

KPL/2019-20/BSE  
13/11/2019



**KOTHARI  
PRODUCTS LIMITED**

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| Bombay Stock Exchange Ltd.<br>1 <sup>st</sup> floor New Trading Ring<br>Rotunda Building<br>P.J.Towers<br>Dalal Street, Fort<br><b>MUMBAI – 400 001</b><br>Scrip Code : 530299 | National Stock Exchange of India Ltd.<br>Exchange Plaza, 5 <sup>th</sup> floor<br>Plot No., C/1 G Block<br>Bandra Kurla Complex<br>Bandra (E)<br>MUMBAI – 400 051<br>Scrip Code : KOTHARIPRO |
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Sub : OUTCOME OF THE BOARD MEETING

Dear Sir,

Pursuant to regulation 30 of the SEBI (LODR) Regulations 2015 we wish to inform you that the Board of Directors of the Company at its meeting held today, has approved the scheme of Amalgamation of M/s. Adyashakti Realtors Ltd. (a 100% subsidiary of the Company having its registered office at – 7 Chittaranjan Avenue, Kolkata) with the Company.

Further, we are attaching herewith a copy of the aforesaid scheme for your record. Please place the aforesaid scheme on your web-site for the information of all the concerned.

Thanking you,

Yours faithfully,

for KOTHARI PRODUCTS LTD.



(RAJ KUMAR GUPTA)

CS & COMPLIANCE OFFICER

FCS – 3281

Address :

“Pan Parag House

24/19, The Mall,

Kanpur

Admin Off : C/62, Vibgyor Towers, 9th Floor, Opp. Trident, Next to Citi Bank, Bandra Kurla Complex, Bandra (E), Mumbai - 400 098.  
Tel.: 022-4311 9000 • Fax : 022-43119090 • E-mail : mumbaioffice@kothariproducts.in • GSTIN No. 27AAACK5571F1ZK

Head Off : 24/19, The Mall, Kanpur - 208001 U. P. Tel.: 91-512-2312171-74 • Fax : 91-512-2312058 • Website : www.kothariproducts.in  
Corporate Identity No. : L16008UP1983PLC006254

**SCHEME OF AMALGAMATION**  
**BETWEEN**  
**ADYASHAKTI REALTORS LIMITED**  
**(TRANSFEROR COMPANY)**  
**AND**  
**KOTHARI PRODUCTS LIMITED**  
**(TRANSFeree COMPANY)**  
**AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**  
**FOR AMALGAMATION**  
**OF**  
**ADYASHAKTI REALTORS LIMITED**  
**(TRANSFEROR COMPANY)**  
**WITH**  
**KOTHARI PRODUCTS LIMITED**  
**(TRANSFeree COMPANY)**  
**UNDER SECTION 233 OF THE COMPANIES ACT, 2013 READ**  
**WITH RULE 25 OF COMPANIES (COMPROMISES,**  
**ARRANGEMENTS AND AMALGAMATION) RULES, 2016**

**Parts of the Scheme:**

- 1. Part I:** This part of the Scheme contains Definitions, Capital Structure of the Transferee Company and Transferor Company.

2. **Part II:** This part of Scheme deals with Amalgamation of Transferor Company with Transferee Company in accordance with section 233 of the Companies Act, 2013.
3. **Part III:** This part of Scheme deals with the Accounting Methodology adopted for the Amalgamation.
4. **Part IV:** This part of Scheme contains other terms and conditions applicable to the Scheme.

## **PREAMBLE**

### **A. An Overview of Scheme of Amalgamation**

- This scheme of amalgamation is presented under the provisions of Section 233 of Companies Act, 2013 read with Rule 25 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016 under fast track route for amalgamation of Adyashakti Realtors Limited ('Transferor company' or 'Wholly Owned Subsidiary') with Kothari Products Limited ('Transferee company')
- The transferor company is wholly owned subsidiary of Transferee company hence, in consideration Transferee company will not issue any shares under the scheme of amalgamation. This existing holding of Transferee company in Transferor company will get cancelled pursuant to the scheme of amalgamation.
- In addition, this scheme of amalgamation also provides for various

other matters consequential or otherwise integrally connected therewith.

## **B. Background and Description of Companies**

- Adyashakti Realtors Limited or Transferor Company bearing CIN: U70101WB2007PLC118961 was incorporated on 25.09.2007 and having its registered office address at #7, Chittaranjan Avenue, Kolkata 700072. The company is in the Realty business. The Company was originally incorporated as a Private Limited Company and was converted into a public limited company w.e.f. 14.11.2018 pursuant to the special resolution passed by the members for the deletion of the word “private” from its name and adoption of new set of Articles of Association and is a wholly owned subsidiary of Transferee company. . .

The main objects of the transferor company are set out in the Memorandum of Association of the company.

- Kothari Products Limited or Transferee company bearing CIN: L16008UP1983PLC006254 is a public limited company incorporated on 17.09.1983 having its registered office address at “Pan Parag House”, 24/19, The Mall, Kanpur 208 001. The company is also engaged inter-alia in realty business and is a listed company having its shares listed on National Stock Exchange (“NSE”) and Bombay Stock Exchange (“BSE”).



### C. Objects and Rationale for Scheme

- The Transferor Company and the Transferee Company are engaged in the realty businesses. This Scheme seeks to consolidate their business interests under the Transferee Company. Adyashakti Realtors Limited is a wholly owned subsidiary of Kothari Products Limited. The objects and businesses of both the companies are also resembling. The amalgamation of the Transferor Company with the Transferee Company will provide several benefits such as creation of an integrated company thus reducing the number of legal entities, reducing the multiplicity of legal and regulatory compliances, reducing costs and increasing efficiency by way of common management and operations.
- There will be reduction of overheads and other expenses facilitating administrative convenience and ensure optimum utilization of available services and resources.
- There will be greater financial strength and flexibility for the combined entity which would result in maximising overall shareholders value and improve the economic and competitive position of the combined entity.
- The Scheme is in the interest of both the Companies and their respective shareholders and creditors.
- The other benefits of the proposed amalgamation include :

- a) Optimum and efficient utilization and rationalization of capital, resources, assets and facilities;
- b) Enhancement of competitive strengths including financial resources;
- c) Obtaining synergy benefits;
- d) Better management and focus on growing the businesses;
- e) Reduction of overheads, administrative, managerial and other expenditure;
- f) Simplify shareholding structure and reduce shareholding tiers.

**D.** In view of the above it is considered desirable and expedient to amalgamate the Transferor company with the Transferee company in accordance with this Scheme, pursuant to Section 233 of Companies Act, 2013.

**E.** The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, under Section 233 and other relevant provisions of the Companies Act 2013, shall take place with effect from the Appointed Date and shall be in compliance with Section 2(1B) of Income Tax Act, 1961.

### 3. DEFINITIONS:

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

- (i) **“THE TRANSFEROR COMPANY”** means **Adyashakti Realtors Limited**, a Company incorporated and registered under the provisions of the Companies Act, 1956 and having its registered office at at #7, Chittaranjan Avenue, Kolkata 700072 .
- (ii) **“THE TRANSFEREE COMPANY”** means **Kothari Products Limited** , a Listed Public Limited Company incorporated and registered under the provisions of the Companies Act, 1956 and having its registered office at “Pan Parag House”, 24/19, The Mall, Kanpur 208 001.
- (iii) **“THE SAID ACT” or “THE ACT”** means the Companies Act, 2013 and the rules and regulations made thereunder and will include any statutory modifications, amendments or re-enactments thereof).
- (iv) **“THE APPOINTED DATE”** means 1<sup>st</sup> day of April, 2019 or such other date as may be approved by the Central Government.
- (v) **“BSE”** shall mean BSE Limited.
- (vi) **“NSE”** shall mean National Stock Exchange of India Limited
- (vii) **“Central Government”** means the Government of India and vide

Notification No. S.O. 4090(E) dated 19<sup>th</sup> December 2016, Central Government has delegated powers vested in it under Section 233 of the Companies Act 2013 to the Regional Director, Ministry of Corporate Affairs having jurisdiction.

(viii) **"Tribunal"** means the Hon'ble National Company Law Tribunal formed under Companies Act, 2013.

(ix) **"THE EFFECTIVE DATE"** means the date on which the certified copy of the order(s) of the Regional Director under Section 233 of the Act sanctioning the Scheme, is filed with both the Registrars of Companies.

Any references in this Scheme to the words *"upon the Scheme becoming effective"* or *"effectiveness of this Scheme"* or *"date of coming into effect of the Scheme"* or *"Scheme coming into effect"* shall mean the effective date.

(x) **"Equity shares"** means the equity shares of the Transferor Company or Transferee company, as the case may be.

(xi) **"IT Act"** means the Income Tax Act, 1961 and any other statutory modifications, amendment, restatements or re-enactments thereof, from time to time and to the extent in force.

(xii) **"Law" or "Applicable Law"** includes all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies,

directions, directives and orders of any government, statutory authority, Tribunal, Board , Court of India or any other country or jurisdiction as applicable.

- (xiii) **'Listing Regulations'** means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any amendments, modification or any reenactment thereof.
- (xiv) **"Official Liquidator" or "OL"** means Official Liquidators having jurisdiction over the Transferor and Transferee Companies.
- (xv) **"Record Date"** means the date fixed by the Board of Directors or a committee thereof of the Transferor & Transferee Companies for the purpose of determining the members of Transferor and the Transferee Companies approving the scheme of Amalgamation.
- (xvi) **"Regional Director"** means the Regional Director (Northern Region), Ministry of Corporate Affairs at New Delhi, having jurisdiction over the Transferee Company.
- (xvii) **"UNDERTAKING"** shall mean all the businesses, assets and liabilities, of whatsoever nature and kind and wheresoever situate of the Transferor Company , on a going concern basis, and shall mean and include (without limitation):
  - a) All the assets and properties, movables and immovable, corporeal or incorporeal, present, future or contingent of whatsoever nature of the Transferor Company as on the

Appointed Date.

- b) Without prejudice to the generality of sub-clause (a) above, the undertaking shall include all the Transferor Company's properties, reserves, assets, products, including Ownership rights, leasehold rights, tenancy rights, investments of all kinds, allotments, approvals, consents, licenses, industrial and other licenses, registrations, contracts, engagements, arrangements of all kinds, benefits under the agreements/contracts, including rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever's situated, , permits, authorizations, quota rights, patents, trademarks, whether those applied for or to be applied for after the Appointed Date or registered designs, logos, copyrights and other intellectual properties, authorities, privileges, various exemptions, receivables, incentives and other intellectual properties, domain names, formulas, import quotas, fittings and fixtures, V-Sats, telephones, telex, facsimile and other communication facilities, datas, programmes, manuals, utilities, electricity and other services and equipments, vehicles, cash balances, reserves, security deposits, refunds, outstanding balances, stocks, investments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties,

easements, all other rights of every kind, nature and description whatsoever, interests, benefits, advantages, credits, entitlements and approvals belonging to or in the ownership or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company and all books of accounts, documents and records.

- c) all deposits, balances and other receivables with/ from the Government, quasi Government, local and other authorities and bodies, customers and other persons, earnest moneys and/or security deposits paid by the Transferor Company in connection with or relating to the Transferor Company ;
- d) all books (including books of accounts), documents, records, files, papers, process, information, records of standard operating procedures, computer programmes alongwith their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Transferor Company as on the Appointed Date (hereinafter referred to as "**the said Assets**").
- e) All the debts, liabilities, duties and obligations, present,

future or contingent of whatsoever nature of the Transferor Company as on the Appointed Date and as appearing in the books of account of the Transferor Company (hereinafter referred to as "**the said Liabilities**").

- (xviii) "**THE SCHEME**" means this Scheme of Amalgamation in its present form with any modification(s) approved or imposed or directed by the Central Government.
- (xix) "**Board of Directors**" or "**Board**" shall mean in relation to the Transferor Company and the Transferee Company, as applicable, the board of directors of such company and shall include any committee which has been duly authorised and constituted for the purposes of the Scheme and/or any matters pertaining to the same;
- (xx) "**Registrar of Companies**" or "**ROC**" means the Registrar of Companies of West Bengal and Registrar of Companies, Uttar Pradesh as the case may be.
- (xxi) "**Rules**" mean the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- (xxii) "**Stock Exchanges**" shall mean BSE Limited (BSE) and/or National stock Exchange (NSE).



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

The Scheme set out herein in its present form or with any modification(s), if any made as per Clause 3 and 4 of Part IV of this Scheme shall be effective from the appointed Date but shall come into force from the Effective Date.

#### 5. CAPITAL STRUCTURE:

The Capital structure of Transferee Company and Transferor Company as on appointed date i.e. 01<sup>st</sup> April 2019 and immediately before implementation of the scheme are as under:

##### 5.2. TRANSFEROR COMPANY

As on the appointed date i.e. 1<sup>st</sup> April 2019, the share capital of the Transferor Company was as under:

| <b>Particulars</b>                                  | <b>Amount<br/>( In INR)</b> |
|---|-----------------------------|
| <b>Authorized Share Capital</b>                     |                             |
| 500,000 Equity shares of Rs.10/- each               | 50,00,000/-                 |
| <b>Issued, Subscribed and Paid Up Share Capital</b> |                             |
| 10,000 Equity shares of Rs.10/- each fully paid up  | 1,00,000/-                  |

There is no change in the capital structure of the Transferor Company after the appointed date.

##### 5.2. TRANSFEE COMPANY

As on the appointed date i.e. 1<sup>st</sup> April 2019, the share capital of the Transferee Company was as under:

| Particulars  | Amount<br>(in INR) |
|--|--------------------|
| <b>Authorized Share Capital</b><br><br>3,10,00,000 Equity shares of Rs. 10/- each                                    | Rs 31,00,00,000/-  |
| <b>Issued, Subscribed and Paid up Share Capital</b><br><br>2,98,43,865 Equity shares of Rs. 10/- each fully paid up. | Rs. 29,84,38,650/- |

There is no change in the capital structure of the Transferee company after the appointed date.

## PART – II

### AMALGAMATION, TRANSFER & VESTING OF UNDERTAKING

1. Upon the coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme, the Undertaking(s), Properties and Liabilities of Adyashakti Realtors Ltd. i.e. the Transferor Company shall vest in and be transferred to Kothari Products Ltd., i.e. the Transferee Company pursuant to the provisions of Section 233 of the Act read with all other applicable provisions of the Act, and pursuant to the orders of the Regional Director, Northern Region or

other appropriate authority or forum, if any, sanctioning the scheme, without any further act, instrument, deed matter or thing, stand transferred and vested in and/or deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the undertaking(s), properties and liabilities of Transferee Company.

2. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the entire business and undertaking of Transferor Company shall stand transferred to and vested in Transferee Company without any further deed or act, together with all their properties, assets, rights , benefits and interests therein in the following manner:

### **3. TRANSFER OF ASSETS**

- 3.1. With effect from the Appointed Date, all the properties, moveable and immoveable, rights and claims whatsoever of the Transferor Company and the Undertaking as may belong to or be in possession of or power of the Transferor Company and in the control of or vested in favour of or enjoyed by the Transferor Company, shall without any further act, instrument or deed, be and stand transferred to and vest in and/ or be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become on and from the Appointed Date, the estate, assets, rights, title, interest and authorities of the Transferee

Company, pursuant to Section 233(9) of the Act and other relevant provisions of the said Act, subject however, to all charges, liens, mortgages, then affecting the same or any part thereof, provided always that the Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility created by or available to Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security therefor after coming into effect of this Scheme or otherwise except in case where the required security has not been created and in such case if the terms thereof require, the Transferee Company will create the security in terms of the scheme of amalgamation in relation thereto. Similarly, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or other financial assistance availed/ to be availed by it.

- 3.2.** All the moveable assets of the Transferor Company and the assets which are otherwise capable of transfer by manual delivery or endorsement and delivery, including cash on hand shall be so transferred to the Transferee Company to the end and intent that the property therein passes to the Transferee Company. The amounts lying with the Banks to the credit of the Transferor Company shall also be transferred to the Transferee Company. Such

delivery and transfer shall be made within a reasonable time from the Effective Date.

**3.3.** With respect to the assets of the Undertaking of the Transferor Company other than those referred to in sub-clause (3.2) above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company on the Effective Date pursuant to the provisions of Section 233 of the said Act. It is hereby clarified that on and from the Effective Date, all the investments made by the Transferor Company and all the rights, title and interests of the Transferor Company in any leasehold properties of the Transferor Company shall, pursuant to Section 233 (9) of the said Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company.

**3.4.** All assets, estate, rights, title, interest, licenses and authorities acquired by or permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans or benefits, subsidies, including Interest Subsidy from Government of India, concessions, grants, rights, claims, leases, tenancy rights, liberties and other assets, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and / or all rights and benefits that have

accrued or which may accrue to the Transferor Company after the Appointed Date and prior to the Effective Date in connection or in relation to the operation of the Undertaking shall, pursuant to the provisions of Section 233 of the Act, without any further act, instrument or deed, be and stand transferred to and vested or deemed to have been transferred to and vested in the Transferee Company.

**3.5.** With effect from the Appointed Date and upon the Scheme becoming effective all incorporeal properties of Transferor Companies as on Appointed Date or any which may be taken after the Appointed Date but till the Effective Date, shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.

**3.6.** In respect of movables other than those specified in sub-clauses (c) above, including sundry debtors, outstanding loans and advances, recoverables in cash or in kind or for value to be received, bank balances and deposits with Government, Semi Government, Local and other authorities and bodies, the following modus operandi shall be followed:

- (i) The Transferee Company shall give notice in such form as it may deem fit and proper to each party, debtor or depositor of the Transferor Company as the case may be, that pursuant to

the Central Government having sanctioned the amalgamation between the Transferor Company and the Transferee Company under Section 233 of the said Act, the said debt, loan, advances etc. be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Company to recover or realize the same do stand extinguished and that appropriate entry should be passed in their respective books to record the aforesaid change.

- (ii) The Transferor Company shall also give notice in such form as they may deem fit and proper to each person, debtor and depositor, that pursuant to the Central Government having sanctioned the amalgamation of the Transferor Company with the Transferee Company under Section 233 of the said Act, the said person, debtor or depositor should pay the debt, loan or advance or made good the same or hold the same on account of the Transferee Company and that the right of the Transferor Company to recover or realize the same stands extinguished.

**3.7.** All estates, assets, rights, title, interests and authorities accrued to and / or acquired by the Transferor Company in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been accrued to and /

or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of this Scheme, pursuant to the provisions of Section 233 read with Section 230 and other applicable provisions of the said Act without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, rights, title, interests and authorities of the Transferee Company.

- 3.8.** The transfer and vesting of the entire business and undertaking of Transferor Companies as aforesaid, shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of Transferor Company, as the case may be.

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

Provided always that this Scheme shall not operate to enlarge the



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

- 3.9.** With effect from the Appointed Date, all statutory benefits inclusive of Stamp Duty paid, Sales Tax Benefits, Payment and Credits, Excise Duty and Modvat/ Cenvat Benefits, VAT credits, Goods and Service Tax Credits security deposits, refunds to be taken, advances made, all Income Tax benefits including benefits of carry forward losses, unabsorbed depreciation, MAT credit, credit for advance taxes paid and tax deducted at source, Service Tax, Income Tax Payments with and all other benefits of imports and exports and the benefits availed and available under any Legislation and instruments of every description of the Transferor Company shall stand transferred to and be available to the Transferee Company.
- 3.10.** For the avoidance of doubt, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licences, certificates, authorities (including for the operation of bank accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Company, and the rights and benefits under the same and all quality

certifications and approvals, trademarks, brands, patents and domain names, copy rights, formulas, designs, trade secrets and other intellectual property and all other interests relating to the goods or services being dealt with by the Transferor Company shall be transferred to and vested in the Transferee Company in accordance with the provisions of relevant laws so as to become as and from the Appointed Date, the license, permits, quotas, approvals etc. of the Transferee Company.

- 3.11.** In so far as the various incentives, VAT/ sales tax incentives, service tax benefits, Goods and Service Tax benefits/credits subsidies, grants, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Company are concerned, the same shall, without any further act or deed, vest with and be available to the Transferee Company on the same terms and conditions on and from the Appointed Date.
- 3.12.** From the Effective Date and till such time as the name of the Transferee Company would get entered as the account holder in respect of all the bank accounts and demat accounts of Transferor Company in the relevant bank's/DP's books and records, the Transferee Company shall be entitled to operate the bank/demat accounts of Transferor Companies in their existing names.

**3.13.** It is clarified that the transfer and vesting of Undertakings of the Transferor Company as provided in the Scheme shall be in accordance with Section 2(1B) of Income Tax Act, 1961 and shall be carried without following any other procedure laid down under the said Act.

#### **4. TRANSFER OF LIABILITIES:**

**4.1.** Upon the Scheme coming into effect and with effect from the Appointed Date, all debts, liabilities, contingent liabilities duties and obligations of every kind, nature and description of the Transferor Company shall under the provisions of Section 233 of the said Act, be transferred or deemed to be transferred, without any further act or deed, to the Transferee Company so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause. It is clarified that in so far as the Assets of the Transferor Company are concerned, the security or charge over such Assets or any part thereof relating to any loans, debentures or borrowing of the Transferor Company, shall, without any further act or deed continue to relate to such Assets or any part thereof, after the

Effective Date and shall not relate to or be available as security in relation to any part of the assets of the Transferee Company, save to the extent warranted by the terms of the exiting security to which the Transferor Company and the Transferee Company are party, and consistent with the joint obligation assumed by them under such arrangements.

- 4.2.** All the Liabilities of the said undertakings of the Transferor Company shall also stand transferred to the Transferee Company with effect from the Appointed Date without further act or deed pursuant to Section 233 (9) and other relevant provisions of the said Act so as to become as and from the Appointed Date, the liabilities of the Transferee Company.
- 4.3.** All debts, secured and unsecured, outstanding and receivables of the Transferor Company alongwith any charge, encumbrances, lien or security shall on and from the Effective Date stand transferred to and vested in the Transferee Company pursuant to Section 233 read with Section 230 and other relevant provisions of the said Act, without any further act, instruments or deeds so as to become the debts, liabilities, duties and obligations of Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may, if it so deems appropriate, give notice to the debtors that the debts do stand transferred to and vested in the

Transferee Company), and the debtors shall be obliged to make payments to the Transferee Company on and from the Effective Date.

4.4. Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and between the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.

4.5. All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall upon the coming into effect of this

Scheme, pursuant to the provisions of Section 233 read with 230 and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

- 4.6.** Transferee Company will, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangements in relation to Transferor Company to which Transferor Company is party, in order to give formal effect to the above provisions. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of Transferor Company and to carry out or perform all such formalities or compliances referred to above on part of Transferor Company.
- 4.7.** With respect to tax payments (including, without limitation, income tax, sales tax, excise duty, customs duty, service tax, Goods and Service Tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, made by the Transferor

Company in respect of the profits or activities or operation of the business or wherever such deduction of tax at source, advance tax, minimum alternate tax or any other tax demand adjusted against the refund in any of the tax proceedings and stands refundable to the Transferor Company as on the Effective Date, the same shall, on and from the Appointed Date, be deemed to be the corresponding item paid/payable/refundable by/to the Transferee Company, and, shall, in all such tax proceedings, be dealt with accordingly.

- 4.8.** On and from the Effective Date, the Transferee Company shall be entitled to carry forward to its account and claim credit for any unutilized Modvat / Cenvat / customs duty (including CVD), Service Tax Credit under the Modvat /Cenvat Credit Rules framed under Central Excise Act, 1944 or the Service Tax Credit Rules framed under Finance Act, 1994 or Goods and Service Tax credit lying in the registers of or to the account of the Transferor Company as on the Effective Date for the excise duty/ customs duty (including CVD) / service tax paid on inputs/capital goods.
- 4.9.** For the purpose of effectively transferring the amounts lying in the Bank accounts of the Transferor Company and for recovering the amounts due, the Transferor Company shall be entitled to continue with their Bank Accounts for 60 (sixty) days after Effective Date.

**4.10.** Transferee Company shall be entitled to revise its all statutory returns relating to Direct taxes like Income Tax and Wealth tax and to claim refunds/advance tax credits and/or set off the tax liabilities of Transferor Companies under the relevant laws and its rights to make such revisions in the statutory returns and to claim refunds, advance tax credits and/or set off the tax liabilities is expressly granted.

**4.11.** Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of Transferor Companies shall stand transferred by the order of the Regional Director to Transferee Company, Transferor Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning Regional Director (Central Government).

## **5. LEGAL PROCEEDINGS:**

**5.1.** With effect from the Appointed Date, Transferee Company shall bear the burden and the benefits of any legal or other proceedings initiated by or against Transferor Companies.

All legal proceedings by or against the Transferor Company pending at the Appointed Date and relating to the Transferor Company or



the property, assets, debts, liabilities, duties and obligations referred to in clauses 3 and 4 above, shall be continued until the Effective Date as desired by the Transferee Company and at its cost and risk, and as and from the Effective Date 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 and the same shall not be in any way prejudicially affected by reason of the transfer of the Undertakings of the Transferor Company.

- 5.2.** If any suit, appeal or other proceedings of whatever nature by or against Transferor Companies be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the transfer of the Transferor Company's businesses and undertakings or of anything contained in this scheme but the proceedings may be continued, prosecuted and enforced by or against Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Transferor Companies as if this Scheme had not been made.

## **6. EMPLOYEES:**

- 6.1.** On the Scheme becoming effective all employees of the Transferor

Company in service on the Effective Date, shall be deemed to have become the employees of the Transferee Company with effect from the Effective Date without any break or interruption in their services and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with the Transferor Company on the Effective Date. Transferee Company undertakes to continue to abide by agreement/settlement, if any, entered into by Transferor Company with any union/employee thereof. It is expressly provided that as far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund created or existing for the benefit of the staff, workmen and employees of the Transferor Company are concerned, upon the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such Schemes or Funds or in relation to the obligations to make contributions to the said Funds in accordance with provisions of such Schemes or Funds according to the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such Schemes or Funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continued for the purpose of the aforesaid Schemes or Funds.

**6.2.** In so far as the existing Provident Fund, Gratuity Fund, Superannuation Fund or other Special Scheme(s)/ Fund(s) or Trust or special funds created or existing for the benefit of the Employees of the Transferor Company, the same shall at the appropriate stage be transferred to the relevant funds in the Transferee Company and till such time shall be maintained separately. In the event the Transferee Company does not have any such funds, the Transferee Company shall create its own funds to which the contributions pertaining to the employees of the Transferor Company shall be transferred. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of Transferor Companies in relation to such schemes or funds shall become those of Transferee Company.

**7. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY TILL EFFECTIVE**

**DATE:**

From the Appointed Date until the Effective Date (as defined in Clause 6 of Part IV) the Transferor Company:

- (a) shall be deemed to carry on all their businesses and activities and stand possessed of their properties and assets for and on account of and in trust for Transferee Company; and all the profits accruing to Transferor Companies and all taxes thereon or gains or losses arising or incurred by them shall, for all purposes, be treated as and

deemed to be the profits or losses, as the case may be of, Transferee Company;

- (b) shall not, without the written concurrence of the Transferee Company, alienate, charge or encumber any of their aforementioned property except in the ordinary course of business;
- (c) shall carry on their business and activities with reasonable diligence and business prudence and shall not without the written consent of the Transferee Company undertake any additional financial commitments of any nature whatsoever, borrow any amount, or incur any other liability or expenditure, issue any guarantee, indemnities or commitments or alienate, charge, encumber or otherwise deal with the Undertaking or any part thereof except in the ordinary course of business;
- (d) shall not vary the terms and conditions of the employment of their employees, except in the ordinary course of business;
- (e) shall not undertake any new business without the written consent of the Transferee Company;
- (f) shall not alter or substantially expand their businesses except with the concurrence of Transferee Company;

- (g) shall not vary or alter, except in the ordinary course of their business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of Transferee Company.

**8. OBLIGATIONS OF TRANSFEROR COMPANY:**

- (a) As from the Appointed Date and till the Effective Date, the Transferor Company shall carry on activities in the ordinary course of business and not otherwise save and except with the concurrence of the Transferee Company.
- (b) Any assets acquired, income or profit accruing to the Transferor Company and all costs, charges and expenses incurred or losses arising or incurred by the Transferor Company on and after the Appointed Date up to the Effective Date shall for all purposes be treated as the assets, income, profits, costs, charges and expenses and loss, as the case may be, of the Transferee Company.

**PART – III**

**CONSIDERATION & ACCOUNTING TREATMENT**

## **1. CONSIDERATION**

- (a) Upon the Scheme coming into effect, all equity shares of the Transferor Company held by the Transferee Company (either directly or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash whatsoever by the Transferee Company in lieu of shares of the Transferor Company.
- (b) Upon coming into effect of this Scheme, the shares or the share certificates of the Transferor Company in relation to the shares held by the Transferee Company, as the case may be shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and be of no effect without any necessity of them being surrendered.

## **2. COMBINATION AND INCREASE OF AUTHORISED CAPITAL:**

- (a) Upon sanction of this Scheme, the Authorized Share Capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies (to the extent already paid in respect of the authorized share capital of the Transferor Company and Transferee Company), by the Authorized Share Capital of Transferor Company

amounting to Rs. 50,00,000/- (Rupees Fifty Lakhs only) comprising 5,00,000 (Five Lakhs) Equity shares of Rs.10/- each and the number of Equity shares will change accordingly and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the Authorized Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the members to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the said Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees already paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and shall be deemed to have been so paid by the Transferee Company on such combined Authorized Share Capital and accordingly, there would be no requirement for any further payment of stamp duty and/ or fee by the Transferee Company for increase in the authorized share capital to that extent.

- (b) Consequent upon the amalgamation, the authorized share capital of the Transferee Company will be as under:

| <b>AUTHORISED CAPITAL</b>                 | <b>AMOUNT (in INR)</b> |
|---|------------------------|
| 3,15,00,000 Equity shares of Rs.10/- each | 31,50,00,000/-         |

- (c) On approval of the Scheme by the members of Transferee Company pursuant to Section 233 of the Act, it shall be deemed that the said members have also accorded all relevant consents under Sections 13, 14, 61 and other applicable provisions of the Act as may be applicable for the purpose of amendment of Memorandum of Association of the Transferee Company as above. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Sections 13, 14 and 61 of the Act for amendment of the Memorandum of Association of the Transferee Company
- (d) It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the said Act, and Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Transferee Company shall, on Effective Date, respectively stand substituted by virtue of the Scheme to read as follows:

**Clause V** of the Memorandum of Association of the Transferee Company shall be substituted as under:

*“V. The Authorized Capital of the Company is Rs. 31,50,00,000/- (Rupees Thirty One Crore Fifty Lakhs only) divided into 3,15,00,000 (Three Crores Fifteen Lakhs only) Equity Shares of Rs. 10/- (Rupees*



*Ten only) each*

*with the rights, privileges and conditions attached there to as are provided by the Articles of Association of the Company for the time being , with power to increase, modify and reduce the capital of the company and to divide the shares in the capital for the time being into several classes and attach thereto respectively such preferential, deferred, qualified or special rights, privileges and 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 for the time being be provided by the Articles of Association of the Company.”*

First Sentence of Article 3 of the Articles of Association will be amended as under:

*“3. The Authorized Capital of the Company is Rs. 31,50,00,000/- (Rupees Thirty One Crore Fifty Lakhs only) divided into 3,15,00,000 (Three Crores Fifteen Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only) each.*

### **3. ACCOUNTING TREATMENT**

Upon the coming into effect of this Scheme, the amalgamation of the Transferor Company with the Transferee Company shall be accounted for as per the "Accounting Standard 14: Accounting for Amalgamations"

as prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Ministry of Corporate Affairs or the "Indian Accounting Standard (Ind AS) 103 for Business Combination" prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015, (if applicable), as may be amended from time to time such that:

- (a) The merger of the Transferor Company with Transferee Company shall be accounted for in the books of account of the Transferee Company in accordance with 'Pooling of Interest Method' of accounting as per Accounting Standard 14 (Accounting for Amalgamation) issued by the Institute of Chartered Accountants of India and notified by the national Advisory Committee on Accounting Standards, Ministry of Corporate Affairs vide Notification No. G.S.R. 739 (E) dated 07-12-2006, as amended from time to time, read with Section 133 of the Companies Act, 2013;
- (b) All the Assets and the said Liabilities recorded in the books of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall, subject to the provisions of Clause 5 of the Scheme, be recorded by the Transferee Company at their carrying amount as appearing in the books of the said Transferor Company;
- (c) Investment, if any, in the equity share capital of the Transferor Companies or vice versa, as appearing in the books of accounts of

the Transferee Company, if not transferred before the Effective Date, shall stand cancelled and there shall be no further obligation/ outstanding in that behalf.

- (d) To the extent that there are *inter se* loans, deposits, receivables, payables or balances, the obligations/ rights in respect of the same thereof shall come to an end and corresponding effect shall be given in the books of accounts and the records of the Transferee Company and there shall be no accrual of interest or other charges with effect from the Appointed Date.
- (e) Further, in case of any difference in accounting policy between either of the Transferor Company and the Transferee Company, the impact on account of change in the accounting policy to achieve uniformity in accounting of similar items, will be quantified and adjusted in the Revenue Reserve(s) to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistency in the accounting policy.

#### **4. TRANSACTIONS ALREADY CONCLUDED:**

The Transfer of properties and liabilities under clauses 3 and 4 of Part II respectively and continuance of proceedings by or against the Transferee Company under clause 5 of Part II above shall not affect any transactions or proceedings already concluded by the Transferor Company after the

Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself. Further, as from the Appointed Date, the Transferor Company shall be deemed to have carried on and to be carrying on their business on behalf of the Transferee Company until such time as this Scheme becomes effective.

**5. DISSOLUTION ON TRANSFEROR COMPANY:-**

On the scheme becoming effective, the Transferor Company shall be dissolved without winding up. Consequently the name of the Transferor Company shall be struck off from the records of the relevant Registrar of Companies. The Transferee Company shall make necessary filing in this regards.

**Part-IV**

**OTHER PROVISIONS**

**1. APPLICATION TO THE CENTRAL GOVERNMENT:**

The Transferor Company and the Transferee Company shall with reasonable dispatch make an application to the Central Government, Registrar of Companies and Official Liquidator under Section 233 (1) (a) of the Act. This Scheme being agreed to by the requisite majorities of the members of the Transferor Company and the Transferee Company, the Transferor Company and the Transferee Company shall, with reasonable dispatch file a copy of the Scheme with the Central Government under

Section 233 (2) of the Act, in the respective States where they have their Registered Offices for registration and approval of the Scheme and such other order or orders, as they may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Company without winding-up.

## **2. LISTING AGREEMENT AND SEBI COMPLIANCES:**

- (a) Since the Transferee Company is a listed company, this Scheme is subject to the compliances of all the requirements under the Listing Regulations and all statutory directives of the Securities Exchange Board of India ('SEBI') insofar as they relate to sanction and implementation of the Scheme.
  
- (b) SEBI vide Notification No. SEBI/LAD/NRO/GN/2016-17/029 dated February 15, 2017 has amended the Listing Regulations and relaxed the requirement of obtaining prior approval or no objection / observation letter of the Stock Exchanges and SEBI in case of merger of wholly owned subsidiary with its holding company. The draft schemes shall be filed with the Stock Exchange for disclosure purpose in compliance with the above notification.

## **3. APPROVALS & SANCTIONS:**

This Scheme is conditional upon and subject to:

- (a) Requisite consent, approval or permission of the Central Government or any other authority and financial institutions, which by law or contract may be necessary for the implementation of this Scheme;
- (b) Approval by the requisite majorities of the members of both the Companies required under Section 233 (1) (b) of the Act,; and
- (c) Approval by the requisite majorities of the creditors of both the Companies required under Section 233 (1) (d) of the Act,; and
- (d) All permissions, sanctions and orders as are legally necessary or required under the said Act, being obtained or passed before March 31, 2020 or within such further period or period as may be agreed between the Directors of the Transferor Company and the Transferee Company and in the event of any such consent, approval, permission, resolution, agreement, necessary sanctions or order not being so obtained or passed this Scheme shall become null and void.

#### **4. MODIFICATION OR AMENDMENT TO THE SCHEME AND REVOCATION**

##### **OF THE SCHEME:**

- (a) The Transferor Company and the Transferee Company, through their Board of Directors or Committee of Directors or any persons so authorized, may consent on behalf of all persons concerned, to any modifications or amendments of this Scheme of Amalgamation or to any conditions which the Central Government and/or Registrar and

Official Liquidator of West Bengal/Uttar Pradesh and/or any other Authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in carrying out this Scheme of Amalgamation and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme of Amalgamation into effect.

- (b) For the purpose of giving effect to this Scheme of Amalgamation or to any modification, amendment or condition thereof, the Board of Directors of the Transferee Company or Committee of Directors or any persons so authorized are authorized to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.
- (c) The Transferee Company and the Transferor Company, by their respective Board of Directors, or such other person or persons, as the respective Board of Directors may authorize, including any committee or subcommittee thereof, shall be authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions whether by reason of any order(s) of the Regional Director or of any directive or order(s) of any other

authority or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

- (d) Transferor Company and Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Regional Director or any other authority is not on terms acceptable to them.
- (e) In the event of any of the said sanctions / approvals / conditions referred hereinabove not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the Regional Director and/or order or orders not being passed as aforesaid and/or the Scheme failing to be made effective, this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter-se the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case each company shall bear its own costs unless otherwise mutually agreed. Further,



the Board of Directors of the Transferor company and the Transferee company shall be entitled to revoke, cancel and declare the scheme to be of no effect if such Boards are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn-up orders with any authority could have adverse implication on all/any of the companies.

**5. SCHEME NOT BEING SANCTIONED:**

In case this Scheme is not approved by the Central Government or failing to take effect for any reason whatsoever before March 31, 2020 or within such further period or periods as may be agreed upon between the Transferor Company (by its Board of Directors or any person(s) so authorized) and Transferee Company (by its Board of Directors or Committee of Directors or any person(s) so authorized), or for any other reason this Scheme cannot be implemented this Scheme will become null and void and be of no effect and in that event, no rights, and/or liabilities shall accrue to or be incurred by the Transferor Company and the Transferee Company and the parties shall bear and pay their respective costs and expenses in connection with or relating to this Scheme.

**6. NO ISSUE OF SHARES BY TRANSFEE COMPANY AND CANCELLATION OF SHARES:**

Upon the coming into effect of this Scheme and in consideration of the amalgamation and transfer of the Undertaking of the Transferor

Company unto the Transferee Company, as the Transferee Company wholly owns the equity shareholdings of the Transferor Company,

- (i) no shares shall be issued by the Transferee Company in consideration of transfer of the undertaking of the Transferor Company to the Transferee Company, and
- (ii) upon the coming into effect of the Scheme, the shares held by the Transferee Company in the Transferor Company (representing the entire issued, subscribed and paid-up equity share capital of the Transferor Company) will stand cancelled.

**6. EFFECTIVE DATE:**

This Scheme although to come into operation from the Appointed Date shall be operative from the last of the following dates or such other dates as the Central Government may direct, namely the date on which the Scheme is registered either under Section 233 (3) or 233 (7) of the said Act as the case may be and date on which the certified copy of the order passed by the Central Government sanctioning the Scheme, is filed by each of the Transferor Company and the Transferee Company with their respective Registrar of Companies. Reference in this Scheme to the date of “coming into Effect of this Scheme” or “effectiveness of this Scheme” shall mean the Effective Date.

**7. COSTS:**

Subject to clause 7 below, all costs, charges and expenses of the Transferor Company and the Transferee Company in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and conditions of this scheme and of or incidental to the completion of Amalgamation of the Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company. All such costs, charges, fees, taxes, stamp duty including duties (excluding the stamp duty, if any, paid on this scheme which shall be pro rata added to the value of the immovable properties), levies and all other expenses, shall be debited to the Profit and Loss Account of Transferee Company.

**8. WITHDRAWAL OF THE SCHEME:**

The Transferor Company (by its Board of Directors or any person(s) so authorized) and Transferee Company (by its Board of Directors or Committee of Directors or any person(s) so authorized) may decide to withdraw from the Scheme and make appropriate application to that effect to the Central Government in the event the Board of Directors of any of the companies due to any subsequent development or otherwise are of the opinion that they should not continue with the Scheme or if any conditions are imposed by any of the two Registrars or Official Liquidators or Central Government which are not acceptable to the

Transferor Company and the Transferee Company. The Transferor Company and/ or the Transferee Company shall be at liberty to withdraw the Scheme and in that event, no rights, and/or liabilities shall accrue to or be incurred by the Transferor Company and the Transferee Company and the parties shall bear and pay their respective costs and expenses in connection with or relating to this Scheme.

**FILED THROUGH**

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