point no. 6 of the said Report is concerned, Transferor Company has duly complied with the requisite regulations of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and other applicable regulations. Transferor Company also obtained the Non-Objection Certificate (NOC) from the BSE.
7.	Since the proposed merger is of two listed	As regards the observation made in point no. 7 of the said Report is concerned, the threshold limits





companies who are involved in a similar line of business, approval of Competition Commission of India may be required for considering sanction of the scheme.

prescribed under Section 5 of the Competition Act 2002 are:

Table Number – 1

Particulars	Threshold Limit (in Crores) (INR)		Amount (in Crores) (INR)	
	31.03. 2022	31.03. 2024 (revised limits)	31.03. 2022	31.03. 2024
Assets	> 2000	> 2500	169.28	179.35
Turnover	> 6000	> 7500	204.74	203.78

As on the Board Meeting date i.e. 31st May 2022, considering the financials dated 31st March 2022, amalgamation of ADFL with AWL is not exceeding the threshold prescribed under section 5 of the Competition Act, 2002. Even if we consider the financials as on 31st March 2024 and the revised limits, said amalgamation is not falling under section 5 of the Competition Act, 2002. Therefore, the Transferor Company is exempt from obtaining approval and accordingly, no prior approval from Competition Commission of India is required.

Table Number – 2

Particulars	Threshold Limit (in Crores)		Amount (in Crores)	
	31.03. 2022	31.03. 2024 (revised limits)	31.03. 2022	31.03. 2024
Assets	≤ 350	≤ 450	169.28	179.35
Turnover	≤ 1000	≤ 1250	204.74	203.78

Further, as per the notification issued by the Central Government dated 27th March 2017, and the revised notification issued on 7th March 2024 if the enterprise being acquired, taken control of,



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		merged or amalgamated has within the threshold prescribed in Table Number 2 such enterprise shall be exempted from provisions of section 5 of the Competition Act, 2002. As the ADFL being the Transferor Company having assets size and turnover less than the limits prescribed in Table Number 2 considering financials as on 31st March 2022 and 31st March 2024. Hence, no prior approval of Competition Commission of India shall be required for the purpose of merger.
8.	As per MCA records, the Transferor Company has many open charges. Hence, the Hon'ble Tribunal may direct to comply/clarify the compliance of provisions of Section 230 of the Act read with Rule 5 of the Companies (Arrangements and Amalgamations) Rules 2016.	<p>As regards the observation made in point no.8 of the said Report is concerned, as per MCA records, there are six charges listed against the Transferor Company, out of which three charges have been duly closed and three charges are existing as on date. These charges are against the facilities obtained by the Transferor Company, however as on date, these facilities are not fully utilized by the Transferor Company for its purpose and are contingent in nature. Hence, there are no outstanding Secured Creditors in the Transferor Company, the same is disclosed in the application and petition filed by the Transferor Company with Hon'ble Tribunal and the same were approved by the Hon'ble Tribunal. Furthermore, the NOCs obtained from charge holders of the Transferor Company are submitted to Stock Exchange as annexure. Thus, the Transferor Company is in compliance with section 230 of the Act read with Rule 5 of the Companies (Arrangements and Amalgamations) Rules, 2016.</p> <p>Further, as the Transferee Company will be the surviving entity, all the charges against the Transferor Company shall be transferred and registered against the Transferee Company and will be settled by Transferee Company in due course of its business.</p>
9.	The petitioner companies are required to attach a certificate from the company's auditors to the effect that the accounting treatment is in conformity with the	As regards the observation made in point no. 9 of the said Report is concerned, the certificate from the company's auditors to the effect that the accounting treatment is in conformity with the accounting



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	accounting standards prescribed under Section 133 of the Act.	standards prescribed under section 133 of the Act.
10.	As per the Independent Auditor's Report of Transferor Company for the financial year ending 31.03.2022, the company has outstanding disputed dues to the tune of Rs. 5.02 crores towards Corporate Income Tax. Hon'ble Tribunal may be pleased to direct the Petitioner company to furnish an undertaking to Hon'ble NCLT to the effect that it will settle the dues of the Income Tax Authority as and when the claim will crystallized.	As regards the observation made in point no. 10 of the said Report is concerned, As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued and enforced by or against the Transferor Company (Refer clause no. 14.3 of the Scheme). The Transferee Company will settle the dues of the Income Tax Authority as and when the claim will be crystallized.
11.	In note no. 18 of the Financial Statement for the financial year ending 31.03.2022 of Transferor Company it is stated about undisputed statutory dues to the tune of Rs. 1.67 crores. The Hon'ble Tribunal may be pleased to direct the Petitioner company to furnish an undertaking to Hon'ble NCLT to the effect that it will settle the statutory dues immediately, if not settled so far.	As regards the observation made in point no. 11 of the said Report is concerned, the undisputed statutory dues of INR 1.67 Crs as on 31.03.2022 have been paid by the Transferor Company. An amount of INR 0.64 Crs approx. is paid in cash and an amount of INR 1.03 Crs has been paid by utilizing the available Input tax credit. Accordingly, as on the date of this affidavit, the statutory dues have been paid-off by the Transferor Company. Further, as and from the Effective Date, the liability towards undisputed statutory dues of the Transferor Company shall be transferred and continued by the Transferee Company in the same manner and to the same extent as it would or might have been continued for the Transferor Company (Refer clause no.14.3 of the Scheme). The Transferee Company will settle the dues of the Income Tax Authority as and when the claim will be crystallized.
12.	Clause 16 of Part II of the Scheme provides for Clubbing of Authorized Share Capital of the Transferor Company with	As regards the observation made in point no.12 of the said Report is concerned, Upon the Scheme becoming effective, the Authorised Share Capital of the Transferor



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	the authorized share capital of the Transferee Company. Hon'ble Tribunal may be pleased to direct the Transferee Company to comply with the provisions of the Section and pay the difference of fee, after setting off the fee already paid by the Transferor Company on its respective capital.	Company shall stand transferred, re-organised, credited and merged with that of the Transferee Company with payment of additional fees and stamp duty, if any, and the Authorised Share Capital of the Transferee Company will be increased to that effect by filing requisite forms (Refer clause 16.1 of the Scheme). Further, difference of fee, if any, after setting off the fee already paid by the Transferor Company will be paid by the Transferee Company upon combination of authorized capital.
13	As per Section 240 of the Companies Act, 2013, the liability in respect of offences committed under the Companies Act by the Officers in default of the Transferor Company prior to merger, amalgamation or acquisition shall continue after such merger, amalgamation, or acquisition.	As regards the observation made in point no.13 of the said Report is concerned, the liability in respect of offences committed, if any by the Officers in default of the Transferor Company shall continue pursuant to such merger on such officers.

18. In relation to the Transferee Company, the Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai has filed its Report dated 23.11.2023. The Transferee Company has filed an Affidavit in rejoinder to the report filed by the Regional Director with this Tribunal on 06.12.2023 providing clarification/undertakings to the observations made by the Regional Director. The clarifications and undertakings given by the Transferee Company are accepted. The observations made by the Regional Director, Western Region and the clarifications/undertakings given by the Transferee Company are summarized in the table below:

Para	RD Report / Observations dated 23 rd November 2023	Response of the Transferee Company
(a)	That on examination of the report of the Registrar of Companies, Mumbai dated	As regards the observation made in Paragraph 2(a) of the





	<p>22.08.2023 for Petitioner Transferee Company that the Petitioner Transferee Company falls 'within the jurisdiction of ROC, Mumbai. It is submitted that no representation regarding the proposed scheme of Arrangement has been received in the matter of Petitioner Transferee Company. Further, the Petitioner Transferee Company has filed Financial Statements up to 31.03.2022.</p>	<p>said report is concerned, it is submitted that that no representation regarding the proposed scheme of Arrangement has been received in the matter of Transferee Company. Further, the Transferee Company has filed the Financial Statements up to 31.03.2022.</p>																								
<p>(b)</p>	<p>The ROC has further submitted that in his report dated 22.08.2023 which are as under :-</p> <p>i. That the ROC Mumbai in its report dated 22.08.2023 has also stated that no inquiry, inspection, investigations, Prosecutions, Technical Scrutiny under CA, 2013 have been pending against the Petitioner Companies.</p> <p>ii. Further ROC has mentioned as follows:</p> <p>a) There are 5 charges pending against Transferee Company on MCA 21 Portal.</p>	<p>As regards the observation made in Paragraph 2(a)(i) of the said Report is concerned, it is submitted that there is no Inquiry, Inspection, Investigations and Prosecutions pending against the Transferee Company.</p> <p>As regards the observation made in Paragraph 2(a)(ii)(a) of the said Report is concerned, the Transferee Company submits that there are 5 charges pending against the company. Details of the same are given as under:</p> <table border="1" data-bbox="722 1404 1409 1909"> <thead> <tr> <th>Charge ID</th> <th>Date of Creation of Charge</th> <th>Date of last modification</th> <th>Amount Secured (in Rs.)</th> </tr> </thead> <tbody> <tr> <td>100783325</td> <td>05.09.2023</td> <td>-</td> <td>70,00,00,000</td> </tr> <tr> <td>100611992</td> <td>07.09.2022</td> <td>-</td> <td>27,50,000</td> </tr> <tr> <td>100567784</td> <td>10.01.2022</td> <td>-</td> <td>70,00,000</td> </tr> <tr> <td>10532829</td> <td>23.09.2020</td> <td>-</td> <td>1,00,00,000</td> </tr> <tr> <td>90230039</td> <td>04.02.2020</td> <td>03.01.2018</td> <td>1,05,50,00,000</td> </tr> </tbody> </table> <p>The Transferee Company further submits that these charges are created in the normal course of the business and since, Transferee Company is the surviving entity these charges shall be dealt with accordingly.</p>	Charge ID	Date of Creation of Charge	Date of last modification	Amount Secured (in Rs.)	100783325	05.09.2023	-	70,00,00,000	100611992	07.09.2022	-	27,50,000	100567784	10.01.2022	-	70,00,000	10532829	23.09.2020	-	1,00,00,000	90230039	04.02.2020	03.01.2018	1,05,50,00,000
Charge ID	Date of Creation of Charge	Date of last modification	Amount Secured (in Rs.)																							
100783325	05.09.2023	-	70,00,00,000																							
100611992	07.09.2022	-	27,50,000																							
100567784	10.01.2022	-	70,00,000																							
10532829	23.09.2020	-	1,00,00,000																							
90230039	04.02.2020	03.01.2018	1,05,50,00,000																							





<p>b) There are two complaints pending against the Transferee Company vide SRN No. I0005864 & J00086478. The complaint is regarding non-receipt of certificate after endorsement.</p> <p>c) As per provisions of section 232(3)(i) of CA, 2013 where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorized capital shall be set off against any fees payable by the transferee company on its authorized capital subsequent to the amalgamation. Therefore, the remaining fee, if any after setting off the fees already paid by the transferor company on its authorized capital, must be paid by the transferee company</p>	<p>As regards the observation made in Paragraph 2(a)(ii)(b) of the said Report is concerned, the Transferee Company submits that it has two complaints pending against the Transferee Company vide SRN No. I0005864 and J00086478. The Transferee Company has not received any documents / communication regarding the submission of complaint nos. I0005864 and J00086478, against the Company. Once the copy of the complaint is received by the Transferee Company, suitable reply will be provided and the complaints will be decided on its own merit. Further, the Transferee Company received email from MCA regarding closure of complaint no. I00058641 dated 25th October, 2023. The email communication is attached as "Annexure 1". The complaints shall have no bearing on the Scheme of Amalgamation. Further, the Transferee Company shall remain in existence, even after giving effect to the Scheme of Amalgamation, hence all the complaints shall be resolved upon their merits in due course as per applicable law.</p> <p>As regards the observation made in Paragraph 2(a)(ii)(c) of the said Report is concerned, as per the provisions of Section 230(3)(i) of the Companies Act, 2013, the fee paid by the Transferor Company on its authorized capital shall be set off against any fees payable by the Transferee Company on its authorized capital subsequent to the Scheme of Merger. Therefore, the remaining fee, if any after setting-off the fees already paid by the Transferor Company on its authorized capital, will be paid by the Transferee Company on the increased authorized capital subsequent to amalgamation.</p>
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	<p>on the increased authorized capital subsequent to amalgamation.</p> <p>d) Interest of creditors should be protected.</p>	<p>As regards the observation made in Paragraph 2(a)(ii)(d) of the said Report is concerned, the interest of creditors will be protected.</p>
(c)	<p>Transferee Company should undertake to comply with the provisions of section 232(3)(i) of the Companies Act, 2013 through appropriate affirmation in respect of fees payable by Transferee Company for increase of share capital on account of merger of transfer of companies.</p>	<p>As regards the observation made in Paragraph 2(b) of the said Report is concerned, the Transferee Company undertakes to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 through appropriate affirmation in respect of fees payable by the Transferee Company for increase of share capital on account of merger of the Transferor Company with the Transferee Company.</p>
(d)	<p>In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the resultant company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including AS-5 or IND AS-8 etc.</p>	<p>As regards the observation made in Paragraph 2(c) of the said Report is concerned, it is submitted that in addition to compliance with IND AS-103 (AS-14 not applicable) and IND AS-8 (AS-5 not applicable), in connection with the Scheme, the Transferee Company shall pass such accounting entries, which are necessary to comply with all other applicable Indian Accounting Standards to the extent applicable.</p>
(e)	<p>The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.</p>	<p>As regards the observations made in paragraph 2(d) of the said report is concerned, the Transferee Company submits that the Scheme enclosed in Company Application and Company Petition is one & the same and there is no discrepancy / deviation in the same.</p>





(f)	<p>The Petitioner Companies under provisions of section 230(5) of the Companies Act 2013 have to serve notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement. Further, the approval of the scheme by the Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such authorities shall be binding on the petitioner companies concerned.</p>	<p>As regards the observation made in paragraph 2(e) of the said report is concerned, the Transferee Company submits that an affidavit of service, stating that the notices have been served to concerned authorities, as required under Section 230(5) of the Companies Act, 2013, has been annexed with the Company Scheme Petition. The approval of the scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the Scheme and the same will be dealt with by the Transferee Company, in accordance with the applicable laws under the respective Acts.</p>
(g)	<p>As per Definition of the Scheme,</p> <p>"Appointed Date" means 1st April 2022, or such other date, as may be fixed or approved by Hon'ble National Company Law Tribunal or such other competent authority / Appropriate Authority;</p> <p>"Effective Date" means the last of the dates on which the authenticated copies or certified copies of the Order of NCLTs under Sections 230 to 232 of the Act sanctioning the Scheme is filed with Registrar of Companies by the Transferor Company and the Transferee Company. References in this Scheme to the date of "coming into effect of the Scheme" or "upon the Scheme becoming effective", or "effectiveness of the Scheme" and other similar expressions shall mean the Effective Date;</p> <p>"Record Date" means such date, as may be mutually fixed by the Board of Directors of the Transferor Company and the Transferee Company for the purpose of reckoning names of</p>	<p>As regards the observation made in Paragraph 2(f) of this Report is concerned, the Transferee Company clarifies that the Appointed Date shall be 01st April, 2022 and the Scheme shall take effect from the Appointed Date in terms of provisions of Section 232(6) of the Companies Act, 2013.</p> <p>Further, the Transferee Company undertakes that they would comply with the provisions and requirements clarified vide circular no. F. No 7/12/2019/CL-I dated 21-08-2019</p>





	Equity Shareholders of the Transferor Company, who shall be entitled to receive shares of the Transferee Company upon coming into effect of this scheme; It is submitted that the Petitioners may be asked to comply with the requirements as clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.	issued by the Ministry of Corporate Affairs, if required / applicable.
(h)	Petitioner companies shall undertake to comply with the directions of the Income Tax Department & GST Department, if any.	As regards the observations made in paragraph 2(g) of the Report of the Regional Director are concerned, the Transferee Company undertakes to comply with the directions of Income-tax department and GST Department, if any, to the extent applicable and in compliance with the applicable laws.
(i)	Petitioner Companies shall undertake to comply with the directions of the concerned sectoral Regulatory, if any.	As regards the observations made in paragraph 2(h), the Transferee Company undertakes to comply with the directions of the concerned Sectoral Regulatory, if any, to the extent applicable and required.
(j)	As per list of shareholders of both Petitioner Companies, they have foreign shareholders hence Petitioner Companies shall undertake to comply with guidelines of RBI, FEMA, FERA.	As regards the observations of the Regional Director, Western Region, Mumbai, made in paragraph 2(i) of his report are concerned, the Transferee Company submits that it shall comply with all the applicable FEMA and RBI laws and regulations, to the extent applicable, in relation to the foreign shareholders of the Transferor Company. Further, the Transferee Company shall file all the relevant forms, including Form FC-GPR, under FEMA and RBI Regulations in relation to issuance of shares to the foreign shareholders of the Transferor Company to the extent required.





(k)	<p>Both Petitioner Companies are Listed Companies hence both Petitioner Companies shall dated 26th September, 2022 issued by BSE Limited and NSE Limited respectively undertake to comply with observation pointed out through Observation letter Complaints Report filed with the BSE Limited dated 16th August 2022 and NSE Limited dated 25th August 2022 respectively as well comply with SEBI (LODR) Regulations, 2016.</p>	<p>As regards the observation made in para 2(j), the Transferee Company is a Listed Company, hence the Transferee Company undertakes to comply with the observations pointed out through Observation Letter dated 26th September, 2022 and 27th September, 2022, issued by BSE Limited and the National Stock Exchange of India Limited (NSE), respectively and also undertakes to comply with the observation pointed out through the Complaints Reports filed with BSE Limited dated 24th August, 2022 and the National Stock Exchange of India Limited dated 25th August, 2022 respectively, and the Transferee Company also undertakes to comply with SEBI (LODR) Regulations, 2015.</p>
(l)	<p>Ador Fontech Limited, ("Transferor Company" or "ADFL") is a Listed Public Limited Company and having its registered office at Belview, 7 Haudin Road, Bengaluru – 560042, Karnataka, India. But as per Hon'ble National Company Law Tribunal, New Delhi, Principal Bench order dated 17.03.2023 (Copy Enclosed as Annexure A-2) in TA (Co. Act) – 10 (PB)/2023 given following direction:</p> <p>"Transfer of Company Application bearing No. CAA 07/BB/2023 filed by the Applicant Company before the NCLT, Bengaluru Bench under Section 230-232 of the Companies Act, 2013 to Mumbai Bench of this Hon'ble Tribunal and be heard jointly/collectively with Company Application bearing CA (CAA) No. 47/MB/2023 filed by the Transferee Company before Mumbai Bench-III this Hon'ble NCLT (involving composite scheme of Amalgamation);</p> <p>Direct the Registry of the Bengaluru Bench to initiate appropriate steps regarding the handover of the original paper book(s)/documents to the</p>	<p>As regards the observation made in para 2(k), ROC and OL report of the Transferor Company shall be submitted before the Mumbai Bench-III of this Hon'ble Tribunal.</p>





counsel for onward submission before the Mumbai Bench-III of this Hon'ble Tribunal; Alternatively, Direct the Registry of the Bengaluru Bench to send the Paper Books) directly to the Mumbai Bench-III; and/or pass such order/further order (s) as this Hon'ble Tribunal may deem fit and proper.”

Based on that the present transfer application has been filed seeking to transfer the application filed by the Transferor Company before the NCLT, Bengaluru Bench under Section 230- 232 of the Companies Act, 2013 to Mumbai Bench of NCLT to be heard jointly with company application bearing No. CA (CAA) No. 47/MB/2023 i.e. petition filed by the Transferee Company before the NCLT, Mumbai Bench. The registered office of the Transferee Company is in Mumbai. The registered office of the Transferor Company is in Bengaluru.

Hence, the present application is filed. Considering the nature of relief sought for and the Scheme of Amalgamation, this transfer petition stands allowed”

And as per Hon'ble National Company Law Tribunal, Mumbai Bench order dated 24.08.2023 (Copy Enclosed as Annexure A-2) in Transfer Petition/1/2023 given following direction:-
“Petition is allowed”

Ador Fontech Limited, the Transferor Company is having its registered office at Belview, 7 Haudin Road, Bengaluru - 560042, Karnataka, India, hence, in this regard, office of ROC and OL Bangalore is requested to submit their report/representation directly this Hon'ble NCLT Mumbai Bench and further that Hon'ble NCIT Mumbai Bench may decide the matter on merit after directly this Hon'ble NCLT Mumbai Bench and further that Hon'ble NCLT Mumbai Bench may decide the matter on merit after considering observations raised by office of ROC and OL



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IN C.A (C.A.A.)/ 47 /MB/2023 & TP-1/2023



	Bangalore. However, this Directorate reserves the right to file Additional Affidavit / Supplementary Report in the matter.	
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19. The Official Liquidator, High Court of Karnataka has filed its Report dated 08.02.2024. The Transferor Company has filed an Affidavit in rejoinder to the report filed by the Official Liquidator with this Tribunal on 12.03.2024 providing clarification/undertakings to the observations made by the Official Liquidator. The observations made by the Official Liquidator in para 6, 9-13, 17-21 and the clarifications/undertakings given by the Transferor Company are summarized in the table below:

Para	OL Report / Observations dated 08 th February 2024	Response of the Transferor Company
6	Both TR and TE companies are listed companies with substantial public interest involved. The compliance of SEBI, Stock Exchange is required to be ensured by the companies.	As regards the observation made in Point no. 6 of the said report is concerned, it is submitted that Transferor Company and Transferee Company undertakes to comply with relevant and applicable compliances required under SEBI and Stock Exchange regulations.
9	Since the foreign shareholders are being issued fresh shares of TE company, necessary compliance of FEMA, RBI etc., to be made.	As regards the observation made in point no. 9 of the said report is concerned, as the fresh shares will be issued by the Transferee Company to the shareholders of the Transferor Company. The Transferee Company shall comply with necessary compliances under FEMA, RBI etc. Further, the Transferee Company shall file all the applicable forms, including Form FC-GPR, under FEMA, RBI etc. in relation to issuance of shares to the foreign shareholders of the Transferor Company.
10	The appointed date proposed is 01.04.2022.	As regards the observation made in point no. 10 of the said report is concerned, the Transferor Company had filed the application with the Hon'ble Tribunal,





	Being old and out dated, the scheme may be allowed from 01.04.2023 or any other alternative date deem fit.	Bengaluru Bench on 2nd February 2023. As per the MCA circular no. 09/2019 dated 21st August 2019, if the Appointed Date is significantly ante-dated beyond a year from the date of filing, the justification for the same would have to be specifically brought out in the scheme and it should not be against public interest. However, in our case, filing with Hon'ble Tribunal is made within 1 year from the date of Appointed Date. Hence, Appointed Date of 1st April 2022 is falling within the stipulated time frame and is in compliance with the MCA Circular.
11	As per the details provided, the TR company has received many claims from Income Tax department including Rs.40 crores for the Assessment Year 2021-2022. If the scheme is allowed, the TE company has to take care of the claims / litigations till it is crystallized.	As regards the observation made in point no. 11 of the said report is concerned, any litigation, suits, recovery proceedings which are to be initiated or may be intimated against the Transferor Company, Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company (Refer clause 6.3 of the Scheme). In this regard Transferee Company will take care of the claims / litigations pursuant to the scheme being sanctioned and approved.
12	The TR company has one, 100% subsidiary i.e., 3D Future Technologies Private Ltd. The Status of the said company after merger of TR company with TE company is not specified in the scheme as to whether is going to be stand alone or merge with its holding company to TE Company.	As regards the observation made in point no. 12 of the said report is concerned, upon sanction of the scheme, all the investments of the Transferor Company shall on and from the appointed date stand transferred to Transferee Company, (Refer clause 5.6 of the Scheme). Hence, the investment made by the Transferor Company in its 100% subsidiary shall be transferred to the Transferee Company and the same will be reflected as investment of Transferee Company pursuant to sanction of the scheme.





13	<p>No unsecured creditor of the TR company meeting has been convened by the TR company stating that there is no compromise or arrangement with creditors. However, in the interest of all creditors including MSME shall be taken care by the TE company to that extent an undertaking has to be submitted by TE company. There are more than 400 creditors for an amount of Rs.20.85 crores in the TR company.</p>	<p>As regards the observation made in point no. 13 of the said report is concerned, Hon'ble Tribunal in its Order dated 24th August 2023 had dispensed off the requirement of conducting the meeting of the Unsecured Creditors of the Transferor Company. Further, as stated in the scheme of arrangement there is no arrangement proposed to be entered into with the creditors, either secured or unsecured creditors of the Transferor Company and / or the Transferee Company. No compromise is offered under this Scheme to any of the creditors of the Transferor Company. The liability towards the creditors of the Transferor Company under the Scheme, is neither being reduced nor being extinguished but shall be assumed and discharged by the Transferee Company in its ordinary course of business, (Refer Point no III of the Scheme). Hence, in this regard, Transferee Company undertakes that it will discharge the payment of the Unsecured Creditors as and when due in the ordinary course of its business.</p>
17	<p>It is noticed that 94.7% shareholders of TR company are in dematerialized form. Fresh issue of new shares to be issued by the TE to TR company shareholders shall be and dematerialize form only.</p>	<p>As regards the observation made in point no. 17 of the said report is concerned, Transferee Company undertakes to ensure that all the fresh issue of new shares by the Transferee Company to the shareholders of the Transferor Company shall be in dematerialize form only.</p>
18	<p>It is noticed that Company Secretary and Chief Finance Officer post are held by Ms. Geetha. As per section 203 of Companies Act, 2013, both posts cannot be held by a single person</p>	<p>As regards the observation made in point no. 18 of the said report is concerned, there is no express prohibition provided under section 203 of the Companies Act, 2013 in relation to the appointment of one individual as Company Secretary and Chief Finance Officer both. In the instance case, the Transferor Company is in compliance and has not violated with the requirements under section</p>



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	<p>as their duties and responsibilities are different. Hence, company has to file compounding /adjudication application before the Registrar of Companies, Karnataka.</p>	<p>203 of the Companies Act, 2013. Accordingly, there is no requirement to file compounding/adjudication application before the ROC Karnataka. The Hon'ble Supreme Court in case of RAJENDRA PRASAD GUPTA VERSES PRAKASH CHANDRA MISHARA & ORS. (CIVIL APPEAL NO 984 OF 2006) observed that :- <i>"Courts are not to act upon the principal that every procedure is to be taken as prohibited unless it is expressly provided for by the Code, but on the converse principal that every procedure is to be undersold as permissible till it is shown to be prohibited by the law. As a matter of general principal prohibition cannot be presumed".</i></p>
<p>19</p>	<p>No Employees/workmen of Transferor company to be retrenched/terminated in the terms of amalgamation of Transferor company with Transferee company. The Hon'ble Tribunal may kindly see that TR or TE will not retrench Swap the staff or employee of Transferor Company in the guise of surplus staff on account of merger. Need to give a separate undertaking by the Transferee Company in this regard.</p>	<p>As regards the observation made in point no. 19 of the said report is concerned, all staff, workmen and employees, who are on the payroll of the Transferor Company, shall become the staff, workmen and employees of the Transferee Company ,employees/personnel engaged on contract basis and contract labourers and interns/trainees of the Transferor Company shall become employees/personnel on contract basis, contract labourers and interns/trainees as the case may be of the Transferee Company with effect from the effective date on such terms and conditions as are no less favorable than those on which they are currently engaged by the Transferor Company, (Refer clause 9.1 of the Scheme). In this regard Transferee Company undertakes to ensure that no Employees/workmen of Transferor Company to be retrenched/terminated in</p>



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		the terms of amalgamation of Transferor Company with Transferee Company.
20	An undertaking may be obtained from the applicant companies that they will pay applicable stamp duty and other charges to the state Govt. within a reasonable time with an outer-line of 6 months.	As regards the observation made in point no. 20 of the said report is concerned, all costs, charges, levies and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of the Transferor Company and Transferee Company, respectively in relation to or in connection with or incidental to this Scheme or the implementation thereof shall be borne and paid for by the Transferee Company, unless otherwise determined by the Boards of Directors of the Transferor Company and Transferee Company(Refer clause 23 of the Scheme. In this regard, Transferee Company undertakes to ensure that it will pay applicable stamp duty and other charges to the state Govt. as per the applicable laws.
21	The TR Company had related party transactions with TE company, Associated company, subsidiary company and KMP relatives. Needs to comply with the provisions of section 188 read with Rule 15 of Companies Act, 2013.	As regards the observation made in point no. 21 of the said report is concerned, the Transferor Company and the Transferee Company has complied with the provisions of section 188 read with Rule 15 of Companies Act, 2013 as on the date. Post merger, the Transferee Company shall be responsible and will accordingly, comply with all the provisions pertaining to the related party transactions under section 188 read with Rule 15 of the Companies Act, 2013 to the extent it is applicable.

20. During the course of hearing, we observed that the Official Liquidator (OL), Karnataka has raised an objection regarding positions of Company Secretary and Chief Financial Officer being held by the same individual. With regards to the same this bench directed Ador Fontech Limited/





Transferor Company to provide copy of the OL Report to Regional Director, West Region.

21. In this regard it has been submitted that-

“there is no express prohibition under section 203 of the Companies Act, 2013 appointing one individual as both Company Secretary and Chief Finance Officer. In our case since, the Transferor Company is in compliance with the requirements under section 203 of the Companies Act, 2013, hence there is no requirement to file compounding/adjudication application before the ROC Karnataka”

22. The Transferor Company has also relied upon the judgment of Hon'ble Supreme Court in the case of **Rajendra Prasad Gupta Vs. Prasad Chandra Mishara & ors. (Civil Appeal no. 984 of 2006)** and also on the ruling by the Authority of Advance Ruling (AAR) in the case of **M/s Rasi Nutri Foods** which cites the above decision of the Hon'ble Supreme Court.

23. The RD in SER- Affidavit dated 20.02.2024 has stated that-

“The issue raised by the Official Liquidator Karnataka under Section 203 of Companies Act, 2013 is not having impact on the Scheme and for non-compliance of Section 203 of Companies Act 2013 and for defaulting for occupying the post of KMP. Hon'ble NCLT may give liberty to ROC Karnataka to proceed for Adjudication under Section 203 of the Companies Act, 2013 as per the law and the Scheme may be decide on the merit of the case.”

24. Further, in the Short Affidavit on behalf of the RD, West Region, RD mentioned that-

“(b) The said inputs are given in compliance of directions from Hon'ble NCLT Mumbai Bench Court Room-III order dated 7th May 2024. However, the company falls under the jurisdiction of Regional Director- Southeast Region.”

25. The Regional Director, Southeast Region/ ROC Karnataka and Regional Director, West Region/ ROC Mumbai are at liberty to examine the aforesaid issue and adjudicate under Section 203 of the Companies Act, 2013.





26. From the material on record, the Scheme annexed to the Company Scheme Petition appears to be fair and reasonable and is not violative of any provisions of law subject to Section 203 and is not contrary to public policy.
27. All pending complaints/ inspection/ litigation of Transferor Company will continue with by or against the Transferee Company and approval of the Scheme will not deter the concerned authorities including but not limited to the Income Tax Department to continue and/or initiate any further legal proceedings against the Transferee Company in case any violation is found in relation to the conduct of affairs by the Transferor Company or arising out of any complaint, inspection or investigation.
28. Heard the submission of the Transferor Company and Transferee Company and the Regional Director. The Regional Director is satisfied with the reply/ clarification/ undertaking given by the Transferor Company and Transferee Company and no further observations have been raised.
29. No objection has been received by the Tribunal opposing the Company Scheme Petition and nor has any party controverted any averments made in the Company Scheme Petition.
30. Allowing this Scheme, the Tribunal does not deter concerned authorities from dealing with any issues arising in future and the decision of such authorities shall be binding on the Transferee Company even for the issues relating to Transferor Company.
31. The Statutory Auditors of the Transferee Company have examined the Scheme in terms of provisions Sections 230-232 and certified that the accounting treatment contained in the Scheme is in compliance with the applicable accounting standards specified under section 133 of the Companies Act, 2013.
32. The shareholders and Creditors of the Transferor Company and Transferee Company are the best judges of their interest. Their decision should not





be ordinarily interfered with by the Tribunal as per the decision of Hon'ble Supreme Court in **Miheer H. Mafatlal vs. Mafatlal Industries Ltd [JT 1996 (8) 205]** wherein it was held as follows:

“It is the commercial wisdom of the parties to the scheme who have taken an informed decision about the usefulness and propriety of the scheme by supporting it by the usefulness and propriety of the scheme by supporting it by the requisite majority vote.”

33. In view of the foregoing, upon considering the approval accorded by the members of the Transferor Company and Transferee Company to the proposed Composite Scheme of Arrangement, and the affidavits filed by the Regional Director, the rejoinder and undertakings of the Transferor Company and Transferee Company and the report of the Official Liquidator, there appears to be no impediment in sanctioning the present Scheme as the Scheme appears to be reasonable and is not violative of any provisions of law and is not contrary to public policy.
34. The Scheme annexed to the Company Scheme Petition is hereby sanctioned, and the Appointed Date of the Scheme is **1st April, 2022**. The Transferor Company and Transferee Company have stated that the Appointed date complies with the Circular no. F. No. 7/12/2019/CL-I dated 21.08.2019. It shall be binding on the Transferor Company and Transferee Company involved in the Scheme and all concerned including their respective Shareholders, Secured Creditors, Unsecured Creditors/Trade Creditors, Employees and/or any other stakeholders concerned.

ORDER

35. Consequently, sanction is hereby **granted** to the Composite Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 and other applicable provision of Companies Act, 2013 read with Companies (Compromise, Arrangements and Amalgamation) Rules, 2016 with the following directions:
- a. The Transferor Company be dissolved without winding up.





- b. If there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal will not come in the way of action being taken, albeit in accordance with law, against the concerned persons, directors and officials of the Transferor Company and Transferee Company.
- c. While approving the Scheme, we clarify that this Order should not, in any way, be construed as an Order granting exemption from payment of stamp duty, taxes or other charges, if any, and payment in accordance with law or in respect of any permission or compliance with other requirements which may be specifically required under any law.
- d. The Income Tax Department will be at liberty to examine the aspect of any tax payable by the Companies or by the Shareholders of Transferor Company who are receiving consideration for reduction of shares. It shall be open to the income tax authorities to take necessary action as permissible under the Income Tax Law. The decision of Income Tax Department shall be binding on the Transferee Company even for the concerns relating to Transferor Company.
- e. The Transferor Company and Transferee Company are directed to file a certified copy of this Order along with the Scheme duly authenticated/certified by the Deputy Registrar or the Joint Registrar or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Registrar of Companies, electronically in e-form INC-28 within 30 (thirty) days from the date of receipt of the certified copy of this Order along with the Scheme.
- f. Certified copy of this Order along with the Scheme be also submitted to all the concerned statutory authorities.





- g. The Transferor Company and Transferee Company to lodge a copy of this Order and the Scheme duly authenticated by the Deputy Registrar or Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of receipt of the Certified copy of the Order from the Registry.
- h. All the employees of the Transferor Company in service, on the date immediately preceding the date on which the Scheme takes effect i.e. the Effective Date, shall become the employees of the Transferee Company on such date, without any break or interruption in service and upon terms and conditions not less favourable than those subsisting in the concerned Transferor Companies on the said date.
- i. No Employees/ workmen of Transferor Company be retrenched/ terminated in the terms of amalgamation of Transferor Company with Transferee Company.
- j. Any proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company.
- k. All the properties, rights, liabilities, duties and powers of the Transferor Company, be transferred without further act or deed, to the Transferor Company and accordingly the same shall, pursuant to Section 232 of the Companies Act, 2013, be transferred to and vest in the Transferee Company.
- l. The Registrar of Companies is entitled to proceed against the Transferee Company for violation/ offences committed by Transferor Company, if any.



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- m. From the material on record, the Scheme appears to be fair and reasonable and is not in violation of any provisions of law and is not contrary to public policy.
- n. Since all the requisite statutory compliances have been fulfilled, Company Petition bearing C.P. (CAA)/296/MB/2023 filed by the Transferor Company and C.P. (CAA)/246/MB/2023 filed by the Transferee Company are made absolute in terms of prayers clause of the said Company Scheme Petition.
- o. Any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.
36. Any concerned authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.
37. All concerned regulatory authorities to act on a copy of this Order duly certified by the Registry of this Tribunal, along with a copy of the Scheme.
38. Ordered Accordingly. Thus, the present Scheme shall stand to be **disposed of**.

“File to be consigned to records.”

Sd/-

CHARANJEET SINGH GULATI
MEMBER (TECHNICAL)

(Saayli, LRA)

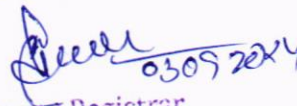
Sd/-

LAKSHMI GURUNG
MEMBER (JUDICIAL)



Page 31 of 31

Certified True Copy _____
Date of Application 22/8/2024
Number of Pages 31
Fee Paid Rs. 1554
Applicant called for collection copy on 03/9/2024
Copy prepared on 03/09/2024
Copy issued on 03/9/2024


Deputy Registrar
National Company Law Tribunal, Mumbai Bench

III

Annexure I

347

SCHEME OF AMALGAMATION (MERGER BY ABSORPTION)

OF

ADOR FONTECH LIMITED
("TRANSFEROR COMPANY" OR "ADFL")

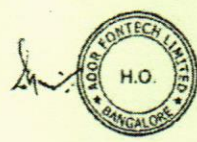
WITH

ADOR WELDING LIMITED
("TRANSFEREE COMPANY" OR "AWL")

AND

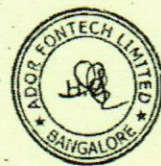
THEIR RESPECTIVE SHAREHOLDERS

(Under the provisions of Section 230 to 232 of the Companies Act, 2013)



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



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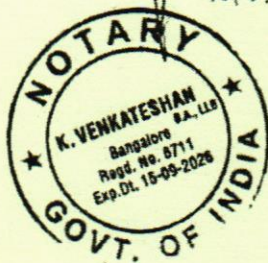
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I) PREAMBLE AND BACKGROUND

1. This Scheme of Amalgamation (hereinafter referred to as "the Scheme" or "this Scheme") is presented pursuant to the provisions of Section 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (to the extent applicable) for the amalgamation of Ador Fontech Limited with Ador Welding Limited. This Scheme (as defined hereinafter) also provides for various other matters consequential to, or otherwise integrally connected with the above, as more specifically stated hereinafter.

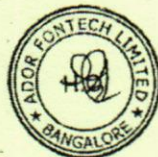
2. The brief background of various entities are as follows:

A) Ador Fontech Limited, ("Transferor Company" or "ADFL") is a Listed Public Limited Company, incorporated under the provisions of the Companies Act, 1956, under CIN L31909KA1974PLC020010 and having its registered office at Belview, 7 Haudin Road, Bengaluru-560042, Karnataka, India. The Transferor Company was incorporated on 22nd August 1974 as a Private Limited Company under the name and style of Cosmics Electronics & Ancillaries Private Limited. Subsequently changed its name to Cosmics General Engineering Private Limited and a fresh incorporation certificate was issued consequently upon the change of name issued by the Registrar of Companies, Mumbai on 07th December 1979. Subsequently, the name of the Transferor Company was changed to Cosmics Fontech Limited and a fresh incorporation certificate was issued consequently upon the change of name by the Registrar of Companies, Mumbai on 21st October, 1988. Subsequently, the name of the Transferor Company was changed to 'Ador Fontech Limited' and a fresh incorporation certificate was issued consequently upon the change of name by the Registrar of Companies, Bangalore on 11th



For ADOR FONTECH LIMITED

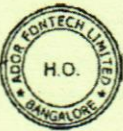
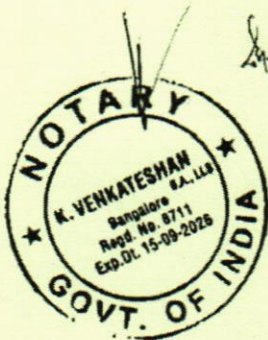
[Signature]
Company Secretary



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September, 1996. The equity shares of Transferor Company are listed on BSE Limited. JB Advani & Company Private Limited and Promoters together hold 39.23% in the Transferor Company. The Transferor Company is engaged in the business of 'Life enhancement of Industrial Components' which inter-alia includes providing products, services and solutions for reclamation, repairs and maintenance.

- B) Ador Welding Limited, ("Transferee Company" or "AWL") is a Listed Public Limited Company incorporated under the provisions of the Indian Companies Act VII of 1913, under CIN L70100MH1951PLC008647 and having its registered office at Ador House, G. K, Dubash Marg, Fort, Mumbai- 400001-16, Maharashtra, India. The Transferee Company was incorporated on 22nd October 1951 as a Private Limited Company under the name and style of J.B. Advani-Oerlikon Electrodes Private Limited. Subsequently it changed its name to 'Advani-Oerlikon Private Limited' and a fresh incorporation certificate was issued consequently upon the change of name by the Registrar of Companies, Mumbai on 27th November 1968. Thereafter, the name was changed to Advani - Oerlikon Limited and then to 'Ador Welding Limited' and a fresh certificate of incorporation was issued on 09th September 2003, by the Registrar of Companies, Maharashtra, Mumbai. The equity shares of Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited ("NSE Limited"). JB Advani & Company Private Limited and Promoters together hold 56.90% in the Transferee Company. The Transferee Company is engaged in the business of manufacturing & selling of various products such as welding and cutting equipment, CNC machines, welding automation products as well as welding accessories. The Transferee Company is also engaged in the business of Flares & Process Equipment.



For ADOR FONTECH LIMITED

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Company Secretary



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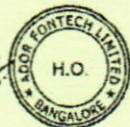


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II) **RATIONALE AND PURPOSE OF THE SCHEME**

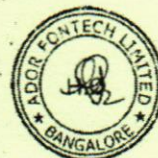
The Transferor Company and the Transferee Company are engaged in similar lines of business and complement each other. With an intent to expand the business and achieve larger product portfolio, economies of scale, efficiency, optimization of logistics and distribution network and other related economies by consolidating the business operations, the Board of Directors of the Transferor Company and the Transferee Company proposed to consolidate the business of the Transferor Company with the Transferee Company. The proposed amalgamation of the Transferor Company with the Transferee Company would, *inter alia*, have the following benefits:

1. Enable the consolidation of the Welding business of the Transferor Company with the Transferee Company to create one of the largest welding and cutting product manufacturer and refurbishment player in the industry.
2. Creation of a combined entity, hosting all products under the Transferee Company, thereby resulting in diversified portfolio of products, economies of scale, operational rationalization, efficiency of management, broader and deeper market presence and maximizing value for the shareholders.
3. Greater synergies between businesses and optimum use of manufacturing facilities, marketing strength, R & D facilities, optimized production, streamlining of supply chains, enhancing customer delight, brand strengthening and certifications resulting in productivity gains, thereby maximizing value for the shareholders.
4. Enable greater access to different market segments in conduct of its business and addition of new products in the portfolio would improve the competitive position of the combined entity.
5. Optimum use of infrastructure and organizational efficiency by pooling of financial, managerial, and technical resources, personnel, capabilities, skills, expertise and technologies of the Transferor Company and the Transferee Company, thereby significantly contributing to the future growth and



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



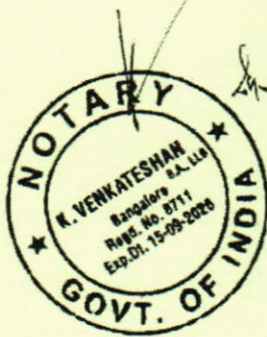
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maximizing shareholder value.

6. Better financial leverage, resulting in greater efficiency in cash and debt management and access to cash flow generated by the combined business, which can be deployed more efficiently to realize higher profits/margins for the combined entity.
7. Improved organizational capability and leadership, arising from the pooling of human capital, who have the diverse skills, talent and vast experience, to compete successfully in an increasingly competitive industry.
8. Cost savings because of standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.
9. Reduction in regulatory and legal compliances and avoidance of multiple records keeping.
10. Strengthening ability to face increasing competitive, regulatory, environmental and global risks, thereby resulting in sustainable and profitable long-term growth for the combined entity.

In view of the aforesaid, it is proposed to amalgamate the entire undertaking and business of the Transferor Company with the Transferee Company. Accordingly, this Scheme of Amalgamation is formulated for the transfer and vesting of the entire undertaking and business of the Transferor Company within and into the Transferee Company, pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act.

- iii) Further, under the Scheme, there is no arrangement proposed to be entered into with the creditors, either secured and / or unsecured creditors of the Transferor Company and / or the Transferee Company. No compromise is offered under this Scheme to any of the creditors of the Transferor Company and / or the Transferee Company. The liability towards the creditors of the Transferor Company and / or



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



the Transferee Company, under the Scheme, is neither being reduced nor being extinguished, but shall be assumed and discharged by the Transferee Company in its ordinary course of business.

IV) PARTS OF THE SCHEME

The Scheme is divided into following parts:

- Part I – Deals with the definitions of the terms used in this Scheme, details of share capital of the Companies, and Date of Operation of this Scheme
- Part II– Deals with the amalgamation of the Transferor Company with the Transferee Company.
- Part III– Deals with general clauses, terms and conditions, applicable to the Scheme.

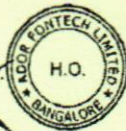
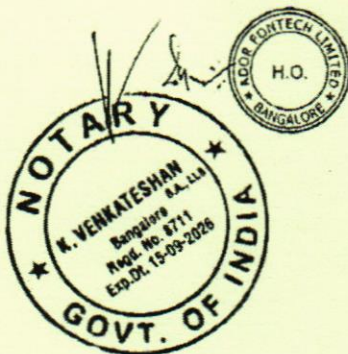
PART – I

Definitions, Share Capital and Date of Operation of the Scheme

1. DEFINITIONS

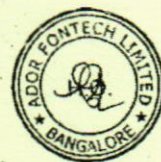
In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- 1.1. "Act" or "the Act" means the Companies Act, 2013 and shall include any statutory modifications, re-enactment, or amendments thereof for the time being in force, and the rules and regulations made thereunder;
- 1.2. "Applicable Law(s)" means any statute, notification, bye laws, rules, regulations, guidelines, circulars or common law, policy, code, directives, ordinance, schemes, notices, orders, or instructions enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof, for the time being in force;



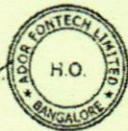
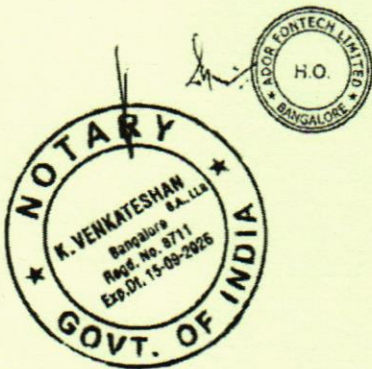
For ADOR FONTECH LIMITED

[Signature]
Company Secretary



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- 1.3. "Appointed Date" means 01st April 2022, or such other date, as may be fixed or approved by Hon'ble National Company Law Tribunal or such other competent authority / Appropriate Authority;
- 1.4. "Appropriate Authority" means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization, to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, or any stock exchange of India or of any other country including the Registrar of Companies, Regional Director, Official Liquidator, Securities and Exchange Board of India, National Company Law Tribunal and such other sectoral regulators or authorities, as may be applicable;
- 1.5. "Board of Directors" or "Board" shall mean the Board of Directors of the Transferor Company or the Transferee Company, as the case may be or any committee thereof duly constituted, or any other person duly authorized by the Board for the purpose of this Scheme;
- 1.6. "Effective Date" means the last of the dates on which the authenticated copies or certified copies of the Order of NCLTs under Sections 230 to 232 of the Act sanctioning the Scheme is filed with Registrar of Companies by the Transferor Company and the Transferee Company. References in this Scheme to the date of "coming into effect of the Scheme" or "upon the Scheme becoming effective", or "effectiveness of the Scheme" and other similar expressions shall mean the Effective Date;



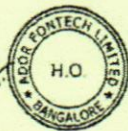
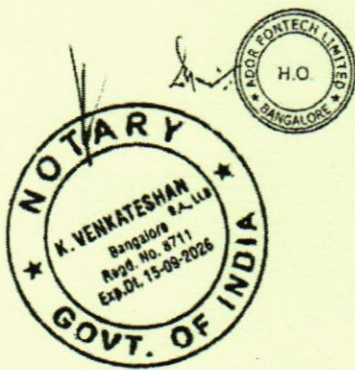
For ADOR FONTECH LIMITED

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Company Secretary



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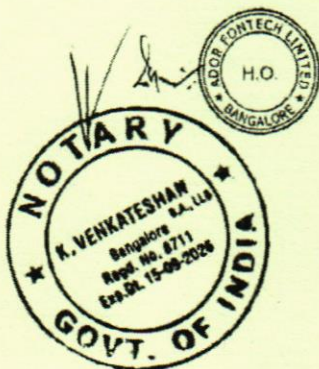
- 1.7. "IT Act" means the Income-tax Act, 1961, of India, including any statutory modifications, re-enactments, or amendments thereof for the time being in force;
- 1.8. "NCLT" or "the Tribunal" means the National Company Law Tribunal, Bench at Bengaluru and Mumbai in relation to the Transferor Company and the Transferee Company, respectively.
- 1.9. "New Shares" shall mean the shares of the Transferee Company, to be issued to the shareholders of the Transferor Company, in accordance with Clause 12.1.
- 1.10. "Parties" / "Companies" shall mean collectively the Transferor Company and the Transferee Company and "Party" / "Company" shall mean each of them, individually;
- 1.11. "Record Date" means such date, as may be mutually fixed by the Board of Directors of the Transferor Company and the Transferee Company for the purpose of reckoning names of Equity Shareholders of the Transferor Company, who shall be entitled to receive shares of the Transferee Company, upon coming into effect of this Scheme;
- 1.12. "Registrar of Companies" means the Registrar of Companies in Mumbai and Bengaluru;
- 1.13. "Scheme" or "the Scheme" or "this Scheme" or "Scheme of Merger by Absorption" or "Scheme of Amalgamation" means this Scheme of Amalgamation, in its present form, submitted to the NCLT or with any modification(s) made under Clause 20 of this Scheme or with such other modifications/amendments as the NCLT may direct;
- 1.14. "SEBI" means the Securities Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.



For ADOR FONTECH LIMITED
[Signature]
Company Secretary

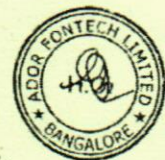


- 1.15. "SEBI Circulars" mean the circulars issued by Securities and Exchange Board of India in relation to the amalgamations and arrangements carried out under the Act and shall *inter-alia* refer to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 or SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23rd November 2021, SEBI Circular dated 3rd January, 2022 and 1st February, 2022, as amended from time to time.
- 1.16. "Stock Exchange" means the stock exchange, where the equity shares of the Transferor Company and the Transferee Company are listed and admitted to trading, viz, BSE Limited for Transferor Company and Transferee Company and NSE Limited for Transferee Company;
- 1.17. "Tax Laws" mean IT Act, Customs Act, 1962, Central Excise Act, 1944, Value Added Tax Act, applicable to any state in which the Transferor Company and / or the Transferee Company operate, Central Sales Tax Act, 1956, any other State Sales Tax / Value Added Tax laws, or Service Tax, Goods and Service Tax or other applicable laws/ regulations dealing with taxes/ duties/ levies/cess.
- 1.18. "Transferee Company" or "AWL" means Ador Welding Limited having CIN L70100MH1951PLC008647 and registered office at Ador House, 6. K, Dubash Marg, Fort, Mumbai- 400001-16, Maharashtra, India.
- 1.19. "Transferor Company" or "ADFL" means Ador Fontech Limited having CIN L31909KA1974PLC020010 and registered office at Belview, 7 Haudin Road, Bengaluru – 560042, Karnataka, India.
- 1.20. "Undertaking" means and includes all the assets, properties, liabilities and the undertaking(s) and entire business(s) of the Transferor Company, of whatsoever nature and kind and wherever situated, on a going concern basis, which shall include, without limitation the following:



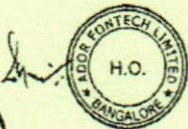
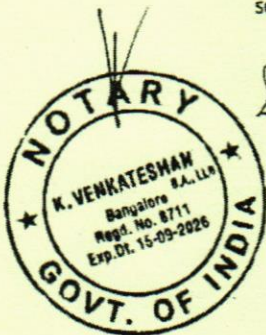
For ADOR FONTECH LIMITED

[Signature]
Company Secretary



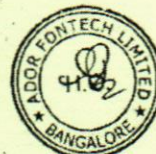
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- i. all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature, whether or not appearing in the books of accounts) of the Transferor Company, including, without limitation, sheds, godowns, warehouses, offices, plant and machineries, equipment, interests, capital work-in progress, rolling stocks, installations, appliances, tools, accessories, freeholds, leasehold or any other title, interests or right in such immovable assets, buildings and structures, offices, residential and other premises, furniture, fixtures, office equipment, computers and all stocks;
- ii. all current assets including inventories, sundry debtors, receivables, cash and bank accounts (including bank balances), fixed deposits, loans and advances, actionable claims, bills of exchanges and debit notes of the Transferor Company;
- iii. all investments (including shares, scrips, stocks, bonds, debentures, debenture stock, units of mutual funds, overseas investments and other securities), including dividends declared or interest accrued thereon of the Transferor Company;
- iv. all rights or benefits, benefits of any deposit, receivables, claims against any vendor or advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, hire purchase contracts, lending contracts, rights and benefits under any agreement, benefits of any security arrangements or under any guarantee, reversions, powers, tenancies in relation to the office and / or residential properties for the employees or other persons, vehicles, guest houses, godowns, share of any joint assets and other facilities;
- v. all rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other



For ADOR FONTECH LIMITED

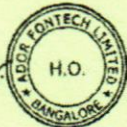
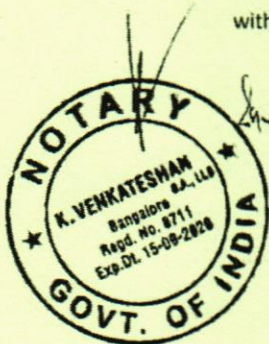
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Company Secretary



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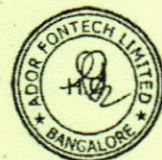
Interests held in trusts, registrations, contracts, engagements, arrangement of all kinds, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favor of or enjoyed by the Transferor Company or in connection with or relating to the said Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favor of or held for the benefit of or enjoyed by the Transferor Company;

- vi. all permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions, accumulated tax losses, unabsorbed depreciation, minimum alternate tax credits, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto including licenses, powers and facilities of every kind, nature and description, whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
- vii. all licenses (including but not limited to licenses granted by any government, statutory or regulatory bodies for the purpose of carrying on the business or in connection therewith), approvals, authorizations, permissions including municipal permissions, consents, registrations including import registrations, certifications, no objection certificates, quotas including import quotas, rights, permits including import permits, exemptions, subsidies, tax deferrals, credits (including Cenvat Credits, sales tax credits, Good and Service Tax credits and income tax credits), privileges, advantages and all other rights and facilities of every kind, nature and description, whatsoever, of the Transferor Company;
- viii. all agreements, contracts, arrangements, understandings, engagements, deeds and instruments including lease / license agreements, tenancy rights, equipment purchase agreements, master service agreements, loan license agreements, third party manufacturing agreements and other agreements with the customers, purchase and other agreements / contracts with the



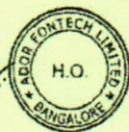
For ADOR FONTECH LIMITED

Shreeta
Company Secretary



supplier / manufacturer of goods / service providers and all rights, title, interests, claims and benefits there under of the Transferor Company;

- ix. all application monies, advance monies, earnest monies and / or security deposits paid or deemed to have been paid and payments against other entitlements of the Transferor Company;
- x. all debts, borrowings, obligations, duties and liabilities, both present and future, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any kind, nature or description, whether fixed, contingent or absolute, asserted or un-asserted, matured or un-matured, liquidated or un-liquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability) pertaining to the Transferor Company;
- xi. all intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, goodwill, domain names, including applications for trademarks, trade names, service marks, copyrights, patents, designs and domain names, used by or held for use by the Transferor Company, whether or not recorded in the books of accounts of the Transferor Company, and other intellectual rights of any nature, whatsoever (including applications for registrations of the same and the right to use such intellectual property rights), books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the business activities and operations of the Transferor Company, whether used or held for use by it; and



For ADOR FONTECH LIMITED
[Signature]
 Company Secretary



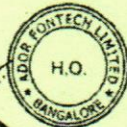
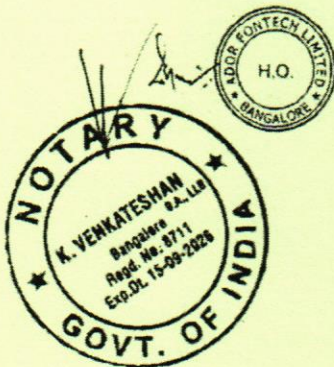
xii. any and all permanent employees, who are on the payroll of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the Transferor Company, at its respective offices, or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company.

2. In this Scheme, unless the context otherwise requires:

- a) Words denoting the singular shall include the plural and vice versa;
- b) Headings and bold typefaces are only for convenience and shall be ignored for the purpose of interpretation;
- c) Reference to the word "include" or "including" shall be construed without limitation;
- d) A reference to a clause, section or part is, unless indicated to the contrary, a reference to a clause, section or part of this Scheme;
- e) Unless otherwise defined, the reference to the word "days" shall mean calendar days;
- f) Reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- g) Word(s) and expression(s) elsewhere defined in the Scheme shall have the meaning(s) respectively ascribed to them; and
- h) All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other Applicable Laws.

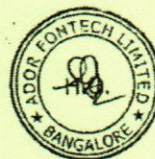
3. **DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or in terms of this Scheme shall take effect from the Appointed Date but shall be operative from the Effective Date.



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



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4. SHARE CAPITAL OF PARTIES

4.1. The share capital of Transferor Company as on 31st March 2022, is as follows:

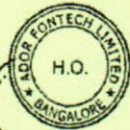
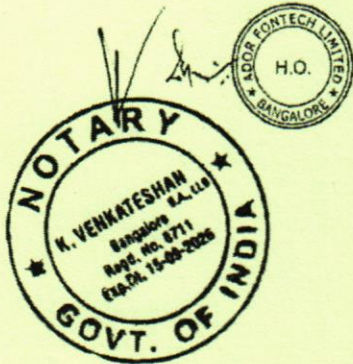
Particulars	Amount (INR)
Authorized Capital	
5,00,00,000 Equity Shares of Rs. 2 each	10,00,00,000
Total	10,00,00,000
Issued, Subscribed & Paid-up Capital	
3,50,00,000 Equity Shares of Rs. 2 each	7,00,00,000
Total	7,00,00,000

Subsequent to 31st March 2022 and up to the date of approval of the Scheme by the Board of Directors of Transferor Company, there has been no change in the authorized, issued, subscribed and paid-up equity share capital of the Transferor Company. The equity shares of the Transferor Company are listed on BSE Limited.

4.2. The share capital of Transferee Company, as on 31st March 2022 is as follows:

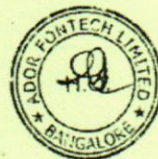
Particulars	Amount (INR)
Authorized Capital	
3,00,00,000 Equity Shares of Rs. 10 each	30,00,00,000
Total	30,00,00,000
Issued, Subscribed and Paid-up Capital	
1,35,98,467 Equity Shares of Rs. 10 each	13,59,84,670
Total	13,59,84,670

Subsequent to 31st March 2022 and up to the date of approval of the Scheme by the Board of Directors of the Transferee Company, there has been no change in the authorized, issued, subscribed and paid-up equity share capital of the Transferee Company. The equity shares of the Transferee Company are listed on BSE Limited and on NSE Limited.



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



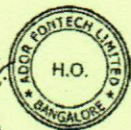
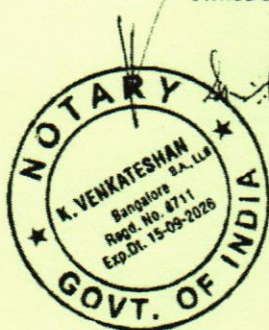
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PART - II

Amalgamation of Transferor Company with the Transferee Company

5. Transfer and Vesting of Undertaking

- 5.1. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all properties, assets, liabilities and Undertaking(s) of the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, under the provisions of Section 230 to 232 of the Act and all other applicable provisions, if any, of the Act and also in accordance with section 2(1B) of the IT Act, without any further deed or act, subject to existing charges or *lis pendens*, if any thereon, in favour of banks/financial institutions.
- 5.2. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all immovable properties of the Transferor Company, whether freehold or leasehold, and any documents of title, rights, agreements to sell / agreements of sale and easements in relation thereto, shall stand vested in the Transferee Company, without any act or deed done by the Transferee Company, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation / substitution of the title to such immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the NCLT and in accordance with the terms hereof. The Transferor Company shall take all steps, as may be necessary, to ensure that lawful, peaceful, and unencumbered possession, right, title, interest of its immovable property is given to the Transferee Company.
- 5.3. Notwithstanding anything contained in this Scheme, with respect to the immovable properties in the nature of land and buildings situated in India, whether owned or leased, for the purpose of, inter alia, payment of stamp duty, registration



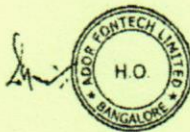
For ADOR FONTECH LIMITED

[Signature]
Company Secretary



fees or other similar taxes or fees, if the Transferee Company so decides, the Transferor Company and Transferee Company, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty, registration fees or other similar taxes or fees (if required under applicable law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme.

- 5.4. All lease and license agreements, if any, entered into by the Transferor Company with landlords, owners, and lessors in connection with the use of the assets of the Undertaking, together with security deposit, shall stand automatically transferred in favor of the Transferee Company on the same terms and conditions, subject to applicable law, without any further act, instruments, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent amounts, as provided for in such agreement and shall comply with the other terms, conditions, and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreement by the Transferor Company.
- 5.5. Without prejudice to the generality of the foregoing, with effect from the Appointed Date, it is expressly provided that in respect of such of the assets of the Transferor Company that are movable in nature and / or are otherwise capable of transfer by manual or constructive delivery and / or endorsement and delivery or novation, the same shall be deemed to have been so transferred by Transferor Company and shall become the property of the Transferee Company, in pursuance of the provisions of section 230 to 232 of the Act, without any further act, instrument, deed, matter or thing.
- 5.6. In respect of movables, other than those dealt with in Clause 5.5 above, including sundry debts, receivables, bills, credits, loans and advances, if any, whether



For ADOR FONTECH LIMITED

Jeelma
Company Secretary



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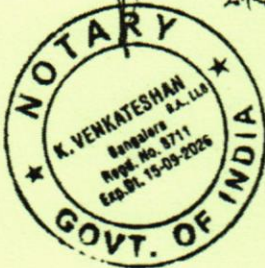

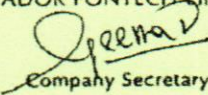

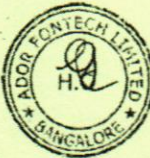

recoverable in cash or in kind or for value to be received, bank balances, property development rights, investments, earnest money and deposits with any Government, quasi Government, local or other authority or body or with any Company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company, without any notice or other intimation to the debtors (although the Transferee Company may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).

5.7. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all liabilities relating to and comprised in the Undertaking of Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description, whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations, shall, stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing.

5.8. The transfer and vesting, as aforesaid, shall be subject to subsisting charges, if any, in respect of any assets of the Transferor Company.

PROVIDED always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed by the Transferor Company and the Transferee Company shall not be obliged to create any further or additional security in relation to subsisting charges, if any, thereof after the date of approval of this Scheme by the NCLT or otherwise.

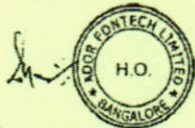
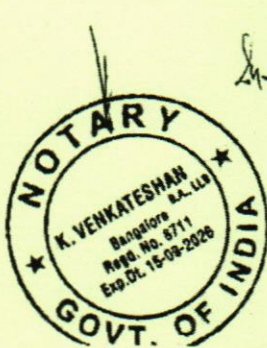
5.9. Upon the Scheme becoming effective, all staff, workmen and employees, as



For ADOR FONTECH LIMITED

Company Secretary




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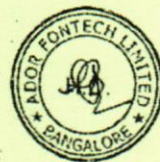
detailed under Clause 1.20(xii) above in relation to the Transferor Company, shall become the staff, workmen and employees of the Transferee Company, without any further act or deed to be done by the Transferor Company or the Transferee Company.

- 5.10. Upon approval of the Scheme by the Tribunal, the Transferee Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorized to execute any such writings, on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above, on part of the Transferor Company.
- 5.11. Pursuant to this Scheme becoming effective, the Transferee Company shall be entitled to secure the record of the change in the legal ownership upon the vesting of the assets of the Transferor Company in accordance with the provisions of Sections 230 to 232 of the Act. The Transferor Company and the Transferee Company shall be jointly and severally authorized to execute any writings and / or carry out any formalities or compliance in this regard.
- 5.12. All taxes, duties, cess payable by the Transferor Company including all or any refunds / credit / claims pertaining to the period prior to the Appointed Date shall be treated as the liability or refunds / credit / claims, as the case may be, of the Transferee Company.
- 5.13. All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, patents, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable



For ADOR FONTECH LIMITED

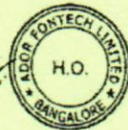
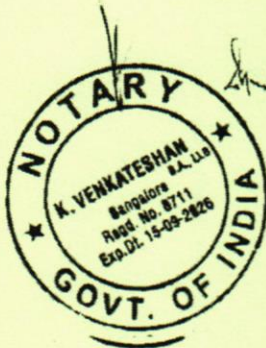
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Company Secretary



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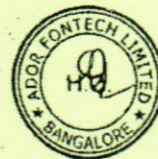
provisions of the Act, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company, so as to become, as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

- 5.14. All the Insurance policies registered in the name of the Transferor Company, which are active as on the date of approval of the Scheme by the Tribunal and which can be transferred/assigned shall, pursuant to the provisions of Section 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the benefit of the Transferee Company and accordingly, the insurance companies shall record the name of the Transferee Company in all the insurance policies registered in the name of the Transferor Company, so as to ensure that all the rights and privileges under all such policies available to the Transferor Company and / or to any other person/director/employee of such Transferor Company, whether in the capacity of the Policy Holder or Owner or Insured or the Beneficiary, as the case may be, be available to the benefit of the Transferee Company and / or to any other person/director/employee of the Transferee Company, as the case may be, on the same terms and conditions, as they were applicable to the Transferor Company concerned and upon such transfer/assignment, all such policies shall be effective in favour of the Transferee Company, as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. However, for the insurance policies, which do not permit such transfer/assignment, the Transferee Company may make fresh application(s) to the concerned authority/insurance Company(ies) on such terms and conditions, as may be prescribed. It is hereby clarified that all the costs and / or expenses and / or premiums, in relation to the transfer/assignment/of the



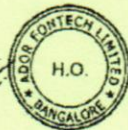
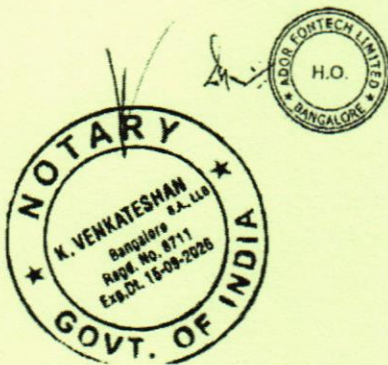
For ADOR FONTECH LIMITED

[Signature]
Company Secretary



insurance policies in the name of Transferor Company shall be borne by the Transferee Company and the Transferor Company shall have no further obligations in this regard.

- 5.15. All the brands and trademarks (including logo and right to use the trademarks) of the Transferor Company, including registered and unregistered trademarks, along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights, trademarks, and all such other industrial and intellectual property rights of whatsoever nature, shall stand transferred to and vest in and deemed to be transferred to and vested in the Transferee Company. The Transferee Company shall take such actions, as may be necessary and permissible to get the same transferred and / or registered in the name of the Transferee Company.
- 5.16. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all existing and future incentives, un-availed credits and expenditures, exemptions and deductions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including MAT credit under the IT Act), excise (including Modvat / Cenvat), customs, VAT, sales tax, service tax, GST including the IGST input tax credit, CGST input tax credit and SGST input tax credit for the registrations of the Transferor Company in all the states, to which the Transferor Company is entitled to, shall be available to and vest in the Transferee Company and deemed to be available to and vested in the Transferee Company.
- 5.17. The Transferee Company shall file relevant intimations, for the record of the statutory authorities signifying the transfer of the assets / properties including but not limited to permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions, and other authorizations of the Transferor Company.
- 5.18. It is hereby clarified that all assets and liabilities appearing in the books of account of the Transferor Company, as on the Appointed Date, which are set forth in the closing balance sheet of the Transferor Company, as of the opening of business



For ADOR FONTECH LIMITED

[Signature]
Company Secretary




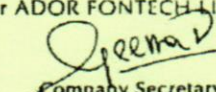
hours on the Appointed Date, shall be transferred to the Transferee Company.


- 5.19. The Transferee Company shall, under the provisions of the Scheme be deemed to be authorized to execute any such writings, on behalf of the Transferor Company, to implement and carry out all formalities and compliances, if required, referred to above.

6. LEGAL, TAXATION AND OTHER PROCEEDINGS

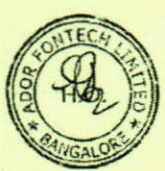
- 6.1. Upon coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or Tribunal or Court authorities, as the case be) by or against the Transferor Company, pending on the Effective Date, shall be continued and / or 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 the Transferee Company.
- 6.2. If any suit, appeal or other proceeding, of whatever nature, by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, in the same manner and to the same extent, as it would or might have been continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.
- 6.3. In case of any litigation, suits, recovery proceedings, which are to be initiated or may be intimated against the Transferor Company, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.


H.O.
ADOR FONTECH LIMITED
BANGALORE

For ADOR FONTECH LIMITED

Company Secretary


ADOR FONTECH LIMITED
FORT MUMBAI
400 001
INDIA & CORPORATE SERVICES


NOTARY
K. VENKATESHAN
Bangalore
Page No. 0711
Exp. Dt. 16-08-2025
GOVT. OF INDIA


ADOR FONTECH LIMITED
BANGALORE



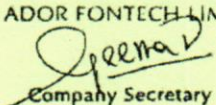




राष्ट्रीय कंपनी विधि अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
मुंबई -आयपीठ
MUMBAI BENCH

7. **CONTRACTS, DEEDS AND OTHER INSTRUMENTS**

- 7.1. Upon coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, agreements, incentives, benefits, exemptions, entitlements, arrangements, escrow arrangements and other instruments, of whatsoever nature, in relation to the Transferor Company, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be 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 Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.
- 7.2. The Transferee Company may, 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, confirmations or other writings, confirmations or novations or tripartite arrangements with any party to any contract or arrangements to which the Transferor Company is a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions.
- 7.3. On the Scheme becoming effective, such contracts / escrow arrangements / deeds / any other arrangements shall stand transferred to or deemed to be transferred to the Transferee Company, without any further act or instrument or deed and further it shall not be necessary to obtain the consent of any third party or other person, who is party to any such contract / escrow arrangements / deeds / any other arrangements.

8. **CONDUCT OF BUSINESS UNTIL AND AFTER EFFECTIVE DATE**

- 8.1. With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall carry on and be deemed to have carried on its business and activities and shall be deemed to have held and stood possessed of and shall

For ADOR FONTECH LIMITED
Company Secretary

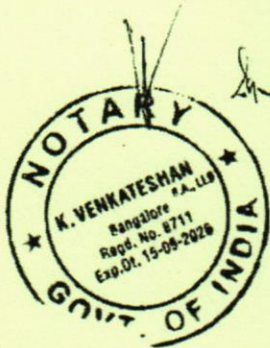
hold and stand possessed of its entire business for and on account of and in trust for the Transferee Company;

- i. All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred by the Transferor Company shall, for all purposes, be treated and deemed to be the profits or income or expenditure or losses (as the case may be) of the Transferee Company; and
- ii. The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business, without the prior consent of the Transferee Company.
- iii. The Transferee Company shall carry on their business and activities with reasonable diligence and business prudence and shall not venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business, without the prior consent of the Transferee Company.

8.2. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned, as are necessary under any law for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor Company.

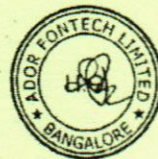
8.3. For the avoidance of any doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified as follows:

8.3.1. With effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment, which are in the name of the



For ADOR FONTECH LIMITED

Jeena
Company Secretary

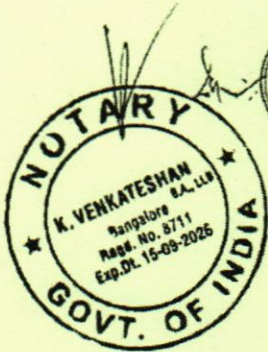


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Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, till the time any regulatory registrations of the Transferor Company are closed / suspended and regulatory filings are required to be done on such registrations, the Transferee Company shall be entitled to do so to comply with the relevant regulations.

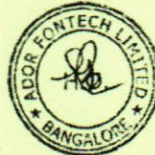
8.3.2. With effect from the Effective Date, the Transferee Company shall be entitled to use all packed / labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, brochures, other publicity material, etc. lying unused with the Transferor Company or their vendors, suppliers or third party or in their supply chain or distribution channel and which the Transferor Company is entitled to use under any statutes/ regulations, till such time as all of such stock is exhausted, without making any amendment on those goods or materials.

8.3.3. With a view to avoid any disruption of business, to ensure continuity of operations and exports and to maintain the same quality of products, with effect from the Effective Date and till such time all critical licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of Transferor Company are transferred, recorded, effected and / or perfected, in the record of the relevant governmental / regulatory authorities in all applicable jurisdictions in favour of Transferee Company, the Transferee Company shall carry on and be deemed to have been carrying on all the business and activities of the Transferor Company in the name and style of the Transferor Company and under the relevant licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of the Transferor Company. Further, during such period, the Transferee Company can procure or use or manufacture, all material and product including packed / labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, brochures, other publicity material, etc. in the name and form/format of



For ADOR FONTECH LIMITED

Greena D
Company Secretary



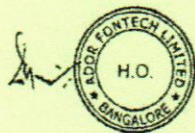
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the Transferor Company.

9. STAFF, WORKMEN AND EMPLOYEES

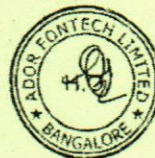
9.1. Upon the coming into effect of this Scheme, all staff, workmen and employees, who are on the payroll of the Transferor Company shall become the staff, workmen and employees of the Transferee Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees of the Transferor Company shall become employees/personnel on contract basis, contract labourers and inters/trainees, as the case may be of the Transferee Company with effect from the Effective Date, on such terms and conditions as are not less favorable than those on which they are currently engaged by the Transferor Company, without any interruption of service, as a result of this Scheme. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, upon this Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes, whatsoever, including with regard to the obligation to make contributions to relevant authorities, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company, for such purpose, shall be treated as having been continuous.

9.2. The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme (including without limitation any employees stock option plan) or benefits created by the Transferor Company for its employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company or as may be created by the



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



Transferee Company for such purpose. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Transferee Company to the existing funds maintained by the Transferor Company.

9.3. The Transferee Company undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Transferor Company, the past services of such employees with the Transferor Company shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Transferor Company will transfer/handover to the Transferee Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its staff, workmen and employees and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities, relating to benefits transferred pursuant to this sub-clause.

9.4. The Transferee Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Transferor Company with any of its employees prior to Appointed Date and from Appointed Date till the Effective Date.

10. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the Undertaking under Clause 5 above, and the continuation of proceedings by or against the Transferee Company in Clause 6 above shall not affect any transactions or proceedings already concluded or liabilities incurred, or any liabilities discharged by the Transferor Company, on or after the Appointed Date till the Effective Date, to the end and intent that the



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



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Transferee Company shall accept and adopt all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

11. INTER-SE TRANSACTIONS

- 11.1. Without prejudice to the aforesaid Clauses, with effect from the Appointed date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date and on the coming into effect of this Scheme, the same shall stand cancelled without any further act, instrument, or deed.
- 11.2. Further, it is clarified that the above clause has no impact, whatsoever, on any taxes in the form of income-tax, goods and service tax, service tax, works contract tax, value added tax etc. paid on account of such transactions. The taxes paid shall be deemed to have been paid by or on behalf of the Transferee Company and on its own account and therefore, the Transferee Company will be eligible to claim the credit / refund of the same and is also entitled to revise returns, as may be necessary, to give effect to the same.

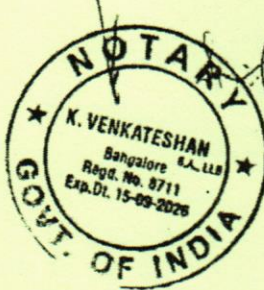
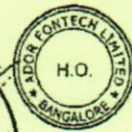



12. CONSIDERATION

- 12.1. Upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company in the Transferee Company pursuant to Part II of this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot equity shares ("New Shares"), on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members, as member of the Transferor Company, as on the Record Date, as follows:

"5 (Five) equity shares of AWL having a face value of INR 10/- each fully paid-up shall be issued for every 46 (Forty-six) equity shares held in ADFL having a face

For ADOR FONTECH LIMITED

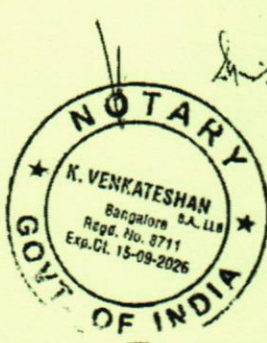
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Company Secretary

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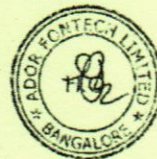
value of INR 2/- each fully paid-up”

- 12.2. The equity shares to be issued and allotted pursuant to amalgamation of the Transferor Company with the Transferee Company, under this Scheme, shall be subject to the provisions of the Memorandum of Association and Articles of Association of Transferee Company and shall rank pari passu in all respects with any existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the shares of the Transferee Company.
- 12.3. The issue and allotment of the shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, as may be applicable, were duly complied with. It is clarified that the approval of the members of the Transferee Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of shares of the Transferee Company.
- 12.4. The New Shares to be issued by the Transferee Company shall be issued in dematerialized form to those members of the Transferor Company, as on the Record Date, who hold shares of the Transferor Company in dematerialized form, into the account in which shares of the Transferor Company are held or such other account, as is intimated in writing by the members of the Transferor Company and/or its registrar, provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. All those members, as on the Record Date, who hold shares of the Transferor Company in physical form shall also receive the New Shares to be issued by the Transferee Company, in dematerialized form, provided the details of their account with the depository participant are intimated in writing to the Transferor Company and/or its registrar, provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. If no



For ADOR FONTECH LIMITED

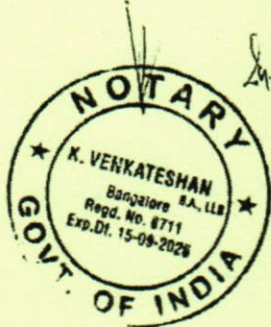
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Company Secretary



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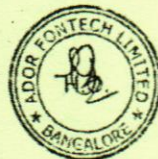
such intimation is received from any member who holds shares of the Transferor Company in physical form 7 (seven) days before the Record Date, or if the details furnished by any member do not permit electronic credit of the shares of the Transferee Company, then the Transferee Company shall deal with the relevant equity shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding shares in dematerialized form to a trustee nominated by the Board of the Transferee Company ("Trustee of Transferee Company") who shall hold these equity shares in trust for the benefit of such shareholder. The equity shares of the Transferee Company held by the Trustee of the Transferee Company for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trustee of the Transferee Company, along with such other documents as may be required by the Trustee of the Transferee Company. The respective shareholders shall have all the rights of the shareholders of the Transferee Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of equity shares from the Trustee of the Transferee Company.

12.5. For the purpose of allotment of the shares, pursuant to this Scheme, in case any shareholder holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee (nominated by the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders, to whom they belong, for the specific purpose of selling such shares in the market at such price or prices within 90 days from the date of allotment of shares and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from



For ADOR FONTECH LIMITED

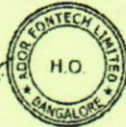
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Company Secretary



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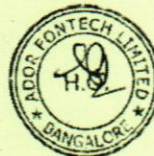
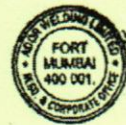
such net proceeds shall be rounded off to the next Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements.

- 12.6. On approval of this Scheme by members of the Transferee Company pursuant to Sections 230-232 of the Act and / or relevant provisions of the Act, if applicable, it shall be deemed that the said members have also accorded their consent under Sections 13, 42, 61 and 62 of the Act and / or any other applicable provisions of the Act and rules and regulations framed thereunder, as may be applicable for the aforesaid issuance of shares of the Transferee Company, and no further resolution or actions shall be required to be undertaken by the Transferee Company under Sections 13, 42, 61 or 62 of the Act or any other applicable provisions of the Act and rules and regulations framed thereunder.
- 12.7. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer, as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company, after the effectiveness of this Scheme.
- 12.8. The shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company, which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance.
- 12.9. The shares to be issued by the Transferee Company, in lieu of the shares of the Transferor Company held in the respective unclaimed suspense account of the Transferor Company shall be issued to a new unclaimed suspense account created for shareholders of the Transferor Company.
- 12.10. In the event, any or both the Parties restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme,



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



the share exchange ratio, stated in Clause 12.1 above, shall be adjusted accordingly, to consider the effect of any such corporate actions undertaken by such Party.

12.11. If necessary, the Transferee Company shall, before allotment of the equity shares in term of the Scheme, increase, reclassify, and / or restructure its authorized share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.

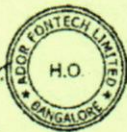
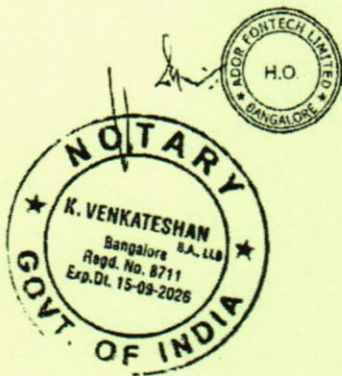
12.12. The Transferee Company shall apply for listing of New Shares allotted by Transferee Company on the Stock Exchange in terms of and in compliance of SEBI Circular and other relevant provisions, as may be applicable. The New Shares allotted by the Transferee Company, pursuant to the Scheme, shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchange.

12.13. The Transferee Company shall enter into such arrangements and give such confirmations and / or undertakings, as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchange and SEBI Circular.

13. ACCOUNTING TREATMENT

Upon the Scheme becoming effective and with effect from the Appointed Date, the amalgamation of the Transferor Company, with the Transferee Company shall be accounted for in accordance with "Pooling of Interest Method" in accordance with the principles laid down in Appendix C (i.e. Business Combinations under Common Control) of the Indian Accounting Standard (Ind AS) 103-"Business Combination" notified under Section 133 of the Act read with the applicable rules issued thereunder and as amended from time to time such that:

13.1. The Transferee Company shall record all the assets and liabilities of the Transferor Company vested in it pursuant to this Scheme, at the respective book values as



For ADOR FONTECH LIMITED

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Company Secretary



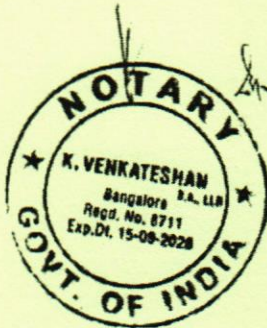
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appearing in the books of the Transferor Company.

- 13.2. The identity of the reserves of the Transferor Company shall be preserved and shall appear in the financial statements of the Transferee Company in the same form and at the same values as they appear in the financial statements of the Transferor Company.
- 13.3. Pursuant to the amalgamation of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company, if any, shall stand cancelled.
- 13.4. The nominal value of New Shares issued by the Transferee Company pursuant to clause 12.1 above shall be credited to the share capital account of the Transferee Company.
- 13.5. The surplus/deficit, if any arising after taking the effect of clause 13.1, 13.2 and 13.4 after giving the effect of the adjustments referred to in clause 13.3, shall be transferred to capital reserve in the financial statements of the Transferee Company.
- 13.6. In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies and impact of difference, if any, will be adjusted against retained earnings of the Transferee Company.
- 13.7. The financial information in the financial statements of the Transferee Company in respect of prior periods would be restated as if the aforesaid business combination had occurred from the beginning of the earliest period presented in the financial statements, irrespective of the actual date of the combination.

14. **COMPLIANCE WITH TAX LAWS**

- 14.1. This Scheme has been drawn up to comply with the conditions relating to "Amalgamation", as specified under Section 2(1B) of the IT Act and other relevant provisions 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



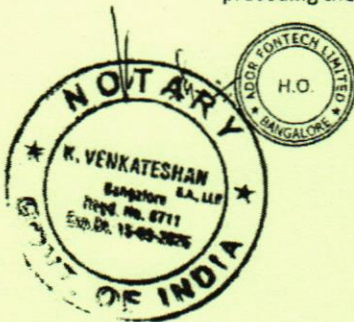
For ADOR FONTECH LIMITED

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Company Secretary



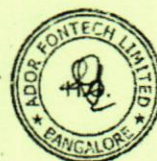
including resulting from a retrospective amendment of law or for any other reason, whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act and other relevant provisions of the IT Act.

- 14.2. On or after the Effective Date, the Transferee Company is expressly permitted to revise, its financial statements and returns along with prescribed forms, filings and annexures under the IT Act (including for the purpose of re-computing minimum alternative tax, and claiming other tax benefits), Service Tax law, VAT law, Goods and Service Tax law and other tax laws, and to claim refunds and / or credits for taxes paid (including tax on book profits, MAT credit and foreign tax credit) and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme as per relevant applicable laws.
- 14.3. All tax assessment, reassessment and recomputation proceedings / appeals (including application and proceedings in relation to advance ruling) of whatsoever nature by or against the Transferor Company pending and / or arising at on the Appointed Date and relating to the Transferor Company shall be continued and / or enforced until the Effective Date, by the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued and enforced by or against the Transferor Company.
- 14.4. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 14.5. Any tax liabilities including but not limited to liabilities under the IT Act, Tax Treaties, Customs Act 1962, Service Tax laws, VAT laws, Goods and Service Tax laws or other applicable laws / regulations dealing with taxes / duties / levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provisions in the accounts made as on the date immediately preceding the Appointed Date, shall be transferred to the Transferee Company.



For ADOR FONTECH LIMITED

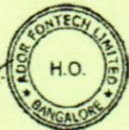
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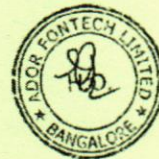


- 14.6. Any refund including but not limited to refund under the IT Act, foreign tax laws, Customs Act 1962, Service Tax laws, VAT laws, Goods and Service Tax laws or other applicable laws / regulations dealing with taxes / duties / levies allocable or related to the business of the Transferor Company, due to the Transferor Company, consequent to the assessment made on the Transferor Company 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.
- 14.7. All taxes including income-tax, minimum alternate tax, foreign taxes, custom duty, service tax, goods and service tax, etc. paid or payable by the Transferor Company in respect of their operations and / or on the profits of the business before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, income-tax, minimum alternate tax, custom duty, service tax, goods and service tax, etc.), whether by way of deduction of tax at source, advance tax or otherwise, howsoever, by the Transferor Company in respect of their profits or activities or operation of the business 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 Company / Transferee Company on payables to the Transferee Company / Transferor Company, on account of inter-se transactions, which have 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. Further, any goods and service tax paid by the Transferor Company / Transferee Company to the Transferee Company / Transferor Company, on account of inter-se transactions, which have been deemed not to be accrued, shall be deemed to have been paid by or on behalf of the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 14.8. All deductions, otherwise admissible to the Transferor Company including payment admissible on actual payment or on deduction of appropriate taxes or on



For ADOR FONTECH LIMITED

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Company Secretary



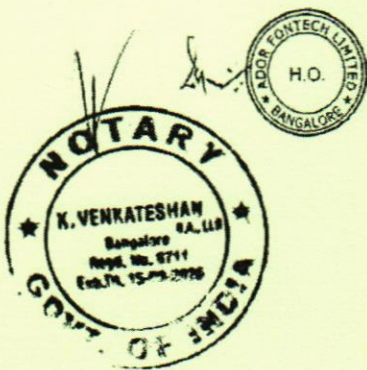
payment or tax deducted at source (such as u/s 40, 40A, 43B, etc. of the Income Tax Act, 1961), shall be available for deduction to the Transferee Company, as it would have been available to the Transferor Company.

14.9. After the Appointed Date, obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company including but not limited to obligation under the IT Act, customs law, goods and service tax law or other applicable laws / regulations dealing with taxes / duties / levies, shall be made or deemed to have been made and duly complied with by the Transferee Company.

Without prejudice to the generality of the above, all benefits, incentives, losses, credit for tax including on book profits, accumulated losses, credits (including, without limitation income tax, excise duty, service tax, applicable state value added tax, Cenvat Credit, goods and service tax credit, etc.) to which the Transferor Company is entitled to, in terms of applicable laws, shall be available to and vest in the Transferee Company on and after the Appointed Date, even if such credits have not been availed off in the books as on the date of transfer. Also, the Transferee Company will be entitled to avail Cenvat Credit / Goods and Service Tax Credit after the Appointed Date in respect of all duties / taxes where the documents are in the name of the Transferor Company. Further, licenses issued to the Transferor Company by any regulatory authorities, if any, and all benefits and tax credits, if any, associated with it shall stand transferred to the Transferee Company, upon the Scheme becoming effective.

15. DISSOLUTION OF THE TRANSFEROR COMPANY WITHOUT WINDING UP

Subject to an order being made by / under Section 230 to 232 of the Act, the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective, in accordance with the provision of the Act and the Rules made hereunder.



For ADOR FONTECH LIMITED

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Company Secretary



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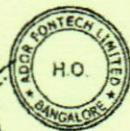
16. COMBINATION OF AUTHORISED SHARE CAPITAL

16.1. Upon the Scheme becoming effective, the Authorised Share Capital of the Transferor Company shall stand transferred, re-organised, credited and merged with that of the Transferee Company with payment of additional fees and stamp duty, if any, after setoff of the fees and stamp duty already paid by the Transferor Company and the Authorised Share Capital of the Transferee Company will be increased to that effect, by just filing requisite forms and no separate procedure shall be followed under the Act. Consequently, the Memorandum of Association of the Transferee Company, shall, without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and other applicable provisions of the Act.

16.2. Accordingly, the words and figures in Clause 5 of the Memorandum of Association of the Transferee Company shall stand modified and be substituted to read as follows:

"The authorized share capital of the company is Rs.40,00,00,000/- (Forty Crores only) divided into 4,00,00,000 (Four Crores only) equity shares of Rs.10 (Rupees Ten) each with power to the Company to increase or reduce the capital of the Company and to divide the share capital for the time being into several classes and to attach thereto, respectively, such preferential, deterred, qualified or special rights, privileges or conditions, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Companies Act, 2013, or any statutory modification or re-enactment thereof for the time being in force or as provided by the Articles of Association of the Company"

16.3. The approval of this Scheme under Sections 230 to 232 of the Companies Act, 2013 shall be deemed to have the approval under Section 13, 61 and other applicable provisions of the Companies Act, 2013, and any other approvals required in this regard. It is clarified that the approval of the members of the Transferee Company



For ADOR FONTECH LIMITED

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Company Secretary



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to the Scheme shall be deemed to be their approval also to the alteration to the Memorandum of Association of the Transferee Company, as may be required under the Act.

PART - III

GENERAL CLAUSES, TERMS AND CONDITIONS

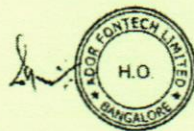
17. DIVIDENDS

17.1. The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends to their respective shareholders in respect of the accounting period commencing from and after Appointed Date and up to the Effective Date. The dividend, if any, shall be declared by the Transferor Company only with the prior written consent of the Board of Directors of the Transferee Company.

17.2. It is clarified that the provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholders of the Transferor Company and / or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company, subject to such approval of the shareholders, as may be required.

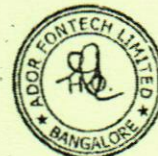
18. VALIDITY OF RESOLUTIONS

Upon the coming into effect of the Scheme, the resolutions passed by the Board of Directors and / or shareholders of the Transferor Company, as are considered necessary by the Board of Directors of the Transferee Company and which are valid and subsisting shall continue to be valid and subsisting and be considered as the resolutions of the Transferee Company and if any such resolutions have monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



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Directors of the Transferee Company, shall be added to the limits, if any, under like resolutions passed by the Board of Directors and / or the shareholders of the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

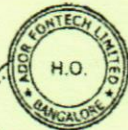
19. APPLICATIONS TO THE NCLT

The Transferor Company shall make applications to the NCLT, Bengaluru Bench and the Transferee Company shall make applications to the NCLT, Mumbai Bench, since the registered office of Transferor Company is situated in Bengaluru and Transferee Company is situated in Mumbai, for sanctioning this Scheme under Sections 230-232 of the Act, for orders thereof, for carrying this Scheme into effect.

20. MODIFICATIONS/AMENDMENTS TO THE SCHEME

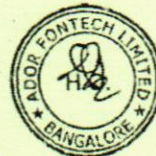
20.1. Subject to approval of NCLT, the Parties through their respective Board of Directors including any Committee of Directors or other persons, duly authorised by the Board of Directors in this regard, may make, or assent to, any alteration or modification to this Scheme or to any conditions or limitations or orders, which the NCLT or any other Competent Authority may deem fit to direct, approve or impose and may give such directions, as they may consider necessary, to settle any doubt, question or difficulty, arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do and to execute all such acts, deeds, matters and things necessary for putting this Scheme into effect, or to review the portion relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permitted under law) for bringing this Scheme into effect. The shareholders approving the Scheme, shall be deemed to have given their consent to the proposed modification to the Scheme, without any further recourse to them.

20.2. If any part or provision of this Scheme is found to be unworkable for any reason,



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



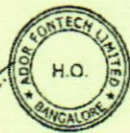
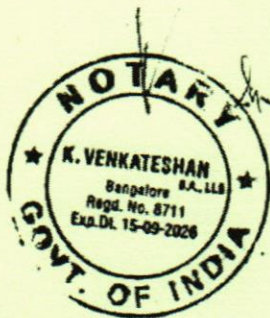
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whatsoever, the same shall not, subject to the decision of the Board of Directors of the Transferor Company and the Transferee Company, affect the validity of implementation of the other parts and / or provisions of the Scheme. If any part or provision of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company, that such part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part or provision, as the case may be, shall cause this Scheme to become materially adverse to the Transferor Company and / or to the Transferee Company, in which case the Transferor Company and / or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and / or the Transferee Company, the benefits and obligations of the Scheme, including but not limited to such part or provision.

21. SCHEME CONDITIONAL ON APPROVALS /SANCTIONS

21.1. The Scheme is conditional upon and subject to:

- i. Approval of Appropriate Authorities and receipt of 'No Objection letter' from Stock Exchanges, where such approval or consent is necessary;
- ii. the approval of the Scheme by the requisite majority of the respective creditors and such class of persons of the Transferor Company and Transferee Company, as required in terms of the applicable provisions of the relevant Act as well as any requirements that may be stipulated by the Appropriate Authority in this respect;
- iii. the approval of the shareholders of Transferor Company and Transferee Company, through e-voting and / or other mode, as may be required under any applicable law and the SEBI Circular. The scheme is conditional upon Scheme being approved by the public shareholders through e-voting in terms of Para 10(a) of Part I of SEBI Master Circular No.



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



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SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23rd November 2021 and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

- iv. sanction of the Appropriate Authority, being obtained under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act, if so required on behalf of the Transferor Company and the Transferee Company;
- v. the necessary certified copies of the order under Sections 230 to 232 of the Act, and other applicable provisions of the Act are duly filed with the Registrar of Companies; and
- vi. all other sanctions and approvals, as may be required by law in respect of this Scheme, being obtained.

22. **BINDING EFFECT**

Upon the Scheme becoming effective, the same shall be binding on the Transferor Company, the Transferee Company, Governmental Authorities and all concerned parties, without any further act, deed, matter or thing.

23. **COSTS**

All costs, charges, levies and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of the Transferor Company and Transferee Company, respectively in relation to or in connection with or incidental to this Scheme or the implementation thereof shall be borne and paid for by the Transferor Company and Transferee Company respectively, unless otherwise determined by the Boards of Directors of the Transferor Company and the Transferee Company.



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



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24. SEVERABILITY

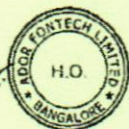
- 24.1. If any part of this Scheme is found to be unworkable for any reason, whatsoever, the same shall not, subject to the decision of the Transferor Company and / or the Transferee Company, affect the validity or implementation of the other parts and / or provisions of this Scheme.
- 24.2. In the event of any inconsistency between any of the terms and conditions of any earlier arrangement amongst the Transferor Company and the Transferee Company and their respective shareholders, and the terms and conditions of this Scheme, the latter shall prevail.

25. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Undertaking of the Transferor Company are transferred, vested, recorded, effected and / or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favor of the Transferee Company, such Transferee Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement, as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time, as may be mutually agreed by the relevant Parties, the Transferor Company will continue to hold the property and / or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of the Transferee Company.

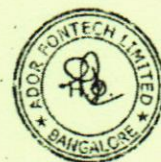
26. REMOVAL OF DIFFICULTIES

The Transferor Company and the Transferee Company through mutual consent and acting through their respective Boards, jointly and as mutually agreed in writing, may



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



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give such directions (acting jointly) and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions, arising under this Scheme, whether by reason of any orders of NCLT or of any directive or orders of any Appropriate Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and / or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner, whatsoever, connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those, to the extent permissible under Applicable Law; and do all such acts, deeds and things, as may be necessary, desirable or expedient for carrying the Scheme into effect.

27. EFFECT OF NON-RECEIPT OF APPROVALS

27.1. In the event if / of, any of the said sanctions and approvals referred to in Clause 21 not being obtained and / or the Scheme not being sanctioned by the NCLT or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto, as is contemplated hereunder or as to any rights and / or liabilities, which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out, as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Upon the termination of this Scheme, as set out in above clause, no rights and liabilities shall accrue to or be incurred by respective Parties or their shareholders or creditors or employees or any other persons. In such case, each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.

27.2. The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect, if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity, post the amalgamation.



For ADOR FONTECH LIMITED

[Signature]
Company Secretary
K. VENKATESHAN, B.A., LL.B.
ADVOCATE & NOTARY
GOVERNMENT OF INDIA
#3, Sri Ganesh Nilayam, Ground Floor,
1st Cross, DH Mill Road, Opp. Railway Bar
Kammanahalli, Bangalore - 560053.
M.No: 9846776570



Certified True Copy

Date of Application 22/8/2024

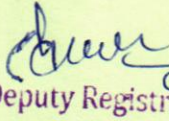
Number of Pages 42

Fee Paid Rs. 210/-

Applicant called for collection copy on 03/9/2024

Copy prepared on 03/09/2024

Copy issued on 03/9/2024


03/09/2024

Deputy Registrar

National Company Law Tribunal, Mumbai Bench

