

Date: 17th August 2022

To:

BSE Limited Corporate Relationship Department 1st Floor, New Trading Ring, Rotunda Building, P. J. Towers, Dalal Street, Mumbai – 400 001 SCRIP CODE: 543523	National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 SYMBOL: CAMPUS
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Sub:- Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

This is with respect to the Scheme of Arrangement between Campus AI Private Limited (“Transferor Company”) and Campus Activewear Limited (“Transferee Company”) and their respective shareholders and creditors, under Sections 230-232 read with Section 66 and other relevant provisions of the Companies Act, 2013 read with rules made thereunder (“Scheme”).

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we are pleased to inform that the Hon’ble National Company Law Tribunal, New Delhi Bench (“NCLT”) in its hearing dated 11th August 2022, pronounced the order, approving the Scheme. The said order has been uploaded on 16th August 2022 on the website of NCLT.

The details required under Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 09th September 2015, with respect to the above, are given in the enclosed Annexure – A and Annexure – B.

The copy of order as available on the website of NCLT is enclosed as Annexure – C.

You are requested to take the same on your record.

Thanking you,

Yours truly

For Campus Activewear Limited

Archana Maini
General Counsel & Company Secretary
M. No. A16092

Annexure – A (Amalgamation of Transferor Company with Transferee Company)

<p>i.</p>	<p>Name of entity(ies) forming part of the amalgamation / merger, details in brief such as size, turnover etc</p>	<p>Transferor Company: Campus AI Private Limited (“Transferor Company”) is a company incorporated under the Companies Act, 2013, having its registered office at J-17 Udyog Nagar, New Delhi – 110041. The Transferor Company is a wholly owned subsidiary of the Transferee Company.</p> <p>Transferee Company: Campus Activewear Limited (“Transferee Company”) is a company incorporated under the Companies Act, 1956, having its registered office at D-1, Udyog Nagar, Main Rohtak Road, New Delhi – 110041. The equity shares of the Transferee Company are listed on BSE Limited and National Stock Exchange of India Ltd.</p> <p style="text-align: right;">(INR in millions)</p> <table border="1" data-bbox="719 853 1417 1227"> <thead> <tr> <th>Particulars</th> <th>Net-worth as on 31st March 2022</th> <th>Revenue from operations for the financial year ending 31st March 2022</th> </tr> </thead> <tbody> <tr> <td>Transferor Company</td> <td>1,485.61</td> <td>4,428.89</td> </tr> <tr> <td>Transferee Company</td> <td>3,184.82</td> <td>13,146.43</td> </tr> </tbody> </table>	Particulars	Net-worth as on 31 st March 2022	Revenue from operations for the financial year ending 31 st March 2022	Transferor Company	1,485.61	4,428.89	Transferee Company	3,184.82	13,146.43
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Transferee Company	3,184.82	13,146.43									
<p>ii.</p>	<p>Whether the transaction would fall within related party transaction(s)? If yes, whether the same is done at “arm’s length”</p>	<p>The Transferor Company is a wholly owned subsidiary of the Transferee Company and as such related party to each other.</p> <p>However, the Ministry of Corporate Affairs has clarified vide its General Circular No. 30/2014 dated 17th July 2014 that transactions arising out of Compromise, Arrangements and Amalgamations dealt with under specific provisions of the Companies Act, 2013, will not fall within the purview of related party transactions in terms of Section 188 of the Companies Act, 2013.</p> <p>Further, pursuant to Regulation 23(5)(b) of the Listing Regulations, the related party transaction provisions are not applicable to the Scheme.</p>									
<p>iii.</p>	<p>Area of business of the entity(ies)</p>	<p>The Transferor Company is engaged, inter-alia, in the business of dealers, distributors agents, importers and exporters of boots, shoes and footwear of all kinds made of leather, rubber canvass, plastic or any other synthetic or natural products, waterproof, cloth or compounds, leather hides, skin, rexin, rubber, plastic for synthetic cloth, compounds or granules, last, used in or required for foot wears.</p>									

		<p>The Transferee Company is engaged, inter-alia, in the business of dealers, distributors agents, importers and exporters of boots, shoes and footwear of all kinds made of leather, rubber canvass, plastic or any other synthetic or natural products, waterproof, cloth or compounds, leather hides, skin, rexin, rubber, plastic for synthetic cloth, compounds or granules, last, used in or required for foot wears.</p>
iv.	Rationale for amalgamation / merger	<p>The Transferor Company and Transferee Company are part of same group and are engaged in rendering the similar business services. The Transferor Company is a wholly owned subsidiary of the Transferee Company. Given the similarity in nature of businesses of the Transferor Company and Transferee Company, the management of both the Companies ("Management") are contemplating a consolidation of Transferor Company with the Transferee Company. The proposed consolidation is expected to realize the benefits of greater business synergies and reduced administrative and other costs.</p> <p>More specifically, the Management intends to achieve inter alia the following objectives through the Proposed Consolidation -</p> <ul style="list-style-type: none">a) More efficient utilization of existing financial, managerial and technical resources available with the companies by accessing the resources, and marketing and service delivery capabilities, which would entail cost efficiencies and growth of business of the consolidated entity;b) Rationalization and standardization of the business processes, economies of scale, corporate and administrative efficiencies, and streamlining of operations to enable more efficient management, control and day to day operations to reduce overheads, administrative and other expenditure, which will contribute to make the Transferee Company more profitable, thereby further enhancing the overall shareholder value post completion of the Scheme;c) Greater efficiency in management of cash balances available with the Companies and access to cash flows generated by the combined business;d) Simplification of the corporate structure thereby eliminating corporate redundancies, such as duplicate work streams related to corporate governance, compliances and risk management, on account of reduced number of operating entities;e) Enabling unified accounting, compliances and auditing resulting in reduction of costs, post the completion of the Scheme; and

		f) Achievement of greater management focus and control over the combined business operations.
v.	In case of cash consideration - amount or otherwise share exchange ratio	Not Applicable, since the Transferor Company is a wholly owned subsidiary of the Transferee Company, no shares of the Transferee Company shall be allotted under the Scheme in lieu or exchange of the shares of the Transferor Company.
vi.	Brief details of change in shareholding pattern (if any) of listed entity	<p>Since there will be no issue of shares, there will be no change in shareholding pattern of the Transferee Company.</p> <p>Further in terms of sub-paragraph (ii) of paragraph 4(d) of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017, in case a wholly owned subsidiary is merged with its parent listed entity, where the shareholders and the shareholding pattern of the parent listed company remains the same, it will be treated as 'no change in shareholding pattern'.</p>

Annexure - B (Reduction of Capital of Transferee Company)

i.	Details and reasons for reduction of capitals	<p>Upon the Scheme becoming effective, the Transferee Company shall write off the debit balance in Capital Reserve in the books of the Transferee Company against the Securities Premium Account.</p> <p>The utilization of the Securities Premium as aforesaid shall be effected as an integral part of the Scheme and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 read with Section 52 and other applicable provisions of the Companies Act, 2013 and no separate sanction under Section 66 read with Section 52 and other applicable provisions of the Companies Act, 2013 will be necessary.</p>
ii.	Rationale	<p>The Transferee Company has a balance in the Securities Premium Account amounting to Rs. 15,873.65 Lakhs and debit balance of Capital Reserve amount to Rs. 15,678.67 Lakhs as on 31st March 2020. Such debit balance of Capital Reserve was created pursuant to conversion of Goodwill while first time adoption of Indian Accounting Standards by the Transferee Company from the financial year ended 31st March 2020. It is proposed to utilize the balance in the Securities Premium Account for adjusting the debit balance of Capital Reserve.</p> <p>In order to present fair financial position of the Transferee Company and after an analysis of the various options available to the Transferee Company, the Board of Directors felt that it would be prudent to utilize the balance lying in the Securities Premium Account of the Transferee Company for the aforesaid purpose as the same can provide the benefits to the Shareholders / Stakeholders as under:</p> <p>(a) Under this Scheme, if approved, the Transferee Company will represent its true and fair financial position which is likely to assist the Transferee Company to expand & strengthen its business</p>

		<p>activities and to attract new source of revenue and in turn enhancement of its shareholder's value;</p> <p>(b) The Scheme, if approved, will result in cleaning up the Balance Sheet of the Transferee Company and will also allow the Transferee Company to utilize the amount lying in Securities Premium of the Transferee Company;</p> <p>(c) The adjustment/set off of Securities Premium account would not have any impact on the capital structure and shareholding pattern of the Transferee Company; and</p> <p>(d) The Scheme does not involve any financial outlay / outgo and therefore, would not affect the ability or liquidity of the Transferee Company to meet its obligations / commitments in the normal course of business. Further, this Scheme would also not in any way adversely affect the ordinary operations of the Transferee Company.</p>
iii.	Quantitative and/ or qualitative effect of Part IV of the Scheme	<p>There is no cash outflow on account of the Part IV of the Scheme, from the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall write off the debit balance in Capital Reserve in the books of the Transferee Company against the Securities Premium Account. The Part IV of the Scheme will not have any adverse effect on the interest of the shareholders, creditors and any other stakeholders of the Transferee Company.</p>
iv.	Details of benefit, if any, to the promoter/promoter group/group companies from Part IV of the Scheme	<p>No additional benefits are being derived by the promoters / promoter group / group companies from Part IV of the Scheme.</p>
v.	Brief details of change in shareholding pattern (if any) of all entities	<p>Upon Part IV of the Scheme coming into effect, there will not be any change in shareholding pattern of the Transferee Company as it does not envisage issuance of shares by the Transferee Company and / or cancellation of any part of the share capital of the Transferee Company.</p>

THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH (COURT-V)

(CAA)-126/ND/2021
Connected with CA (CAA)-45/ND/2021

IN THE MATTER OF SECTIONS 230-232 OF THE COMPANIES ACT, 2013

Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements & Amalgamations) Rules, 2016.

AND

In the matter of Scheme of Arrangements

OF

Campus AI Private Limited

R/O : J-17, Udyog Nagar,
New Delhi - 110110

...(Petitioner Company 1/Transferor Company)

AND

Campus Activewear Limited

R/O : D-1, Udyog Nagar
Main Rohtak Road, New Delhi – 110041

... (Petitioner Company 2/ Transferee Company)

Order Pronounced on: 11.08.2022

CORAM:

SH. P.S.N PRASAD, HON'BLE MEMBER (JUDICIAL)

SH. RAHUL BHATNAGAR, HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant : Rajeev K Goel and Kartikeya Goel, Advocates
For the OL : Hemlata Rawat & Manas Tripathi
For the RD : Shankari Mishra, adv.
For the IT Department : Easha Kadian, Sanjay Kumar, Standing Counsels
along with Himanshu Adv.

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(CAA)-126(ND)/2021 connected with CA (CAA)-45(ND)/2021
(Campus AI Pvt. Ltd. and Campus Activewear Pvt. Ltd.)

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ORDER

PER SHRI, P.S.N PRASAD MEMBER (J)

This joint petition has been filed under the provisions of Sections 230-232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016 for the purpose of approval of Scheme of Arrangement (for brevity "**the Scheme**") of Transferor Companies into Transferee Company.

2. A perusal of the petition discloses that initially the First Motion application was filed before this Tribunal vide CA(CAA)-45/ND/2021 moved under Sections 230-232 of the Companies Act, 2013 and vide order dated 23.12.2021, directions were issued by this Tribunal for dispensing meetings of the Equity shareholders, Secured Creditors and Unsecured Creditors of all the Applicant Companies.

3. Thereafter the 2nd Motion petition was filed on 29.12.2021 vide (CAA) No. 126 (ND)/2021 within prescribed time limit and vide order dated 18.01.2022 the petitioners were directed to carry out publication in the newspaper namely '**Business Standard**' (English, Delhi Edition) and '**Business Standard**' in (Hindi, Delhi Edition). In addition to the

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(Campus AI Pvt. Ltd. and Campus Activewear Pvt. Ltd.)

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public notices, notices were directed to be served on to the Central Government through Regional Director (Northern Region), Registrar of Companies (NCT of Delhi and Haryana), Official Liquidator, the Income Tax Department, New Delhi and to the other concerned sectoral regulators.

4. It is seen from the records that the transferee company has filed affidavit dated 23.03.2022, affirming compliance of order dated 18.01.2022 passed by this Tribunal. A perusal of the affidavit disclose that the transferee company has affected newspaper publication as directed in the Business Standard (English Edition) and Business Standard (Hindi Edition) respectively in their issues of 3rd March 2022. The copy of original cutting of the newspaper is annexed. Further the Transferee Company has affirmed that the copy of petition has been duly served upon the Registrar of Companies, Regional Director (Northern Region), Official Liquidator, Income Tax Department, Reserve Bank of India. It was further also clarified that there are no other sectoral authorities.

5. The Official Liquidator vide its report dated 08.04.2022 stated that on receipt of the said notice, the OL department issued an office letter No. OL/Tech/Amal/26 dated 4th February 2022 to obtain certain information/records for the purpose of preparing the reports. The

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petitioner companies furnished the documents on 10.03.2022. Pursuant to receipt of documents the Official Liquidator stated that he has not received any complaint against the proposed scheme of amalgamation from any person/party interested in Scheme. The OL noted the following facts about the Transferor Company:

- a) The transferor company is a newly incorporated company. It was incorporated on 07.02.20220 by conversion of partnership firm under the provisions of Chapter XXI of the Companies Act 2013.
- b) Referring to the Financial Statements as at 31.03.2021, a total income of Rs. 254.89 crores were earned as compared to Rs. 30.12 crores in the previous year. The net profit (after tax) for the year is Rs. 47.47 Crores as compared to the net profit (after tax) of Rs.4.97 crores in the previous year.
- c) The petitioner companies have filed the present scheme of amalgamation with the justification inter alia to simplify the group structure by consolidation of legal entities and reduction in management overlaps thereby eliminating legal and regulatory compliances and associated costs due to operation of multiple entities.
- d) The petitioner in their report dated 24.09.2021 have reported inter alia that there is no other material change as specified in the said report, affecting the financial position of the company.

- e) The Transferee Company has debit balance of Capital Reserve amounting to Rs. 156.79 Crores as on 31.03.2020 for which it has proposed to adjust the same from its Securities Premium Account amounting to Rs. 158.74 crores.

Further submitted that the affairs of the Transferor Companies do not appear to have been conducted in a manner prejudicial to the interest of its members or to public interest. Hence they do not have any objection if the proposed scheme of amalgamation is allowed.

6. The Regional Director (Northern Region) has filed an affidavit dated 05.07.2022 by setting out facts of the case, the observations received from the ROC vide report dated 18.05.2022 and in terms of the reply dated 24.03.2022 received from the applicant companies stated that the matter be kindly decided on merit.

The relevant extracts of the observations made by the RD in its report is as stated below:

“That as per Para 31 of the report of ROC New Delhi and the observations of deponent, communicated to the company vide letter dated 04.07.2022

- I. *As it is stated in the clause 1.3 & 4.1 of the Scheme, transferee company proposed to utilize the credit balance in the securities premium account for adjusting the debit balance of capital reserve. This would lead to reduction of securities premium account of the Transferee Company. However, the reduction of the securities premium in the proposed scheme is not in accordance with the Section 52 of the Companies Act, 2013 which exclusively lays down the manner of utilization of the securities premium.*

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II. *The Transferee Company may kindly be directed to comply with the provisions of Section 232(3)(i) of the companies Act, 2013 in regard to fee payable of its revised authorized share capital."*

The transferee company responded to the observations made by the RD and clarified the same vide its letter dated 04.07.2022, which is annexed with the report.

7. The Income tax department filed its report and stated that as per records no proceedings are pending against the Petitioner Companies. Further no outstanding demands are pending against Petitioner Companies. Therefore, the IT Department has no objection to the Scheme being allowed.

8. It was submitted that no objections from any third party or public at large have been received against the Scheme of Amalgamation.

9. The petitioner has affirmed that no proceedings for inspection, inquiry or investigation under the provisions of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 are pending against the Petitioner Companies.

10. In view of the foregoing, upon considering the approval accorded by the members and creditors of all the petitioner companies to the

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proposed scheme, as well as in terms of the reports filed by the Regional Director (Northern Region), Income Tax and Official Liquidator and further considering the affidavit of undertaking filed by the transferee company, there appears to be no impediment in sanctioning the present scheme. Consequently, sanction is hereby granted to the scheme under section 230 & 232 of the Companies Act, 2013. The petitioners however remain bound to comply with all the statutory requirements in accordance with law.

11. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal to the scheme, will not come in the way of action being taken, albeit, in accordance with law, against any of the concerned persons, Directors and officials of the petitioners.

12. While approving the scheme as above, we further clarify that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes, GST, or any other charges, if any, and payment in accordance with law or in respect to any permission/ compliance with any other requirement which may be specifically required under any law.

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13. **THIS TRIBUNAL FURTHER ORDER(S):**

- a) That all the transferor companies shall stand dissolved without following the process of winding up; and
- b) That all the property, rights and powers of all the transferor companies, be transferred without further act or deed, to the transferee company and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013, be transferred to and vest in the transferee company.
- c) That all the liabilities and duties of the all transferor companies, be transferred without further act or deed, to the transferee company and accordingly the same shall, pursuant to Section 232 of the Act, be transferred to and become the liabilities and duties of the transferee company; and
- d) That all proceeding now pending by or against the transferor company, be continued by or against the transferee company; and
- e) That all the employees of all the transferor companies in service, on the date immediately preceding the date on which the scheme takes effect, i.e., the effective date shall become the employees of the transferee company on such date without any break or interruption in services and upon terms and

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conditions not less favorable than those subsisting in the respective transferor companies on the said date.

- f) That petitioner companies shall within thirty days of the date of the receipt of this order cause a certified copy of this order to be delivered to the Registrar of Company for registration and on such certified copy being so delivered all the transferor companies shall stand dissolved and the Registrar of Company shall place all documents relating to all the transferor company registered with him on the file kept by him in relation to the transferee company and the files relating to all the petitioner companies shall be consolidated accordingly; and
- g) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

The petition stands disposed off in the above terms.

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Member (T)

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