

Anant Raj Limited

(Formerly Anant Raj Industries Limited)

CIN : L45400HR1985PLC021622

Head Off: H-65, Connaught Circus, New Delhi-110 001

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Regd. Office: CP-1, Sector-8, IMT Manesar, Haryana-122051

Tel: (0124) 4265816



May 20, 2019

ARL/CS/12921

The Manager Listing Department B S E Limited, Phiroze Jee Jee Bhoy Towers, Dalal Street, Mumbai – 400001 Scrip code: ANANTRAJ 515055	The Secretary, National Stock Exchange of India Limited, “Exchange Plaza”, 5th Floor, Plot No. C/1, G-Block, Bandra – Kurla Complex, Bandra (E), Mumbai-400051 Scrip code: NSE ANANTRAJ EQ
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Sub: Submission of order dated May 17, 2019 passed by the Hon'ble National Company Law Tribunal, Chandigarh Bench in Company Application No. CA (CAA) No. 08/Chd/Hry/2019 in the matter of Composite Scheme of Arrangement for Amalgamation and Demerger involving the amalgamation of Anant Raj Agencies Private Limited ('Amalgamating Company' or 'ARAPL') with and into the Company and immediately thereupon, Demerger of 'Project Division' of the Company into Anant Raj Global Limited ('Resulting Company' or 'ARGL') under the provisions of Sections 230 – 232 read with Sections 52 and 66 of the Companies Act, 2013.

Dear Ma'am / Sir,

This is to inform you that Hon'ble National Company Law Tribunal (NCLT) has pronounced its order on the first motion application filed in relation to the captioned scheme of arrangement on May 17, 2019 in Company Application No. CA (CAA) No. 08/Chd/Hry/2019. We enclose herewith a copy of the order, as available on the website of the Hon'ble NCLT, for your kind reference.

Per the aforesaid order, the Hon'ble NCLT has directed the calling, convening and holding of meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Company on July 06, 2019, to consider the captioned scheme of arrangement.



The company will also provide postal ballot and e-voting facility to its equity shareholders (including public shareholders) to cast their vote in terms of Securities and Exchange Board of India (SEBI) Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017.

This is for your information and record. ✓

For Anant Raj Limited



Manoj Pahwa
(Company Secretary)
A7812

Encl: Copy of the order dated 17 May 2019 passed by the Hon'ble NCLT in the first motion application in Company Application No. CA (CAA) No. 08/Chd/Hry/2019

**IN THE NATIONAL COMPANY LAW TRIBUNAL
“CHANDIGARH BENCH, CHANDIGARH”**

CA (CAA) NO.08/Chd/HRY/2019

**Under Sections 230 to 232 of
the Companies Act, 2013**

**IN THE MATTER OF THE SCHEME OF ARRANGEMENT/ DEMERGER
BETWEEN:**

Anant Raj Agencies Private Limited,
having its registered office at
Plot No. CP-1, Sector-8, IMT Manesar,
Gurgaon, Haryana – 122051, India.
CIN U74899DL1979PTC009792,
PAN AAACA0087E

...Amalgamating Company/Applicant Company 1

AND

Anant Raj Limited,
having its registered office at
Plot No. CP-1, Sector-8, IMT Manesar,
Gurgaon, Haryana – 122051, India
CIN L45400HR1985PLC021622
PAN AABCA3972B

...Amalgamated Company/Demerged Company/Applicant Company 2

WITH

Anant Raj Global Limited,
having its registered office at
Plot No CP-1, Sector -8, IMT, Manesar,
Gurgaon, Haryana-122051, India
CIN U70100HR2016PLC065615
PAN AAOCA7650B

...Resulting Company/Applicant Company 3

Judgment delivered on: 17.05.2019

**Coram: HON'BLE MR. MK SHRAWAT, MEMBER (JUDICIAL)
HON'BLE MR. PRADEEP R. SETHI, MEMBER (TECHNICAL)**

For the Applicants: 1. Mr.Atul V Sood, Advocate
2. Mr.Rohit Khanna, Advocate

Per: M.K. Shrawat, Member (Judicial)

JUDGMENT

This is a First Motion application filed by the Applicant companies herein, namely Anant Raj Agencies Private Limited Amalgamating Company/Applicant Company 1 (for brevity, to be described as A-1 company); Anant Raj Limited Amalgamated Company/Demerged Company/Applicant Company 2 (for brevity, to be described as A-2 company) and Anant Raj Global Limited, Resulting Company/Applicant Company 3 (for brevity, to be described as A-3 company). The application is filed in connection with the Scheme involving the amalgamation of the Applicant Company 1 with the Applicant Company 2 and the demerger of the Project Division (as defined under Clause 1.11 of Chapter 1 of the Scheme) of the Applicant Company 2 and the vesting thereof in the Applicant Company 3 under Sections 230 and 232 and Section 52 and 66 of the Companies Act, 2013 (for brevity, the 'Act') and other applicable provisions of the Act, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (for brevity, the 'Rules') for sanctioning of the proposed Scheme of Arrangement/Demerger. The Scheme proposed in the application is at Annexure A1 of the paper book. The contents of the application are supported by the joint affidavit of Mr. Aman Sarin and Mr. Amar Sarin, Authorized Representative of the

Applicant Companies. The prayers made in the application are to seek appropriate orders/ directions for calling and convening meetings and for dispensing with some of the meetings. The application is maintainable in terms of Rule 3(2) of the Rules.

2. It is also represented that the Board of Directors of the applicant-companies unanimously approved the "Scheme" by passing their respective Board Resolutions all dated 29.08.2018 and approved the modifications in Scheme by passing their respective Board Resolutions dated 18.10.2018 and 15.03.2019. The applicant-companies have jointly authorised Mr. Aman Sarin, COO and Mr. Amar Sarin, Director to sign the application, petition, affidavit and any other document that may be required to be filed in connection with the scheme and to take all steps necessary in connection with the filing of the application. These Board Resolutions are at Annexure A-4 (colly), A-10 (colly) and A-17 (colly) respectively of the paper book.

3. As per the Memorandum of Association and Articles of Association (Annexure A-2 of the paper book colly), the main objects of A-1 Company are as follows:

"1. To carry on the trade or business of Exporters, Importers and Dealers (either as Principals or as agent) in Chemical, Pharmaceuticals, Medicinal, Petroleum, Building Material and Food Products of all kinds and every description and articles of any kind whatsoever in their raw, processed or semi processed form and in Plant and Machinery, Instruments and equipments, tools and fixtures, spares and components of all kinds and description and to generally act as Merchants in India or outside India." etc.

4. A-1 Company was originally incorporated as a private limited company on 13.08.1979 and Certificate of Incorporation was issued by the Registrar of Companies, Delhi and Haryana. Its CIN is

U74899HR1979PTC065952. The certificate of incorporation is at page No.144 of the paper book. The Applicant Company No.1 is not listed on any stock exchange.

5. The authorized, issued, and paid up share capital of Applicant 1 Company as on 31.01.2019 is as under:-

PARTICULARS	AMOUNT (IN ₹)
<u>AUTHORIZED CAPITAL</u>	
30,00,000 equity shares of Rs. 10/- each	3,00,00,000/-
50,000 8% non-cumulative preference shares of Rs. 100/- each	50,00,000/-
TOTAL	3,50,00,000/-
<u>ISSUED, SUBSCRIBED AND FULLY PAID-UP CAPITAL</u>	
18,06,350 equity shares of Rs. 10/- each	1,80,63,500/-
TOTAL	1,80,63,500/-

6. As per the Memorandum and Articles of Association (Annexure A-7 of the paper book), the main objects of Applicant 2 Company are as under:

- “ 1. To purchase, acquire, deal, take on lease or in exchange or in any other lawful manner in any area, land, buildings, structures and to turn the same into account, develop the same and dispose off the same or maintain the same and to build townships, colonies, commercial complexes and markets, industrial undertakings, housing, apartments and residential complexes and buildings, under group housing schemes or otherwise, equip the same with all or any amenities or conveniences, carry on business as furnishers, interior decorating planners and contractors, home planners, and to do and to carry on business as builders, developers, town planners, colonizers, civil contractors and to undertake any residential, commercial or industrial construction, construction of special economic zones, construction of Information Technology Parks, township construction, either independently or jointly in partnership, joint venture or agency or on sub contract basis. Further to carry on the business of developing infrastructure facilities which would include but not be limited to commercial premises, hotels, resorts, hospitals, educational institutions, highways, roads, toll roads, bridges, recreational facilities, city and regional level infrastructure, subject to the restrictions or limitations mentioned in any law for the time being in force”. etc.

7. Applicant 2 Company was incorporated on 30.07.1985 under the provisions of the Companies Act, 1956 in the name and style “Anant Raj Clay Products Limited” and Certificate of Incorporation was issued by the Registrar of Companies, Delhi and Haryana .Thereafter, its name was changed to “Anant Raj Industries Limited” on 25.05.1995 and subsequently, its name was again changed to its present name “Anant Raj Limited” on 29.10.2012. Its CIN is L45400HR1985PLC021622. The certificates of incorporation is at page Nos.216-219 of the paper book. Applicant Company 2 is listed on the National Stock Exchange (hereinafter referred to as the “NSE”) and the BSE Limited (hereinafter referred to as the “BSE”). Consequently, the NSE and the BSE have issued their respective observation letters dated 27.02.2019 and 28.02.2019 respectively granting their no objection to the Scheme which are at Annexures A-13 and A-14 of the paper book.

8. The authorized, issued, and paid up share capital of the A-2 Company as on 31.01.2019 is as under:-

PARTICULARS	AMOUNT (IN ₹)
<u>AUTHORIZED SHARE CAPITAL</u>	
39,70,00,000 equity shares of ₹ 2/- each	79,40,00,000/-
TOTAL	79,40,00,000/-
<u>ISSUED AND SUBSCRIBED SHARE CAPITAL</u>	
29,51,47,335 equity shares of ₹ 2/- each	59,02,94,670/-
TOTAL	59,02,94,670/-
Paid up share capital	Amount (₹)
29,50,96,335 equity shares of ₹ 2/- each	59,01,92,670/-
TOTAL	59,01,92,670/-

9. As per the Memorandum and Articles of Association (Annexure A-15 of the paper book), the main objects of A-3 Company are as under:

“1. To purchase, acquire, deal, take on lease or in exchange or in any other lawful manner in any area, land, buildings, structures and to turn the same into account, develop the same and dispose off the same or maintain the same and to build townships, colonies, commercial complexes and markets, industrial undertakings, housing, apartments and residential complexes and buildings, under group housing schemes or otherwise, equip the same with all or any amenities or conveniences, carry on business as furnishers, interior decorating planners and contractors, home planners, and to do and to carry on business as builders, developers, town planners, colonizers, civil contractors and to undertake any residential, commercial, retail, institutional infrastructure, hospitality or industrial construction, construction of special economic zones, Export oriented Units, Agri Economic Zones, Export processing Zone, Knowledge Parks, construction of Information Technology Parks, township construction, either independently or jointly in partnership, joint venture or agency or on sub contract basis. Further to carry on the business of developing infrastructure facilities which would include but not be limited to commercial premises, hotels, resorts, hospitals, educational institutions, highways, railways, airways, ports, transport systems, bridges and other communication systems, or storage or transmission or distribution of power, irrigation systems, sewerage, water supply, health, food and agriculture infrastructure and setting up of all type of industrial areas, roads, toll roads, bridges, recreational facilities, city and regional level infrastructure, subject to the restrictions or limitations mentioned in any law for the time being in force”. etc.

10. Applicant Company 3 was incorporated on 01.09.2016 under the provisions of the Companies Act, 2013 and Certificate of Incorporation was issued by the Registrar of Companies, Delhi and Haryana. Its CIN is U70100HR2016PLC065615 which is at page No. 374. The Applicant Company No.3 is not listed on any stock exchange.

11. The authorized, issued, and paid up share capital of the A-2 Company as on 31.01.2019 is as under:-

PARTICULARS	AMOUNT (IN ₹)
<u>AUTHORIZED CAPITAL</u>	
2,50,000 equity shares of Rs. 2/- each	5,00,000/-
TOTAL	5,00,000/-
<u>ISSUED, SUBSCRIBED AND FULLY PAID-UP CAPITAL</u>	
2,50,000 equity shares of Rs. 2/- each	5,00,000/-
TOTAL	5,00,000/-

12. The registered offices of the applicant-companies are the same and situated in Haryana and, therefore, the matter falls within the territorial jurisdiction of this Tribunal.

13. It is also stated in para 59 that no investigation proceedings have been instituted or are pending in relation to any of the Applicant Companies under Sections 235 to 251 of the Companies Act, 1956 or under Sections 206 to 229 (Chapter XIV) of the Act.

14. The instant application has been filed with the prayer for dispensing with the meetings of the equity shareholders of A-1 and A-3 companies. There are no secured and unsecured creditors of the A-1 and A-3 companies and therefore, there is nothing to convene their meetings. Prayer has further been made for convening the meeting of equity shareholders, secured and unsecured creditors of A-2 and also to issue and publish notices for the same, with consequential directions.

15. It is stated that as on 31.01.2019 the A-1 Company has 8 shareholders holding 18,06,350 equity shares out of which 3 are HUFs. as per list at Annexure A-20 of the paper book. The equity shareholders have given their

consent to the Scheme constituting 100% in value. Mr. Anil Sarin is the major shareholder having 6,56,040 i.e. 36.32% of the total shareholding of the A-1 Company; Mr. Ashok Sarin holding 6,50,270 shares; Ms. Sharda Sarin holding 2,30,820 shares; Ms. Roma Sarin holding 2,05,250 shares and Mr. Amit Sarin holding 25,570 shares. Ashok Sarin HUF, Anil Sarin HUF and Raj Kumari HUF holding 12,800 shares each. The affidavits of all the individual shareholders have been placed on record. On behalf of the HUFs the affidavits of their respective Kartas have been filed for dispensing with the meeting of the equity shareholders of A-1 Company. In view of the above the meeting of the equity shareholders of the A-1 Company can be dispensed with.

16. As per the list prepared by K.R. & CO., Chartered Accountants (Page No.487), there is no secured creditor in the Applicant Company 1 as on 31.01.2019. Therefore, there is nothing to convene their meeting.

17. As per the list prepared by K.R. & CO., Chartered Accountants (Page No.488), there is no unsecured creditor in the Applicant Company 1 as on 31.01.2019. Therefore, there is nothing to convene their meeting.

18. It is further stated that A-2 company is a listed company and as on 15.03.2019 the A-2 Company has 51,996 equity shareholders holding a total of 295,096,335. It is prayed that the meeting of the equity shareholders of the A-2 Company may be convened. The shareholding pattern is at Annexure A-23 of the paper book.

19. As on 31.01.2019, the A-2 Company had 18 secured creditors as per the list certified by Vinod Kumar Bindal & Co, Chartered Accountants dated

14.03.2019, attached as Annexure A-24 of the paper book. It is prayed that the meeting of the secured creditors of the A-2 Company may be convened.

20. As on 31.01.2019, the Applicant Company No.2 has 117 (One Hundred seventeen) unsecured creditors having unsecured debt of ₹30,97,53,717/- (Rupees Thirty crores ninety seven lakh fifty three thousand seven hundred and seventeen only) which includes unsecured loans, Trade Creditors, Sundry Creditors and other current liabilities of the company as per the list prepared by Vinod Kumar Bindal &Co, Chartered Accountants which is attached as Annexure A-25 of the paper book. It is prayed that the meeting of the unsecured creditors of the A-2 Company may be convened.

21. It is stated that as on 31.01.2019 the A-3 Company has 7 shareholders holding 2,50,000 equity shares. The Applicant Company no. 2 i.e. Anant Raj Limited holds 2,49,994 equity shares i.e. 99.99% of the total shareholding. The other 7 shareholders are nominee shareholders of Applicant Company no. 2. The affidavit of Mr. Aman Sarin and Mr. Amar Sarin, authorised representatives of A-3 Company who have been authorised by way of Board Resolution dated 15.03.2019 to sign and forward no objection affidavit on behalf of the company. All the individual shareholders have also filed their separate consent affidavits for the dispensation of the meeting of equity shareholders. In view of the above the meeting of the equity shareholders of the A-1 Company can be dispensed with.

22. As per the list certified by V Keshri & Associates, Chartered Accountants (Page No.527), there is no secured creditor in the Applicant

Company No 3 as on 31.01.2019. Therefore, there is nothing to convene their meeting.

23. As per the list certified by V Keshri & Associates, Chartered Accountants (Page No.528), there is no unsecured creditor in the Applicant Company No 3 as on 31.01.2019. Therefore, there is nothing to convene their meeting.

24. As per the certificates of the respective Statutory Auditors of the Applicant Companies that the accounting treatment proposed in the Scheme is in compliance with the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013. The certificate furnished by K.R. & Co, the Company's Auditor is at Annexure A-6, A-12 and A-19 of the paper book.

25. It is submitted by the learned counsel that applicant-company no.2 sent an application dated 20.11.2018 to the NSE regarding the proposed scheme of amalgamation. The observation letter is attached with Annexure A-13 of the paper book (page No.368). BSE in its letter dated 23.02.2019 has also said that it has no adverse observations to the scheme.

26. Joint affidavit of Mr. Aman Sarin and Mr. Amar Sarin, authorised signatories of the Applicant Companies has been filed stating therein that A-1 and A-3 Companies are unlisted companies and is not regulated by any other Sectoral Regulator except the Regional Director; Registrar of Companies; the Official Liquidator; and Income Tax Authority. Further, it is also stated in the affidavit that the A-2 Company is a public listed company for which National Stock Exchange (NSE); Bombay Stock Exchange (BSE) and Securities and Exchange Board of India (SEBI) are also the sectoral regulators apart from Regional Director;

Registrar of Companies; the Official Liquidator and Income Tax Authority. The joint affidavit is attached at Annexure A-31 of the paper book.

27. We have heard the Learned Counsel for the applicant-companies and perused the record carefully.

28. The rationale of the scheme is stated to be as below:

“The management of the Companies is of the view that (a) amalgamation of ARAPL into ARL pursuant to Chapter 2 of the Composite Scheme, and (b) Demerger of Project Division of ARL into ARGL pursuant to Chapter 3 of the Composite Scheme, inter alia, would lead to following benefits:

1. *The amalgamation of ARAPL into ARL shall result in:*

- (a) elimination of promoter holding company leading to streamlining the holding structure of ARL by ensuring direct promoter participation and the consolidation of the promoter shareholding in a listed company (i.e. ARL), thereby avoiding multiple disclosure and compliance requirements with respect to SEBI and the Stock Exchanges; and*
- (b) ensuring that the ability of ARL to conduct its business through multiple layers of subsidiaries is not compromised in terms of the Companies (restriction on number of layers) Rules, 2017, which could potentially be the case if, in future, by consolidation of the promoter shareholding into ARAPL, ARL becomes a subsidiary of ARAPL.*

2. *The demerger of Project Division of ARL into ARGL shall result in:*

- (a) Creation of a separate and distinct entity housing the Project Division and would lead to greater operational and administrative efficiencies for the Project Division;*
- (b) Enabling the business and activities to be pursued and carried on with greater focus and attention through two separate companies each having its own separate administrative set up. Independent setup of each of the undertaking of ARL and ARGL will ensure required depth and focus on each of the Companies and adoption of strategies necessary for the growth of the respective companies. The structure provides independence to the management in decisions regarding the use of their respective cash flows for dividends, capital expenditure or other reinvestment in their respective businesses; and*

- (c) *unlocking of value for ARL by transfer of Project Division, which would enable optimal exploitation, monetization and development of both, Remaining Business and the Project Division by attracting focused investors, joint venture partners and strategic partners having the necessary ability, experience and interests in this sector and by allowing pursuit of inorganic and organic growth opportunities in such businesses.*
3. *With a view towards focused leadership, and in the overall interest of all stakeholders, including the family and non-family shareholders and creditors, it is proposed that the management and control of the businesses would be realigned and restructured in a manner that the Project Division of the Demerged Company (i.e. ARL) be demerged and hived-off to the Resulting Company (i.e. ARGL), which would also be listed on the Stock Exchanges and which would be controlled and managed by/under the leadership of Mr. Anil Sarin (and family), the present Managing Director of ARL, whereas the Remaining Business (which would continue to reside in ARL) shall be controlled and managed under the leadership of Mr. Ashok Sarin (and family), the present Chairman of ARL. To this end, it has also been agreed that, after the Effective Date and on the listing of the shares of the Resulting Company at the Stock Exchanges, subject to compliance of the provisions of Applicable Laws, including the disclosure requirements under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Mr. Ashok Sarin (and family) would transfer their shares in ARGL to Mr. Anil Sarin (and family) and exit fully from ARGL and simultaneously, Mr. Anil Sarin (and family) would transfer their shares in ARL to Mr. Ashok Sarin (and family) and exit fully from ARL.*
4. *It is also agreed that in the post demerger scenario there would be no financial or operational cross linking and dependency between the Demerged Company and the Resulting Company. Additionally, the promoters of ARL/ ARGL will indemnify and hold ARL/ ARGL harmless against any losses or costs that may arise against ARL/ ARGL in connection with the Scheme which would not have devolved on ARL/ ARGL but for the amalgamation contemplated under this Scheme.*
5. *The implementation of the Scheme is thus aimed at protecting and maximizing value for the shareholders of ARL. This Scheme is in the interest of the shareholders, creditors and all other stakeholders of the Companies.*
6. *The restructuring under this Scheme would enable focused business approach for maximization of benefits to all stakeholders and capitalize on the opportunity for the growth.”*

29. It is also represented that the applicant-companies have filed their audited financial statements as on 31.03.2018 and latest standalone audited financial statements as on 30.09.2018 are at Annexures A-3, A-8 and A-16 respectively of the paper book.

30. The Share Exchange Ratio, under the Scheme has been determined in accordance with the report dated 20.12.2017 issued by M/s Gandhi & Associates Ltd. wherein the following ratio has been mentioned: -

Share Entitlement Ratio for Amalgamation –

“587 (Five hundred eighty seven) equity shares of face value of INR 2/- (Rupees two) each in M/s. Anant Raj Limited for every 10 (Ten) equity shares of face value of INR 10/- (Rupee Ten) each of M/s. Anant Raj Agencies Private Limited.”

Share Entitlement Ratio for Demerger –

“1 (one) equity share of face value of INR 2/- each in M/s Anant Raj Global Limited for every 1 (one) equity share of face value of INR 2/- each in M/s Anant Raj Limited. Accordingly, shareholders of M/s Anant Raj Limited shall become shareholders of M/s Anant Raj Global Limited in the same proportion in which they own shares in M/s Anant Raj Limited and investment of M/s Anant Raj Limited in M/s Anant Raj Global Limited shall stand cancelled”

The Fairness opinion dated 18.10.2018 on the exchange ratio is given by Corporate Professionals, Chartered Accountants is at Annexure A-30 of the paper book. The Share Exchange Report is at Annexure A-29 of the paper book (Colly). However, the basis and details of the valuation are missing in this report.

31. It is also stated in para 8 of the Scheme under the Head staff and employees as under:-

“8. Upon this Scheme becoming effective, all the staff, workmen and

other employees of ARAPL as on the Effective date shall become the staff, workmen and employees of ARL on the basis that:

8.1 Their service shall be continuous and shall not be interrupted by reason of the amalgamation;

8.2 The terms and conditions of service applicable to the said staff, workmen or employees after such amalgamation shall not in any way be less favorable to them than those applicable to them immediately before the amalgamation; and

*8.3 It is expressly provided that as far as provident fund, gratuity fund, superannuation fund or any other fund created or existing for the benefit of the staff, workmen and other employees of ARAPL (hereinafter called "**the Funds**") are concerned, upon the Scheme becoming effective, ARL shall stand substituted for ARAPL for all purposes whatsoever related to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Funds as per the terms provided in the respective trust deeds. It is the aim and intent that all the rights, duties, powers and obligations of ARAPL in relation to such Funds shall become those of ARL and all the rights, duties and benefits of the employees of ARAPL under such Funds and trusts shall be protected. It is clarified that the services of the employees of ARAPL will also be treated as having been continuous for the purpose of the aforesaid Funds or provisions."*

32. With regard to the legal proceedings it is stated in clause 3 of Part IV of the Scheme that From the Effective Date and subject to Applicable Laws, no legal or other proceedings, including any suit, writ petition, appeal, revision or claims or action before any statutory or quasi-judicial authority or tribunal or any other proceedings of whatever nature (hereinafter called "the Proceedings") that may have been instituted by ARAPL or pending against ARAPL on the Effective Date or which are instituted any time in future, shall abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation of ARAPL pursuant to the Scheme. Subject to Applicable Laws, such Proceedings may be continued, prosecuted and enforced by or against ARL in the same manner and to the same extent as they would be or might have been continued, prosecuted and enforced by or against ARAPL, as if the Scheme had not been made effective. On

and from the Effective Date, ARL shall and may initiate any legal proceedings for and on behalf of ARAPL, to the extent permissible under Applicable Laws.

33. In view of the above, following directions are issued with respect to calling, convening and holding of meetings of the shareholders, secured and unsecured creditors or dispensing with the same as well as issue of notices including by way of paper publication which are as follows:

A. In relation to Applicant Company No 1/ Transferor Company:

- i. Meeting of the equity shareholders is dispensed with as there are eight equity shareholders and the consent affidavits of all of them have been obtained and placed on record.
- ii. Since, there are no secured creditors, there is nothing to convene their meeting.
- iii. Since, there are no unsecured creditors, there is nothing to convene their meeting.

B. In relation to Applicant Company No. 2/ Demerged Company:

- i. Meeting of the equity shareholders be convened on 06.07.2019 at 11.00 AM at Plot No. CP-1, Sector 8, IMT, Manesar, Haryana-122051 subject to notice of meeting being issued. The quorum of the meeting of the equity shareholders shall be 10% of the shareholders personally present or through proxy.
- ii. Meeting of the secured creditors be convened 06.07.2019 at 12.30 PM at Plot No. CP-1, Sector 8, IMT, Manesar, Haryana-122051 subject to notice of meeting being issued. The quorum of the meeting of the

secured creditors shall be 18 in number personally present or through proxy or 100% in value of the secured creditors.

iii. Meeting of the unsecured creditors be convened on 06.07.2019 at 2.30 PM at Plot No. CP-1, Sector 8, IMT, Manesar, Haryana-122051 subject to notice of meeting being issued. The quorum of the meeting of the unsecured creditors shall be 30 in number personally present or through proxy or 40% in value of the unsecured creditors.

C. In relation to Applicant Company No 3/ Resulting Company:

i. Meeting of the equity shareholders is dispensed with as there are seven equity shareholders and the consent affidavits of all of them have been obtained and placed on record

ii. Since, there are no secured creditors, there is nothing to convene their meeting.

iii. Since, there are no unsecured creditors, there is nothing to convene their meeting.

D. In case the required quorum as noted above for the meetings of the Demerged Company is not present at the commencement of the meeting, the meeting shall be adjourned by 30 minutes and thereafter the persons present and voting shall be deemed to constitute the quorum. For the purposes of completing the quorum the valid proxies shall also be considered, if the proxy in the prescribed form, duly signed by the persons entitled to attend and vote at the meeting, is filed with the Registered Office of the Demerged Company at least 48 hours before the meeting. The Chairperson and the Alternate Chairperson

appointed herein along with Scrutinizer shall ensure that the proxy register is properly maintained.

E. Mr. Dhritiman Bhattacharya, address- Unity Legal, S 369, GK-2, New Delhi-110048, Mobile No. 9818499377 is appointed as the Chairperson for the meeting to be called under this order. An amount of ₹ 1,50,000/- (Rupees one lac fifty thousand only) be paid to him for his services as the Chairperson.

F. Ms. Gunjan Bansal, email id – gunjanbansal24@gmail.com Mobile No. 9953440724 is appointed as the Alternate Chairperson for the meeting to be called under this order. An amount of ₹1,00,000/- (Rupees one lac only) be paid to her for her services as the Alternative Chairperson.

G. CS Prince Chadha, email id: pchadhacs@gmail.com, Mobile No. 7508635880 is appointed as the Scrutinizer for the above meeting to be called under this order. An amount of ₹60,000/- (Rupees sixty thousand only) be paid to him for his services as the Scrutinizer.

H. The fees of the Chairperson, Alternative Chairperson and Scrutinizer along with travelling expenses and other out of pocket expenses for them shall be borne by the Demerged Company.

I. It is further directed that individual notice of the said meeting shall be sent by the Demerged Company to the equity shareholders, secured and unsecured creditors through registered post or speed post or through courier or e-mail, 30 days in advance before the schedule date of meeting, indicating the day, date, the place and time as aforesaid, together with a copy of the Scheme, copy of explanatory statement required to be sent under the Companies Act, 2013 and the applicable Rules along with the proxy forms and any other documents as may be prescribed under the Act shall also be duly sent with the notice.

J. It is further directed that along with the notices, Demerged Company shall also send, statement explaining the effect of the scheme on the creditors, key managerial personnel, promoters and non-promotor members etc. along with effect of the arrangement for demerger on any material interests of the Directors of the Company or the debenture trustees, if any, as provided under sub-section 3 of Section 230 of the Act.

K. That the Demerged Company shall publish advertisement with a gap of at least 30 clear days before the aforesaid meeting, indicating the day, date and place and the time of meeting as aforesaid, to be published in the "Indian Express" (English) (Delhi-NCR-Edition) and "Jansatta" (Hindi) (Delhi-NCR-Edition). It be stated in the advertisement that the copies of "Scheme", the Explanatory Statement required to be published pursuant to Section 230 to 232 of the Act and the form of proxy shall be provided free of charge at the registered office of the Demerged Company. The Demerged Company shall also publish the notice on its website, if any.

L. It shall be the responsibility of the Demerged Company to ensure that the notices are sent under the signature and supervision of the authorized representative of the company on the basis of Board resolutions and that they shall file their affidavits in the Tribunal at least ten days before the date fixed for the meeting.

M. Voting shall be allowed on the "Scheme" in person or by proxy or through electronics means or by postal ballot as may be applicable to the Demerged Company under the Act and the Rules framed thereunder.

N. The Chairperson shall be responsible to report the result of the meeting to the Tribunal in Form No. CAA-4, as per Rule 14 of the Companies (Compromises,

Arrangements and Amalgamations) Rules, 2016 within 7 (seven) days of the conclusion of the meeting. He/she would be fully assisted by the authorized representative/Company Secretary of the Demerged Company and the Scrutinizer, who will assist the Hon'ble Chairperson and Alternate Chairperson in preparing and finalizing the report.

O. The Demerged Company shall individually and in compliance of subsection (5) of Section 230 of the Act and Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 send notices in Form No. CAA-3 along with copy of the Scheme, Explanatory Statement and revised share entitlement report and fairness report also giving the basis and details of valuation and the disclosures mentioned in Rule 6 of the "Rules" to (i) Central Government through the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi (ii) Registrar of Companies, NCT of Delhi and Haryana, (iii) Income Tax Department through the Nodal Officer – Principal Commissioner of Income Tax, NWR, Aayakar Bhawan, Sector 17-E, Chandigarh and Commissioner of Income Tax within whose jurisdiction the Applicant Companies are assessed by mentioning the PAN number of the Applicant Companies; (iv) National Stock Exchange (NSE) only in case of Demerged Company/ Applicant Company No 2(v) Bombay Stock Exchange only in case of Demerged Company/ Applicant Company No 2 (vi) Securities and Exchange Board of India (SEBI) only in case of Demerged Company/ Applicant Company No 2 and such other sectoral regulator(s) governing the business of the Demerged Company/ Applicant Company No 2, if any, stating that representation, if any, to be made by them shall be sent to the Tribunal within a period of 30 days from the date of receipt of such notice and copy of such representation shall be simultaneously sent to the

concerned companies, failing which it shall be presumed that they have no objection to the proposed Scheme.

P. During the second motion proceedings, the Applicant-Companies will file the revised share Entitlement Report and Fairness Report in which the basis and details of the valuation are also given.

Q. The Demerged Company/ Applicant Company No 2 shall furnish a copy of the Scheme free of charge within one day of any requisition for the Scheme made by any creditor or member/shareholder entitled to attend the meeting as aforesaid.

R. The authorized representative of the Demerged Company/ Applicant Company No 2 shall furnish affidavit of service of notice of meeting and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meeting.

S. All the aforesaid directions are to be complied with strictly in accordance with the applicable laws including forms and formats contained in the Rules as well as the provisions of the Companies Act, 2013 by the Demerged Company/ Applicant Company No 2.

35. With the aforesaid directions, this First Motion Petition stands disposed of. A copy of this order be supplied to the learned counsel for the Applicant Companies who in turn shall supply copy of the same to the Chairperson, Alternative Chairperson and the Scrutinizer.

Order pronounced in the court

Sd/-
(Pradeep R. Sethi)
Member (Technical)

Sd/-
(M.K. Shrawat)
Member (Judicial)

May 17, 2019
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