



HINDUSTHAN UDYOG LTD.

Registered Office :
" TRINITY PLAZA" 3rd Floor
84/1A, Topsia Road, (South)
Kolkata- 700 046, India
Phone : (033) 4055 6800
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E-mail : hulho@hul.net.in
CIN No. : L27120WB1947PLC01576

Date: 1st July, 2022

To
The Secretary
Department of Corporate Services
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai-400001

RE: DISCLOSURE UNDER REGULATION 10(6) OF SEBI (SAST) REGULATIONS, 2011

Dear Sirs,

We wish to inform you that pursuant to the Scheme of Amalgamation of Tea Time Limited, Neptune Exports Limited, Northern Projects Limited and Orient International Limited (together referred to as '**Transferor Companies**') with Hindusthan Udyog Limited (**HUL/Transferee Company**) as sanctioned by Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, Shares of Bengal Steel Industries Limited (**BSIL/Target Company**) as held by the Transferor Companies stand transferred to HUL/Transferee Company. The Order of NCLT along with Scheme is enclosed herewith.

Accordingly, the disclosure under Regulation 10(6) of SEBI (SAST) Regulations, 2011 is enclosed herewith in respect of acquisition of Shares of BSIL pursuant to the exemption provided under Regulation 10(1)(d)(iii) of said Regulations.

The above is for your information and records.

Thanking You.

Yours Faithfully,

FOR HINDUSTHAN UDYOG LIMITED

Shikha Bajaj

[SHIKHA BAJAJ]

COMPANY SECRETARY & COMPLIANCE OFFICER



ENCLO: AS ABOVE



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DISCLOSURE UNDER REGULATION 10(6) – REPORT TO STOCK EXCHANGES FOR ANY ACQUISITION MADE IN RELIANCE UPON EXEMPTION PROVIDED FOR IN REGULATION 10 OF SEBI (SAST) REGULATIONS, 2011

1.	Name of Target Company (TC)	BENGAL STEEL INDUSTRIES LIMITED			
2.	Name of Acquirer	HINDUSTHAN UDYOG LIMITED (HUL)			
3.	Name of Stock Exchange where shares of the TC are listed	BSE LIMITED			
4.	Details of Transaction including rationale, if any for the transfer/ acquisition	Acquisition pursuant to a Scheme of Amalgamation of Tea Time Limited, Neptune Exports Limited, Northern Projects Limited and Orient International Limited (Transferor Companies) with HUL (Transferee Company), sanctioned by Hon'ble NCLT, Kolkata Bench, wherein Shares of TC held by Transferor Companies have been transferred to HUL			
5.	Relevant Regulation under which the Acquirer is exempted from making open offer	Regulation 10(1)(d)(iii)			
6.	Whether disclosure of Proposed Acquisition was required to be made under Regulation 10(5)	Not Applicable for acquisitions under Regulation 10(1)(d)(iii)			
7.	Details of Acquisition	Disclosures to be made under Regulation 10(5)	Whether the Disclosures under Regulation 10(5) are actually made		
		NOT APPLICABLE			
8.	Shareholding Details	PRE-TRANSACTION		POST-TRANSACTION	
		No. of Shares held	% w.r.t total capital of TC	No. of Shares held	% w.r.t total capital of TC
A	Each Acquirer/Transferee				
	Hindusthan Udyog Limited	3,45,000	7.04	18,62,901	38.02
B	Each Seller/Transferor				
	Tea Time Limited	4,98,250	10.17	--	--
	Neptune Exports Limited	4,95,601	10.11	--	--
	Northern Projects Limited	40,000	0.82	--	--
	Orient International Limited	4,84,050	9.88	--	--

For Hindusthan Udyog Ltd.

Sudhakar Bandyopadhyay

Company Secretary

Form No. CAA.7

[Pursuant to Section 230 and rule 20]

IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH

CP (CAA) No. 181/KB/2021

connected with

CA (CAA) No.13/KB/2021

In the matter of

A Company Petition filed under sections 230(1) and 232(1) of the Companies Act, 2013.

And

In the matter of

Tea Time Limited [CIN: L01132WB1979PLC032246], a company incorporated under the provisions of the Companies Act, 1956, having its registered office at Trinity Plaza, 3rd floor, 84/1A, Topsia Road (South), Kolkata-700046.

...Transferor Company No.1

And

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Orient International Limited
[CIN:L27310WB1981PLC034139], a
company incorporated under the
provisions of the Companies Act,
1956, having its registered office at
Trinity Plaza, 3rd floor, 84/1A,
Topsia Road (South), Kolkata-
700046.

...Transferor Company No.2

And

Neptune Exports Limited
[CIN:L51909WB1982PLC034494], a
company incorporated under the
provisions of the Companies Act,
1956, having its registered office at
Trinity Plaza, 3rd floor, 84/1A,
Topsia Road (South), Kolkata-
700046.

...Transferor Company No.3

And

Northern Projects Limited
[CIN:L45400WB1983PLC035987], a
company incorporated under the
provisions of the Companies Act,
1956, having its registered office at



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Trinity Plaza, 3rd floor, 84/1A,
Topsia Road (South), Kolkata-
700046.

...Transferor Company No.4

And

Hindusthan Udyog Limited
[CIN:L27120WB1947PLC015767], a
company incorporated under the
provisions of the Companies Act,
1956, having its registered office at
Trinity Plaza, 3rd floor, 84/1A,
Topsia Road (South), Kolkata-
700046.

...Transferee Company

And

1. Tea Time Limited
2. Orient International Limited
3. Neptune Exports Limited
4. Northern Projects Limited
5. Hindusthan Udyog Limited

...Petitioners

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Order Under Section 230 to 232

1. The above Company Petition coming on for further hearing on the 03rd day of March 2022 and upon hearing the advocate appearing for the Petitioners and upon hearing Regional Director, Eastern Region representing the Central Government the final order was passed on 09th day of March 2022.

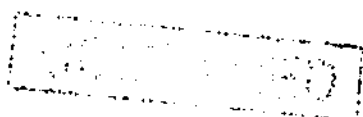
2. This court convened *via* video conference.

3. The instant petition has been filed under Section 230(6) read with Section 232(3) of the Companies Act, 2013 ('Act') for sanction of the Scheme of Amalgamation of Tea Time Limited ('Transferor Company No.1'), Orient International Limited ('Transferor Company No.2'), Neptune Exports Limited ('Transferor Company No.3') and Northern Projects Limited ('Transferor Company No.4') with Hindusthan Udyog Limited ('Transferee Company'), whereby and where under the Transferor Companies are proposed to be amalgamated with the Transferee Company and the entire undertaking of the Transferor Companies are proposed to be transferred to and vested in the Transferee Company from the Appointed Date, *viz.*, 01.04.2019 in the manner and on the terms and conditions stated in the said Scheme of Amalgamation ('Scheme').



4. The Petition has now come up for final hearing. Counsel for the Applicants submits as follows: -

- a. The Scheme was approved unanimously by the respective Board of Directors of the Petitioner Companies at their meetings held on 21.03.2020.
- b. The circumstances which justify and/or have necessitated the Scheme and the benefits of the same are, inter alia, as follows:-
 - i. The amalgamation will enable pooling of resource of the companies involved in the amalgamation to their common advantage, resulting in more productive utilization of such resources, cost and operational efficiencies which would be beneficial for all stakeholders.
 - ii. The amalgamation would result in the creation of a Transferee Company with larger asset base and net worth with strong financials enabling further growth and development of the Transferee Company and enable it to withstand with the growing competition in the market scenario.
 - iii. The proposed amalgamation will result in reduction in overhead and other expenses, reduction in administrative and procedural work and eliminate duplication of work and will enable the companies concerned to effect internal economies and optimize productivity.
 - iv. If the proposed amalgamation comes into effect then it will strengthen the credibility of the Transferee Company with the financial institutions, banks and general public and which



would eventually benefit the shareholders of the Transferee Company and the Transferor Companies.

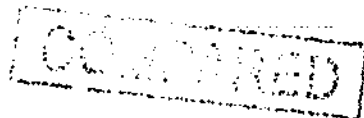
- v. There is no likelihood that interest of any shareholder or creditor of any of the Transferor Companies or the Transferee Company would be prejudiced as a result of the Scheme. The Scheme of Arrangement/Amalgamation will not impose any additional burden on the members of the Transferor Companies or the Transferee Company.
- vi. The proposed Scheme will result in administrative and operational rationalization, organizational efficiencies, reduction in overheads and other expenses and optimal utilization of various resources of the companies concerned and formation of a larger and stronger company having greater capacity for conducting its operations and business more effectively and efficiently.
- vii. The merger will result in better and efficient management, control and running of the businesses, attain operational efficiencies, cost competitiveness and create synergies and capitalize on the growth opportunities to the fullest extent.
- viii. The said Scheme will result in formation of a larger company with larger resources and financial base resulting in optimum growth and development of the businesses of the companies concerned and exploitation of the potential thereof. The said Scheme will enable the undertakings and businesses of the companies concerned to obtain greater facilities possessed and enjoyed by one large company compared to a number of



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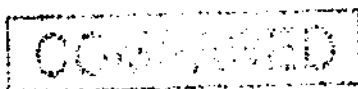
small companies for raising capital, securing and conducting trade on favourable terms and other benefits.

- ix. The merger will improve and consolidate internal controls and functional integration at various levels of the organisation such as information technology, human resources, finance, legal and general management leading to an efficient organization capable of responding swiftly to volatile and rapidly changing market scenarios.
 - x. The merger will enable seamless access to strong corporate relationships and other intangible benefits of the companies concerned built up over decades of experience, enhanced scale of operations and sharper focus and ultimately improve returns to create long term sustainable value for all stakeholders.
 - xi. The Scheme is for the benefit of its shareholders, employees and all stakeholders.
- c. The Statutory Auditors of the Petitioner Companies have by their certificates dated 20.03.2020, and 21.03.2020 confirmed that the accounting treatment in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.
 - d. No proceedings are pending under sections 210 to 227 of the Companies Act, 2013 against the Petitioner Companies.
 - e. The exchange ratio of shares in consideration of the Amalgamation has been fixed on a fair and reasonable basis and on the basis of the Report thereon of Mr. Vikash Goel, Registered Valuers [IBBI/RV/01/2018/10339]. Further, Finshore Management



Services Limited has also confirmed that the said ratio is fair by their fairness opinion thereon.

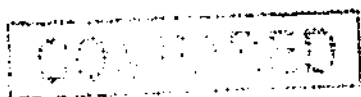
- f. The shares of the Petitioner Nos.1, 3, 4 and 5 are listed on the Bombay Stock Exchange and the Calcutta Stock Exchange. The shares of the Petitioner No.2 are listed on the Delhi Stock Exchange and the Calcutta Stock Exchange.
- g. In compliance with Securities and Exchange Board of India ('SEBI') Circular dated 10th March, 2017 on Schemes of Arrangement, as amended from time to time ('SEBI Circular'), the said Petitioner(s) duly filed the Scheme with the said Stock Exchanges for their approval to the same. The Bombay Stock Exchange by its letters dated 13.11.2020 and the Calcutta Stock Exchange by its letters dated 20.11.2020 after receiving comments from SEBI, have confirmed they have '*no adverse observation*' on the Scheme.
- h. The Petitioner No. 4 is a Non-Banking Financial Company registered with the Reserve Bank of India vide Certificate of Registration dated May 16, 1998 bearing registration no.05.02409 and has obtained a '*no objection certificate*' dated 3.12.2020 from the Reserve Bank of India with regard to the proposed Scheme.
- i. By an order dated 22.02.2021 in Company Application (CAA) No.13/KB/2021, this Tribunal made the following directions with regard to the meetings of shareholders and creditors under section 230(1) read with section 232(1) of the Act:-
 - i. *"Meetings dispensed: Meeting of Preference Shareholder and Unsecured Creditors of the Applicant No.5 are dispensed with under section 230(1) read with section 232(1) of the Act.*



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- ii. However, the Tribunal hereby directs the Transferee Company to issue notice to all of its unsecured creditors having debt outstanding of a value more than Rs.13,00,000/- (which represents 91.71 % of value of the total unsecured creditors of the Applicant Company No.5) as per the list of unsecured creditors at Annexure AB at pages 743 to 746 of Volume V of the application, under section 230(3) of the Companies Act, 2013 with a direction that they may submit their representation, if any, to the Tribunal and Copy of such representation shall simultaneously be served upon the Transferee Company. Objections, if any, will be heard at the time of final hearing of the connected petitions for sanction of the Scheme. There is no requirement of issuing notices to the unsecured creditors of the Transferee Company/Applicant No.5 Company having a debt of less than Rs.13,00,000/-.
- iii. In view of the fact that the Applicant Companies have no Secured Creditors, as certified by the Statutory Auditors of the Applicant Companies, the question of holding and conducting the meeting of Secured Creditors of the Applicant Companies does not arise.
- iv. In view of the fact that the Applicant Company Nos.1 to 4 have no Unsecured Creditors, as certified by the statutory Auditors of the Applicant Company Nos. 1 to 4, the question of holding and conducting the meeting of Unsecured Creditors of the Applicant Company Nos. 1 to 4 does not arise.
- v. Meetings to be held | Date and Times: The following meeting(s) shall be convened and held at the following times on 21st May, 2021 (Friday) for the purpose of considering, and, if thought fit, approving the said Scheme, with or without modification: -

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- a. Meeting of Equity Shareholders of Applicant No.1 at 10 A.M.
- b. Meeting of Equity Shareholders of Applicant No.2 at 11 A.M.
- c. Meeting of Equity Shareholders of Applicant No.3 at 12 Noon.
- d. Meeting of Equity Shareholders of Applicant No.4 at 1 P.M.
- e. Meeting of Equity Shareholders of Applicant No.5 at 2 P.M.

In the event any meeting, as aforesaid, spills over and is concluded after the time fixed for commencement of the succeeding meeting, such succeeding meeting shall be held immediately after such conclusion of the prior meeting."

- j. The Learned Counsel appearing for the Petitioners submits that due to the rise in second wave of Covid-19 pandemic, and the lockdown imposed due to it by the State of West Bengal which directed the private establishments to remain closed, the meetings as directed vide the aforesaid order could not be convened despite advertisements being published on 11.04.2021 and notices being served upon the unsecured creditors of the Transferee Company having debt outstanding of a value more than Rs.13,00,000/-.
- k. The Learned Counsel appearing for the Petitioners submits that because of the inability to hold and convene the meeting due to the pandemic and the resultant restrictions, the Petitioners published another advertisement dated 20.05.2021 in the aforementioned newspapers intimating the postponement of the aforesaid meetings.
- l. On 22.06.2021, the Petitioner Companies filed an application bearing CA No. 100/KB/2021 praying for directions to hold and convene the meeting and to issue notice and publications in that regard, the Learned Counsel appearing for the Petitioners submits.

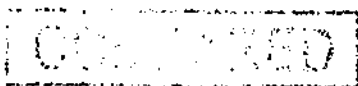
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- m. The application bearing CA No. 100/KB/2021 was allowed by this Tribunal vide its order dated 05.08.2021 with direction to hold meeting of Equity Shareholders on 16.09.2021 and that all other directions given in earlier order dated 22.02.2021 for convening and holding the meetings shall remain in force.
- n. Pursuant to the said orders dated 05.08.2021 in Company Application No. 100/KB/2021 read with the order dated 22.02.2021 in Company Application (CAA) No.13/KB/2021, that the said meetings were duly held on 16.09.2021 as directed. The said meetings duly approved the Scheme by the requisite majority.
- o. Consequently, the Petitioner Companies presented the instant petition for sanction of the Scheme. By an order dated 30.11.2021 the instant petition was admitted by this Tribunal and fixed for hearing on 24.01.2022 upon issuance of notices to the Statutory/Sectoral Authorities and advertisement of date of hearing. In compliance with the said order dated 05.08.2021, the Petitioner Companies have duly served such notices on the Regional Director, Eastern Region, Kolkata, Registrar of Companies, Kolkata, Official Liquidator, Ministry of Corporate Affairs, Kolkata, Securities and Exchange Board of India, Camac Street, Elgin, Kolkata, Bombay Stock Exchange, Mumbai, Calcutta Stock Exchange, Kolkata, Reserve Bank of India and Assessing Officer, Respective income tax authorities under respective circles on 06.12.2021 and 07.12.2021. The Petitioner(s) have also published such advertisements once each in the *Financial Express* and *Aajkal* in their respective issues dated 17.12.2021. An affidavit of compliance in this regard has also been filed by them on 14.01.2022.



p. All statutory formalities requisite for obtaining the sanction of the Scheme have been duly complied with by the Petitioner Companies. The Scheme has been made bona fide and is in the interest of all concerned

5. Pursuant to the said advertisements and notices, Official Liquidator, Calcutta High Court, Kolkata, and the Regional Director, Ministry of Corporate Affairs, Kolkata ('RD'), have filed their representations before this Tribunal.

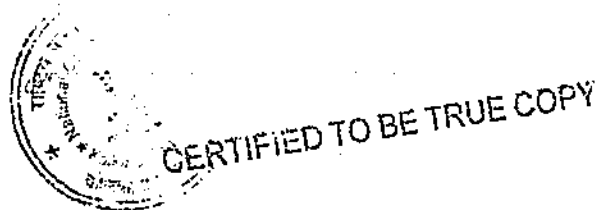
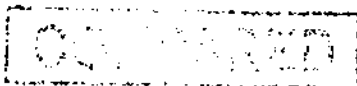
6. The Official Liquidator has filed his report dated 24.12.2021 and concluded as under:-

"8. That the Official Liquidator has not received any complaint against the proposed Scheme of Amalgamation from any person/party interested in the Scheme in any manner till the date of filing of this Report.

...

10. That the Official Liquidator on the basis of information submitted by the Petitioner Companies is of the view that the affairs of the aforesaid Transferor Companies do not appear to have been conducted in a manner prejudicial to the interest of its members or to public interest as per the provisions of the Companies Act, 1956/the Companies Act, 2013 whichever is applicable."

7. The RD has filed his report dated 21.01.2022 ('RD affidavit') which has been dealt with by the Petitioners by their rejoinder affidavit dated



21.02.2022 (*rejoinder*).The observations of the RD and responses of the Petitioner(s) are summarized as under:-

(a) Paragraph No.2 (a) of RD Affidavit:

That it is submitted that on examination of the report of the Registrar of Companies, West Bengal it appears that no complaint and/or representation has been received against the proposed Scheme of Amalgamation. The petitioner companies are also updated in filing their statutory returns.

Paragraph No.3 of rejoinder

Since the contents of paragraph 2(a) of the reply affidavit filed by the Ld. Regional Director are a matter of record, therefore, need no reply.

(b) Paragraph No.2 (b) of RD Affidavit:

The appointed date stated in the Scheme is 1st April 2019. In terms of the Circular no. 09/2019 dated 21.08.2019 of the Ministry of Corporate Affairs, "where the 'appointed date' is chosen as a specific calendar date, it may precede the date of filing of the application for scheme of merger/amalgamation in NCLT. However, if the appointed date is significantly ante dated beyond a year from the date of filing. The justification for the same would have to be specifically brought out in the scheme and it should not be against public interest" It is not ascertainable from the documents provided by the Applicant whether the application for the scheme was filed before this Tribunal within a year from 1st April 2019. If the application for the scheme was filed with the



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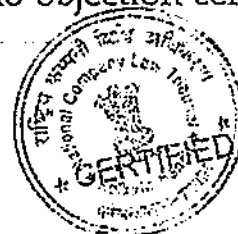
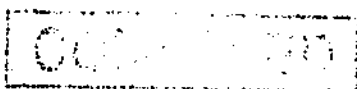
Tribunal after more than one year from the appointed date, this Tribunal may kindly direct the Applicant to bring out the justification for the appointed date being more than one year before date of filing of the application for the scheme, in the scheme according to the Circular.

Paragraph No.4 of rejoinder

The Appointed Date indicated in the proposed scheme of amalgamation is 1st April, 2019, and the application bearing C.A. (CAA) No. 13/KB/2021 had[^] been filed by the Petitioner Companies on 25th January, 2021. The justification for such delay is provided below and such delay is not against public interest: -

- a) The Valuation Report ascertaining the share exchange ratio with respect to the proposed Scheme was prepared by the Registered Valuer, namely Vikash Goel on 20th March 2020 based on the Audited Financials of Petitioner Companies for the year ending 31st March, 2019 *i.e.*, just one day preceding the Appointed Date.
- b) The Scheme of Amalgamation was finalised and approved by the respective Board of Directors of the Petitioner Companies on 21st March 2020. At that juncture, the appointed date for the proposed scheme has been determined as the first day of that financial year *i.e.*, 1st April 2019.
- c) Immediately thereafter, on account of the first wave of Covid-19 pandemic for a considerable period all work and activities had come to a standstill. The same led to an unavoidable delay in procuring the no-objection certificates

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from the concerned stock exchanges wherein the Petitioner Companies had been listed. The no-objection certificate/ observation letters were ultimately received by the Petitioner Companies on 13th November, 2020 and 20th November, 2020.

- d) It is pertinent to mention that Petitioner Company No.4 is an NBFC registered with the Reserve Bank of India. Accordingly, prior approval from the Reserve Bank of India is also required to be obtained before filing an application with the concerned authorities. Petitioner Company No.4/Northern Projects Limited obtained such approval from the Reserve Bank of India by its letter dated 3rd December, 2020.
- e) Immediately after obtaining the no-objection certificates/observation letters from the concerned authorities, on 25th January, 2021 the Petitioner Companies filed an application bearing C.A. (CAA) No. 13/KB/2021 before the Tribunal seeking necessary direction for convening meetings of the shareholders of the Petitioner Companies.

(c) Paragraph No 2(c) of RD Affidavit

It is submitted that all the Petitioner Companies including the Transferee Company namely, M/s Hindusthan Udyog Limited are listed Companies BSE and CSE. The BSE and the CSE have issued their observation letter regarding the draft Scheme of Amalgamation between the petitioner Companies.

Paragraph No.5 of rejoinder:

Since the contents of paragraph 2(c) of the reply affidavit filed by the Ld. Regional Director are a matter of record, therefore, need no reply.

(d) Paragraph No 2(d) of RD Affidavit

The Petitioner Company should undertake to comply with the provisions of section 232(3)(i) of the Companies Act, 2013.

Paragraph No.6 of rejoinder:

Clause 10(i) of the Scheme of Amalgamation [annexed at pgs. 43-72, Volume I of the Petition relevant clause at pg. 66] provides that upon the Scheme becoming effective, the Authorised Share Capital of each of the Transferor Companies will get merged with that of the Transferee Company and, any additional fees will be borne by the Transferee Company after setting off the fees paid by the Transferor Companies on their respective Authorised Share Capital. Necessary provisioning in compliance with section 232(3)(i) of the Companies Act, 2013 has been provided for in the scheme which has been duly approved by the Board of Directors and shareholders of the Petitioner Companies. However, the Petitioner Companies once again hereby undertake that the Petitioner Companies would comply with the provisions of section 232(3)(i) of the Companies Act, 2013



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(e) Paragraph No. 2(e) of RD Affidavit:

The Transferee Company should be directed to pay applicable stamp duty on the transfer of the immovable properties from the Transferor Companies to it.

Paragraph No.7 of rejoinder

Petitioner Companies undertake to pay applicable stamp duty on the transfer of the immovable properties from the Transferor Companies to the Transferee Company upon the Scheme of Amalgamation becoming effective.

(f) Paragraph No. 2(f) of RD Affidavit:

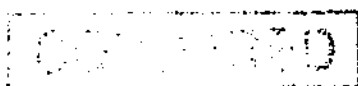
In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards' such as AS-5 or IND- AS-8 etc.

Paragraph No.8 of rejoinder:

In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the Transferee Company undertakes to pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 or IND-AS-8 etc.

(g) Paragraph No. 2(g) of RD Affidavit:

The Tribunal may kindly seek the undertaking that this scheme is approved by the requisite majority of members and creditors as per section 230(6) of the Companies Act 2013 in meeting duly held in terms of section 230(1) read with sub-sections (3) to (5) of



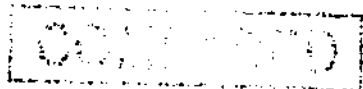
section 230 of the said Act and the Minutes thereof are duly placed on record.

Paragraph No.9 of rejoinder:

Paragraph 26 at page 39 of the underlying Company Petition contains the submission that the resolution approving the scheme of amalgamation has been passed by the ¾th majority. The said underlying Company Petition is accompanied by an affidavit. However, with abundant precaution, the deponent, affirms that the Scheme of Amalgamation has been approved by the requisite majority of members as per section 230(6) of the Companies Act, 2013 in the meetings duly held in terms of section 230(1) read with section 230(3)-(5) of the said Act and the minutes are annexed with the underlying Company Petition at pgs. 1392 - 1420, Volume IX.

Insofar as the undertaking with respect to the creditors is concerned, no meeting of the creditors had taken place, since the requirement to convene and hold such meetings was dispensed with by this Tribunal vide its order dated 5th August 2021 [@ pgs. 950-959, Volume VI of the petition] read with the order dated 22nd February 2021 [@ pgs. 728-736, Volume V of the petition]. Furthermore, the Tribunal by its order dated 5th August, 2021 directed the Transferee Company to issue notices to its unsecured creditors having debt outstanding of a value more than Rs. 13,00,000/- (which represent 93.26% of value of the total unsecured creditors of the Petitioner Company No. 5) under section 230(3) of the Companies Act, 2013. The deponent states that the Petitioner Company No. 5/ Transferee Company had

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issued notices dated 14th August, 2021 to its unsecured creditors in compliance with the aforesaid order and an affidavit dated 1st September, 2021 confirming the same has also been filed in this regard [@ pgs. 960-980, Volume – VI of the Petition]

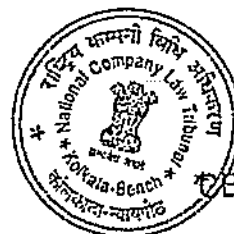
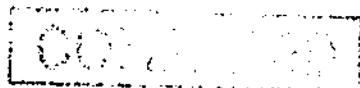
- (h) Paragraph No. 2(h) of RD Affidavit: The Tribunal may kindly direct the Petitioners to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.

Paragraph No.10 of rejoinder:

The deponent undertakes that the Scheme of Amalgamation enclosed with the Company Application and the Scheme of Amalgamation enclosed with the Company Petition are one and the same. He further undertook that there have been no changes or discrepancies made in the Scheme of Amalgamation filed with the Company Application from that of the Scheme of Amalgamation filed with the Company Petition

- (i) Paragraph No. 2(i) of RD Affidavit: The Petitioners under provisions of section 230(5) of the Companies Act 2013 have to serve notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement. Further, the approval of the scheme by the Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such authorities shall be binding on the Petitioner Company(s) concerned.

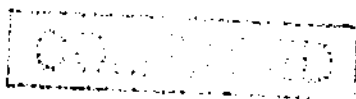
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Paragraph No.11 of rejoinder:

The Petitioner Companies had issued notices under section 230(5) of the Companies Act, 2013 along with all the accompanying documents including a copy of the Scheme and statement under the provisions of the Companies Act, 2013 to the Ld. Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata; Registrar of Companies, Kolkata; Official Liquidator, Calcutta High Court at Kolkata; Securities Exchange Board of India; Income tax department; Reserve Bank of India (as applicable); and Stock Exchanges where the shares of the concerned Petitioner Companies are listed. The notices have been issued by the Petitioner Companies on the following dates and an affidavit affirming the same has been filed by the Petitioner Companies:-

- a. Notice dated 5th April, 2021 issued by the Petitioner Companies to all statutory authorities mentioned above pursuant to the order dated 22nd February, 2021 passed by this Tribunal in C.A. (CAA)No. 13/KB/2021 and an affidavit dated 13th May, 2021 confirming the aforesaid has been filed in this regard.
- b. Notice dated 12th August, 2021 issued by the Petitioner Companies to all statutory authorities mentioned above pursuant to the order dated 5th August, 2021 passed by this Tribunal in COMP. APPL/100(KB)2021 and an affidavit dated 1st September, 2021 confirming the aforesaid has been filed in this regard.
- c. Notice dated 4th December, 2021 issued by the Petitioner Companies to all statutory authorities mentioned above



pursuant to the order dated 30th November, 2021 passed by this Tribunal in C.P. (CAA) No. 181/KB/2021 connected with CA (CAA) No. 13/KB/2021 and C.A. No. 100/KB/ 2021 and an affidavit dated 14th January, 2022 confirming the aforesaid has been filed in this regard

(j) Paragraph No. 2(j) & (k) of RD Affidavit:

The Transferor companies, Tea Time Limited, Neptune Exports Limited and Company, Northern Projects Limited held more than 20% shares of Bharat Oil & Chemical Industries Limited as on 31.3.2016, 31.3.2017, 31.3.2018, 31.3.2019, 31.3.2020 and 31.3.2021. however, they have not filed the consolidated financial statement which is contrary to the provisions of section 137(r) read with section 129(3) Companies Act 2013, rendering the financial statement filed as incomplete. The companies should file the correct and complete set of financial statements of the said years before the merger, since, after merger, the said companies will become non-active on MCA portal and they would plead that

Paragraph No.12 of rejoinder:

The Consolidated Financial Statements of (i). Tea Time Limited and Bharat Oil & Chemical Industries Limited for FY 2015-16, FY 2016-17, FY 2017-18, FY 2018-19, FY 2019-20 and FY 2020-21, (ii). Neptune Exports Limited and Bharat Oil & Chemical Industries Limited for FY 2015-16, FY 2016-17, FY 2017-18, FY 2018-19, FY 2019-20 and FY 2020-21, and (iii). Northern Projects Limited and Bharat Oil & Chemical Industries Limited for FY 2015-16, FY 2016-17, FY 2017-18, FY 2018-19, and FY 2019-20 were not filed by the aforesaid companies as the concerned Petitioner Companies

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were under the bonafide impression that this was not required because there was no operation reported in Bharat Oil & Chemical Industries Limited during the aforesaid financial years. However, the Petitioner Companies undertake and are ready and willing to resolve the issue and pay any additional fees/charges as may be levied by the Registrar of Companies in accordance with the law.

(k) Paragraph No. 2(l) of RD Affidavit:

The Transferor Company, Northern Projects Limited has not filed its financial statement for 2019-20 as yet although the due date for filing the same under section 137 of the Companies Act, 2013 elapsed long back. The company is in running default. Further in absence of the latest financial statement, no observation can be drawn by this deponent on the state of affairs of the company.

Paragraph No.13 of rejoinder:

The Financial Statements of Northern Projects Limited for the financial year 2019-20 were filed timely through Form AOC-4 NBFC (IND-AS) on 20th October 2020 vide SRN: R67868943. The copy of the financial statement of Northern Projects Limited for the financial year 2019-20, Form AOC-4 NBFC (IND-AS) dated 20th October 2020 along with the SRN proving the filing of the same are annexed with the rejoinder affidavit.

(l) Paragraph No. 2(m) of RD Affidavit:

The Transferor companies, Tea Time Limited, Neptune Exports Limited and Northern Projects Limited did not disclose the particulars of related party transactions in the Notes on Accounts

in the financial statements for 2020-21 and earlier years although in the Auditors' Report it was stated that such disclosure is made in the Notes on Accounts.

Paragraph No.14 of rejoinder:

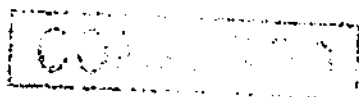
The Transferor Companies namely Tea Time Limited, Neptune Exports Limited and Northern Projects Limited have disclosed the particulars of related party transactions in the notes on accounts in the Financial Statements for the financial year 2020-21; the same are reflected from note 17, note 19 and note 17(c), respectively, of the notes on accounts in the Financial Statements for the financial year 2020-21 of Tea Time Limited, Neptune Exports Limited and Northern Projects Limited, respectively.

(m) Paragraph No. 2(n) of RD Affidavit:

Company Secretaries of the Transferor companies, Tea Time Limited, Neptune Exports Limited and Northern Projects Limited resigned as follows:-

- i) Tea Time Ltd- Ankita Agarwal resigned on 31.03.2021
- ii) Neptune Exports Ltd- Rashmi Singh Yadav resigned on 15.03.2021
- iii) Orient International Ltd- Narayan Baheti resigned on 09.04.2021
- iv) Northern Projects Ltd- Ranu Dey Talukdar resigned on 28.02.2021 .

The companies are mandated to have Whole Time Company Secretaries in terms of section 203 of the Companies Act, 2013



but all these companies have been avoiding having Company Secretaries for many months and now proceeding to get merged with the Transferee Company to drop curtain on the serious running violation. The companies are liable for penal consequences along with their officers under section 203(5) of the Companies Act 2013. Hence before completion of Adjudication proceedings under section 454 of the Companies Act 2013 the merger may be kept in abeyance.

Paragraph No.15 of rejoinder:

Although the Company Secretaries of the Transferor Companies namely, Tea Time Limited, Neptune Exports Limited, Orient International Limited, and Northern Projects Limited had resigned on 31st March 2021, 15th March 2021, 9th April 2021, and 28th February 2021, respectively, the said casual vacancy created on the resignation of company secretaries for the aforesaid four companies were filled in by the Board of Directors of the respective companies within 6 (six) months in terms of Section 203(4) of the Companies Act, 2013 in the following manner: -

- a. For Tea Time Limited, Ms. Harshita Changlani was appointed with effect from 23rd September 2021.
- b. For Neptune Exports Limited, Ms. Bhagyashree Hirawat was appointed with effect from 1st September 2021.
- c. For Orient International Limited, Ms. Somya Chaturvedi was appointed with effect from 7th October 2021.
- d. For Northern Projects Limited Ms. Neha Mehra was appointed with effect from 12th August, 2021.

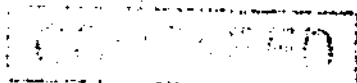
It is pertinent to mention that the details of the resignation and appointment of the aforementioned Company Secretaries were also filed with the Registrar of Companies. Therefore, there is no violation by the Petitioner Companies that warrant adjudication under section 454 of the Companies Act, 2013.

(n) Paragraph No. 2(o) of RD Affidavit:

The Transferor Company, Northern Projects Limited did not file its financial statements for 2015-16, 2016-17, 2017-18, 2018-19 in XBRL format violating Rule 12(2) of The Companies (Accounts) Rules 2014 and The Companies (Filing of documents and forms in extensible business reporting language) Rules 2015. The company is liable for penal consequences along with its officers under section 203(5) of the Companies Act 2013. Hence before completion of Adjudication proceedings under section 454 of the Companies Act 2013 the merger may be kept in abeyance.

Paragraph No.16 of rejoinder:

The Transferor Company namely, Northern Projects Limited is an NBFC registered with the Reserve Bank of India. Therefore, in terms of the second proviso to Rule 3(1) of the Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules, 2015 Northern Projects Limited is exempt from filing Financial Statements in XBRL Format under the said Rules. Considering the aforesaid, Northern Projects Limited or its officers are not liable for penal consequences under the provisions of the Companies Act, 2013 or otherwise.



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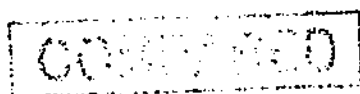
(o) Paragraph No. 2(p) (q) and (r) of RD Affidavit:

The Transferor Company, Neptune Exports Ltd, reported in its balance sheet as at 31.3.2021 "Advance to others" Rs.980.50 lakhs and "Receivables" Rs 126.65 lakhs summing up to Rs. 1107.15 lakhs which was 58% of the total assets of the company; the Transferor company, Orient International Ltd, reported in its balance sheet as at 31.3.2021 "other Advance" Rs.360.25 lakhs which was 58% of the total assets of the company; the Transferor company, Tea Time Ltd, reported in its balance sheet as at 31.3.2021 "other Advance" Rs.2077.25 lakhs which was 86 % of the total assets of the company. But contrary to the provisions of schedule III to the Companies Act 2013 no disclosure of the nature of such advance and receivable was made. Consequently, not only provision of the Companies Act was violated, disclosure of crucial feature of the state of affairs of the company was concealed. As a result, this deponent is not in a position to have comprehensive observation regarding the state of affairs of the said companies for drawing up the representation under section 230(5) of the Companies Act 2013. Once the companies disclose the particulars of the said items this deponent can prepare the representation.

Paragraph No.17 of rejoinder:

The amounts mentioned under the head 'Other Advance' and/or 'Other Receivables' in the Balance Sheets for the Financial Year ending on 31.03.2021 of Tea Time Limited, Neptune Exports Limited, and Orient International Limited are in the nature of trade advances. It is submitted that the concerned Petitioner

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Companies have duly made proper disclosures in their Balance Sheets in respect of the amounts mentioned under the head 'other advance' and/or 'Other Receivables' in terms of schedule III of the Companies Act, 2013 in the following manner:-

- i. For Petitioner Company No.3 i.e., Neptune Exports Ltd. in Note No. 5 & Note No. 6 as follows:-

Note: 5: Non-Current: Loans and Deposits - As on 31st March, 2021

At amortised cost Unsecured, Considered Good	Amount in Rs.
Security Deposits	32,212
Advance to Others	98,050,000
Total	98,082,212

Note: 6: Other Non-Current Assets - As on 31st March, 2021

Unsecured, Considered Good	Amount in Rs.
Other Receivables	12,665,530
Total	12,665,530

- ii. For Petitioner Company No.2 i.e., Orient International Limited in Note No. 4 as follows:-Note: 4: Non-Current: Loans and Deposits -As on 31st March, 2021

Unsecured, Considered Good	Amount in Rs.
Other Advances	36,025,000
Total	36,025,000

- iii. For Petitioner Company No.1, i.e., Tea Time Limited in Note No. 4 as follows:

Note: 4 : Non-Current: Loans and Deposits - As on 31st March, 2021

<u>At amortised cost</u>	Amount in Rs.
Unsecured, Considered Good	
Other Advances	207,725,000
Total	207,725,000

(p) Paragraph No. 2(s) of RD Affidavit:

It is submitted that the Transferor Company M/s Northern Projects Limited is registered with RBI as NBFC. The Reserve Bank of India vide its letter dated 03/12/2020 issued its approval/no objection to the proposed merger of the Company with Non-NBFC petitioner companies including transferee Company M/s Hindusthan Udyog Limited. However, it is stated in the said letter that the said approval is valid for six months from the date of issue of that letter i.e. six months from 03/12/2020.

Paragraph No.18 of rejoinder:

One of the Transferor Companies namely, Northern Projects Limited is registered as an NBFC with the Reserve Bank of India. The Reserve Bank of India vide its letter dated 3rd December 2020 conveyed its no-objection to the proposed Scheme of Amalgamation. The said no-objection was valid for six months from the date of issue of that said letter, the Company Application of first motion was, therefore, filed within eight weeks (i.e. within six months) from the date of issue of the said no-objection from the Reserve Bank of India. Therefore, the date of issuance of the

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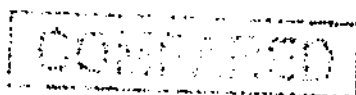
said no objection puts no embargo on the approval of the Scheme of Amalgamation.

Further, the Petitioner Companies have, once again, issued notices dated 5th April 2021, 12th August, 2021 and 4th December, 2021 under section 230(5) of the Companies Act, 2013 along with all the accompanying documents including a copy of the Scheme and statement under the provisions of the Companies Act, 2013 to the Reserve Bank of India. The Petitioner Companies have also written e-mails dated 16th December, 2021 and 22nd December 2021 to RBI for their representation, if any. However, the Petitioner Companies have received no representation from them on this behalf. The emails dated 16thDecember, 2021 and 22nd December 2021 sent to the Reserve Bank of India are part of rejoinder affidavit.

(g) Paragraph No. 2(t) of RD Affidavit:

It is submitted that this deponent has received some letters from the Income Tax Department stating therein some outstanding demand against the Petitioner Company namely M/s Tea Time Limited for 5(five) Assessment years 2009-10 u/s 143(la) for Rs.26,27,187/-, 2010-11 u/s 143(3) for Rs.9,37,820/-, 2014-15 u/s 143(la) for Rs.6,60,990/-, 2012-13 u/s 220(2) for Rs.22221- and 2012-13 u/s 271(l)(c) for Rs.9,78,521/- of the IT Act, 1961 and also stated unless and until the above demand paid by the Assessee, the Income Tax Department has objection for amalgamation of above Company. (Letter no. DCIT.Circle-4(1)/Kolkata/MCA/2021-22 dated 10/12/2021 and letter no. DCIT.Circle-4(1)/Kolkata/ MCA/2021-221158 dated 18/08/2021) and M/s

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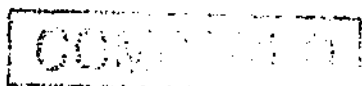


Neptune Exports Limited for Rs.1,33,190/- for A.Y. 20 11-12 (letter no. DCIT.Circle 4(1)/Kolkata/MCA/ 2021-22 dated 10/12/2021) both are Transferor Companies. However, one letter no. DCIT/ Circle- 4(1)/Kolkata/MCA/2021-22 dated 10/12/2021 received in the matter of M/s Northern Projects Limited, wherein it is stated that as per their system record, no outstanding demands exist and therefore, they have no objection for amalgamation for the above company.

Paragraph No.19 of rejoinder:

Regarding the outstanding demand of Rs.1,33,190/- of Neptune Exports Limited for the AY 2011-12 [letter no. DCIT.Circle-4(1)/Kolkata/MCA/2021-22 dated 10th December, 2021], the same has been adjusted against the refund receivable by Neptune Exports Limited for AY 2017-18. In furtherance thereto, Neptune Exports Limited has duly responded to the Income Tax Authorities by its letter dated 31st January, 2022 confirming the aforesaid adjustment made by the Income Tax Authorities with regard to the outstanding demands for AY 2011-12. The orders received u/s 143(1) for said Assessment Years which shows adjustment of outstanding demand of Rs. 1,33,190 against Refund and the letter dated 31st January, 2022 issued by Neptune Exports Limited to the income tax authorities are on record.

With regard to the observation made by the Ld. Regional Director against the Petitioner/Transferor Company No.1, i.e., Tea Time Limited, it is humbly submitted that the pending demand, if any, will be continued against the Transferee Company in accordance with law as stated in clause 7.4 and 7.5 of the Scheme. As per



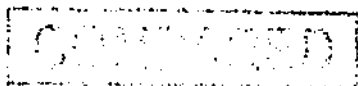
clause 7.4 of the Scheme of Amalgamation, all the liabilities of the Transferor Companies shall become the liabilities of the Transferee Company. And in terms of clause 7.5 all the legal, taxation or other proceedings, whether civil or criminal by or against the Transferor Companies shall be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same state extent as if the same had been instituted by or against, as the case may be, the transferee company from the appointed date.

8. Heard submissions made by the Ld. Counsel appearing for the Petitioner Companies and the RD. Upon perusing the records and documents in the instant proceedings and considering the submissions, we allow the petition and make the following orders:-

THIS TRIBUNAL DOTH ORDER

(a) the Scheme of Amalgamation mentioned in paragraph I of the petition, being Annexure "A" hereto, is hereby sanctioned by this Tribunal with the Appointed Date fixed as 01.04.2019 (*Appointed Date*) on Tea Time Limited, the Transferor Company No.1, Orient International Limited, the Transferor Company No.2, Neptune Exports Limited, the Transferor Company No.3, and Northern Projects Limited, the Transferor Company No.4 with Hindusthan Udyog Limited the Transferee Company, their respective shareholders and creditors and all concerned;

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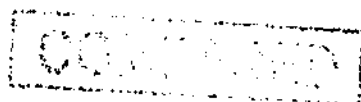
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(b) all the property, rights and powers of the Transferor Companies, including those described in the Schedule of Assets herein, be transferred from the said Appointed Date, without further act or deed, to the Transferee Company and, accordingly, the same shall pursuant to Section 232(4) of the Companies Act, 2013, be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Companies therein but subject nevertheless to all charges now affecting the same, as provided in the Scheme;

(c) all the debts, liabilities, duties, and obligations of the Transferor Companies be transferred from the said Appointed Date, without further act or deed to the Transferee Company and, accordingly, the same shall pursuant to Section 232(4) of the Companies Act, 2013, be transferred to and become the debts, liabilities, duties, and obligations of the Transferee Company;

(d) the employees of the Transferor Companies shall be engaged by the Transferee Company, as provided in clause 7.6 of the Scheme;

(e) all proceedings and/or suits and/or appeals now pending by or against the Transferor Companies be continued by or against the Transferee Company, as provided in the Scheme;



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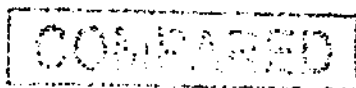
(f) The Transferee Company do without further application issue and allot to the shareholders of the Transferor Companies, the shares in the Transferee Company to which they are entitled in terms of the Scheme;

(g) leave is granted to the Petitioners to file the Schedule of Assets of the Transferor Companies in the form as prescribed in the Schedule to Form No.CAA7 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016 within three weeks from the date of receiving a copy of this order;

(h) The Transferor Companies and the Transferee Company shall each within thirty days of the date of the receipt of this order, cause a certified copy thereof to be delivered to the Registrar of Companies for registration and on such certified copies being so delivered, the Transferor Company shall be dissolved without winding up.

9. The Petitioners shall supply a legible printout of the Scheme and schedule of assets in an acceptable form to the Registry and the Registry will append such printout, after verification, to the certified copy of the order.

10. Company Petition (CAA) No.181/KB/2021 is disposed of accordingly.



Witness:

Mr. Rajasekhar V.K., Hon'ble Member (Judicial) and Mr. Balraj Joshi, Hon'ble Member (Technical), at Kolkata aforesaid the 09th day of March 2022.

Ms. Swati Dalmia, Advocate on record for the petitioners.

SCHEDULE OF ASSETS

First Part - Part-I

(As per annexure)

Second Part - Part-II

(As per annexure)

Third Part - Part-III

(As per annexure)

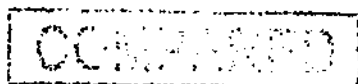


Joint Registrar

National Company Law Tribunal

Kolkata Bench

Dated: the 16th day of March, 2022.



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SCHEME OF AMALGAMATION
UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT 2013
BETWEEN
TEA TIME LIMITED ("TRANSFEROR COMPANY 1")
AND
ORIENT INTERNATIONAL LIMITED ("TRANSFEROR COMPANY 2")
AND
NEPTUNE EXPORTS LIMITED ("TRANSFEROR COMPANY 3")
AND
NORTHERN PROJECTS LIMITED ("TRANSFEROR COMPANY 4")
AND
HINDUSTHAN UDYOG LIMITED ("TRANSFEREE COMPANY")
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

1. BACKGROUND AND DESCRIPTION OF COMPANIES

1.1 Tea Time Limited (Transferor Company 1), is a public company incorporated under the Companies Act, 1956, having its registered office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata - 700046. The Corporate Identification Number of the Transferor Company 1 is L01132WB1979PL032246 and is *inter-alia* engaged in following businesses:

1. *To buy, sell, import, export, blend, package, process, mix various kinds of tea including leaf tea, dust tea, instant tea, tea bags and to do the same in India or elsewhere individually or in collaboration with others.*
2. *To carry on the business of owning, managing, operating, taking on lease, developing tea gardens and tea plantations and also to produce, cultivate, sell, purchase, manufacture all kinds of plantation products and generally to deal in all kinds of plantation products, forest products and various kinds of crops including rubber, shellac, timber, coffee, cocoa and cinchona among others and to do the same in India or elsewhere.*
3. *To carry on the business of ware housing, transporting, storing tea and other commodities and also to act as commission agents, auctioneers, distributors, and recognized export house.*

The Equity Shares of the Transferor Company 1 are listed on BSE Limited and Calcutta Stock Exchange.

1.2 Orient International Limited (Transferor Company 2), is a public company incorporated under the Companies Act, 1956, having its registered office at Trinity



Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata - 700046. The Corporate Identification Number of the Transferor Company 2 is L27310WB1981PLC034139 and is inter-alia engaged in following businesses:

1. *To carry on the business of casting, forging, rolling, refining, smelting, altering, improving, buying, selling, importing, exporting, manufacturing and otherwise dealing in Iron & Steel all forms, shapes and sizes and alloys thereof and of owning, operating and managing mini-steel plants.*
2. *To carry on the business of casting, forging, rolling, refining, smelting, altering, improving, buying, selling, importing, exporting, manufacturing and otherwise dealing in aluminium, copper, zinc and other metals and alloys.*
3. *To carry on the business of manufacturing, buying, selling and otherwise dealing in material handling equipments, coal mining equipments and other engineering goods and to act as boiler makers, mill, wrights, smiths metallurgists and mechanical engineers.*

The Equity Shares of the Transferor Company 2 are listed on Calcutta Stock Exchange and Delhi Stock Exchange.

1.3 Neptune Exports Limited (Transferor Company 3), is a public company incorporated under the Companies Act, 1956, having its registered office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata - 700046. The Corporate Identification Number of the Transferor Company 3 is L51909WB1982PLC034494 and is inter-alia engaged in following businesses:

1. *To carry on the business of importers, exporters, recognised export house, indenting agents and commission agents in connection with export - import business of various goods and articles and to carry on the above activity in India or elsewhere either individually or in collaboration with others.*
2. *To carry on the business of packaging, purchasing, selling and generally dealing in all kinds of goods and articles in connection with export import business and to act as retailers, wholesalers, godown keepers, stockists, aratdars or agents in connection with the above trade.*
3. *To carry on the business of buying, selling, importing exporting and otherwise, dealing in silk and silk products of every description, leather and leather goods of every kind, ordinary tea, dust tea, packaged tea, tea bags and other kinds of tea and to do the same in India or elsewhere either individually or in collaboration with others.*



The Equity Shares of the Transferor Company 3 are listed on BSE Limited and Calcutta Stock Exchange.

1.4 Northern Projects Limited (Transferor Company 4), is a public company incorporated under the Companies Act, 1956, having its registered office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata - 700046. The Corporate Identification Number of the Transferor Company 4 is L45400WB1983PLC035987 and is *inter-alia* engaged in following businesses:

- (1) *To carry on the business of manufacturers, importers, exporters and founders of ferrous and non-ferrous metals, sheet metal workers, mechanical, structural, electrical and metallurgical engineers, to carry on the work of cast Iron foundry for the manufacture of all types of pipes and pipe-fittings, water reservoirs, drainage requisites including manhole frames and covers, gratings and ladders, cast-iron-sanitary appliances and fittings including flushing cisterns, bath-tubs, wash-basins, cast iron building requisite including railing, spiral stairs, ladders, ventilators ornamental window-frames, pillars, agricultural implements including choppers, ploughs, cast iron, railway casting including sleepers, fish-plates, wheels and other fittings, household requisites and utensils including cooking pans, containers, coal mining and engineering requisites including pinions, tube-wheels, pump parts and other general and special castings.*
- (2) *To carry on the work of mechanical and electrical engineers and to run a workshop to undertake and execute all types of mechanical and structural jobs of manufacturing, fabrication and erection of buildings and articles and to do various types of sheets, metal work including manufacturing and construction of storage tanks, buckets, drums, various types of containers and other similar items that may be easily marketable.*
- (3) *To carry on the business of financing Industrial Enterprises whether by way of making loans or advances to or subscribing to the capital of Private Industrial Enterprises in India.*
- (4) *To invest, buy, sell, transfer, hypothecate and dispose of any shares, stocks, securities, properties, bonds or any Government/Local Authority bonds & certificates, debentures whether perpetual or redeemable and debenture-stocks.*

The Transferor Company 4 is a Non-Banking Financial Institution, registered with the Reserve Bank of India vide Certificate of Registration dated 16th May, 1998 bearing registration no. 05.02409.

The Equity Shares of the Transferor Company 4 are listed on BSE Limited and Calcutta Stock Exchange.



1.5 Hindusthan Udyog Limited (Transferee Company), is a public company incorporated under the Companies Act, 1956, having its registered office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata - 700046. The Corporate Identification Number of the Transferee Company is L27120WB1947PLC015767 and is *inter-alia* engaged in following businesses:

1. *To carry on the business of steel fabrication, iron foundries, cast iron castings, die & pressure die castings, and to run, operate, steel foundries, mini steel plant and to manufacture, buy, sell, exchange, refine, smelt, prepare, work, alter, improve, import, export and otherwise deal in round, square, flat steel or sheets, deformed bars, machine, parts, buckets, corrugated sheets, screws, bolts, nuts, nails, rods, plates, tubes, bends, sockets, flanges, fittings, tees, beams, joists, tools, implements, torsteel, torkari and other articles and things made of iron, steel and other metals.*
2. *To carry on the business of mechanical engineers and manufacturers of agricultural implements and other machinery, tools makers, brass foundries, metal workers, boiler makers, mill wrights, machinists, iron and steel converters, smiths and general iron and steel processors, wire-drawers, galvanisers, enamellers, electroplaters, tin plate makers, boiler makers, anodisers, metallurgists and iron masters.*
3. *To purchase, take on lease or otherwise acquire any iron and steel manufacturing unit or units, iron foundries, workshop, rolling mills, steel casting sheds, arc furnaces, wire drawing units and other going concern dealing in metals and minerals.*
4. *To carry on the business or businesses of manufacturers, importers and exporters of and dealers in sheet metals (ferrous and non-ferrous) and sheet metal articles and in ferrous and non-ferrous castings of all kinds and in particular galvanised buckets, fire buckets, bath tubs, mugs, drums, tanks, tin containers, and other articles for carrying or storing water, oil and other materials, solid or liquid, suit cases, trunks, boxes, tables, chairs, shelves, admirals, safe, and other kind or steel, and metal furniture, chimneys, pipes, ridgings, ventilators roofings, dust-bins, hand carts, municipal carts, and all such other articles, pans, rice bowls, cooking pots and hollow wares of all kinds; cooking stoves of all description and their accessories, cast iron pipes and fittings, railings, stair cases, ventilators and all building materials, manhole covers, surface boxes, cisterns, weights and castings of all description, big and small, chilled and malleable castings, special alloy castings, steel castings, gun-metal, copper, brass and aluminium castings and foundry works of all kinds; hurricane lanterns and other kinds of lanterns and lamps and all their parts and accessories, oil stoves, gas stoves and other kinds of stoves, cookers, torches, batteries and all their parts and accessories, gates and railings, collapsible gates and grills, stairs, columns, trusses, metal doors and windows and other buildings materials, bolts and nuts, rivets, washers, wire nails, screws, hinges, hook bolts, tower bolts, dogspikes, signaling materials and railway carriage and wagon fittings, and die and press work of all kinds rods, bars, wires, sheets and all kinds of ferrous and non-ferrous rolling works, mill, factory, tea garden and colliery requisites of all kinds.*
5. *To carry on the business of cultivating, growing, processing, blending, packing tea and to sell, dispose of export, import and otherwise deal in tea either in its raw or manufactured state either in whole sale or retail either in packed or loose form.*



6. To carry on the business of public carriers, transporters and carrier of goods, passengers, merchandise and other products and goods and luggage of all kinds and description in any part of India and elsewhere on land, water and air by any conveyances whatsoever.
7. To buy, sell, deal in or to act as distributors, stockists, importers, exporters, area representatives, manufacturers agents, whole selling agents for all kinds of building and construction materials, machineries and tools, stores, hardware items, ten-garden implements and stores including pig iron, hard coke, coal, G. C. Sheets, asbestos sheets, R. C. Posts, CTC segments, Cement, wire, fencing, hoop iron, pallets, chests and various other merchandise whether produced in India or elsewhere.

The Equity Shares of the Transferee Company are listed on BSE Limited and Calcutta Stock Exchange.

2. DESCRIPTION OF THE SCHEME

- 2.1 This Scheme provides, *inter alia*, for the amalgamation of the Transferor Companies into the Transferee Company, by way of merger by absorption and dissolution of the Transferor Companies without winding up and the consequent issuance of the Transferee Company Shares (as defined hereunder) in accordance with the Share Exchange Ratio (as defined hereunder) to the Eligible Members (as defined hereunder) in respect of each share of the Transferor Companies held by them in accordance with this Scheme ("Amalgamation") and Sections 230 to 232 along with other relevant provisions of the Act and in compliance with the provisions of the Income Tax Act, 1961.
- 2.2 The Amalgamation of the Transferor Companies into the Transferee Company shall be in full compliance with the conditions relating to "amalgamation" as provided under Section 2(1B) and other related provisions of the Income Tax Act, 1961 such that, *inter alia*:
 - (i) all the properties of the Transferor Companies, immediately before the Amalgamation, shall become the properties of the Transferee Company, by virtue of the Amalgamation;



- (ii) all the liabilities of the Transferor Companies, immediately before the Amalgamation, shall become the liabilities of the Transferee Company, by virtue of the Amalgamation; and
- (iii) shareholders holding at least three fourths in value of the shares in the Transferor Companies, will become shareholders of the Transferee Company by virtue of the Amalgamation.

3. PURPOSE AND RATIONALE FOR THE SCHEME OF ARRANGEMENT/
AMALGAMATION

The Board of the Transferor Companies and the Transferee Company are of the opinion that the proposed arrangement between the Transferor Companies with the Transferee Company will be for the benefit of all the companies in the following manner:

- a) The amalgamation will enable pooling of resource of the companies involved in the amalgamation to their common advantage, resulting in more productive utilization of such resources, cost and operational efficiencies which would be beneficial for all stakeholders.
- b) The amalgamation would result in the creation of a Transferee Company with larger asset base and net worth with strong financials enabling further growth and development of the Transferee Company and enable it to withstand with the growing competition in the market scenario.
- c) The proposed amalgamation will result in reduction in overhead and other expenses, reduction in administrative and procedural work and eliminate duplication of work and will enable the companies concerned to effect internal economies and optimize productivity.
- d) If the proposed amalgamation comes into effect then it will strengthen the credibility of the Transferee Company with the financial institutions, banks and general public and which would eventually benefit the shareholders of the Transferee Company and the Transferor Companies.



There is no likelihood that interest of any shareholder or creditor of any of the Transferor Companies or the Transferee Company would be prejudiced as a result of the Scheme. The Scheme of Arrangement/Amalgamation will not impose any additional burden on the members of the Transferor Companies or the Transferee Company.

4. This Scheme is divided into the following parts:
- (i) Part I which deals with the introduction and definition, and sets out the share capital of the Transferor Companies and the Transferee Company;
 - (ii) Part II which deals with the Amalgamation; and
 - (iii) Part III which deals with the general terms and conditions applicable to the Scheme.

PART I

5. DEFINITIONS

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

- (a) "Act" shall mean the Companies Act, 2013 as amended from time to time, and shall include any other statutory re-enactment thereof, read with all surviving and applicable provisions of the Companies Act, 1956 and shall include all rules, regulations, circulars, notifications, guidelines made or issued in relation thereto, from time to time.
- (b) "Amalgamation" shall have the meaning ascribed to it in Clause 2.1 above.
- (c) "Applicable Law" shall mean any applicable law, statute, ordinance, rule, regulations, guideline or policy having the force of law, of any governmental authority.



- (d) "Appointed Date" shall mean 1st April, 2019 or such other date as maybe approved by the National Company Law Tribunal, Kolkata Bench or such other appropriate authority.
- (e) "Board" in relation to any of the Transferor Companies and the Transferee Company, as the case maybe, means the Board of Directors of such company and shall, where applicable, include a duly authorized committee of the Board.
- (f) "Effective Date" means the date on which certified copies of the order of the National Company Law Tribunal or any appropriate authority sanctioning this scheme of Amalgamation under the applicable provisions of the Act are filed with the Registrar of Companies.
- (g) "Eligible Member" shall mean the person whose name appears in the register of members of the Transferor Companies and/or whose name appears as the beneficial owner of the shares of Transferor Companies in the record of depositories on the Record Date.
- (f) "NCLT" shall mean the National Company Law Tribunal at Kolkata, West Bengal.
- (g) "Record Date" shall mean any date after the Effective Date to be fixed by the Board of the Transferee Company for issuing shares of the Transferee Company to the shareholders of the Transferor Companies.
- (g) "SEBI" means the Securities and Exchange Board of India.
- (h) "SEBI Listing Regulations" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines, etc., that may replace such regulations.



- (i) "SEBI Scheme Circular" means the SEBI Circular dated March 10, 2017 bearing reference number CFD/DIL3/CIR/2017/21, as amended or replaced from time to time.
- (j) "Share Exchange Ratio" shall have the meaning as ascribed in paragraph 9.1(ii) of the Scheme.
- (k) "Transferor Companies" shall mean and include Transferor Company 1, Transferor Company 2, Transferor Company 3 and Transferor Company 4.
- (l) "Transferee Company Shares" shall mean fully paid up equity shares of the Transferee Company each having a face value of Rs. 10/- and one vote per share.
- (m) "Transferor Companies Undertaking" means and includes:
- (i) All properties and assets, both movable and immovable, including liabilities of the Transferor Companies immediately before amalgamation;
- (ii) Without prejudice to the generality of the foregoing clause and subject to the provisions of the Scheme, the said undertaking shall include the entire business and all the properties and assets, movable or immovable, real or personal, corporal or incorporeal, in possession or reversion, present or contingent or whatsoever nature and wheresoever situated including furniture & fixtures, office equipment, air conditioners, electrical fittings, vehicles, leasehold improvements, computer software, current assets, sundry debtors, cash and bank balances, loans and advances, motor car, powers, authorities, allotments, approvals and consents, licences, registrations, contracts, engagements, arrangements, rights, titles, interest, benefits and advantages belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by any of the Transferor Companies



including but without being limited to all trademarks, trade names, and other industrial rights of any nature whatsoever and licences in respect thereof, right to use and avail telephones, telexes, internet, facsimiles, connections, installations, utilities, electricity and other services, reserves and provisions, funds and benefit of all agreements, contracts and all other interest, duties and obligations of the Transferor Companies or which the Transferor Companies are entitled to and all debts, paper, documents and records relating to the above.

5.2 In this Scheme, unless the context otherwise requires:

- (a) reference to persons shall include individuals, body corporates (wherever incorporated), unincorporated associations and partnerships;
- (b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (c) words in the singular shall include the plural and vice versa;
- (d) any reference in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date; and
- (e) all terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have same meaning prescribed to them under the Act and other Applicable Laws.

5.3 Date of taking effect and Operative Date

Upon the occurrence of the Effective Date, the Scheme set out herein, its present form or with any modification(s) approved or imposed or directed by NCLT or any other appropriate authority, shall become operative with effect from the Appointed Date.



6. **SHARE CAPITAL**

(i) The share capital structure of the Transferor Company 1 as on March 31, 2019 is as follows:

PARTICULARS	AMOUNT (in INR)
<u>Authorized Share Capital</u> 30,00,000 equity shares of INR 10/- each	3,00,00,000
<u>Issued, Subscribed and Paid-Up Share Capital</u> 29,03,919 equity shares of INR 10/- each	2,90,39,190

(ii) The share capital structure of the Transferor Company 2 as on March 31, 2019 is as follows:

PARTICULARS	AMOUNT (in INR)
<u>Authorized Share Capital</u> 22,00,000 equity shares of INR 10/- each.	2,20,00,000
<u>Issued, Subscribed and Paid-Up Share Capital</u> 22,00,000 equity shares of INR 10/- each.	2,20,00,000

(iii) The share capital structure of the Transferor Company 3 as on March 31, 2019 is as follows:

PARTICULARS	AMOUNT (in INR)
<u>Authorized Share Capital</u> 30,00,000 equity shares of INR 10/- each.	3,00,00,000
<u>Issued, Subscribed and Paid-Up Share Capital</u> 30,00,000 equity shares of INR 10/- each.	3,00,00,000



(iv) The share capital structure of the Transferor Company 4 as on March 31, 2019 is as follows:

PARTICULARS	AMOUNT (in INR)
<u>Authorized Share Capital</u>	
22,50,000 equity shares of INR 10/- each.	2,25,00,000
<u>Issued, Subscribed and Paid-Up Share Capital</u>	
22,05,000 equity shares of INR 10/- each.	2,20,50,000

(v) The share capital structure of the Transferee Company as on March 31, 2019 is as follows:

PARTICULARS	AMOUNT (in INR)
<u>Authorized Share Capital</u>	
485,00,000 equity shares of INR 10/- each.	48,50,00,000
60,00,000 10% Cumulative Redeemable Preference Share of INR 10/- each.	6,00,00,000
TOTAL	54,50,00,000
<u>Issued, Subscribed and Paid-Up Share Capital</u>	
71,76,725 equity shares of INR 10/- each.	7,17,67,250

NB: In addition to the aforesaid, the Transferee Company has also issued 60,00,000 10% Cumulative Preference Share of INR 10/- each.

PART - II

7. AMALGAMATION, TRANSFER & VESTING OF UNDERTAKING

7.1 Transfer

With effect from the Appointed Date and upon the Scheme becoming effective on the Effective Date, the transfer and vesting of Transferor Companies Undertaking including all its properties, assets and liabilities of whatsoever nature shall under the provisions of Section 230 to 232 of the Act and pursuant to order(s) of the NCLT or any other appropriate authority sanctioning the Scheme and without any further act, instrument, deed, matter or thing, stand transferred and vested in and/or deemed to



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be transferred to and vested in Transferee Company so as to become the undertaking, properties, assets and liabilities of the Transferee Company in accordance with the Section 2(IB) of the Income Tax Act, 1961, in the following manner:-

7.2 Transfer of Assets:

- (i) With effect from the Appointed Date and upon the Scheme becoming effective, all the estates, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances of the Transferor Companies Undertaking, of whatsoever nature and wherever situated, whether or not included in the books of the concerned Transferor Companies shall subject to the provisions of this Clause 7.2 in relation to the mode of vesting and pursuant to Sections 230 to 232 of the Act and without any further act, deed, matter or thing, be and stand transferred to and vested in or shall be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest, authorities of the Transferee Company.

- (ii) With effect from the Appointed Date and upon the Scheme becoming effective all the assets of Transferor Companies as are movable in nature including but not limited to, stock of goods, sundry debtors, investments, plants and equipment, motor vehicles, outstanding loans and advances, insurance claims, advance tax, Minimum Alternate Tax (MAT), set-off rights, pre-paid taxes, levies/liabilities, CENVAT/VAT credits/ GST credits, if any, with government, local and other authorities and bodies, customers and other persons or any other assets otherwise capable of transfer by physical delivery would get transferred by endorsement and delivery by vesting and recordable pursuant to this Scheme, shall stand vested in Transferee Company, and shall become the property and an integral part of Transferee Company and, if required, appropriate governmental and registration authorities shall substitute the name of Transferee Company without any



further instrument, deed or act or payment of any further fee, charge or securities.

- (iii) In respect of such of the assets belonging to the Transferor Companies other than those referred to in sub-clause (ii) above the same shall, as more particularly provided in sub-clause (i) above without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 230 to 232 of the Act.

7.3. Contracts, Deeds, Licenses etc.

- (i) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, approvals, subsidies, rights, claims, leases, tenancy, liberties or other benefits or privileges, deeds, bonds, agreements, schemes, licenses, permits, quotas, arrangements and other instruments of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible or for the obligations of which the Transferor Companies may be liable, and which are subsisting or have effect immediately before the Appointed Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the concerned Transferor Companies, the Transferee Company has been a party or beneficiary or obligee thereto.
- (ii) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Transferor Companies 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 hereof, if so required under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to be executed in order to give formal effect to the above provisions. The



Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings as a successor of the concerned Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of the concerned Transferor Companies to be carried out or performed.

- (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 and subject to Applicable Law, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of any of the Transferor Companies shall 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 thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to any governmental authority as may be necessary in this behalf.
- (iv) Without prejudice to the provisions of Clause 7.4 to 7.7, with effect from the Appointed Date, all transactions between any of the Transferor Companies and the Transferee Company, if any, that have not been completed, shall stand cancelled.

7.4. Transfer of Liabilities

- (i) With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts or disclosed in the balance sheets of the Transferor Companies shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company as a going concern so as to become on and from the Appointed Date, the liabilities of the Transferee Company by virtue of and in the manner provided in this scheme.



- (ii) Without prejudice to the generality of the provisions contained herein, all loans raised after the Appointed Date but till the Effective Date and liabilities incurred by the Transferor Companies after the Appointed Date but till the Effective Date for their operations shall be deemed to be of Transferee Company.
- (iii) The transfer and vesting of the Transferor Companies Undertaking, as aforesaid, shall be subject to the existing securities, charges and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of the Transferor Companies, as the case may be.

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

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

- (iv) Transferee Company will, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangements in relation to Transferor Companies to which the concerned Transferor Company is party, in order to give formal effect to the above provisions. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any



such writings on behalf of the concerned Transferor Company and to carry out or perform all such formalities or compliances referred to above on part of Transferor Companies.

- (v) Loans or other obligations, if any, due either between Transferee Company and Transferor Companies or in between the Transferor Companies shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by the Transferor Companies and held by the Transferee Company and vice versa are concerned, the same shall, unless sold or transferred by holder of such securities, at any time prior to the Effective Date, stand cancelled and shall have no further effect.
- (vi) Transferee Company will distribute the dividend as when declared on the proportionate basis keeping in mind the allotment/transfer of shares to the shareholders of the Transferor Companies.

7.5 Legal, taxes and other proceedings

- (i) Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal or courts), by or against the Transferor Companies, under any statute, pending on the Appointed Date, shall be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against, as the case may be, the Transferee Company.
- (ii) The Transferee Company shall have all legal, taxation or other proceedings initiated by or against the Transferor Companies referred to in clause above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Transferee Company, as a successor of the concerned Transferor Companies.



7.6. Employees

- (i) Upon the coming into effect of this Scheme, all employees of the Transferor Companies shall become the employees of the Transferee Company, subject to the provisions hereof without any break in their service and on the basis of continuity of service and, on terms and conditions no less favourable than those on which they are engaged by the concerned Transferor Company and without any interruption of service as a result of amalgamation. For the purpose of payment of any compensation, gratuity and other terminal benefits, the uninterrupted past services of the employees of the Transferor Companies with the Transferor Company shall also be taken into account and paid (as and when payable) by the Transferee Company.
- (ii) In so far as the Employee Benefit Funds created by the Transferor Companies or in respect of which the Transferor Companies makes contributions, for the employees of the Transferor Companies, all amounts standing to the credit of the employees of the Transferor Companies in such Employees Benefit Funds and investments made by such Employee Benefit Funds shall be transferred to such Employee Benefit Funds nominated by the Transferee Company and/or such new Employee Benefit Funds to be established and caused to be recognized by appropriate governmental authorities, by the Transferee Company.
- (iii) In relation to those employees of the Transferor Companies who are not covered under the provident fund trust of the concerned Transferor Company or who do not enjoy the benefit of any other provident fund trust, and for whom the concerned Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye-laws, etc. in respect of such employees, such that all the rights, duties, powers and obligations of the



concerned Transferor Company is relation to such provident fund trust shall become those of the Transferee Company.

- (iv) Pending the transfer as aforesaid, the Employee Benefit Fund dues of the employees of the Transferor Companies would be continued to be deposited in the existing Employee Benefit Funds of the concerned Transferor Companies. It is clarified that upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Companies shall stand dissolved.
- (v) Notwithstanding the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Law, shall be entitled to:
- (a) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Companies; or
 - (b) merge the pre-existing funds of the Transferor Companies with other similar funds of the Transferee Company.

7.7. Treatment of Taxes

- (i) With effect from the Appointed Date, all the profits or incomes accruing or arising to Transferor Companies and all expenditure or losses arising or incurred by Transferor Companies shall, for all purposes, be treated (including all taxes, if any, paid or accruing in respect of any profits and income) and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of Transferee Company. Moreover, the Transferee Company shall be entitled to revise its statutory returns relating to indirect taxes like Goods and Services tax (GST) etc. and to claim refund/credits and/or set off amounts under the relevant laws towards the transactions entered into by Transferee Company and Transferor Companies which may occur between the Appointed Date and the Effective Date. The rights to make such revisions in the GST returns and to claim refunds/credits are expressly reserved in favour of Transferee Company.



- (ii) Upon the Scheme becoming effective, the Transferor Companies and the Transferee Company shall be entitled, wherever necessary and pursuant to the provisions of this Scheme, to file or revise their financial statements, tax returns, tax deduction at source certificates, tax deduction at source returns, and other statutory returns, and shall have the right to claim refunds, advance tax credits, credits for Minimum Alternate Tax, carry forward of losses and unabsorbed depreciation, deductions, tax holiday benefits, deductions or any other credits and/or set off of all amounts paid by the Transferor Companies or the Transferee Company under the relevant laws relating to Income Tax, Value Added Tax, Service Tax, Central Sales Tax, Goods and Service Tax or any other tax, as may be required consequent to the implementation of the Scheme.
- (iii) Transferee Company shall be entitled to revise its statutory returns relating to direct taxes like Income Tax and to claim refunds/advance tax credits and/or set off the tax liabilities of Transferor Companies under the relevant laws and its rights to make such revisions in the statutory returns and to claim refunds, advance tax credits and/or set off the tax liabilities is expressly granted.
- (iv) It is expressly clarified that with effect from the Appointed Date, all taxes payable by Transferor Companies including all or any refunds of the claims/TDS Certificates shall be treated as the tax liability or refunds/claims/TDS Certificates as the case may be, of the Transferee Company.
- (v) From the Effective Date and till such time as the name of the Transferee Company would get entered as the account holder in respect of all the bank accounts and demat accounts of Transferor Companies in the relevant bank's/DP's books and records, the Transferee Company shall be entitled to operate the bank/demat accounts of Transferor Companies in its existing name.



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- (vi) Since each of the permissions, approvals, consents, sanctions, special reservations, incentives, concessions and other authorizations of the respective Transferor Companies shall stand transferred, by the order of the NCLT or any other appropriate authority sanctioning the Scheme, to Transferee Company, each of the Transferor Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of NCLT or any other appropriate authority.

8. Conduct of Business:

With effect from the Appointed Date and till the Scheme come into effect -

- (i) Transferor Companies shall be deemed to carry on all their businesses and activities and stand possessed of their properties and assets for and on account of and in trust for Transferee Company and all the profits accruing to the respective Transferor Company and all taxes thereon or gains or losses arising or incurred by them shall, for all purposes, be treated as and deemed to be the profits or losses, as the case may be, of Transferee Company.
- (ii) Transferor Companies shall carry on their businesses with reasonable diligence and in the same manner as they had been doing hitherto and Transferor Companies shall not alter or substantially expand its businesses except with the concurrence of Transferee Company.
- (iii) Transferor Companies shall not without the written concurrence of Transferee Company, alienate charge or encumber any if its properties except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Transferee Company, as the case may be.
- (iv) Transferor Companies shall not vary or alter except in the ordinary course of their business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Transferee Company,



the terms and conditions of employment of any of its employees, except with the written consent of Transferee Company.

- (v) With effect from the date of approval of this Scheme by the respective Boards of the Transferor Companies and the Transferee Company, the Transferor Companies shall notify the Transferee Company in writing as soon as reasonable practicable of any matter, circumstance, act or omission as the case may be.
- (vi) With effect from the Appointed Date, all debts, liabilities, duties and obligations of Transferor Companies as on the closing business hours of Appointed Date, whether or not provided in their books and all liabilities which are or accrue after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Transferee Company.
- (vii) For the purpose of giving effect to the vesting order passed by the NCLT under Sections 230 to 232 of Companies Act, 2013 and Rules made thereunder with respect of the Scheme, the Transferee Company shall, at any time pursuant to the orders on this Scheme, be entitled to get the record of the change in the legal right(s) upon the vesting of the Transferor Companies Undertaking in accordance with the provisions of the Act. Transferee Company shall be authorized to execute any pleadings, applications, forms, etc. as are required to remove any difficulties and carry out any formalities or compliances as are necessary for the implementation of this Scheme.

9. CONSIDERATION

9.1. CONSIDERATION AND AMALGAMATION

- (i) The Transferee Company shall, without further application, act or deed, issue and allot to each of the shareholder of the Transferor Companies (whose names are registered in the Register of Members of the respective Transferor Company on the Record Date, or his legal heirs, executors, administrators or successors), equity shares in the Transferee Company credited as fully paid



up in such share exchange ratio as mentioned below which has been made on a reasonable basis and on the advice of Mr. Vikash Goel, a Chartered Accountant and a Registered Valuer .

- (ii) The Transferee Company shall allot 100 equity shares of Rs. 10/- each in the Transferee Company:
- for every 807 equity shares of Rs. 10/- held as fully paid up in Transferor Company 1;
 - for every 2,555 equity shares of Rs. 10/- held as fully paid up in Transferor Company 2;
 - for every 936 equity shares of Rs. 10/- held as fully paid up in Transferor Company 3; and
 - for every 837 equity shares of Rs. 10/- held as fully paid up in Transferor Company 4.
- (iii) If any of the shareholders of any of the Transferor Companies becomes entitled to receive fraction of an Equity Share in the capital of the Transferee Company, such fraction shall be rounded off to the nearest integer.
- (iv) No fraction certificates shall be issued by Transferee Company in respect of the fractional entitlement, if any, to which the equity shareholders of any of the Transferor Companies may be entitled on issue and allotment of equity shares of Transferee Company, as aforesaid.
- (v) Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in any of the Transferor Companies and the Paid-Up Share Capital of the Transferor Companies to that extent shall stand cancelled.
- (vi) The Equity Shares in the Transferee Company to be issued to the shareholders of the Transferor Companies (herein "New Equity Shares") shall rank pari passu in all respect, with the existing equity shares in the Transferee



Company and shall be subject to the Memorandum and Articles of Association of the Transferee Company.

- (vii) New Equity Shares to be issued by the Transferee Company pursuant to Clause 9(ii) above shall be issued in dematerialized form by the Transferee Company. In that relation, the shareholders of the Transferor Companies shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event any shareholder has not provided the requisite details relating to his/its account with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the share of the Transferee Company, then the Transferee Company shall issue New Equity Shares in physical form to such shareholder or shareholders.
- (viii) The New Equity Shares to be allotted shall, subject to Applicable Laws, be listed and admitted to trading on the Stock Exchanges.
- (ix) the issue and allotment of equity shares by the Transferee Company to the shareholders of the Transferor Companies pursuant to Clause 9(ii) above is an integral part of this Scheme.
- (x) The approval of this Scheme by the Shareholders of the Transferee Company shall be deemed to be due compliance of the provisions of Section 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Transferee Company to the shareholders of the Transferor Companies as provided in this Scheme.

10. AUTHORIZED SHARE CAPITAL OF THE TRANSFEE COMPANY

- (i) Upon the Scheme becoming effective, the Authorized Share Capital of each of the Transferor Companies will get merged with that of the Transferee Company and, any additional fees will be borne by the Transferee Company



after setting off the fees paid by the Transferor Companies on their respective Authorized Share Capital. The Authorized Share Capital of the Transferee Company will automatically stand increased to the effect by simply filing the appropriate forms with the concerned authority and no separate procedure or resolution prescribed under the Act or instrument or deed or payment of any stamp duty and registration fees shall be required.

- (ii) Consequently, Clause 5 of the Memorandum of Association of the Transferee Company shall, without any act, instrument or deed be stand altered, modified or substituted pursuant to section 13 and 232 of the Act as set out below:

"5. The capital of the Company is Rs.58,95,00,000/- (Rupees Fifty Eight Crores and Ninety Five Lakhs Only) divided into 5,89,50,000 Equity Shares of Rs. 10/- each and Rs. 6,00,00,000/- (Rupees Six Crores Only) divided into 60,00,000 10% Cumulative Redeemable Preference Shares of Rs. 10/- each."

11. ACCOUNTING TREATMENT FOR AMALGAMATION

- 11.1 The amalgamation shall be accounted for in the books of account of the Transferee Company according to the applicable accounting standards i.e. Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant rules issued thereunder and in accordance with prevailing guidelines.
- 11.2 Upon the Scheme becoming effective, all assets and liabilities, including reserves of the Transferor Companies shall be recorded in the books of the Transferee Company at their existing carrying values and in the same form under 'Pooling of Interest Method' as described in Appendix "C" of Indian Accounting Standards 103 ("Ind AS 103"), Business Combinations, which provides guidance on accounting for Business Combinations of Entities under "Common Control" issued by the Institute of Chartered accountants of India.
- 11.3 The balance of the retained earnings appearing in the financial statements of the Transferor Companies will be aggregated with the corresponding balance



appearing in the financial statements of the Transferee Company.

- 11.4 The difference between the share capital of the Transferor Companies and the aggregate face value of the equity shares of the Transferee Company issued and allotted by it to the members of the Transferor Companies plus any additional consideration in the form of cash or other assets pursuant to the Scheme shall be adjusted in the capital reserve account.
- 11.5 The identity of the reserves of the Transferor Companies shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appear in the financial statements of the Transferor Companies, prior to this Scheme being made effective.
- 11.6 To the extent there are inter-corporate loans or balances between the Transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 11.7 The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by the Tribunal or any other Governmental Authority shall be effective from the Appointed Date but shall be operative from the Effective Date. However, if the Ind AS 103 require the amalgamation to be accounted with effect from a different date, then it would be accounted as per the requirements of Ind AS 103, for accounting purpose, to be compliant with the Indian accounting standards. For regulatory and tax purposes, amalgamation would have been deemed to be effective from the Appointed Date of this Scheme.
- 11.8 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 of the Transferee Company reflect the financial position on the basis of consistent



accounting policies. The difference, if any, in the accounting policies between the Transferor Companies and Transferee Company, shall be ascertained and the impact of the same will be quantified and adjusted in the retained earnings or another affected component of equity of the Transferee Company, as applicable, in accordance with the requirements of Ind AS 8.

11.9 The costs relating to the Scheme (mentioned in Clause 18 below) will be accounted in accordance with Ind AS 103.

12. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities and the continuance of proceedings by or against Transferor Companies as envisaged above shall not affect any transaction or proceedings already concluded by the Transferee Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that Transferor Companies accept and adopts all acts, deed and things done and executed by Transferee Company in respect thereto as done and executed by Transferee Company in respect thereto as done and executed on that behalf.

13. DISSOLUTION OF TRANSFEROR COMPANIES

On occurrence of the Effective Date, all Transferor Companies shall, without any further act or deed, shall stand dissolved without winding up.

PART - III

14. APPLICATION TO NCLT

The Transferor Companies and Transferee Company shall file necessary applications with the NCLT, Kolkata Bench, under Sections 230 to 232 and other applicable provisions of the Act read with applicable provisions of Companies (Compromise, Arrangement and Amalgamation) Rules, 2016 for sanctioning the Scheme with such modifications as may be approved by the NCLT.

15. LISTING AGREEMENT AND SEBI COMPLIANCE

Since the Transferor Companies and Transferee Company are listed companies, this Scheme is subject to the compliances of all the requirements under the SEBI Listing



Regulations and all statutory directives of SEBI in so far as they relate to sanction and implementation of the Scheme including the SEBI Scheme Circular.

16. DIVIDENDS

- (i) The Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective members in respect of the accounting period prior to the Effective Date as approved by their respective Boards.
- (ii) The members of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (iii) For the avoidance of doubt, it is hereby clarified that nothing in this Scheme shall prevent Transferee Company from declaring and paying dividends whether interim or final, to its members as on the record date and those who are members only of the Transferor Companies shall not be entitled to dividends, if any, declared by Transferee Company prior to the Effective Date.
- (iv) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any rights on any member of the Transferor Companies and/or Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of the Transferor Companies and the Transferee Company respectively, and subject to the approval, if required, of the members of the Transferor Companies and the Transferee Company, respectively.

17. MODIFICATION OR AMENDMENT OF THE SCHEME AND REVOCATION OF THE SCHEME

- (i) The Transferee Company and the each of the Transferor Company by their respective Board or such other person or persons, as the respective Board



may authorize, including any committee or sub-committee thereof, may make and/or consent to any modification or amendments to the Scheme or to any conditions or limitations that the NCLT/Registrar/ Official Liquidator and/or other authority may deem fit to direct or impose or which may otherwise be considered necessary or desirable. The Transferee Company and each of the Transferor Company, by their respective Board, or such other person or persons, as the respective Board may authorize, including any committee or sub-committee thereof, shall be authorized to take such steps and do all the acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions whether by reason of any order(s) of the Regional Director or of any directive or order(s) of any other authority or otherwise however arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

- (ii) The Transferor Companies and Transferee Company acting through their respective Boards shall each be at liberty to withdraw from this Scheme: (a) in case any condition or alteration imposed by any concerned authority is unacceptable; or (b) they are of the view that coming into effect of the respective parts to this scheme could have adverse implications on the respective companies.
- (iii) The scheme is conditional upon being approved by the public shareholders of the concerned Transferor Companies and the Transferee Company through e-voting in terms of para 9(a) of Part I of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and the scheme shall be acted upon only if votes casted by the public shareholders in favour of the scheme is more than the number of votes casted by the public shareholders against it.
- (iv) In the event of any of the said sanctions/ approvals/ conditions referred hereinabove not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the NCLT and/or order or orders not being passed as aforesaid and/or the Scheme failing to be made effective, this Scheme shall stand revoked, cancelled and be of no effect in that event, no rights and liabilities whatsoever shall accrue to or be incurred

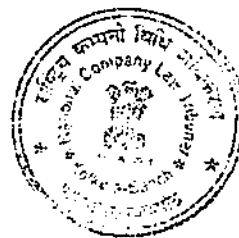


intra se the concerned Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person, save and except, in respect of any act or deed done prior thereto as in contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed. Further, the Board of each of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme to be of no effect if such Boards are of the view that the coming into effect of this Scheme in terms of provisions of this Scheme or filing of the drawn-up orders with any authority could have adverse implications on all/any of the companies.

18. COSTS

All costs, charges, fees, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company. All such costs, charges, fees, taxes, stamp duty including duties (excluding added to the value of the immovable properties), levies and all other expenses shall be debited to the profit and loss account of the Transferee Company.

19. If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Companies and the Transferee Company through their respective Boards, affect the validity or implementation of the other parts and/or provisions of this Scheme.



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SCHEDULE OF ASSETS

of (a) Tea Time Limited (Transferor Company No. 1), (b) Orient International Limited (Transferor Company No. 2), (c) Neptune Exports Limited (Transferor Company No. 3) and (d) Northern Projects Limited (Transferor Company No. 4) as on 1st April, 2019 to be transferred to and vested in Hindusthan Udyog Limited (Transferee Company):-

PART – I

[Short Description of Freehold Properties of Neptune Exports Limited (Transferor Company No. 3)]

- A. ALL THAT the Office Block No. 5A on the Fifth Floor containing by admeasurement an area of 2296 sq ft (super built-up area) (be the same a little more or less) of the building commonly known as "TRINITY PLAZA" constructed at the said Premises TOGETHER WITH the undivided impartible proportionate share in the land comprised in the said Premises and attributable thereto AND TOGETHER WITH the undivided proportionate share in common parts and portions comprised in the said building and/or the said Premises and TOGETHER WITH 1 (one) covered car parking space in the basement of the said building of the said Office Block.
- B. ALL THAT the Office Block No. 5B on the Fifth Floor containing by admeasurement an area of 1117 sq ft (super built-up area) (be the same a little more or less) of the building commonly known as "TRINITY PLAZA" constructed at the said Premises TOGETHER WITH the undivided impartible proportionate share in the land comprised in the said Premises and attributable thereto AND TOGETHER WITH the undivided proportionate share in common parts and portions comprised in the said building and/or the said Premises and TOGETHER WITH 1 (one) covered car parking space in the basement of the said building of the said Office Block.
- C. ALL THAT the Office Block No. 5C on the Fifth Floor containing by admeasurement an area of 1599 sq ft (super built-up area) (be the same a little more or less) of the building commonly known as "TRINITY PLAZA" constructed at the said Premises TOGETHER WITH the undivided impartible proportionate share in the land comprised in the said Premises and attributable thereto AND TOGETHER WITH the undivided proportionate share in common parts and portions comprised in the said building and/or the said Premises and TOGETHER WITH 1 (one) covered car parking space in the basement of the said building of the said Office Block.
- D. ALL THAT the Office Block No. 5D on the Fifth Floor containing by admeasurement an area of 2792 sq ft (super built-up area) (be the same a little more or less) of the building commonly known as "TRINITY PLAZA" constructed at the said Premises TOGETHER WITH the undivided impartible proportionate share in the land comprised in the said Premises and attributable thereto AND TOGETHER WITH the undivided proportionate share in common parts and portions comprised in the said



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building and/or the said Premises and TOGETHER WITH 1 (one) covered car parking space in the basement of the said building of the said Office Block.

PART – II

(Short Description of the Leasehold Properties of Transferor Company No. 1, 2, 3 & 4)

None

PART – III

(Short Description of the stocks, shares, debentures and other Charges in action of Transferor Company No. 1, 2, 3 & 4)

Motor Cars, Computers, Investments in Equity Shares/Preference Shares/ Debentures/Mutual Funds (including those held in the following Demat Accounts), Cash & Bank Balances and Other Assets appearing in the Books of Accounts of the Transferor Company No. 1, Transferor Company No. 2, Transferor Company No. 3 & Transferor Company No. 4:-

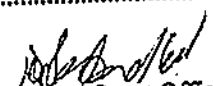
Details of Demat Accounts of Transferor Companies

COMPANY NAME	DEMAT A/C WITH	DP ID	CLIENT ID
Tea Time Limited (Transferor Company 1)	HDFC Bank Ltd.	IN300476	40409500
Orient International Limited (Transferor Company 2)	HDFC Bank Ltd.	IN300476	40409495
Neptune Exports Limited (Transferor Company 3)	HDFC Bank Ltd.	IN300476	40401405
Northern Projects Limited (Transferor Company 4)	HDFC Bank Ltd.	IN301549	15770047

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DD/DR/IAR/Court Officer
National Company Law Tribunal
Kolkata Bench