



LAXMI ORGANIC INDUSTRIES LTD

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September 14, 2022

BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort
Mumbai – 400 001
Scrip code: 543277

National Stock Exchange
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 0051
Trading Symbol: LXCHEM

Dear Sir / Madam,

Sub: Intimation of sanction of Scheme of Merger by Absorption of Acetyls Holdings Private Limited and Yellowstone Chemicals Private Limited with Laxmi Organic Industries Limited under Regulation 30 read with Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to inform you that the Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench, vide hearing convened on August 25, 2022, has sanctioned the Scheme of Merger by Absorption of Acetyls Holdings Private Limited and Yellowstone Chemicals Private Limited ("Transferor Companies" with Laxmi Organic Industries Limited ("Transferee Company") under Section 230 to Section 232 of the Companies Act, 2013.

The certified copy of the Order from NCLT, Mumbai Bench is enclosed. The Scheme will be made effective upon filing of the certified copy of the Order with the Registrar of Companies.

This disclosure is made pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and records.

Thanking you,

Yours faithfully,

For Laxmi Organic Industries Limited

Aniket Hirpara
Company Secretary
Membership No. 18805

IN THE NATIONAL COMPANY LAW TRIBUNAL
COURT- V, MUMBAI BENCH

CP (CAA) NO. 64 /MB-V/2022
CONNECTED WITH
CA (CAA) NO.259/MB-V/2021

IN THE MATTER OF THE
COMPANIES ACT, 2013

AND

IN THE MATTER OF SECTIONS
230 TO 232 AND OTHER
APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF
MERGER BY ABSORPTION

OF

ACETYLS HOLDING PRIVATE
LIMITED

AND

YELLOWSTONE CHEMICALS
PRIVATE LIMITED

WITH

LAXMI ORGANIC INDUSTRIES
LIMITED

AND

THEIR RESPECTIVE
SHAREHOLDERS

ACETYLS HOLDING PRIVATE LIMITED
CIN NO.U65990MH2019PTC325792

....**First Petitioner Company/ Transferor Company 1**

YELLOWSTONE CHEMICALS PRIVATE LIMITED
CIN NO.U24290MH2019PTC326617

....**Second Petitioner Company/ Transferor Company 2**

LAXMI ORGANIC INDUSTRIES LIMITED
CIN NO.L24200MH1989PLC051736

....**Third Petitioner Company/ Transferee Company**

(Hereinafter collectively referred to as 'the Petitioner Companies')



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IN
CA(CAA)259/MB/2021

Order delivered on 25.08.2022

Coram:

Hon'ble H.V. Subba Rao, Member (Judicial)

Hon'ble Anuradha Sanjay Bhatia, Member (Technical)

Appearance (through Video conferencing):

For the Petitioners : Ms. Shruti Kelji-Pednekar, Advocate

For the Regional Director (WR): Ms. Rupa Sutar, Authorized
representative of Regional
Director, MCA (WR), Mumbai

ORDER

1. Heard the Learned Counsel for Petitioner Companies and the representative of the Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai. No objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petition to the Scheme of Merger by Absorption of Acetyls Holding Private Limited and Yellowstone Chemicals Private Limited by Laxmi Organic Industries Limited and their respective shareholders.
2. The sanction of the Tribunal is sought under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, to the Scheme of Merger by Absorption of Acetyls Holding Private Limited and Yellowstone Chemicals Private Limited by Laxmi Organic Industries Limited and their respective shareholders.



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3. The Appointed Date in the Scheme is 2nd October, 2021.
4. The First Petitioner Company is engaged in the business of to invest and /or to participate, promote, manage and administrate the business of any entity. The Second Petitioner Company is engaged in the business of manufacturing and supply of organic and specialty chemicals and primarily manufactures Ethyl Acetate and Acetaldehyde. The Third Petitioner Company is engaged in the business of manufacturing organic and specialty chemicals. All the Petitioner Companies are situated in Mumbai.
5. The Learned Advocate for the Petitioner Companies state that the proposed Merger by Absorption would be simplify group and business structure and achieve operational synergies, optimized legal structure of the group with elimination of multiple legal entities - The Transferor Company 1 being Wholly Owned Subsidiary of Transferee Company and Transferor Company 2 being Wholly Owned Subsidiary of Transferor Company 1, is under the management and control of the Transferee Company and are part of the same group. It would be advantageous to merge the said entities to ensure focused management in the Transferee Company thereby resulting in efficiency of management and maximizing value to the shareholders and the Transferee Company will be able to combine infrastructural facilities such as land, plant and machinery, utilities etc. to optimally utilize the same and house substantial manufacturing in the combined entity unlocking growth potential for proposed



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business expansion, reduced operational costs due to combined efforts, eliminating duplication of administrative work, communications / coordination efforts across the group entities, multiplicity of legal and regulatory compliances thereby ensuring optimum utilization of available resources and integrated management focus which will enable a structured, sharper and better management focusing on holistic growth of the businesses and the combined entity would have improved financial health and better ability to also raise finances with the larger asset base and customer network to boost its future growth.

6. The Learned Advocate appearing for the Petitioner Companies submit that the Board of Directors of the Petitioner Companies had approved the Scheme of Merger by Absorption with Appointed Date 2nd October, 2021 vide Board Resolution dated 2nd November, 2021 and the copy of the respective Resolutions are annexed to the Company Scheme Petition. In view of the consent affidavits given by all the Equity Shareholders of the First Petitioner Company and Second Petitioner Company, their respective meetings were dispensed with. Further, there are no Secured Creditors in the First Petitioner Company, hence, the question of their meeting did not arise and the direction to issue notice upon all the Unsecured Creditors of the First Petitioner Company and Second Petitioner Company has been duly complied with. Further, the meeting of the Secured Creditors of the Second Petitioner Company was dispensed with in view of the Consent Affidavits obtained from all the Secured Creditors for the Second Petitioner Company filed with the NCLT in



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support of Company Scheme Application. Further, since the Transferor Companies are wholly owned subsidiaries of Transferee Company and there are no restructuring or arrangement is envisaged with Transferee Company's Shareholders or Creditors, the meeting of the Equity Shareholders and Creditors of the Third Petitioner Company was not required to be convened and also notices to the said Equity Shareholders and Creditors was not required to be served based on Housing Development Finance Corporation Limited (CA (CAA) No. 243 of 2017) judgement. The Affidavit of Service dated 13th January, 2022 in respect of the said compliances was filed with the Hon'ble NCLT. Further, as per direction of the NCLT, the Second Petitioner Company has obtained consents from 3 (Three) Unsecured Creditors of the Second Petitioner Company aggregating to 94.87% in value of total Unsecured Creditors which is filed with NCLT vide Additional Affidavit dated 19th April, 2022. Hence, the Petitioner Companies complied with the order dated 2nd December, 2021 passed in CA(CAA)No.259/MB.V/2021.

7. The Learned Advocate appearing on behalf of the Petitioner Companies states that the Petition is filed in consonance with the Order dated 2nd December, 2021 passed in consolidated Company Scheme Application No. C.A.(CAA)259/230-232/MB/2021 of the National Company Law Tribunal, Mumbai Bench.
8. The Learned Advocate appearing on behalf of the Petitioner Companies further state that the Petitioner Companies have



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complied with all the requirements as per directions of this Bench, and that they have filed necessary Compliance Report / Affidavit of Service.

9. The Regional Director has filed a Report dated 28th April, 2022 stating therein :-

IV. The observations of the Regional Director on the proposed Scheme to be considered by the Hon'ble NCLT are as under:

Sr. No.	Observation	Reply
(a)	<i>In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc.</i>	The Petitioner Companies undertakes that in addition to compliance of AS-14 (IND AS-103), the Transferee Company will pass such accounting entries which are necessary in connection with the Scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8), etc.
(b)	<i>As per Definition of the Scheme, "Appointed Date" for the purpose of this Scheme means 2nd October, 2021; and "Effective Date" means the last of the dates on which all conditions and matters referred</i>	The Petitioner Companies states that the Appointed Date is 2 nd October, 2021 and the Scheme will be effective from the said Appointed Date. Further, the Petitioner Companies undertakes to comply with the requirements



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	<p><i>to in Clause 18 have been fulfilled, obtained, or waived. Any reference in this Scheme to the date of "coming into effect of the/this Scheme" or "Scheme becoming effective" shall be construed accordingly;</i></p> <p><i>In this regard, it is submitted that Section 232(6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.</i></p> <p><i>Further, the Petitioners may be asked to comply with the requirements and clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</i></p>	<p>as clarified vide Circular No. F No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs</p>
(c)	Petitioner Company have to	The Petitioner Companies



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	<p><i>undertake to comply with Section 232(3)(i) of Companies Act, 2013, where the transferor company is dissolved, the fee and stamp duty paid by the transferor company on its authorized capital shall be set-off against fees and stamp duty payable by the transferee company on its authorized capital subsequent to the amalgamation and therefore, petitioners to affirm that the transferee company shall pay the difference of fees and stamp duty.</i></p>	<p>undertakes that the fee and stamp duty, if any, paid by the Transferor Company on its Authorised Capital will be set-off against any fees and stamp duty payable by the Transferee Company on its Authorised Capital subsequent to the amalgamation in accordance with the provisions of section 232(3)(i) of Companies Act, 2013 and affirms that it will comply with the provisions of the section. Further, the Transferee Company will pay the balance / difference amount of the fees and stamp duty on its increasing Authorised share capital, if any.</p>
(d)	<p><i>The Hon'ble 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 Act in meetings duly held in terms of Section 230 (1) read with subsection (3) to (5) of</i></p>	<p>The Petitioner Companies states that pursuant to the Hon'ble NCLT's Order dated 2nd December, 2021 passed in CA(CAA)No.259/MB.V/2021, in view of the consent affidavits given by all the Equity Shareholders of the</p>

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<p><i>the Section 230 of the Act and the Minutes thereof are duly placed before the Tribunal.</i></p>	<p>First Petitioner Company and Second Petitioner Company, their respective meetings were dispensed with. Further there are no Secured Creditors in the First Petitioner Company, hence, the question of their meeting did not arise and the direction to issue notice upon all the Unsecured Creditors of the First Petitioner Company and Second Petitioner Company has been duly complied with. Further, the meeting of the Secured Creditors of the Second Petitioner Company were dispensed with in view of the Consent Affidavits received from all the Secured Creditors for the Second Petitioner Company filed with the NCLT in support of Company Scheme Application. Further, since the Transferor Companies are wholly owned subsidiaries of Transferee Company and there are no restructuring or arrangement</p>
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	<p>is envisaged with Transferee Company's Shareholders or Creditors, the meeting of the Equity Shareholders and Creditors of the Third Petitioner Company was not required to be convened and also notices to the said Equity Shareholders and Creditors was not required to be served based on Housing Development Finance Corporation Limited (CA (CAA) No. 243 of 2017) judgement. The Affidavit of Service dated 13th January, 2022 in respect of the said compliances was filed with the Hon'ble NCLT. Further, as per direction of the NCLT, the Second Petitioner Company has obtained consents from 3 (Three) Unsecured Creditors of the Second Petitioner Company aggregating to 94.87% in value of total Unsecured Creditors which is filed with NCLT vide Additional Affidavit dated 19th</p>
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		<p>April, 2022. Hence, the meeting of members and creditors as per Section 230 (6) of the Act in terms of Section 230 (1) read with subsection (3) to (5) has been dispensed vide order dated 2nd December, 2021 passed in CA(CAA)No.259/MB.V/2021. None of the Petitioner Companies are in receipt of any objection by any of the Creditors till date. The Petitioner Companies again undertakes that the interest of all the Creditors shall be protected and remain unaffected by the scheme.</p>
(e)	<p><i>Clause-8.7 of Accounting Treatment of the Scheme; stated that the difference between the share capital of the Transferor Companies and investments in the shares of the Transferor Company 1 and Transferor Company 2, as appearing in the books of Transferee Company and Transferor Company 1, shall</i></p>	<p>The Petitioner Companies undertake that the surplus/deficit, if any, will be adjusted to "Capital Reserve Account" and the said "Capital Reserve" arising out of Amalgamation will not be considered as free reserve and will not be available for distribution of dividend.</p>



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	<p><i>be transferred to Capital Reserve.</i></p> <p><i>In this regards it is submitted that as per Accounting Standard 14, such surplus/deficit if any arising out of the scheme should be adjusted to the Capital Reserve arising out of the amalgamation of the Transferee Company. Such Capital Reserve, arising out of the amalgamation shall not be considered as free reserve and not available for distribution of dividend.</i></p>	
(f)	<p><i>The Petitioner Company states that the Transferee Company shall be in compliance with provisions of Section 2(1B) of the Income Tax Act, 1961. In this regards, the petitioner company shall ensure compliance of all the provisions of Income Tax Act and Rules thereunder.</i></p>	<p>The Petitioner Companies undertake to comply with all the provisions of Income Tax Act and Rules thereunder</p>
(g)	<p><i>It is observed that the Transferee Company is a listed company, therefore, the petitioner company</i></p>	<p>The Petitioner Companies state that the Equity Shares of Transferee Company are listed</p>



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<p><i>may be directed to place on record whether the prior notice was served to NSE and BSE and objection received thereon if any.</i></p>	<p>on BSE Limited (BSE) and National Stock Exchange Limited of India (NSE).</p> <p>Pursuant to the Clause 7 of Securities Exchange Board of India ("SEBI") Circular CFD/DIL3/CIR/2017/21 dated 10th March, 2017 (the "SEBI Circular") read with Clause 37(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), as amended from time to time, when a Scheme provides for merger of a Wholly Owned Subsidiary (WOS) with its Holding Company / Parent Company, the Listed Company is not required to file an application with Stock Exchanges/SEBI for seeking the prior approval of Stock Exchange/SEBI and such Scheme shall be filed with the Stock Exchanges only for the limited purpose of dissemination/disclosure.</p>
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	<p>Since this Scheme falls within the ambit of the aforesaid provisions and accordingly, the Transferee Company has filed the draft Scheme (Annexure T to Application) prior to filing Application before Hon'ble Tribunal and subsequently, pursuant to the directions of this Hon'ble Tribunal vide orders dated 2nd December, 2021 and 16th March, 2022, notice was again served to Stock Exchanges and SEBI on 27th December, 2021, 5th April, 2022, 7th April, 2022. The same has been annexed to the Compliance Reports/Affidavit of Service dated 13th January, 2022 and 15th April, 2022 respectively. The Transferee Company has not yet received any objection from any of these authorities so far. In any case, the Transferee Company undertake that in case any response/notice is received</p>
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		from SEBI / Stock Exchanges, the Transferee Company will deal with the same accordingly.
(h)	<p>ROC, Mumbai vide its Report dated 23.02.2022 interalia mention that there is no investigation/inspection/inquiry proceedings and compliant against the present scheme are pending. Further, the ROC Mumbai report made following observation:.</p> <p>1. Employee Clause is to be created in the Scheme.</p> <p>2. The transferee company is listed. They may be directed to give notice to SEBI & Stock Exchange & obtain permission from SEBI & Stock Exchange.</p>	<p>The Petitioner Companies states that;</p> <p>1. The Clause pertaining to Employees has already been mentioned under Clause 10 of the Scheme.</p> <p>2. With respect to the issue of notice to SEBI & Stock Exchange & obtain permission from SEBI & Stock Exchange, the Petitioner Companies submits that the same is already explained in Para 9 above of the present Order.</p> <p>3. With respect to the issue of</p>



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<p>3. CAA-3 is required to be issued to COI (Rule 8(ii)) & obtain permission from CCI.</p> <p>4. The Transferor no. 2 company have two open charges.</p> <p>5. Necessary Stamp Duty on transfer of property/ Assets is to be paid to the respective Authorities before implementation of the Scheme.</p> <p>6. Interest of the Creditor should be protected</p>	<p>notice to CCI, the Petitioner Companies states the relevant Sections of the Competition Act, 2002 with respect to merger/amalgamation are not applicable to the Transferee Company. Hence, the question of issue of notice and obtaining permission from CCI does not arise.</p> <p>4. The said two open charges in the Transferor Company no. 2 will get transferred to the Transferee Company upon the scheme being effective.</p> <p>5. The Stamp Duty on transfer of property/ Assets, if any will be paid to the respective Authorities upon the Scheme being effective.</p> <p>6. With respect to protection of interest of the Creditors, the Petitioner Companies submits that the same is already explained in Para 6 above of the present Order.</p>
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	<i>7. May be decided on its merits.</i>	
(i)	<i>Letter dated 04.02.2022 of the Income Tax Authority is enclosed as Exhibit-E, the hon'ble Tribunal may decide the matter accordingly.</i>	The Petitioner Companies undertake that the present scheme will not adversely impact the right of the Income Tax Department for any past, present and future proceedings and the Department will be at liberty to take appropriate action as per law in case of an event of any tax-avoidance or violation of income tax law or any other similar issue.

10. The Regional Director vide Supplementary Report to the Hon'ble Tribunal dated 04th May, 2022 stated that in respect of observations, the reply of the Petitioner Companies appears to be satisfactory except for para IV(i) which may be decided by the Hon'ble Tribunal on merits.
11. The observations made by the Regional Director have been explained by the Petitioner Companies in Para 9 above. Moreover, the Petitioner Companies undertake to comply with all the statutory requirements, as may be required under the Companies Act, 2013 and the Rules made thereunder. The clarifications and undertakings given by the Petitioner Companies are accepted by the Tribunal.



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12. The Learned Advocate for the Petitioner Companies submits that vide order dated 2nd December, 2021, the Petitioner Companies served the notices alongwith Company Scheme Petition and application together with the annexure thereon upon the Income Tax (IT) Department on 4th April, 2022 and 27th December, 2021 and in response to the said notice, the Income Tax Department vide their Letters dated 21/1/2022, 2/2/2022 and 4/2/2022 has made the following observations in paragraphs and in response to the said letters, the Petitioner Companies hereby undertake / submit the following :

Sr. No.	IT Observation	Reply to the IT observation, wherein the Petitioner Companies undertake / submit that :-
1.	<i>The Department reserves its right to assess correct income in the correct hands especially for the period involving appointed date and effective date and ensure that the provisions of the Income Tax Act,1961 and Rules thereon are strictly adhered to subject to the above Scheme may be approved.</i>	The Petitioner Companies undertake to comply with all the provisions of Income Tax Act and Rules thereunder.
2.	<i>Any sanction to the Scheme of</i>	The Petitioner Companies further undertake / submit



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	<p><i>Arrangement under Sections 230(5) of the Companies Act, 2013 should not adversely impact the rights of the Income Tax Department for any past, present or future proceedings. The Department should be at liberty to take appropriate action as per law in case of an event of any tax-avoidance or violation of Income Tax Law or any other similar issue.</i></p>	<p>that in future, if it is discovered that this scheme is in any way acting as a device for tax-avoidance, then the Department will be at liberty to initiate the appropriate course of action as per law.</p>
3.	<p><i>The Income Tax Act has defined amalgamation in Section 2(18) of the I.T Act 1961. The provisions of the Act dealing with the aforesaid arrangements, including provisions for not treating the said transaction as transfer, set off and carry forward of accumulated losses and carry forward of other tax benefits granted to participating companies have on a wide implications, which are to be examined in</i></p>	<p>The Petitioner Companies undertake to comply with all the provisions of Income Tax Act and Rules thereunder.</p>



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<p><i>light of the facts of the case and after consolidation of accounts and subsequent filing of income tax return on the basis of consolidated accounts. The share exchange ratio vis-à-vis valuation report, accounting treatments for surplus/deficit (if any) and income tax incidence on the same needs further verification on the basis of consolidated accounts. Therefore, the effect of aforementioned scheme of arrangement in the books of account and consequential tax implication is to be ascertained at later stage.</i></p> <p><i>In view of the above it is submitted that the right of the Income Tax Department to ascertain/assess correct income in correct hands as per provisions of the Act, especially for the period involving</i></p>	<p>The Petitioner Companies undertake that the rights of the Income Tax Department will not be impacted to ascertain / assess correct income in correct hands as per the provisions of the</p>
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<i>appointed date and effective date may kindly be kept reserved. Also, the right of the department to recover outstanding demand or complete pending income tax proceedings or initiate necessary proceedings as per relevant provisions of the Act may also be kept reserved. The above declaration / remarks may kindly be filed before Hon'ble Tribunal for kind consideration.</i>	Act. The Petitioner Companies further undertake that the Income Tax department has rights to take appropriate action against the petitioner Companies to recover outstanding demand or complete pending income tax proceedings as per relevant provisions of the Act.
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13. The Official Liquidator has filed his report dated 19th April, 2022 in the consolidated Company Scheme Petition No. C.P.(CAA)/64/230-232/MB/2022, inter alia, stating therein that the affairs of the Transferor Companies has been conducted in a proper manner not prejudicial to the interest of the Shareholders of the Transferor Companies and that the Transferor Companies may be ordered to be dissolved without the process of winding up by this Tribunal.
14. From the material on record, the Scheme appears to be fair and reasonable and is not violative of law and is not contrary to public policy.



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15. Further heard, Ms. Rupa Sutar, Authorised representative of Regional Director, MCA (WR) Mumbai, is present and reported no objections for allowing the Company Petition.
16. Since all requisite statutory compliances have been fulfilled, consolidated Company Petition in C.P.(CAA)/64/230-232/MB/2022 filed by the Petitioner Companies are made absolute. Hence ordered.

ORDER

- a) The Scheme is hereby sanctioned and hereby declared the same to be binding on the Petitioner Companies and its Shareholders respectively.
- b) The clarifications and undertakings given by the Learned Counsel for the Petitioners to the observations made in the Report of the Regional Director are considered by this Bench and those are hereby accepted. Subsequently, this Bench hereby directs the Petitioners to comply with the provisions/statements, which the Petitioners undertake herein.
- c) All the assets and liabilities including taxes and charges, if any, and duties of the Transferor Companies, shall pursuant to Section 232 of the Companies Act, 2013, be transferred to and become the assets, liabilities and duties of the Transferee Company.
- d) The Transferor Companies shall be dissolved without winding up after this Scheme becomes effective.



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- e) The Petitioners are directed to file a copy of this Order alongwith a copy of Scheme of Merger by Absorption with the concerned Registrar of Companies, electronically in E-form INC-28, as per the relevant provisions of the Companies Act, 2013, within 30 days from the date of receipt of copy of the Order duly certified by the Deputy/Assistant Registrar of this Tribunal.
- f) The Appointed Date of the Scheme is fixed as 2nd October, 2021.
- g) The Petitioner Companies to file a copy of this Order, duly certified by the Deputy Director or Assistant Registrar of this Bench, along with Scheme with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable within 60 days from date of receipt of copy of the Order.
- h) All concerned Regulatory Authorities to act on receipt of copy of this Order duly certified by the Deputy Registrar or Assistant Registrar of this Bench, alongwith copy of the Scheme.
- i) Any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

Anuradha Sanjay Bhatia
Member (Technical)

H.V. Subba Rao
Member (Judicial)

Certified True Copy _____
Date of Application 30/08/2022
Number of Pages 23
Fee Paid Rs. 115/-
Applicant's Date 12/9/22
Copy issued 12/9/20 22
Copy issued 12/9/2022



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R.S. Senanayake
12/9/2022

**SCHEME OF MERGER BY ABSORPTION
OF
ACETYL HOLDING PRIVATE LIMITED
AND
YELLOWSTONE CHEMICALS PRIVATE LIMITED
WITH
LAXMI ORGANIC INDUSTRIES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS**

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013



[Signature]
Authorised Signatory

[Signature]

[Signature]
AUTHORISED SIGNATORY

I. INTRODUCTION

This Scheme of Merger by Absorption (the "Scheme") is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification or re-enactment or amendment thereof) for Merger by Absorption of **ACETYLS HOLDING PRIVATE LIMITED** and **YELLOWSTONE CHEMICALS PRIVATE LIMITED** (collectively referred to as 'Transferor Companies') with **LAXMI ORGANIC INDUSTRIES LIMITED** ('Transferee Company') and their respective shareholders and the dissolution of the Transferor Companies without winding up.

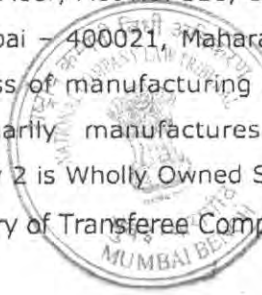
This Scheme is divided into the following parts:

Part	Particulars
I.	Background, Rationale, Definitions, Appointed Date, Effective Date and Share Capital of Companies
II.	Transfer of Undertaking of Transferor Companies to Transferee Company upon merger and the matters incidental thereto
III.	General terms and conditions

PART I

A. BACKGROUND AND DESCRIPTION OF THE COMPANIES:

- ACETYLS HOLDING PRIVATE LIMITED** (hereinafter also referred to as "Transferor Company 1" or "AHPL") is a Private Limited Company incorporated under the name and style of "ACETYLS HOLDING PRIVATE LIMITED" on 23rd May, 2019 under the provisions of the Companies Act, 2013 having Corporate Identification Number **U65990MH2019PTC325792**. The registered office of the Transferor Company 1 is situated at 3rd Floor, Plot No. 316, Chandramukhi, Barrister Rajni Patel Marg, Nariman Point, Mumbai - 400021, Maharashtra. The Transferor Company 1 has been recently incorporated to invest and / or to participate, promote, manage and administrate the business of any entity. The Transferor Company 1 is Wholly Owned Subsidiary of Transferee Company.
- YELLOWSTONE CHEMICALS PRIVATE LIMITED** (hereinafter also referred to as "Transferor Company 2" or "YCPL") is a Private Limited Company incorporated under the name and style of "YELLOWSTONE CHEMICALS PRIVATE LIMITED" on 12th June, 2019 under the provisions of the Companies Act, 2013 having Corporate Identification Number **U24290MH2019PTC326617**. The registered office of the Transferor Company 2 is situated at 3rd Floor, Plot No. 316, Chandramukhi, Barrister Rajni Patel Marg, Nariman Point, Mumbai - 400021, Maharashtra. The Transferor Company 2 is engaged in the business of manufacturing and supply of organic and specialty chemicals and primarily manufactures Ethyl Acetate and Acetaldehyde. The Transferor Company 2 is Wholly Owned Subsidiary of Transferor Company 1 and is a step-down subsidiary of Transferee Company.



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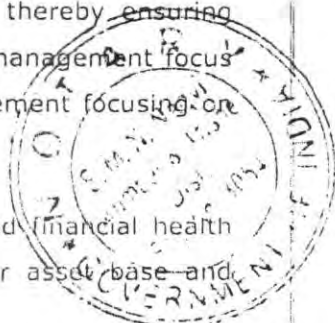
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3. **LAXMI ORGANIC INDUSTRIES LIMITED** (hereinafter also referred to as "Transferee Company" or "LOIL") is a Public Limited Company incorporated under the name and style of "LAXMI ORGANIC INDUSTRIES LIMITED" on 15th May, 1989 under the provisions of the Indian Companies Act, 1956 having Corporate Identification Number **L24200MH1989PLC051736**. The registered office of the Transferee Company is situated at A-22/2/3, MIDC, Mahad - 402309, Maharashtra. The Transferee Company is engaged in the business of manufacturing organic and specialty chemicals. The Transferee Company is listed on the Bombay Stock Exchange (BSE Ltd) and the National Stock Exchange of India Ltd (NSE).

B. RATIONALE AND PURPOSE OF THE SCHEME

The Merger by Absorption of Transferor Companies with the Transferee Company would inter alia have the following benefits / synergies:

1. Simplify group and business structure and achieve operational synergies;
2. Optimized legal structure of the group with elimination of multiple legal entities - The Transferor Company 1 being Wholly Owned Subsidiary of Transferee Company and Transferor Company 2 being Wholly Owned Subsidiary of Transferor Company 1, is under the management and control of the Transferee Company and are part of the same group. It would be advantageous to merge the said entities to ensure focused management in the Transferee Company thereby resulting in efficiency of management and maximizing value to the shareholders;
3. With the proposed amalgamation, the Transferee Company will be able to combine infrastructural facilities such as land, plant and machinery, utilities etc. to optimally utilize the same and house substantial manufacturing in the combined entity unlocking growth potential for proposed business expansion;
4. Reduced operational costs due to combined efforts, eliminating duplication of administrative work, communications / coordination efforts across the group entities, multiplicity of legal and regulatory compliances thereby ensuring optimum utilization of available resources and integrated management focus which will enable a structured, sharper and better management focusing on holistic growth of the businesses;
5. Upon merger, the combined entity would have improved financial health and better ability to also raise finances with the larger asset base and customer network to boost its future growth.



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The proposed Merger by Absorption seeks to achieve operational and economic synergies that will be beneficial, advantageous and not prejudicial to the interest of shareholders, creditors and other stakeholders of Transferor Companies and Transferee Company.

C. DEFINITIONS, INTERPRETATION, APPOINTED DATE, EFFECTIVE DATE AND SHARE CAPITAL

1. DEFINITIONS

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

- 1.1. **"Act"** means the Companies Act, 2013 and any rules, regulations, circulars, or guidelines issued thereunder, as amended from time to time and shall include any statutory replacement or re-enactment thereof;
- 1.2. **"Applicable Law(s)"** or **"Law(s)"** means (a) applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications (b) writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any Governmental Authority or recognized stock exchange, orders or instructions having force of law enacted or issued or sanctioned by any Governmental Authority including any modification or re-enactment thereof for the time being in force;
- 1.3. **"Appointed Date"** for the purpose of this Scheme means 2nd October 2021;
- 1.4. **"Board of Directors"** or **"Board"** means the Board of directors of the respective Transferor Companies and/or the Transferee Company, as the context may require, and includes committees of the Board of any constituted for the implementation of this Scheme;
- 1.5. **"BSE"** means the BSE Limited;
- 1.6. **"NSE"** means the National Stock Exchange of India Limited;
- 1.7. **"Companies"** means collectively, the Transferor Companies and the Transferee Company;
- 1.8. **"Consent"** means any notice, consent, approval, authorization, waiver, permit, permission, clearance, license, exemption, no objection certificate, registration, with, of, from or to any Person.



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- 1.9. **"Effective Date"** means the last of the dates on which all conditions and matters referred to in Clause 18 have been fulfilled, obtained, or waived. Any reference in this Scheme to the date of "coming into effect of the/this Scheme" or "Scheme becoming effective" shall be construed accordingly;
- 1.10. **"Employees"** means staff and employees, if any, of the Transferor Companies as on Effective Date.
- 1.11. **"Encumbrance"** means (i) any mortgage, charge (whether fixed or floating), pledge, lien, conditional sales contract, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law; (ii) a contract to give or refrain from giving any of the foregoing; (iii) any voting agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any Person; and (iv) any adverse claim as to title, possession or use; and the terms "Encumbered", "Encumber" shall be construed accordingly;
- 1.12. **"Governmental Authority"** means any government authority, statutory authority, regulatory authority, agency, government department, board, commission, Securities and Exchange Board of India, Stock Exchanges, Maharashtra Development Industrial Corporation (MIDC), administrative authority, tribunal or court or any authority or body exercising executive, legislative, judicial, quasi-judicial, regulatory or administrative functions of or pertaining to government, having or purporting to have jurisdiction on behalf of the Republic of India or any state or province or other political subdivision thereof or any municipality, district or other subdivision thereof or in any other nation over the Transferor Companies and/ or the Transferee Company, as the context may require;
- 1.13. **"IT Act"** means the Indian Income-tax Act, 1961 and shall include any statutory modifications, re-enactments, or amendments thereof for the time being in force;
- 1.14. **"NCLT"** shall for the purpose of this Scheme, mean the Hon'ble National Company Law Tribunal, Mumbai Bench empowered to sanction the Scheme as per the provisions of the Act;
- 1.15. **"NCLT Order"** shall mean the Order of the Hon'ble National Company Law Tribunal, Mumbai sanctioning the Scheme.



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1.16. "Person" means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association, organization, partnership, or proprietorship, including any governmental agency or regulatory body;

1.17. "Registrar of Companies" or "ROC" means the Registrar of Companies, Mumbai;

1.18. "Scheme of Merger by Absorption" or "this Scheme" or "the Scheme" means this Scheme of Merger by Absorption of the Transferor Companies by the Transferee Company in its present form submitted to the Tribunal at Mumbai for sanction or as may be modified from time to time or as may be approved or directed by the Tribunal or any other Governmental Authority;

1.19. "Stock Exchanges" means BSE and NSE collectively;

1.20. "Transferee Company" means LAXMI ORGANIC INDUSTRIES LIMITED, a public limited company incorporated on 15th May 1989 under the provisions of the Indian Companies Act, 1956 and is a public limited company within the meaning of the Act;

1.21. "Transferor Company 1" means ACETYL HOLDING PRIVATE LIMITED, a Private Limited Company incorporated on 23rd May 2019 under the provisions of the Companies Act, 2013.

1.22. "Transferor Company 2" means YELLOWSTONE CHEMICALS PRIVATE LIMITED, a Private Limited Company incorporated on 12th June 2019 under the provisions of the Companies Act, 2013

1.23. "Transferor Companies" means Transferor Company 1 and Transferor Company 2.

1.24. "Undertaking" shall mean all assets, properties, liabilities and entire business, activities, and operations of the Transferor Companies on going concern basis and shall include (without limitation):

- all the assets wherever situated, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal present or contingent, of whatsoever nature, wherever situated including land, building, plant and machinery (including the factory land & building, plant and machinery located at A-22/2/1, Near Pidilite Company, Mahad Industrial Area, Village



Signature of [Name] Limited

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Kamble, MIDC, Mahad, District Raigad, Maharashtra - 402302 and residential colony and building located at RH-34, Near MIDC Office, Mahad MIDC Residential Area, Village Kambale, MIDC, Mahad, District Raigad, Maharashtra - 402302 of the Transferor Company 2), furniture, fixtures, office equipment, software, computers, leasehold / freehold rights and improvements, appliances, accessories, inventories, stock-in-trade, debtors, current assets, fixed assets, capital work-in-progress including expenses incurred to be capitalized and advances for assets, cash and bank balances including all rights, title, interest, covenants, undertakings,;

- > all investments, if any, in shares, stocks, warrants, debentures, bonds and other such securities, whether encumbered or unencumbered, whether in certificate form or in dematerialized form and agreements to purchase, sell, assign, mortgage in relation thereto, loans and advances including accrued interest thereon;
- > all credits, advances, loans, fixed deposits, earnest monies, security deposits, provisions, commitments appertaining or relating to the Transferor Companies;
- > all debts, (including term loans, working capital facilities, debentures, bonds, and other debt securities), liabilities, loans, advances, borrowings - whether secured or unsecured, whether in Rupees or foreign currency, bills payable, public deposits, interest accrued, contingent liabilities and all other liabilities and duties both present and future, current and non-current including deferred tax liabilities, contingent liabilities and the liabilities and obligations under any licenses & permits, undertakings, contractual obligations, guarantees given and duties and obligations of the Transferor Companies;
- > all powers, authorities, allotments, approvals, consents, rights, licenses, permits, quotas, subsidies and incentives, registrations, contracts, engagements, liberties, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated 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 the Transferor Companies, including but without being limited to all patents, trademarks, trade names, copyrights, designs and other commercial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, leasehold rights, ownership flats, easements, authorizations, rights and benefits of all agreements, goodwill, receivables, benefits of any deposits, including any tax - direct or



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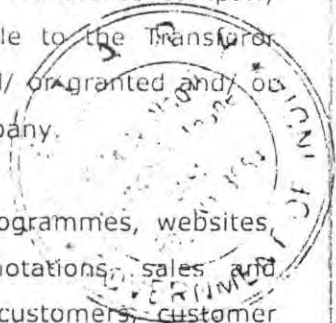

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indirect including advance tax paid, refund receivable, credit for minimum alternate tax, credit for input tax / service tax / CENVAT credit / Goods and Service Tax (GST), tax deducted in respect of any income received, tax collected at source, exemptions, benefits, concessions, incentives, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and electronic and other services, reserves, provisions, funds, benefits of all agreements, contracts and arrangements, letters of intent, memorandum of understanding, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder and all other interests belonging to or in the ownership, power or possession or in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies;

➤ Any statutory licenses, permissions, registrations or approvals or consents held by the Transferor Companies required to carry on the operations shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company and the benefit of all the statutory and regulatory permissions, environmental approvals and consents, registration or other licenses and consents shall vest in and become available to the Transferee Company as if they were originally obtained by the Transferee Company. In so far as the various incentives, subsidies, rehabilitation scheme, special status and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other person, or availed by the Transferor Companies, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as applicable to the Transferor Companies, as if the same had been allotted and/ or granted and/ or sanctioned and/ or allowed to the Transferee Company.

➤ all necessary records, files, papers, computer programmes, websites, domain names, manuals, data, catalogues, quotations, sales and advertising materials, lists present and former customers, customer credit information, customer pricing information and all other records, whether in physical form or electronic form, software license, domain/websites etc. in connection with or relating to the Transferor Companies; and

➤ all employees of the Transferor Companies and other obligations of whatsoever kind, including liabilities of the Transferor Companies with



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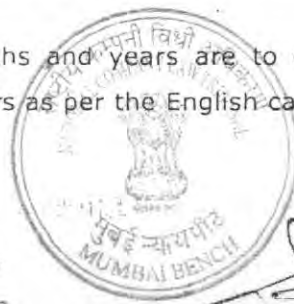
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regard to its employees, with respect to the payment of gratuity, superannuation, pension benefits and the provident fund or compensation or benefits, if any, in the event of resignation, death, voluntary retirement or retrenchment or otherwise.

2. INTERPRETATION

- 2.1. In addition to the above terms, certain terms may be defined elsewhere in this Scheme and wherever such terms are used in this Scheme, they shall have the meaning so assigned to them.
- 2.2. The terms referred to in this Scheme shall, unless defined otherwise in this Scheme or inconsistent with the context or meaning thereof, bear the meaning ascribed to them under the relevant statute/legislation.
- 2.3. All references in this Scheme to statutory provisions shall be construed as meaning and including references to:
- any statutory modification, consolidation or re-enactment made after the date of approval of this Scheme by the Board of Directors of the respective Companies and for the time being in force;
 - all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted, or consolidated);
 - all statutory instruments or orders made pursuant to a statutory provision; and any statutory provisions of which these statutory provisions are a consolidation, re-enactment, or modification.
- 2.4. Words denoting the singular shall include the plural and words denoting any gender shall include all genders.
- 2.5. Headings, subheadings, titles, subtitles to clauses, sub-clauses, sections, and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the schedules hereto and shall be ignored in construing the same.
- 2.6. References to clauses, and schedules are, unless the context otherwise requires, references to clauses, and schedules to this Scheme.
- 2.7. Reference to days, months and years are to calendar days, calendar months and calendar years as per the English calendar, respectively.



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2.8. Any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form.

2.9. The words "include" and "including" are to be construed without limitation.

2.10. Where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words.

3. EFFECTIVE DATE AND OPERATIVE DATE OF THE SCHEME

The Scheme set out herein in its present form or with any modification(s) as approved or imposed or directed by the Hon'ble Tribunal, shall be deemed to be effective from the Appointed Date but shall become operative from the Effective Date.

4. SHARE CAPITAL

4.1. The Share Capital of the Transferor Company 1 as on 1st October 2021 is as follows:

Particulars	Amount in INR
Authorized Share Capital	
50,00,000 equity shares of Rs. 10 each	5,00,00,000
Total	5,00,00,000
Issued, Subscribed and Paid - up Share Capital	
21,00,000 equity shares of Rs.10 each	2,10,00,000
Total	2,10,00,000

Subsequent to the above date and till the date of approval of this Scheme by the Board of Directors, there has been no change in the aforesaid Share Capital of the Transferor Company 1.

The entire Share Capital of the Transferor Company 1 has been held by the Transferee Company along with its nominee/s.



4.2. The Share Capital of the Transferor Company 2 as on 1st October 2021 is as follows:

Particulars	Amount in INR
Authorized Share Capital	
1,00,00,000 equity shares of Rs. 10 each	10,00,00,000
Total	10,00,00,000
Issued, Subscribed and Paid - up Share	

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Capital	
54,00,000 equity shares of Rs.10 each	5,40,00,000
Total	5,40,00,000

Subsequent to the above date and till the date of approval of this Scheme by the Board of Directors, there has been no change in the aforesaid Share Capital of the Transferor Company 2.

The entire Share Capital of the Transferor Company 2 has been held by the Transferor Company 1 along with its nominee/s.

4.3. The Share Capital of the Transferee Company as on 1st October 2021 is as follows:

Particulars	Amount in INR
Authorized Share Capital	
30,50,00,000 equity shares of Rs. 2 each	61,00,00,000
Total	61,00,00,000
Issued, subscribed and paid-up shares:	
26,36,62,773 equity shares of Rs.2 each	52,73,25,546
Total	52,73,25,546

Subsequent to the above date and till the date of approval of this Scheme by the Board of Directors, there has been no change in the aforesaid Share Capital of the Transferee Company.

PART II

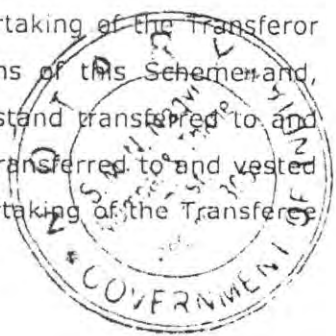
MERGER BY ABSORPTION OF THE TRANSFEROR COMPANIES WITH THE TRANSFEE COMPANY

5. TRANSFER AND VESTING OF UNDERTAKING

With effect from the Appointed Date, the entire Undertaking of the Transferor Companies shall, subject to the terms and conditions of this Scheme and, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company so as to become the undertaking of the Transferee Company by virtue of and in the following manner:

Transfer and vesting of assets

5.1. With effect from the Appointed Date, all the assets, properties, rights, interests, benefits, privileges, outstanding loans and advances, if any, bank



balances and deposits, if any and investments (including investments in shares and any other securities), of the Transferor Companies shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company.

5.2. All immovable properties of the Transferor Companies including the factory land & building, plant and machinery located at A-22/2/1, Near Pidilite Company, Mahad Industrial Area, Village Kamble, MIDC, Mahad, District Raigad, Maharashtra - 402302 and residential colony and building located at RH-34, Near MIDC Office, Mahad MIDC Residential Area, Village Kambale, MIDC, Mahad, District Raigad, Maharashtra - 402302 of the Transferor Company 2, if any, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Companies, whether freehold or leasehold or otherwise, and all documents of title, rights and easements in relation thereto shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Companies and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the Tribunal and upon the coming into effect of this Scheme in accordance with the terms hereof.

5.3. In respect of such of the assets and properties belonging to the Transferor Companies (other than those referred to in Clause 5.1 and 5.2 above) including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.



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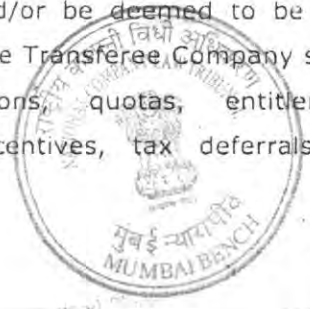
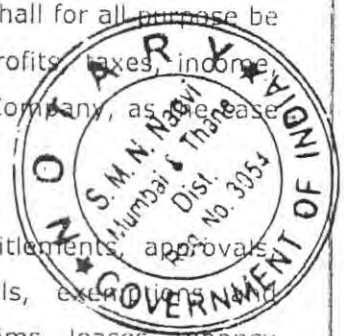
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5.4. All assets, rights, title, interest, investments and properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of the Transferor Companies, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date or from the date of their acquisition (after the Appointed Date but before the Effective Date) as the case may be, pursuant to the provisions of Sections 230 to 232 of the Act.

5.5. Upon coming into effect of the Scheme, and with effect from the Appointed Date, all the profits or income taxes (including advance tax, tax deducted at source, tax collected at source, foreign tax credits, dividend distribution tax, MAT credit and any credit for dividend distribution tax on dividend received by the Transferor Companies from their subsidiary/ies), all input credit balances (including but not limited to CENVAT/MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the GST laws) or any costs, charges, expenditure accruing to the Transferor Companies in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Companies shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, income, costs, charges, expenditure or losses of Transferee Company, as the case may be.

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



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benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

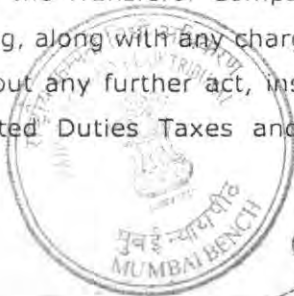
Transfer of contracts, deeds

5.7. All contracts including contracts for supply or purchase of materials, deeds, bonds, agreements, schemes, arrangements, insurance, letters of Intent, confidentiality agreements, memorandums of understanding, offer letters, undertaking, policies and other instruments of whatsoever nature, to which the Transferor Companies is a party or to the benefit of which Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies concerned, the Transferee Company had been a party or beneficiary or oblige thereto or thereunder.

5.8. Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Companies is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies to be carried out or performed.

Transfer and vesting of liabilities

5.9. With effect from the Appointed Date, all debts (including term loans, working capital facilities, debentures, bonds, and other debt securities), liabilities (including contingent liabilities) of the Transferor Companies, including all secured and unsecured debts, duties and obligations of every kind, nature and description of the Transferor Companies whether present or future, and howsoever arising, along with any charge, encumbrance, lien or security thereon, shall without any further act, instrument or deed and without payment of any related Duties Taxes and fees be and stand



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transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause.

5.10. All loans raised and utilized and all liabilities, duties and obligations incurred or undertaken by the Transferor Companies on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

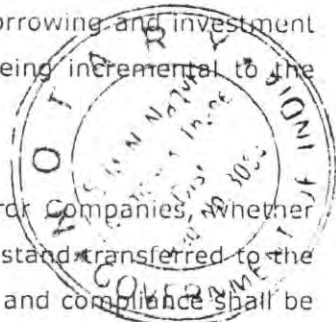
General conditions

5.11. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate the bank accounts, if any, of the Transferor Companies.

5.12. On and from the Effective Date, the security creation, borrowing and investment limits of the Transferee Company under the Act shall be increased to the extent of the security creation, borrowing and investment limits of the Transferor Companies, such limits being incremental to the existing limits of the Transferee Company.

5.13. Any corporate approvals obtained by the Transferor Companies, whether for the purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company.

5.14. All taxes (including but not limited to advance tax, self-assessment tax, regular tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/ paid in



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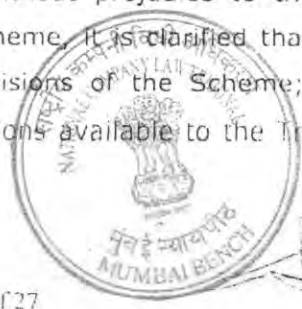
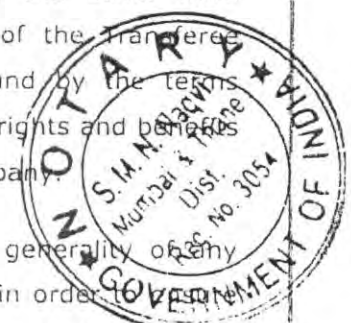
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a foreign country, value added tax, sales tax, service tax, goods and service tax etc.) paid / payable by or refunded / refundable to the Transferor Companies with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per the books of account, deductions otherwise admissible such as under Sections 40, 40A, 43B, etc. of the IT Act, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc., as would have been available to the Transferor Companies, shall pursuant to this Scheme becoming effective, be available to the Transferee Company.

5.15. Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Order sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of the Transferee Company as successor in interest, pursuant to the sanction of this Scheme by NCLT, and upon this Scheme becoming effective. For this purpose, the Transferee Company shall file certified copies of such NCLT Order and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits quotas, rights, entitlements, licenses (including the licenses granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

5.16. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that with effect from the Appointed Date, all consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour 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 there under, and the rights and benefits under the same shall be available to the Transferee Company.

5.17. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to (i) implementation of the provisions of the Scheme; and (ii) continued vesting of the benefits, exemptions available to the Transferor Companies



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in favour of the Transferee Company, the Board of Directors of the Transferor Companies and the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the NCLT Order and shall be considered as an integral part of this Scheme. Further, the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Companies and to carry out or perform all such formalities and/or compliances, as required for the purpose of implementation of the provisions of the Scheme.

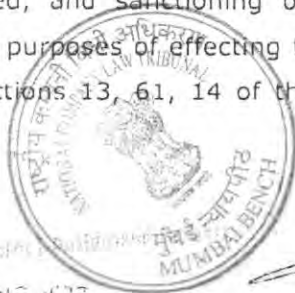
6. CONSIDERATION

As the Transferor Company 1 is Wholly Owned Subsidiary of the Transferee Company and Transferor Company 2 is Wholly Owned Subsidiary of Transferor Company 1, no consideration shall be payable pursuant to the merger of the Transferor Companies into and with the Transferee Company. The paid up capital held by the Transferee Company together with its nominees in the Transferor Company 1 and the share capital held by the Transferor Company 1 together with its nominees in the Transferor Company 2, shall stand cancelled without any further act, application or deed.

It is further clarified that since the Transferor Companies are direct/ indirect wholly owned subsidiaries of the Transferee Company, no consideration shall be discharged by the Transferee Company pursuant to the merger of the Transferor Companies.

7. CONSOLIDATION OF AUTHORISED SHARE CAPITAL

Upon this Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased / reclassified without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the amount of authorized share capital of the Transferor Companies as appearing as on the date of certified or authenticated copies of the orders of the National Company Law Tribunal sanctioning this Scheme being filed with the appropriate Registrar of Companies. The Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and sanctioning of the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 61, 14 of the Companies Act, 2013



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and other applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorized share capital of the Transferor Companies shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent.

It is clarified that no further resolution would be required to be separately passed for the amendment of the Memorandum of Association and Articles of Association of the Transferee Company and Clause V of the Memorandum of Association shall stand substituted accordingly by the virtue of the approval of this Scheme.

8. ACCOUNTING TREATMENT

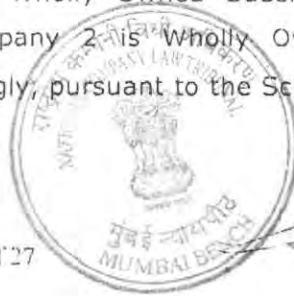
The Transferee Company shall account for the merger in its books of accounts as under:

8.1. Upon coming into effect of this Scheme, notwithstanding anything contrary contained in any other clauses of the Scheme, the Transferee Company shall give effect to the accounting treatment in the books of accounts in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, or any other relevant or related requirement under the Act, as applicable on the Appointed Date.

8.2. Accordingly, the Transferor Companies and Transferee Company all being the entities under common control, the accounting would be done at Transferor Companies carrying amounts as on the Appointed Date for all the assets and liabilities acquired by the Transferee Company of the Transferor Companies by applying the principles as set out in Appendix C of Ind AS 103 'Business Combinations' and inter-company balances and inter-company investments, if any, between Transferor Companies and with Transferee Company shall stand cancelled.

8.3. The Transferee Company shall recognize the assets, liabilities, and reserves of the Transferor Companies in its books of accounts on the date as determined under Ind AS 103 and at their respective carrying amounts as appearing in the financial statements of the Transferee Company.

8.4. The Transferor Company 1 is Wholly Owned Subsidiary of Transferee Company and Transferor Company 2 is Wholly Owned Subsidiary of Transferor Company 1. Accordingly, pursuant to the Scheme no new shares



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shall be issued after the Scheme is sanctioned by the Tribunal. The investment in equity share capital of the Transferor Company 1 as appearing in the books of account of Transferee Company and investment in equity share capital of the Transferor Company 2 as appearing in the books of account of Transferor Company 1 shall stand cancelled.

8.5. Inter-company balances, loans and advances and investments if any, shall stand cancelled.

8.6. The identity of the reserves, including balance of Profit and Loss Account, 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 appeared in the financial statements of the Transferee Company.

8.7. The difference between the share capital of the Transferor Companies and investments in the shares of Transferor Company 1 and Transferor Company 2, as appearing in the books of Transferee Company and Transferor Company 1, shall be transferred to Capital Reserve.

8.8. In case of any differences in the accounting policies between the Transferor Companies and the Transferee Company, the impact of the same till the Appointed Date of Merger by Absorption will be quantified and adjusted in the Transferee Company to ensure that the financial statements of the Transferee Company effect the true financial position on the basis of consistent accounting policies.

9. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

Subject to all the provisions of this Scheme, all contracts, deeds, bonds, agreements, undertakings, guarantees, indemnities, arrangements and other instruments of whatsoever nature to which the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favor of, as the case may be, the Transferee Company enforced as fully and effectively as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary thereto, without any further act or deed. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which the Transferor Companies will, if necessary, also be a party in order to give formal effect to this clause if so required or become necessary.

10. EMPLOYEES



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- 10.1 All employees of the Transferor Companies in service on the Effective Date, if any, shall become employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to the Transferor Companies as on the said date.
- 10.2 As far as the provident fund, gratuity fund, superannuation fund or any other special fund created or existing for the benefit of such permanent employees of the Transferor Companies is concerned, on and from the Effective Date, the balances in such funds (including but not limited to contribution account, reserves and surplus, investments) or trusts shall be transferred to the relevant funds of the Transferee Company. It is clarified that the services of such permanent employees of the Transferor Companies will be treated as having been continuous and not interrupted for the purposes of such funds.

11. LEGAL PROCEEDINGS

Upon the coming into effect of this Scheme, if any suit, appeal or other proceeding of whatsoever nature by or against the Transferor Companies be pending as on the Appointed Date, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking or anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Companies, if this Scheme had not been made. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the relevant matters pertaining to the Transferor Companies in the same manner and to the same extent as would or might have been initiated by the Transferor Companies.

After the Appointed Date, if any proceedings are taken against the Transferor Companies, the same shall be defended by and at the cost of the Transferee Company.

PART III

GENERAL TERMS AND CONDITIONS

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12. CONDUCT OF BUSINESS BY TRANSFEROR COMPANIES TILL EFFECTIVE DATE

With effect from the Appointed Date and upto the Effective Date:

12.1. The Transferor Companies shall carry on and be deemed to carry on all the business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for Transferee Company and all the profits or losses, arising or incurred by the Transferor Companies shall, for all purposes, be treated and be deemed to be and to accrue as the profits or losses of Transferee Company, as the case may be.

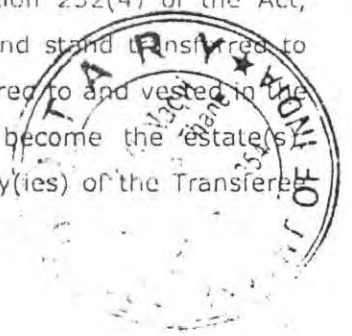
12.2. The Transferor Companies shall carry on its business and activities with reasonable diligence and business prudence and shall not, except with notice to or knowledge of, undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking, save and except in each case in the following circumstances :

- (i) if the same is in its ordinary course of business, as carried on by it as on the date of filing this Scheme with NCLT; or
- (ii) if the same is expressly permitted by this Scheme; or
- (iii) if written consent of the Board of Directors of Transferee Company has been obtained.

12.3. All estate(s), asset(s), right(s), title(s), interest(s) and authority(ies) pertaining to the business of the Transferor Companies accrued to and/or acquired by the Transferor Companies prior to the Effective Date shall have been or deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall upon the coming into effect of this Scheme, pursuant to the provisions of Section 232(4) of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company to that extent and shall become the estate(s), asset(s), right(s), title(s), interest(s) and authority(ies) of the Transferee Company.

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12.4. All the profits or income accruing or arising to the Transferor Companies and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Companies shall, be treated and be deemed to be and accrue as the profits or income or as the case may, expenditure or losses (including taxes) of the Transferee Company.

13. DIVIDEND

13.1. The Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the period prior to the Effective Date.

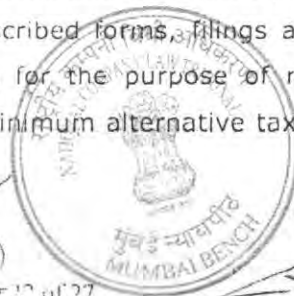
13.2. Until the effectiveness of this Scheme, the shareholders of the Transferor Companies and the Transferee Company shall continue to enjoy their existing rights under their respective articles of association including their right to receive dividend.

13.3. It is however clarified that the aforesaid provision in respect of declaration of dividend is an enabling provision only and shall not be deemed to confer any right on any member of any of the respective Companies to demand or claim any dividend which, subject to the provisions of the Act and the same shall be entirely at the discretion of the respective Board of Directors of the respective Companies and subject, wherever necessary and in accordance with the law for the time being in force.

14. COMPLIANCE WITH TAX LAWS AS APPLICABLE TO THE SCHEME

14.1. This Scheme is in compliance with the conditions relating to "amalgamation" as specified under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said Section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act.

14.2. On or after the Effective Date, the Companies shall have the right to revise their respective financial statements and tax returns, even after the prescribed due dates, along with the prescribed forms, filings and annexures under the provisions of IT Act (including for the purpose of re-computing income-tax under the normal provisions, minimum alternative tax purposes, carry forward



and set-off of tax losses and tax benefits and claiming other tax benefits), service tax, sales tax, VAT, excise and customs laws, as may be applicable, CGST, SGST, IGST and other tax laws and to claim refunds and/or credits for taxes paid by Transferor Companies (including minimum alternate tax, dividend distribution tax and foreign taxes), and to claim tax benefits under the Income-tax Act including any credit for dividend distribution tax on dividend received by the Transferor Companies and other tax laws and for matters incidental thereto, if required to give effect to the provisions of the Scheme.

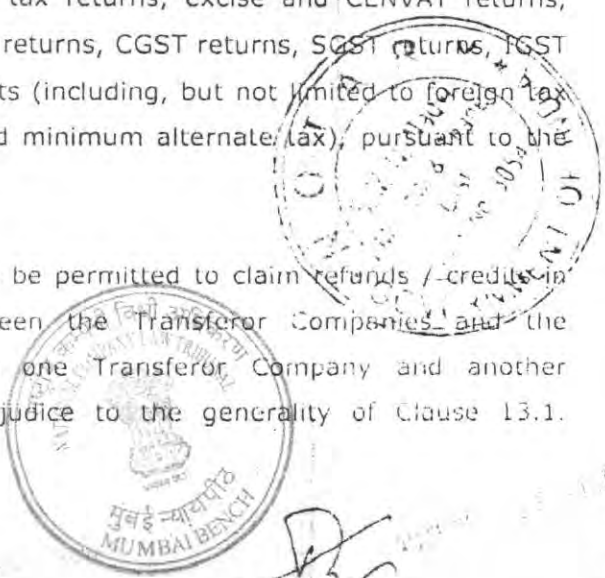
14.3. As and from the Effective Date, all tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies. Further, all tax proceedings shall not in any way be prejudicially affected by reason of the merger of the Transferor Companies with the Transferee Company or anything contained in the Scheme.

14.4. Upon the Scheme coming into effect, all taxes (direct and/or indirect)/ cess/ duties payable by or on behalf of the Transferor Companies from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with any Governmental Authority, and including the right to claim credit for minimum alternate tax, dividend distribution tax, set-off and carry forward of accumulated losses, foreign taxes, deferred revenue expenditure, deduction, rebate, allowance, amortization benefit, etc. including any credit for dividend distribution tax on dividend received by the Transferor Companies from their subsidiary/ies under the Income-tax Act, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India and unutilized CENVAT credit, VAT credit, input tax credit for CGST, SGST and IGST etc shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims, accumulated losses and unutilized CENVAT credits, VAT credit, CGST, SGST and IGST credits and rights to claim credit or refund etc. of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns, wealth tax returns, sales tax returns, excise and CENVAT returns, service tax returns, other statutory returns, CGST returns, SGST returns, IGST returns and to claim refunds/ credits (including, but not limited to foreign tax credit, dividend distribution tax and minimum alternate tax), pursuant to the provisions of this Scheme.

14.5. The Transferee Company shall also be permitted to claim refunds / credits in respect of any transaction between the Transferor Companies and the Transferee Company or between one Transferor Company and another Transferor Company. Without prejudice to the generality of Clause 13.1.


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above, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns and related withholding tax returns, including withholding tax certificates, relating to transactions between the Transferor Companies and the Transferee Company or between one Transferor Company and another Transferor Company, and to claim refunds, advance tax and withholding tax credits, benefit of credit for minimum alternate tax/ dividend distribution tax (including any credit for dividend distribution tax on dividend received by the Transferor Companies), foreign taxes and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.

14.6. The withholding tax, tax collected at source, advance tax, minimum alternate tax, dividend distribution tax, equalization levy, foreign taxes, if any, paid by the Transferor Companies under the Income-tax Act or any other statute for the period commencing from the Appointed Date shall be deemed to be the tax deducted from, advance tax, dividend distribution tax, equalization levy, foreign taxes paid by the Transferee Company and credit for such withholding tax, tax collected at source, advance tax, minimum alternate tax, dividend distribution tax, equalization levy, foreign taxes shall be allowed to the Transferee Company notwithstanding that certificates or challans for withholding tax/ tax collected at source/ advance tax/ dividend distribution tax/ foreign tax are in the name of the Transferor Companies and not in the name of the Transferee Company.

14.7. The service tax, VAT, sales tax, excise and custom duties under the pre- GST regime and in the GST regime, CGST, SGST and IGST paid by the Transferor Companies under the Finance Act, 1994 and/ or Central Goods and Service Tax Act, Integrated Goods and Service Tax Act and Union Territory Goods and Service Tax Act in respect of services provided by the Transferor Companies for the period commencing from the Appointed Date shall be deemed to be the service tax, sales tax, excise and custom duties, CGST, SGST, IGST paid by the Transferee Company and credit for such service tax CGST, SGST, IGST shall be allowed to the Transferee Company notwithstanding that challans for service tax payments, CGST payment, SGST payment, IGST payment are in the name of the Transferor Companies and not in the name of the Transferee Company.

14.8. Obligation for deduction of tax at source on any payment made by the Transferor Companies under the IT Act, Wealth Tax Act, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws/ regulations dealing with taxes/ duties/ levies shall be made or deemed to have been made and duly complied with by the Transferee Company.



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14.9. All deductions otherwise admissible to the Transferor Companies including payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (such as under Sections 40, 40A, 43B etc. of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Companies.

14.10. The accumulated losses and the allowance for unabsorbed depreciation of the Transferor Companies shall be deemed to be the loss and the allowance for unabsorbed depreciation of the Transferee Company in accordance with Section 72A of the IT Act.

14.11. Further, the losses and unabsorbed depreciation as per books of account of the Transferor Companies as on the date immediately preceding the Appointed Date shall be deemed to be the brought forward losses and unabsorbed depreciation of the Transferee Company for the purpose of computation of book profit to calculate the minimum alternate tax payable by the Transferee Company.

14.12. Without prejudice to the generality of the above, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of account, credits (including, without limitation income tax, minimum alternate tax, tax deducted at source, tax collected at source, taxes withheld/ paid in a foreign country, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, customs duty drawback, goods and service tax etc.) to which the Transferor Companies are entitled to in terms of applicable laws, shall be available to and vest in the Transferee Company upon coming into effect of this Scheme.

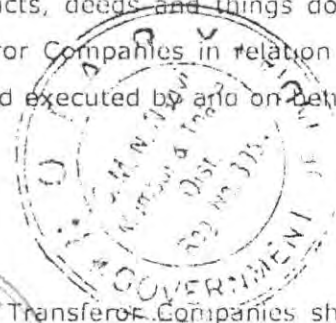
15. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of the Scheme, the merger of the Undertaking and continuance of proceedings by or against the Transferee Company, as provided herein, shall not affect any transactions or proceedings already concluded by the Transferor Companies before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Transferor Companies in relation to the Undertaking as acts, deeds and things done and executed by and on behalf of the Transferee Company.

16. DISSOLUTION OF TRANSFEROR COMPANIES

16.1. Upon the Scheme becoming effective, the Transferor Companies shall stand dissolved without being wound up without any further act or deed.

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16.2. Even after the Scheme comes into operation, the Transferee Company shall be entitled to operate all bank accounts relating to Transferor Companies and realize all monies and complete and enforce all pending contracts and transactions in the name of Transferor Companies in so far as may be necessary until the transfer and vesting of rights and obligations of the Transferor Companies to the Transferee Company under this Scheme is formally effected by the parties concerned.

17. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

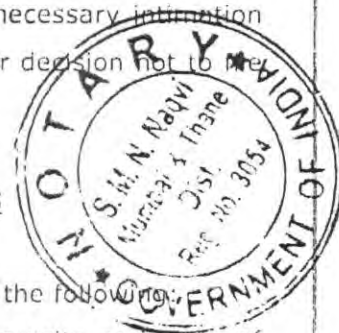
17.1 Subject to approval of the NCLT, the respective Board of directors or the respective authorized representative appointed by the Board of the Transferee Company and the Transferor Companies may assent to any modification(s), alteration(s) or amendment(s) of this Scheme or any condition(s) which the NCLT and / or any other competent authority may deem fit to direct or impose and the said respective Boards may do all such acts, things and deeds necessary in connection with or to carry out the Scheme into effect and take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any order of the NCLT or any directions or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and / or matters concerned or connected therewith.

17.2 The Companies shall have the discretion to withdraw their application(s)/ petition(s) from NCLT, if any onerous terms or other terms not acceptable to them which may be introduced in the Scheme at the time of sanction of the Scheme or as otherwise. They shall also be at liberty to render the Scheme ineffective by not filing the certified copy of order of the Scheme sanctioned, with Registrar of Companies. However, necessary intimation may be filed by the Companies with the NCLT of their decision not to file the Scheme and not to make it effective.

18 SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is and shall be conditional upon and subject to the following:

18.1 Approval of, and agreement to the Scheme by the requisite majorities of members or creditors such of the Transferor Companies and Transferee Company or dispensation thereof as may be directed by the Tribunal on the applications made for directions under Section 230 of the said Act for calling or dispensing with meetings and necessary resolutions being passed under the Act for the purpose, if required.



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18.2 The sanctions of the Tribunal, Registrar of Companies, Regional Director, Official Liquidator as may be applicable or as may be directed by the Tribunal, being obtained under Sections 230 to 232 and other applicable provisions of the Act on behalf of the Transferor Companies and Transferee Company.

18.3 Certified copies of the Order of the Tribunal sanctioning this Scheme shall be filed with the Registrar of Companies, Mumbai by the Transferor Companies and Transferee Company.

19 EFFECT OF NON-RECEIPT OF APPROVALS/ SANCTIONS

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the Tribunal or the authorities mentioned therein, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

20 COSTS, CHARGES AND EXPENSES

All costs, charges and expenses including stamp duty and registration fee of any deed, in document, instrument or the NCLT Order including this Scheme or relation to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by the Transferee Company.



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Certified True Copy _____
Date of Application 30/8/2022
Number of Pages 27
Fee Paid Rs. 135/-
Applicant called for production copy on 12/9/22
Copy prepared on 12/9/2022
Copy issued on 12/9/2022

[Signature: P.S. Sonawane]
Deputy Registrar 12/9/2022
National Company Law Tribunal, Mumbai Bench