



# JAI BALAJI INDUSTRIES LIMITED

Ref : JBIL/SE/2022-23  
Date: 20-09-2022

To  
The Manager  
**Listing Department,**  
**National Stock Exchange of India Limited**  
"EXCHANGE PLAZA", C-1, Block G  
Bandra – Kurla Complex, Bandra (E)  
Mumbai – 400 051  
(Company's Scrip Code: JAIBALAJI)

To  
The Manager,  
**Dept. of Corporate Services**  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai – 400 001  
(Company's Scrip Code: 532976)

Dear Sir,

**Ref: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')**

We refer to our letter dated 22nd July, 2022, wherein it was intimated that the Board of Directors of Jai Balaji Industries Limited ('the Company') at its meeting held on 22<sup>nd</sup> July, 2022 considered and approved, a scheme of amalgamation of two wholly owned subsidiaries of the Company, Jai Balaji Energy (Purulia) Limited & Jai Balaji Steels (Purulia) Limited with the Company, pursuant to Sections 230 to 232 of the Companies Act, 2013 ("Scheme") subject to receipt of requisite statutory and regulatory approvals and other approvals, as may be required.

In terms of Regulation 37(6) of the Listing Regulations, the provisions of Regulation 37 of Listing Regulations are not applicable to draft schemes which solely provide for merger of a wholly owned subsidiary with its holding company. Hence, 'No Objection Letter' on the Scheme is not required to be obtained from the Stock Exchanges on which equity shares of the Company are listed.

However, in accordance with the provisions of Regulation 37(6) of the Listing Regulations, such draft schemes shall be filed with the Stock Exchanges for the purpose of disclosures. Accordingly, the certified true copy of the said Scheme is enclosed herewith.

The details as required under Regulation 30 of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 were submitted to the Stock Exchanges vide our letter dated 22nd July, 2022.

This is for your information and record.

Thanking you.

Yours faithfully,  
For **JAI BALAJI INDUSTRIES LIMITED**

**AJAY KUMAR TANTIA**  
Company Secretary

**Regd. Office :** 5, Bentinck Street, 1st Floor, Kokata- 700 001.

Phone : + 91-33-2248 9808, 2248 8173, Fax : + 91-33-2243 0021/2210 7893/2242 6263

E-mail : [info@jaibalajigroup.com](mailto:info@jaibalajigroup.com), Website : [www.jaibalajigroup.com](http://www.jaibalajigroup.com)

CIN - L27102WB1999PLC089755

**SCHEME OF AMALGAMATION  
UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013  
BETWEEN**

**JAI BALAJI ENERGY (PURULIA) LIMITED  
(TRANSFEROR COMPANY NO.1)**

**AND**

**JAI BALAJI STEELS (PURULIA) LIMITED  
(TRANSFEROR COMPANY NO.2)**

**AND**

**JAI BALAJI INDUSTRIES LIMITED  
(TRANSFeree COMPANY)**

**CONTENTS OF THE SCHEME**

<b>SL.NO.</b>	<b>PART</b>	<b>PARTICULARS</b>
<b>1</b>	<b>PART I</b>	<b>GENERAL</b>
<b>2</b>	<b>PART II</b>	<b>DEFINITION AND SHARE CAPITAL</b>
<b>3</b>	<b>PART III</b>	<b>TRANSFER AND VESTING OF UNDERTAKING</b>
<b>4</b>	<b>PART IV</b>	<b>ISSUE OF EQUITY SHARES BY THE TRANSFeree COMPANY</b>
<b>5</b>	<b>PART V</b>	<b>ACCOUNTING TREATMENT</b>
<b>6</b>	<b>PART VI</b>	<b>DISSOLUTION OF TRANSFEROR COMPANIES AND GENERAL TERMS AND CONDITIONS</b>

**PART I**

**GENERAL**

**A. DESCRIPTION OF COMPANIES AND BACKGROUND:**

1. **JAI BALAJI ENERGY (PURULIA) LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 and having Company Identification Number(CIN: U40300WB2010PLC154393) and having its Registered Office at 5, Bentinck Street Kolkata-700001 in the state of West Bengal (hereinafter referred to as "THE TRANSFEROR COMPANY NO.1" or "AMALGAMATING COMPANY"). The TRANSFEROR COMPANY NO. 1 is primarily incorporated for the purpose of generating,

**CERTIFIED TO BE TRUE COPY**

Jai Balaji Industries Ltd.



Company Secretary

manufacturing or otherwise deal in all form of electrical energy and is a wholly owned subsidiary of the TRANSFEREE COMPANY. The shares of the TRANSFEROR COMPANY NO. 1 are not listed on any stock exchange.

2. **JAI BALAJI STEELS (PURULIA) LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: U27100WB2010PLC154392) and having its Registered Office at 5, Bentinck Street Kolkata-700001 in the State of West Bengal (hereinafter referred to as ("THE TRANSFEROR COMPANY NO. 2" or "AMALGAMATING COMPANY"). The TRANSFEROR COMPANY NO. 2 is primarily incorporated for the purpose of manufacturing, modeling, casting or otherwise deal in all kinds of iron & steel, sponge iron, pig iron etc. The TRANSFEROR COMPANY NO.2 is Wholly Owned Subsidiary of TRANSFEREE COMPANY. The Shares of the TRANSFEROR COMPANY NO. 2 are not listed on any stock exchange.

3. **JAI BALAJI INDUSTRIES LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: L27102WB1999PLC089755) and having its Registered Office at 5, Bentinck Street Kolkata-700001 in the State of West Bengal (herein after referred to as "TRANSFEREE COMPANY"). The TRANSFEREE COMPANY is primarily engaged in the business of manufacturing, importing, exporting, supplying, dealing in all types of iron & steel, spring steels, stainless steel or other steels and metals. The TRANSFEREE COMPANY is the holding company of the TRANSFEROR COMPANIES. The Equity Shares of the TRANSFEREE COMPANY are listed on the BSE Limited and National Stock Exchange of India Limited.

4. This Scheme of Amalgamation provides for the amalgamation of the TRANSFEROR COMPANY NO.1 and TRANSFEROR COMPANY NO.2 which are wholly owned subsidiaries of the TRANSFEREE COMPANY pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and read together with Companies (Compromises, Arrangements and Amalgamations) Rules 2016.

**B. RATIONALE FOR THE SCHEME:**

The amalgamation of TRANSFEROR COMPANIES with the TRANSFEREE COMPANY would *inter alia* have the following benefits:

- a) The Transferor Companies are 100% wholly owned subsidiaries of the Transferee Company. The Transferor Companies and Transferee Company propose through this Scheme (as defined hereinafter) to amalgamate the Transferor Companies into and with the Transferee Company, which would result in consolidation of their respective financial strength into one entity.
- b) Both the subsidiaries have been incorporated in November 2010 with a specific objective of setting up of iron & steel plant with an associated captive power plant & other facilities in Purulia.

However, the said project could not be materialized due to downturn in the steel industry with the global economic meltdown, crash of commodity prices. The Steel sector had been adversely impacted by the global steel glut which

resulted in predatory pricing and a surge in steel imports into the country. The entire steel industry had gone through a very bad patch. Thus, looking at the viability, the project was dropped.

- c) The objective for which the companies were formed is no more in existence. Thus, the continuity of these companies as a separate legal entity is not rationale. It is therefore prudent to merge these companies with their holding company so as to save their operating expenses.
- d) The business of the TRANSFEROR COMPANIES and the TRANSFEREE COMPANY can be combined/adjusted and carried forward conveniently with combined strength;
- e) The amalgamation will enable the TRANSFEREE COMPANY to consolidate its line of business by restructuring and re-organizing its business activities and Capital Structure;
- f) The amalgamation will enable the amalgamated companies to broad base their business activities under the roof of the TRANSFEREE COMPANY and lead to business synergy under one roof;
- g) The amalgamation will result in economy of scale including reduction in overhead expenses relating to management and administration in better and more productive utilization of various resources;

- h) The Business of the TRANSFEROR COMPANIES can be conveniently and advantageously combined together and in general with the business of the TRANSFEREE COMPANY concerned and will be carried on more economically and profitably under the said Scheme;
- i) The said Scheme of Amalgamation will enable the establishment of a larger company with larger resources and a larger capital base enabling further development of the business of the company concerned. The said scheme will also enable the undertakings and business of the said applicant company to obtain greater facilities possessed and enjoyed by one large company compared with a number of small Company for raising capital, securing and conducting trade on favorable terms and other benefits;
- j) The said Scheme will contribute in furthering and fulfilling the objects of the Company concerned and, in the growth, and development of these businesses;
- k) The Said Scheme will strengthen and consolidate the position of the amalgamated company and will enable the amalgamated companies to increase its profitability;
- l) The Said Scheme will enable the undertakings concerned to pool their resources and to expand their activities;
- m) The Said Scheme will enable the Companies concerned to rationalize and streamline their management, business and

finances and to eliminate duplication of work to their common advantages;

n) The Said Scheme will have beneficial results for the Companies concerned, their shareholders, employees and all concerned.

**C.** In view of the aforesaid, the Board of Directors of the TRANSFEROR COMPANIES and the TRANSFEREE COMPANY have considered and proposed the amalgamation of the entire undertaking and business of the TRANSFEROR COMPANIES with the TRANSFEREE COMPANY in order to benefit the stakeholders of all companies. Accordingly, the Board of Directors of the TRANSFEROR COMPANIES and the TRANSFEREE COMPANY have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the TRANSFEROR COMPANIES with and into the TRANSFEREE COMPANY pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013 and other relevant provisions of the Act and rules made there under.

**D.** The amalgamation of the TRANSFEROR COMPANIES with the TRANSFEREE COMPANY, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with the relevant provisions of the Income Tax Act, 1961 including but not limited to Section 2(1B) and Section 47 thereof. If any of the terms or provisions of this Scheme are found or interpreted to being consistent with the provisions of the said sections and other related provisions at a later date including due to result from an amendment of

law or for any other reason whatsoever up to the Effective Date, the provisions of the said sections and other related provisions of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) and other relevant provisions of the Income Tax Act, 1961.

## **PART II**

### **DEFINITIONS AND SHARE CAPITAL**

#### **1. DEFINITIONS**

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

- a) **"THE ACT"** means the Companies Act, 2013 including any statutory modifications, re-enactments or amendments thereof.
- b) **"APPOINTED DATE"** For the purpose of this Scheme, means 1<sup>st</sup> April, 2022.
- c) **"TRANSFEROR COMPANIES"** means and includes TRANSFEROR COMPANY NO.1 AND TRANSFEROR COMPANY NO.2.
- d) **"BOARD OF DIRECTORS" or "BOARD"** means the board of directors of the TRANSFEROR COMPANIES or the TRANSFEREE COMPANY, as the case may be, and shall include a duly constituted committee thereof;
- e) **"EFFECTIVE DATE"** means the last of the dates on which the certified or authenticated copy of the orders of the Hon'ble National Company Law Tribunal sanction in the



Scheme are filed with the Registrar of Companies by the Transferor Companies and by the Transferee Company. Any references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date.

- f) **"GOVERNMENTAL AUTHORITY"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India;
- g) **"SCHEME"** or **"THE SCHEME"** or **"THIS SCHEME"** means this Scheme of Amalgamation drawn pursuant to SEC 232 of the Companies Act, 2013, in its present form submitted to the Hon'ble National Company Law Tribunal Bench at Kolkata with or without any modification(s) made in terms contained in PART-VI under Paragraph 16 to this Scheme.
- h) **"TRANSFEROR COMPANY NO.1"** means **JAI BALAJI ENERGY (PURULIA) LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: U40300WB2010PLC154393) and having its Registered Office at 5, Bentinck Street Kolkata-700001 in the state of West Bengal.
- i) **"TRANSFEROR COMPANY NO. 2"** means **JAI BALAJI STEELS (PURULIA) LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: U27100WB2010PLC154392) and having its Registered Office at 5, Bentinck Street Kolkata-700001 in the State of West Bengal.

- j) **"TRANSFEREE COMPANY" or "AMALGAMATED COMPANY"** means **JAI BALAJI INDUSTRIES LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: L27102WB1999PLC089755) and having its Registered Office at 5, Bentinck Street Kolkata-700001 in the State of West Bengal.
- k) **"THE TRIBUNAL" or "THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL"** shall mean the Hon'ble National Company Law Tribunal, Kolkata Bench under whose jurisdiction the Company falls.
- l) **"UNDERTAKING"** means the whole of the undertaking and entire business of the TRANSFEROR COMPANIES as a going concern, including(without limitation):
- i. All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Companies, including but not limited to, plant and machinery, equipment, buildings and structures, offices, residential and other premises, vehicles, sundry debtors, furniture, fixtures, office equipment including computers, laptops, printers and servers, appliances, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scraps, stocks, bonds, debenture stocks, units), and interests in its subsidiaries, cash in hand, balances and deposits with banks, loans, advances, disbursements, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Companies, financial assets, leases(including lease

rights), hire purchase contracts and assets, leasing contracts and assets lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, good will, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, websites, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits), easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favor of the Transferor Companies and advantages of whatsoever nature and wheresoever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favor of or enjoyed by the Transferor Companies or in connection with or relating to the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or

granted in favor of or held for the benefit of or enjoyed by the Transferor Companies,

- ii. All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Companies, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized;
  - iii. All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, assignments, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the business activities and operations of the Transferor Companies;
  - iv. All records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Companies;
  - v. All employees engaged by the Transferor Companies as on the Effective Date.
- m) All capitalized terms not defined but used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, and other applicable laws, rules, regulations and

byelaws, as the case may be, or any statutory amendment(s) or re-enactment thereof, for the time being in force.

- n) The words importing the singular shall include the plural and words importing any gender shall include every gender.

## **2. SHARE CAPITAL**

### **A. TRANSFEROR COMPANY NO. 1**

The authorized, subscribed and paid-up share capital of the TRANSFEROR COMPANY NO.1 as on March 31, 2022 is as under:

<b>Particulars</b>	<b>Amount(in Rs.)</b>
<b>AUTHORISED SHARE CAPITAL</b>	
20,00,000 Equity Shares of Rs.10/- each	2,00,00,000/-
<b>TOTAL</b>	<b>2,00,00,000/-</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>	
50,000**Equity Shares of Rs.10/- each fully paid up	5,00,000/-
<b>TOTAL</b>	<b>5,00,000/-</b>

\*\*Notes: The entire issued, subscribed and paid up share capital of the TRANSFEROR COMPANY NO.1 are held by the TRANSFEREE COMPANY and its Nominees. Accordingly, the TRANSFEROR COMPANY NO. 1 is a Wholly Owned Subsidiary of the TRANSFEREE COMPANY.

There is no change in the authorized, issued, subscribed and paid-up share capital of the TRANSFEROR COMPANY NO.1 from appointed date till the date of approval of the Scheme by the Board of Directors of the TRANSFEROR COMPANY NO.1.

### **B. TRANSFEROR COMPANY NO. 2**

The authorized, subscribed and paid-up share capital of the TRANSFEROR COMPANY NO. 2 as on March 31, 2022 is as under:

<b>Particulars</b>	<b>Amount(in Rs.)</b>
<b>AUTHORISED SHARE CAPITAL</b>	
20,00,000 Equity Shares of Rs.10/- each	2,00,00,000/-
<b>TOTAL</b>	<b>2,00,00,000/-</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>	
50,000**Equity Shares of Rs.10/- each fully paid up	5,00,000/-
<b>TOTAL</b>	<b>5,00,000/-</b>

\*\*Notes: The entire issued, subscribed and paid up share capital of the TRANSFEROR COMPANY NO.2 are held by the TRANSFEREE COMPANY and its Nominees. Accordingly, the TRANSFEROR COMPANY NO. 2 is a Wholly Owned Subsidiary of the TRANSFEREE COMPANY.

There is no change in the authorized, issued, subscribed and paid-up share capital of the TRANSFEROR COMPANY NO. 2, from appointed date till the date of approval of the Scheme by the Board of Directors of the TRANSFEROR COMPANY NO. 2.

**C. TRANSFEREE COMPANY**

The authorized, subscribed and paid-up share capital of the TRANSFEREE COMPANY as on March 31, 2022 is as under:

<b>Particulars</b>	<b>Amount(in Rs.)</b>
<b>AUTHORISED SHARE CAPITAL</b>	
12,50,00,000 Equity Shares of Rs.10/- each	1,25,00,00,000/-
<b>TOTAL</b>	<b>1,25,00,00,000/-</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>	
11,04,50,286 Equity Shares of Rs.10/- each fully paid up	1,10,45,02,860/-
<b>TOTAL</b>	<b>1,10,45,02,860/-</b>

Subsequently, the Authorised Share Capital of the TRANSFEREE COMPANY has been increased from Rs. 1,25,00,00,000/-

(Rupees One Hundred and Twenty Five Crores only) divided into 12,50,00,000 (Twelve Crores Fifty Lacs) equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 1,65,00,00,000/- (Rupees One Hundred and Sixty Five Crores only) divided into 16,50,00,000 (Sixteen Crores Fifty Lacs) equity shares of Rs. 10/- each vide Extra-Ordinary General Meeting ("Meeting") of the Members of TRANSFEREE COMPANY held on Wednesday, 18th day of May, 2022.

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

The Scheme set out herein in its present form or with any modifications approved or imposed or directed by the Hon'ble National Company Law Tribunal, Kolkata Bench shall be effective from the Appointed Date but shall be operative from the Effective Date.

## **P A R T - III**

### **TRANSFER AND VESTING OF UNDERTAKING**

#### **1. TRANSFER OF UNDERTAKING**

Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Undertaking, pursuant to the sanction of this Scheme by the Hon'ble National Company Law Tribunal, Kolkata Bench under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, shall stand transferred to and be vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing to be made, done or

executed so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

### **1.1 TRANSFER OF ASSETS**

Without prejudice to the generality, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- a) All the assets and properties comprised in the Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.
- b) Without prejudice to the provisions of Clause (a) above, in respect of such assets and properties of the Undertaking as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Companies and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertaking, without requiring any separate deed or instrument or conveyance for the same.
- c) In respect of movables other than those dealt with in Clause (b) above including sundry debts,



receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.

- d) All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall

remain valid, effective and enforceable on the same terms and conditions.

- e) The Transferor Companies shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by the Hon'ble National Company Law Tribunal, Kolkata Bench under and in accordance with Sections 230 and 232 and all other applicable provisions, if any, of the Act, the said debtors should pay to the Transferee Company the debt, loan or advance or make the same on account of the Transferor Companies and the right of the Transferor Companies to recover or realize the same stands vested in the Transferee Company.
- f) All assets and properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of the respective Transferor Companies, and all assets and properties which are acquired by the Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme. Provided however that no onerous assets shall have been acquired by the

Transferor Companies after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

## **1.2 TRANSFER OF LIABILITIES :**

- (i) Upon the coming into effect of this Scheme and with effect from the Appointed Date all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts, sundry creditors, liabilities(including contingent liabilities), duties and obligations and undertakings of the Transferor Companies of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations (herein referred to as the "Liabilities"), shall, pursuant to the sanction of this Scheme by the Hon'ble National Company Law Tribunal, Kolkata Bench under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the

Transferee Company on the same terms and conditions as were applicable to the Transferor Companies, and the Transferee Company shall meet, discharge and satisfy the same and further 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 Liabilities have arisen in order to give effect to the provisions of this Clause.

- (ii) All debts, liabilities, duties and obligations of the Undertaking as on the Appointed Date, whether or not provided in the books of the respective Transferor Companies, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- (iii) Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.
- (iv) 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 Undertaking and 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.

## **2. ENCUMBRANCES :**

- (i) The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under paragraph 1 of Part III of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.
- (ii) All the existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances"), if any, as on the Appointed Date and created by the Transferor Companies after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Companies, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are

transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Companies over its assets after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

- (iii) The existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Undertaking transferred to and vested in the Transferee Company by virtue of this Scheme.
- (iv) Any reference in any security documents or arrangements (to which the Transferor Companies are a party) to the Transferor Companies and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Companies transferred to the Transferee Company by virtue of this Scheme. Without prejudice to therefore going provisions, the Transferor Companies and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of

- charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required.
- (v) Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.
  - (vi) It is expressly provided that, no other term or condition of the Liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
  - (vii) The provisions of Paragraph 1 of Part III shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

### **3. INTER - SE TRANSACTIONS :**

Without prejudice to the provisions of paragraph 1 of part-III with effect from the Appointed Date, all inter-party transaction between the Transferor Companies and the Transferee Company or the Transferor Companies inter-se shall be considered as intra-party transactions for all purposes. Upon coming into effect of the Scheme all such transactions shall stand cancelled and nullified upon recording in the books of the Transferee Company.

#### **4. CONTRACTS, DEEDS, ETC.**

- (i) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or there under.
- (ii) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions thereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Companies are a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme,



be deemed to be authorized to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies.

- (iii) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies shall without any further act or deed, stand transferred to the TRANSFEREE COMPANY, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

## **5. LEGAL PROCEEDINGS :**

On and from the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and/or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee

Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. On and from the Effective Date, the Transferee Company shall have the right to initiate, defend, compromise or otherwise deal with any legal proceedings relating to the Undertaking, in the same manner and to the same extent as would or might have been initiated by the Transferor Companies as the case may be, had the Scheme not been made. If any suit, appeal or other proceedings relating to the Undertaking, of whatever nature by or against the Transferor Companies be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Undertaking or by anything contained in this Scheme but the proceedings may be continued, prosecuted 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, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made.

**6. CONDUCT OF BUSINESS:**

- a) With effect from the Appointed Date and up to and including the Effective Date:
  - (i) The TRANSFEROR COMPANIES shall carry on and shall be deemed to have carried on all its business and activities as in thereto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for, the TRANSFEEE COMPANIES.

- (ii) All the profits or income accruing or arising to the TRANSFEROR COMPANIES, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the TRANSFEROR COMPANIES shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the TRANSFEREE COMPANY.
  - (iii) Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the TRANSFEROR Companies shall be deemed to have been exercised by the TRANSFEROR Companies for and on behalf of and as agent for the TRANSFEREE COMPANY. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the TRANSFEROR COMPANIES shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the TRANSFEREE COMPANY.
- b) With effect from the date of filing of this Scheme with the Hon'ble National Company Law Tribunal and up to and including the Effective Date, The TRANSFEROR COMPANIES shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever,

borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group companies or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances:

- (i) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the National Company Law Tribunal; or
  - (ii) if the same is permitted by this Scheme; or
  - (iii) if consent of the Board of Directors of the TRANSFEREE COMPANY has been obtained.
- c) The TRANSFEROR Companies shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations (ii) any agreement or transaction; and (iii) such other matters as the TRANSFEREE COMPANY may notify from time to time save and except in each case in the following circumstances:
- i) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the National Company Law Tribunal.
  - ii) if the same is permitted by this Scheme; or
  - iii) if consent of the Board of Directors of the TRANSFEREE COMPANY has been obtained.

- d) Without prejudice to the generality of Clause (c) above, the TRANSFEROR Companies shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares) decrease, reduction, reclassification, sub-division or consolidation, re-organization, or in any other manner except by way of making calls on partly paid shares to make them as fully paid, which may, in any way, affect the Share Exchange Ratio (as provided in Clause 10 below), except under any of the following circumstances:
  - i) by mutual consent of the Board of Directors of the TRANSFEROR Companies and of the TRANSFEREE COMPANY; or
  - ii) as may be permitted under this Scheme.

## **7. TREATMENT OF TAXES :**

- a) Any tax liabilities under the Income-Tax Act, 1961/GST, Stamp Acts/Laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the TRANSFEROR COMPANIES to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the TRANSFEREE COMPANY.
- b) All taxes (including income tax, GST, etc.) paid or payable by the TRANSFEROR COMPANIES in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the

TRANSFeree COMPANY and, insofar as it relates to the tax payment (including without limitation income tax, GST, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the TRANSFEROR COMPANIES in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the TRANSFeree COMPANY, and shall, in all proceedings, be dealt with accordingly.

- c) Any refund under the Tax Laws due to the TRANSFEROR COMPANIES consequent to the assessments made on the TRANSFEROR Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the TRANSFeree COMPANY.
- d) Without prejudice to the generality of the above, all benefits including that of withholding tax (TDS) under the income tax, GST etc., to which the TRANSFEROR Companies are entitled to in terms of the applicable Tax Laws shall be available to and vest in the TRANSFeree COMPANY.

## **8. EMPLOYEES**

Upon the coming into effect of this Scheme:

All the employees of the TRANSFEROR COMPANIES who are in its employment as on the Effective Date shall become the employees of the TRANSFeree COMPANY with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration

not less favorable than those on which they are engaged or employed by the TRANSFEROR COMPANIES.

**9. SAVING OF CONCLUDED TRANSACTIONS**

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the TRANSFEROR COMPANIES under Paragraph 1 of PART III of this Scheme shall not affect any transactions or proceedings already concluded by the TRANSFEROR COMPANIES on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the TRANSFEREE COMPANY accepts and adopts all acts, deeds and things made, done and executed by the TRANSFEROR COMPANIES as acts, deeds and things made, done and executed by or on behalf of the TRANSFEREE COMPANY.

**PART IV**

**ISSUE OF EQUITY SHARES BY THE TRANSFEREE COMPANY**

The provisions of this Part-IV shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.

**10. ISSUE OF NEW EQUITY SHARES BY THE TRANSFEREE COMPANY:**

- a) The Transferor Companies are wholly owned subsidiary of the Transferee Company. As a result, upon coming into effect of the scheme, no shares of the Transferee Company will be allotted in lieu or exchange of its holding in the Transferor Companies

and the entire issued, subscribed and paid-up capital of the Transferor Companies shall stand cancelled.

- b)** Upon the coming into effect of this scheme, the share certificates, if any, and/or the shares representing the shares held by the Transferee Company in the Transferor Companies shall be deemed to be cancelled without any further act or deed.
- c)** In the event, the Transferee Company restructure their Equity Share Capital by way of share split / consolidation / issue of bonus shares / buy back of shares or any other corporate actions during the pendency of the Scheme, the same shall not have any impact as no shares will be allotted by the Transferee Company to the Shareholders of the Transferor Companies pursuant to the Scheme as the Transferor Companies are the Wholly Owned Subsidiary of the Transferee Company.

## **11. AMALGAMATION OF AUTHORISED CAPITAL OF TRANSFEROR COMPANIES**

1. Upon this Scheme becoming effective and with effect from the Appointed Date, the authorized share capital of the TRANSFEROR COMPANIES shall stand transferred to and be amalgamated with the authorized share capital of the TRANSFEE COMPANY.
2. It is hereby clarified that the order of the Hon'ble National Company Law Tribunal sanctioning the Scheme shall be sufficient for the purposes of effecting the amendment in the Memorandum and Articles of Association of the Transferee Company pursuant to point 1 above and that no further resolution under



Section 13, and Sections 61 and 64 or any other applicable provisions of the Act, would be required to be separately passed.

3. For this purpose, the filing fees already paid by the TRANSFEROR COMPANIES on their respective authorised share capital shall be adjusted with total fees payable by the Transferee company on such increase of authorized capital in accordance with Section 232(3)(i) of the Companies Act, 2013. Balance fees if required to be paid after adjusting such fees already paid by the Transferor Companies shall be paid by the Transferee Company.

### **INCREASE IN AUTHORISED SHARE CAPITAL OF THE TRANSFEREE COMPANY**

Accordingly, in terms of this Scheme, the Authorised share capital of the TRANSFEREE COMPANY shall stand enhanced to Rs. 1,69,00,00,000/- (Rupees One Hundred Sixty Nine Crore only) divided into 16,90,00,000 (Sixteen Crore Ninety lakhs Only) equity shares of Rs. 10/- each-.The capital clause being Clause V of the Memorandum of Association shall on the Effective Date stand substituted to read as follows:

*"The Authorised Share Capital of the Company is Rs. 1,69,00,00,000/- (Rupees One Hundred Sixty Nine Crore only) divided into 16,90,00,000 (Sixteen Crore Ninety lakhs Only) equity shares of Rs. 10/- each. The Company has power to divide the share capital, for the time being, into several classes and to increase or reduce its capital from time to time and to vary, modify or abrogate any rights, privileges, or condition attached to any class of shares in*

*accordance with the provisions of Companies act, 2013 and any amendments thereto or re-enactments thereof.*

**12. REDUCTION OF SHARE CAPITAL**

The Scheme does not contain any reduction in the share capital of the **TRANSFEEE COMPANY** as per Sec. 66 of the Companies Act, 2013 except cancellation of shares of TRANSFEEE COMPANY due to inter/cross holding of shares resulting from this amalgamation, if any.

**PART V**

**ACCOUNTING TREATMENT**

**13. ACCOUNTING TREATMENT :**

Upon the scheme coming into effect, the Transferee company shall account for the amalgamation of the Transferor Companies in the books of accounts in accordance with "Pooling of Interest Method" of accounting as laid down in Appendix C of Ind AS-103 (Business Combinations of entities under common control) prescribed under Section 133 of the Companies Act, 2013, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts such that:

- a) The Transferee Company shall upon the Scheme coming into effect, record the assets and liabilities, if any, of the Transferor Companies vested in it pursuant to this Scheme, at the respective carrying values thereof and in the same form as appearing in the books of the Transferor Companies.

- b) The identity of the reserves of the Transferor Companies shall be preserved and the Transferee Company shall record the reserves of the Transferor Companies in the same form as they appear in the financial statements of the Transferor Companies and it shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company.
- c) Pursuant to the amalgamation of the Transferor Companies with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Companies, shall stand cancelled and there shall be no further obligation in that behalf.
- d) The Equity Shares held by the Transferee Company in the Transferor Companies shall stand cancelled and accordingly there shall be no further obligation in that behalf.
- e) No New shares will be issued or allotted by the Transferee Company pursuant to this scheme.
- f) The surplus/deficit, if any arising after taking the effect of paragraph (a), (b), (d) and (e) above, after giving the effect of the adjustments referred to in paragraph (c), shall be adjusted in "Capital Reserve Account" in the financial statements of the Transferee Company.
- g) In case of any differences in accounting policies between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the

financial statements reflect the financial position based on consistent accounting policies.

- h) Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period.

## **PART VI**

### **DISSOLUTION OF THE TRANSFEROR COMPANIES AND GENERAL TERMS AND CONDITIONS**

#### **14. DISSOLUTION OF THE TRANSFEROR COMPANIES**

On coming into effect of this Scheme, the TRANSFEROR COMPANIES shall stand dissolved without winding-up, and the Board of Directors and any committees thereof of the TRANSFEROR COMPANIES shall without any further act, instrument or deed be and stand dissolved.

#### **15. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Companies, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

## **16. MODIFICATION OF SCHEME**

- a. Subject to approval of the Hon'ble National Company Law Tribunal, the TRANSFEROR COMPANIES and the TRANSFEREE COMPANY by their respective Board of Directors may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which the Hon'ble National Company Law Tribunal or any authorities under law may deem fit to approve of or may impose and which the Board of Directors of the TRANSFEROR COMPANIES and the TRANSFEREE COMPANY may in their discretion accept, such modification(s) or addition(s) as the Board of Directors of the TRANSFEROR COMPANIES and the TRANSFEREE COMPANY as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme. The TRANSFEROR COMPANIES and the TRANSFEREE COMPANY by their respective Boards of Directors are authorized to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible in law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme. In the event that any conditions are imposed by the National Company Law Tribunal or any Governmental Authorities, which the Board of Directors of the TRANSFEROR COMPANIES or the TRANSFEREE COMPANY find unacceptable for any reason, then the

TRANSFEROR COMPANIES and the TRANSFEREE COMPANY shall be at liberty to withdraw the Scheme.

- b. For the purpose of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Board of Directors of the TRANSFEROR COMPANIES and TRANSFEREE COMPANY may give and are authorized to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders or order positrons, if any, of the Transferor Companies) or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

## **17. APPROVALS**

The TRANSFEREE COMPANY shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the TRANSFEREE COMPANY may require to own the Undertaking and to carry on the business of the TRANSFEROR COMPANIES.

**18. SCHEME CONDITIONAL UPON SANCTIONS, ETC.**

This Scheme is conditional upon and subject to:

- a. The Scheme being agreed to by the requisite majority of the respective classes of members and creditors, if any, of the TRANSFEROR COMPANIES as required under the Act and the requisite orders of the National Company Law Tribunal being obtained; and
- b. It being approved by the Hon'ble National Company Law Tribunal, Kolkata Bench.

Accordingly, this Scheme although effective from the Appointed Date shall become operative on the Effective Date, being the last of the dates on which the conditions referred to above have been fulfilled.

**19. COSTS, CHARGES, EXPENSES AND STAMP DUTY**

All costs, charges and expenses (including any taxes and duties) incurred or payable by the TRANSFEROR COMPANIES and the TRANSFEREE COMPANY in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the TRANSFEROR COMPANIES with the TRANSFEREE COMPANY in pursuance of this Scheme, including stamp duty on the orders of the Hon'ble National Company Law Tribunal, if any and to the extent applicable and payable, shall be paid by the TRANSFEREE COMPANY.

**20. COMPROMISE WITH OR ARRANGEMENT WITH THE CREDITORS:**

**The Scheme of Amalgamation** does not contain or provide for any compromise with any creditors of the **TRANSFEREE**

**COMPANY** and the **TRANSFEROR COMPANIES**. The Scheme will in no way affect the right and interest of the Secured Creditors or Unsecured Creditors of the **TRANSFEREE COMPANY** and the **TRANSFEROR COMPANIES**.

**21. COMPROMISE WITH OR ARRANGEMENT WITH THE SHAREHOLDERS:**

**The Scheme of Amalgamation** does not contain or provide for any compromise with any Shareholders of the **TRANSFEREE COMPANY** and the **TRANSFEROR COMPANIES** or any other class of persons within the meaning of Sections 230 or 232 of the Companies Act, 2013. The **TRANSFEROR COMPANIES** are wholly owned subsidiaries and no shares will be allotted in terms of the Scheme. The Scheme of Amalgamation also does not involve any reorganization or restructuring of Capital of **TRANSFEREE COMPANY**. By virtue of the Scheme there will be no change in the control and management of the **TRANSFEREE COMPANY**. The rights of shareholders of the **TRANSFEREE COMPANY** will not be affected in any manner whatsoever by the Scheme. The Scheme would not result in dilution of the shareholding of the **TRANSFEREE COMPANY**.

**22. CORPORATE DEBT RESTRUCTURING:**

Further the Scheme has not been drawn to accommodate any Corporate Debt Restructuring.

**23. FILING OF APPLICATIONS AND PETITION:**

The **TRANSFEROR COMPANIES** shall jointly use their best efforts to make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act, before



the National Company Law Tribunal having jurisdiction for sanction of this Scheme under the provisions of law, and shall apply for such approvals as may be required under law.

**24. CONSENTS OF SHAREHOLDERS AND CREDITORS OF TRANSFEROR COMPANIES TO THE SCHEME:**

In terms of Section 230(1) the TRANSFEROR COMPANIES will seek consent of the Shareholders and Creditors both Secured and Unsecured for seeking dispensation of the meetings.

**25. NO APPLICATION OR PROCEEDINGS BY TRANSFEREE COMPANY ON THE SCHEME:**

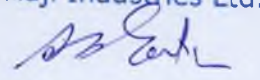
The Scheme of Amalgamation does not involve any reorganization or restructuring of Capital of TRANSFEREE COMPANY. As a result of the Scheme there will be no dilution in shareholding of the shareholders of the Transferee Company. Neither the rights and liabilities of nor any compromise is offered to any Secured and Unsecured Creditor of the Transferee Company pursuant to this Scheme. Thus, there will be no application or proceeding for sanction of the Scheme under Section 230 and 232 of the Companies Act, 2013 in respect of the TRNASFEREE COMPANY is required.

**26. MISCELLANEOUS:**

The Scheme also does not come under the purview of the Competition Commission of India.

**CERTIFIED TO BE TRUE COPY**

Jai Balaji Industries Ltd.

  
Company Secretary