



## GUJARAT PETROSYNTHESE LIMITED

**Reg. Off:** No.24, II Main, I Phase, Doddanekkundi  
Industrial Area, Mahadevapura Post, Bengaluru-560 048.  
Ph: 91 – 80 - 28524133 / 91– 80 - 40943197  
E-mail: [info@gpl.in](mailto:info@gpl.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357



Date: October 25, 2022

To,  
**BSE Limited**  
Department of Corporate Services  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400001

**Scrip Code: 506858**

Dear Sir/ Madam,

**Ref: Disclosure under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations')**

**Subject: Submission of Certified Copy of NCLT order Sanctioning the Scheme of Merger by Absorption of Gujarat Polybutenes Private Limited ("Transferor Company") with Gujarat Petrosynthese Limited ("Transferee Company") and their respective Shareholders under Section 230-232 of the Companies Act, 2013, by Hon'ble National Company Law Tribunal, Bengaluru Bench.**

1. The National Company Law Tribunal, Bengaluru Bench vide its order delivered on dated 29th day of September, 2022, has sanctioned the Scheme of Merger by Absorption of Gujarat Polybutenes Private Limited ("Transferor Company") with Gujarat Petrosynthese Limited ("Transferee Company") and their respective Shareholders, the Merger sanctioned is of Wholly-owned subsidiary in to its parent Company i.e., Transferee Company, the certified copy of the order is received by the Transferee Company on 21<sup>st</sup> October, 2022.
2. Attach to this letter is the Certified Copy of NCLT order Sanctioning the Scheme of Merger by Absorption of Gujarat Polybutenes Private Limited ("Transferor Company") with Gujarat Petrosynthese Limited ("Transferee Company") and their respective Shareholders under Section 230-232 of the Companies Act, 2013, by Hon'ble National Company Law Tribunal, Bengaluru Bench dated 29th day of September, 2022 having reference number as C.P.(CAA) No.29/BB/2021 connected with C.A.(CAA) No.14/BB/2021 as **Annexure A**.

**Head Office:** Ecstasy, 718, 7th Floor, City of Joy J.S.D Road, Mulund (West) Mumbai– 400080.  
**Phone:** 022- 25600181 **Email:** - [secretarial@gujaratpetrosynthese.com](mailto:secretarial@gujaratpetrosynthese.com)



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We request you to take the same on record.

Thanking You,

**Yours Faithfully,  
For Gujarat Petrosynthese Limited**

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**Urmi N. Prasad**  
**Joint Managing Director**  
**DIN:** 00319482  
**Address:** 8-2-417/301, Mount Kailash, Road No. 4,  
Banjara Hills, Hyderabad-500034

Place: Mumbai  
Date: October 25, 2022

Encl: As above

**Head Office:** Ecstasy, 718, 7th Floor, City of Joy J.S.D Road, Mulund (West) Mumbai– 400080.  
**Phone:** 022- 25600181 **Email:** - [secretarial@gujaratpetrosynthese.com](mailto:secretarial@gujaratpetrosynthese.com)

IN THE NATIONAL COMPANY LAW TRIBUNAL  
BENGALURU BENCH  
(Through web based video conferencing platform)

C.P. (CAA) No.29/BB/2021  
(Second Motion)

U/ss. 230 & 232 of the Companies Act, 2013  
And other applicable provisions of the  
Companies Act, 2013 R/w Companies (CAA) Rules, 2016

IN THE MATTER OF:

Gujarat Petrosynthese Ltd.

Registered Office at:

24, II Main, Doddanekkundi Industrial Area,

Phase 1, Mahadevapura,

Bangalore- 560 048.

... Petitioner /Transferee Company

And

Gujarat Polybutenes Pvt. Ltd.

Registered Office at:

Ecstasy, 718, 7<sup>th</sup> Floor, City of Joy

J.S.D. Road, Mulund (W)

Mumbai - 400 080.

... Non - Petitioner /Transferor Company

Order delivered on: 29<sup>th</sup> September, 2022

CORAM:

Hon'ble Shri Kishore Vemulapalli, Member (Judicial)

Hon'ble Shri Manoj Kumar Dubey, Member (Technical)

PRESENT:

For the Petitioner Company

: Shri. Abhishek M.R.

For the Income Tax Department

: Shri. Ganesh R. Ghale

ORDER

Per: Manoj Kumar Dubey, Member (Technical)

1. This is a second motion petition filed by Gujarat Petrosynthese Ltd. (for brevity, the 'Petitioner Company/Transferee Company') under Sections 230 & 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, R/w Companies (Compromises, Arrangements and Amalgamation) Rules



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by *inter alia* seeking for the sanction of Scheme of Merger by absorption (for brevity, 'Scheme') of Gujarat Polybutenes Pvt. Ltd. (Transferor Company) with Gujarat Petrosynthese Ltd. (Transferee Company) and their respective Shareholders.

2. The Petitioner company filed first motion application bearing C.A. (CAA) No. 14/BB/2021 ("First Motion Application") before this Tribunal seeking to convene the meeting of Equity Shareholders and to dispense with the meetings of the Unsecured Creditors of the Applicant Company. Based on such application moved under section 230 and 232 of the Companies Act, 2013 necessary directions were issued vide order dated 31.03.2021 wherein the meetings of Unsecured Creditors were dispensed with and the meeting of the Equity Shareholders of the Applicant Company was convened. Since there are no Secured Creditors in the Applicant Company there are noting to convene their meeting. Details of the First Motion order dated 31.03.2021 are as under:

CA (CAA)No.14/BB/2021-Date of Order 31.03.2021	
List	Applicant Company
Meeting of Equity share holders	Convened
Meeting of Unsecured Creditors	Dispensed
Meeting of Secured Creditors	Nothing to convene meeting

3. In compliance with the above direction, meeting of the Equity Shareholders of the Applicant Company has been conducted by the Chairperson and Scrutinizer and also filed their reports in this regard, which are placed as Annexure-H of the Petition. It is seen the said Shareholders have approved the proposed Scheme.
4. When the petition was listed on 25.09.2021, through video conferencing, the following directions were issued:-

*"Heard Shri Abhishek M.R. learned Counsel for the Petitioner through Video Conference. Admit & Issue Notice. Registry is directed to prepare notice on all*



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the statutory authorities viz. the Registrar of Companies, Karnataka, the Regional Director, Hyderabad, the Official Director, the Principal Commissioner of Income Tax, Karnataka & Goa, the Secretary, Competition Commission of India, BSE Limited (Stock Exchange) and Securities and Exchange Board of India and the Petitioner is permitted to collect notice from the Registry and serve to all the Statutory Authorities along with material papers and company application personally and as well as by Speed Post. The Petitioner is also directed to publish Paper Publication in on English Newspaper "The Hindu" and in one Kannada Newspaper viz. "Udayavani" and to file proof of service in the Registry will before the next date of hearing. The Petitioner is also directed to file reply affidavit to the observations of aforesaid statutory authorities, if any, will before the next date of hearing with a copy served on the respective authority. List the case on 13.11.2021."

5. In pursuant to the aforesaid notice, the Petitioner Company filed an affidavit of service vide diary No.2813 dated 25.10.2021 along with original copies of newspaper publication in "The Hindu" (English), and "Udayavani" (Kannada) dated 06.10.2021.
6. The main objects, dates of Incorporation, authorized, issued and paid-up share capital, rationale of the scheme and interest of employees have been discussed in detail in first motion order dated 31.03.2021.
7. The Board Resolution of the Petitioner Company approving the Scheme is annexed as Annexure C to the Petition.
8. It is further submitted that the Certificate of Statutory Auditors of the Petitioner Company, confirming that the accounting treatment contained in the proposed Scheme is in conformity with the Accounting Standards notified by the Central Government under the Companies Act, 2013. The aforesaid certificate is attached as Annexure - E to the Petition.
9. The audited financial statement as on 31.03.2021 of the Transferee Company are attached as Annexure B of the Petition.
10. As per the Scheme, the "Appointed Date" means 1<sup>st</sup> day of July, 2020 or such other date as the National Company Law Tribunals may direct/fix. The



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“Effective Date” means the last of the dates, if applicable, on which the certified or authenticated copy (ies) of the order(s) sanctioning the Scheme passed by the NCLT of Judicature at Mumbai for Transferor Company and order(s) sanctioning the Scheme passed by the NCLT of Judicature at Bengaluru for Transferee Company is/are filed with the ROC, Maharashtra, Mumbai and ROC, Bangalore respectively.

11. The consideration for Merger of the Transferor Company with the Transferee Company has been determined under Clause 5 of the Scheme.
12. In pursuant to the notice, the Registrar of Companies and Regional Director have filed its report vide Diary No.140 dated 10.01.2022, by *inter alia* observing as under, vide para 2:

- a) The Transferor Company is a wholly owned subsidiary company of the Transferee Company and the registered office of Transferor Company is under the jurisdiction of Registrar of Companies, Mumbai, Maharashtra.
- b) As per scrutinizer’s report, meeting of Equity Shareholders of Transferee Company was held on 03.06.2021 and only 51 Equity Shareholders holding 31,53,185 Equity Shares casted vote in favour of merger with Transferor Company out of total 59,69,166 Equity Shares and the voting from the public institution holders in only 51.04% and from other public is 52.82%. Since the Transferee Company being a listed Company, shareholder’s interest should be protected and hence, the Transferee Company shall furnish an undertaking before the NCLT that interest of the Shareholders will be protected.
- c) The Transferee Company has listed its shares at the Bombay Stock Exchange (BSE) and hence, the Transferee Company shall furnish an undertaking with regard to compliance of SEBI (Listing Obligations and Disclosure Requirements), 2015 and all the recent amendments issued by SEBI.



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- d) The Transferee Company has Related Party Transactions during the last 2 years. Hence, the Transferee Company shall furnish an undertaking to the effect that they have complied with the provisions of Section 188 of the Companies Act, 2013.
- e) As seen from the records of MCA-21, Ms. Charitra Thakkar, Director of Transferee Company is not fulfilling the criteria of Resident Indian for appointment as Joint Managing Director of the Company as per Part I of the Schedule V of the Companies Act, 2013. Hence, the Company needs to obtain the approval of Central Government for her appointment and remuneration.
- f) The Transferee Company has Non-Resident Shareholders. According to MGT-7 as at 31.03.2021, the percentage of shareholding by non-resident shareholders was shown as 10.14%. However, according to report on Corporate Governance, the percentage of shareholding by non-resident is 6.63%. In this regard, necessary clarification be furnished to the NCLT by the Transferee Company.
- g) As per the Secretarial Auditors' report of Transferee Company, 100% shareholding of the promoters have not been maintained in Demat form as required by Regulation 31(2) of the SEBI Regulations, 2015. As per the Directors Report/Management Analysis, whopping 30.22% of total shares are held in physical form in violation of Section 29 r/w Rule 9 and Rule 9A of the Companies Act, 2013 and the provisions of Depositories Act, 1996, the SEBI (Depositories and Participants) Regulations, 1993. In this regard, necessary compliance be made by the Transferee Company.
- h) The NCLT vide its order dated 31.03.2021, has dispensed the meeting of Unsecured Creditors of the Transferee Company. The Transferee Company has total of 56 Unsecured Creditors, out of which, 16 have filed affidavit approving the said scheme. Since Transferee Company being a listed



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Company, an undertaking shall be furnished by the Company to protect the interest of all the Unsecured Creditors.

- i) As seen from the balance sheet as at 31.03.2021, the Transferee Company has to pay MSME dues and dues to the Income Tax Department, which shall be taken care as and when demanded by the said statutory authorities.
- j) Clause 15 of Part C of the Scheme provides for Clubbing of Authorized capital. Hence, the Transferee Company shall comply with the provisions of Section 232(3)(i) of the Companies Act, 2013. In this regard, the Transferee Company shall comply with provisions of the aforementioned section and pay the difference fee, after setting off the fee already paid by the Transferor Company on its respective capital. In this regard, Transferee Company shall furnish an undertaking before the NCLT.
- k) In the Balance Sheet as on 31.03.2022 at Note number 27 to financial statement, the Company has stated Rs.2,31,86,000/- towards the sale of shares of Subsidiary Company. However, the Transferee Company has got only one subsidiary company i.e. the Transferor Company and the Transferee Company holds 100% shares as on 31.03.2021 in the said subsidiary. In spite of its sale, consideration of shares of subsidiary was shown as exceptional item and charged to profit and loss account. This discrepancy needs to be explained by the Petitioner companies by way of affidavit.
- l) The Transferee Company is a listed Company where substantial public interest is involved. LIC is holding 9.02% equity and GSI is holding 4.63% equity in the Transferee Company as per the financial statements as at 31.03.2021. According to note number 27 to financial statements, the Transferee Company has sold a property at Marol which is in prime area in Mumbai amounting to Rs.5,57,98,000/- and is shown as exceptional item. In this regard, detailed clarification may be obtained from the Company.



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m) The Transferee Company did not appoint CFO as per requirements of Section 203 of the Companies Act, 2013 and listing agreement. The Joint Managing Director, Urmi Prasad Thakkar who holds substantial shares in the Company is also holding the position as CFO. A CFO of a listed company/promoter cannot hold the position of KMP in the same Company. Hence, the Transferee Company needs to file compounding/adjudication application u/s 441/454 of the Companies Act, 2013 as the case may be after the offence is made good and proof for the same may be shown to the Tribunal.

13. Subsequently, reply affidavit to the common report of ROC & RD has been filed by the Petitioner company vide diary No.358 dated 25.01.2022 *inter alia* stating as under:-

a) Reply to Point 2(a) of the ROC & RD report: The Transferee Company states that the registered office of the Transferor Company is situated in the State of Maharashtra which is under the jurisdiction of the Registrar of Companies, Mumbai, Maharashtra, and falls within the jurisdiction of NCLT Mumbai Bench at Maharashtra, the NCLT Mumbai Bench at Maharashtra has admitted the Company Scheme Petition No. CP(CAA)/51/2021 in the Company Scheme Application No.CA(CAA)/1075/2020, on 2<sup>nd</sup> day of September, 2021 of the Transferor Company and kept for final hearing on 1<sup>st</sup> December, 2021, due to paucity of the time the final hearing has been adjourned to 4<sup>th</sup> January, 2022 and thereafter further adjourned to 4<sup>th</sup> February, 2022. The Transferee Company undertakes that the Transferor Company will obtain similar approval from the NCLT Mumbai Bench at Maharashtra for sanction of this Scheme.

b) Reply to Point 2(b) of the ROC & RD report: The Transferee Company states that the Tribunal convened meeting and which was held on the 3<sup>rd</sup> day of June, 2021, the resolution was put to vote at the meeting and was passed unanimously, the 51 members including the public institution holders with



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other public representing 31, 53, 185 Equity shares voted in the favour of the Scheme and the reports of the meeting were filed with this Tribunal on 14<sup>th</sup> day of June, 2021. The Transferee Company undertakes to protect the interest of the Shareholders.

- c) Reply to Point 2(c) of the ROC & RD report: The Transferee Company undertakes to comply with the SEBI (Listing Obligation and Disclosure Requirements), 2015 and all the recent amendments issued by SEBI to the extent as applicable.
- d) Reply to Point 2(d) of the ROC & RD report: The Transferee Company undertakes that it has complied with the provisions of Section 188 of the Companies Act, 2013 pertaining to Related Party Transaction arising during the last 2 years.
- e) Reply to Point 2(e) of the ROC & RD report: The Transferee Company states that Ms. Charita Thakkar was fulfilling the criteria of resident Indian. Ms. Thakkar looks after the overall business operations of the Polymer Blends and Alloys unit, working with customers from various industries and manages the sales of Transferee Company. However due to the COVID pandemic, she was not able to come to India. As per Section 196 (2) of the Companies Act, 2013, Ms. Chaitra Thakkar was reappointed as Joint Managing Director of the Company for a period of 3 years w.e.f. April 1, 2019 till March 31, 2022 by the Shareholders of the Company in its 42<sup>nd</sup> Annual General Meeting held on August 14, 2019. The Present Tenure of Ms. Charita Thakkar will expire on March 31, 2022. Based on the recommendation of the Nomination and Remuneration Committee, the Board at their meeting held on August 12, 2021, re-appointed Ms. Charita Thakkar as the Joint Managing Director of the Company, for a further period of five years with effect from April 1, 2022 to March 31, 2027. The resolution for re-appointment of Ms. Charita Thakkar as the Joint Managing Director of the Company was passed at the 44<sup>th</sup> Annual General Meeting of



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Shareholders held on 17<sup>th</sup> September, 2021. The Transferee Company submits it has filed Form MR-2, vide SRN T64379688 dated 15<sup>th</sup> December, 2021, pursuant to Section 196 Schedule V of the Companies Act, 2013 & Rule 7 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The form has been filed for seeking Central Governments' approval for reappointment and remuneration of Ms. Charita Thakkar for a further period of five years with effect from April 1, 2022 to March 31, 2027.

- f) Reply to Point 2(f) of the ROC & RD report: The Transferee Company states that in Form MGT-7 as at 31.03.2021, filed vide SRN T58897158 dated 17.11.2021, the table at point VI (a) at page 7 in the form under heading SHARE HOLDING PATTERN - Promoters, shares held by Non-Resident Promoter Shareholders is shown as 10.14% which comprises of Promoters Shareholding only. Whereas, under heading SHARE HOLDING PATTERN - Public/Other than promoters, shares held by Non-Resident India (NRI) is shown as 6.63 % which comprises of public shareholders only. Further, in the report on Corporate Governance as at 31.03.2021 the shareholding disclosed under the Promoter & Promoter Group category includes the holding of Non-Resident Promoters Shareholders (Which is 10.14 % out of total of Promoter & Promoter Group shareholding of 49.65%) Whereas the holding of Non-Resident Public Shareholders has been categorised separately in the Corporate Governance report which is 6.63%. The Transferee Company undertakes that there is no discrepancy in the Form MGT-7 and Report on Corporate Governance.

- g) Reply to Point 2(g) of the ROC & RD report: The Transferee Company states that as per the extract of Shareholding pattern submitted with BSE Ltd. pursuant to regulation 31 of the SEBI (Listing Obligation and Disclosure Requirements), 2015 the Shares held by the Promoter & Promoter Group and the Shares held by public in Demat and Physical mode are as follows:

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Sr. No.	Category	Shares held in Demat form (A)	Percentage of Shares held in Demat form	Shares held in Physical form (B)	Percentage of Shares held in Physical form	Total Number of Shares held (A) +(B)
1.	Promoter & Promoter Group	26,61,118	99.92%	2,311	0.08%	29,63,429
2.	Public	12,13,844	40.38%	17,91,893	59.62%	30,05,737
Total		41,74,962	69.94%	17,94,204	30.06%	59,69,166

- h) The Transferee Company submits as per the foregoing paragraph table, it is clearly seen that 99.92% of Shareholding of the Promoter & Promoter Group is in Demat mode, only 0.08% exists in the Physical form. Mr. Adhik Narayan Shirodkar and Ms. Smita Prakash Mayekar, the two Promoters holding 2,116 equity shares and 195 equity shares respectively in Physical mode (totalling 2,311 equity shares and constituting 0.08% of the Promoter & Promoter Group holding) are deceased. The Transferee Company has made several attempts to trace and find their legal heirs/nominees to get their respective shares converted in to Demat mode. The Transferee Company is still attempting to trace and find the legal heirs/nominees of Mr. Adhik Narayan Shirodkar and Ms. Smita Prakash Mayekar to convert shares in Demat mode. All the attempts made by the Transferee Company are bona fide in nature and does not involve any intention of misleading any of the stakeholders. The Transferee Company undertakes that it will keep on looking for the legal heirs/nominees of Mr. Adhik Narayan Shirodkar and Ms. Smita Prakash Mayekar who are holding 0.08% and convert them in Demat mode in order to achieve the 100% shareholding of the promoters as per the applicable SEBI Regulations, 2015 and applicable circulars as may be amended from time to time. The evidence of holding of



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shares by Mr. Adhik Narayan Shirodkar and Ms. Smita Prakash Mayekar can be seen from the Shareholding pattern as at 31<sup>st</sup> December, 2021 submitted with the BSE Ltd. pursuant to regulation 31 of SEBI (Listing Obligation and Disclosure Requirements), 2015.

- i) The Transferee Company also reiterates that the circular issued by SEBI Cir/ISD/3/2011 dated 17<sup>th</sup> June, 2011 for having the 100% shareholding of the promoters in Demat made are applicable to the promoter and promoter group and not to the public shareholders. Further to the SEBI Master circular SEBI/HO/ISD/ISD/CIR/P/2021/22 dated 1<sup>st</sup> March, 2021 states exemptions at para 1.1.3 at page 4 and Page 5, for 100% promoter(s) holding in Demat form. The exemption is stated, and shall be applicable in cases where: 1.1.3.3. Shares cannot be converted into demat form due to death of any promoter(s); however as per the foregoing paragraph the Transferee Company is taking vigilant step to convert the shares held in Physical mode to Demat mode. In the Public Shareholders category, 40.38% public shareholders are holding shares in Demat mode and 59.62% of the shares of the Company are being held in Physical mode. The Transferee Company is very diligent and has taken various steps of converting the shares held in Physical mode to Demat mode. The Transferee Company had also sent notices to all the shareholders who were holding shares in Physical mode to convert their shares into Demat mode on 24<sup>th</sup> July, 2018, further notices to all the shareholders on 27<sup>th</sup> August, 2018 and lastly notices to all the shareholders on 24<sup>th</sup> September, 2018 (in total 3 attempts were made), further though the Transferee Company has been making several efforts with bona fide intentions in converting the shares held in Physical mode to Demat mode, it is not in the control of the Transferee Company to convert all the shares in Demat mode. The Transferee Company undertakes that it will keep on trying to convert the shares held in Physical mode to Demat mode. The Transferee Company humbly states that there is no violation of Section 29 r/w Rule 9 and Rule 9A of the Companies Act, 2013 and the



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provisions of Depositories Act, 1996, the SEBI (Depositories and participants) Regulations 2018 and SEBI (Registrars to an issue and share transfer agents) Regulations, 1993.

- j) Reply to Point 2(h) of the ROC & RD report: The Transferee Company undertakes that it will protect the interest of all the Unsecured Creditors, as there is no arrangement being made or proposed to be made through this Scheme and all the Unsecured Creditors will be paid in the ordinary courses of business.
- k) Reply to Point 2(i) of the ROC & RD report: The Transferee Company states that the dues of MSME Authority and Income Tax Department will be settled as and when arises or demanded by respective authorities. On approval of the Scheme by this Tribunal will not deter any such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such Authorities will be binding on the Transferee Company.
- l) Reply to Point 2(j) of the ROC & RD report: The Transferee Company undertakes to comply with provisions of Section 232(3)(i) of the Companies Ct, 2013 and pay difference fee if any arising, after setting off the fee already paid by the Transferor Company on its respective Authorised Capital.
- m) Reply to Point 2(k) of the ROC & RD report: The Transferee Company states that through this Affidavit that the Transferee Company denies the fact that it has only one Subsidiary Company. In addition to the Transferor Company as its wholly owned subsidiary, it also had GPL Finance and Investments Limited (GPLFIL) as its wholly owned subsidiary Company till 30<sup>th</sup> March, 2020. The Transferee Company received approval of Reserve Bank of India (RBI) for change in control and management of GPL.FIL on 18<sup>th</sup> March, 2020 whereby White Oak Investment Management Private Limited and its nominee shareholders would acquire 99% of the equity shares of GPLFIL from the Transferee Company and its nominees within 60



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days of receipt of approval from RBI. Thereafter the sale of shares was completed on 30<sup>th</sup> March 2020. Due to completion of all shares transfer till 30<sup>th</sup> March, 2020, GPLFIL was no longer a wholly owned subsidiary of the Transferee Company. The Transferee Company in its Board Report of FY 2019-2020 has given the disclosure regarding the sale of shares of GPLFIL held by it.

- n) The Transferee Company further states that as per the applicable Accounting Standards, Extraordinary items/Exceptional items are income or expenses that arise from event or transactions that are clearly distinct from the ordinary activities of the enterprise and, therefore, are not expected to be recurring frequently or regularly. As per the explanation provided in the Accounting Standards, the Transferee Company submits that the Sale of Shares of Subsidiary Company was not an ordinary activity neither an activity recurring, frequently in nature, thus from the above it is clear the profit received from the sale of Shares of Subsidiary Company fits to be shown in the exceptional item and charged to profit and loss account.
- o) Reply to Point 2(l) of the ROC & RD report: The Transferee Company states, that it agrees that Life Insurance Corporation of India (LIC) was holding 9.02% equity and General Insurance Corporation of India (GIC) was holding 4.63% equity in its Paid-up Share Capital as per financial statement as at 31.03.2021. Further as on 31.12.2021 as per the latest shareholding pattern submitted with the BSE Ltd. pursuant to regulation 31 of SEBI (Listing Obligation and Disclosure Requirements), 2015, LIC and GIC are holding 8.95% and 4.59 % equity in its Paid-up Share Capital as at 31<sup>st</sup> December, 2021. The Transferee Company undertakes to protect the interest of all the Equity Shareholders. It had sold an immovable property situated at the address GPL House, Plot No.1, Marol Cooperative Industrial Estate, Andhri Mumbai, Maharashtra, India for a profit of Rs.5,57,98,000/- and to use the said amount received for further expansion of business activities.



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The Transferee Company further states that as per Accounting Standards, Extraordinary items/Exceptional items are income or expenses that arise from event or transactions that are clearly distinct from the ordinary activities of the enterprise and, therefore, are not expected to be recurring frequently or regularly. As per the explanation provided in the Accounting Standards. The Sale of immovable property was not an ordinary activity neither an activity recurring frequently in nature, thus from the above it is clear the profit received from the sale of immovable property fits to be shown in the exceptional item and charged to profit and loss account.

- p) Reply to Point 2(m) of the ROC & RD report: The Transferee Company states that as per Section 203 of the Companies Act, 2013, there is no restrictions of appointing the same person as Joint Managing Director and CFO in the same Company.

As per Section 203 Appointment of Key Managerial Personnel:

- (1) Every company belonging to such class or classes of companies as may be prescribed shall have the following whole-time key managerial personnel, -
- (i) Managing director or Chief Executive Officer or manager and in their absence, a whole-time director;
  - (ii) Company secretary; and (iii) Chief Financial Officer:

Provided that an individual shall not be appointed or reappointed as the chairperson of the company, in pursuance of the articles of the company, as well as the managing director or Chief Executive Officer of the company at the same time after the date of commencement of this Act unless-

- (a) The articles of such a company provide otherwise; or
- (b) The company does not carry multiple businesses:

Provided further that nothing contained in the first proviso shall apply to such class to companies engaged in multiple businesses and which has appointed one or more Chief Executive Officers for each such business as may be notified by the Central Government.



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(2) Every whole-time key managerial personnel of a company shall be appointed by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.

(3) A whole-time key managerial personnel shall not hold office in more than one company except its subsidiary company at the same time:

Provided that nothing contained in this sub-Section shall disentitle a key managerial personnel from being a director of any company with the permission of the Board:

Provided further that whole-time key managerial personnel holding office in more than one company at the same time on the date of commencement of this Act, shall, within a period of six months from such commencement, choose one company, in which he wishes to continue to hold the office of key managerial personnel:

Provided also that a company may appoint or employ a person as its managing director, if he is the managing director or manager of one, and of not more than one, other company and such appointment or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the Directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the Directors then in India.

q) The Transferee Company further submits that as per the above Sub-Section (3) of Section 203 of the Act, Ms. Urmi N Prasad is holding the position of Joint Managing Director and CFO in only the Transferee Company. The Sub-Section (3) of Section 203 clearly states, key managerial personnel shall not hold office in more than one company, here in this case Ms. Urmi N Prasad is holding the position of Joint Managing Director and CFO only in the Transferee Company and nowhere else in any other Companies and the Section does not restricts anywhere from holding the two positions in the same company. It has two Joint Managing Director i.e. Ms. Charita Thakkar and Ms. Urmi N Prasad. Out of them only Ms. Charita Thakkar has been designated as whole time key managerial personnel (Managing Director) as per sub-Section (3) of Section 203 of the Act, which leads to facts that Ms. Urmi N Prasad is merely holding the position of Joint Managing Director as a support to the Transferee Company and to look after the day to day managing affairs of the Transferee Company, Ms. Charita Thakkar being as



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Joint Managing Director and Executive Director of the Transferee Company is solely holding position for analysing the technical affairs of the Company. The facts draws the conclusion that Ms. Urmi N Prasad is holding a single position as whole time key managerial personnel (i.e. of CFO) to dispatch the duty of the position in fair and transparent manner.

- r) The Transferee Company also further states that Ms. Urmi N Prasad has completed 29 years of service with the Transferee Company. She holds the B. Com. Degree from the Bombay University and is a Qualified Chartered Accountant. She has obtained a Master's degree in Business administration from INSEAD in France, and has knowledge and experience in accounts, finance, corporate administration and operations, insurance and strategic business planning. Based on the performance evaluation of Ms. Urmi N Prasad, considering her knowledge of various aspects relating to the Company's affairs and long business experience, given the background and contribution made by her during her tenure and for smooth and efficient running of the business and further on the basis of the recommendation of the Nomination and Remuneration Committee, consisting majorly of Independent Directors, the Company thought fit that Ms. Urmi N Prasad is the suitable candidate for handling the financial affairs of the company in a fair and transparent manner as she has been handling it since her appointment to the post. The Transferee Company reiterates that there is no violation of Section 203 of the Companies Act, 2013.

14. The Competition Commission of India (CCI) vide letter dated 02.11.2021 has *inter alia* stated that before passing an appropriate order, the NCLT may seek an undertaking from the companies involved that approval of Commission is not required for the said matter(s). In this regard that the Petitioner Company undertakes that the provisions of the Competition Act, 2002 are not applicable to any of the Companies involved in this Scheme of Merger by absorption, further even after the merger the thresholds, in terms of combined assets or combined turnover are not triggered, hence the provisions of the Competition



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(Second Motion)

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Act, 2002 are not applicable. Further this Scheme of Merger by absorption is of its wholly-owned subsidiary in to parent Company. The Petitioner Company undertakes the companies involved in the Scheme does not require approval of the CCI.

15. The Income Tax Department (IT) has filed its report vide diary No.3549 dated 13.12.2021 wherein it is observed that as per the report from Income Tax Department Arrears of Outstanding Demand of Rs.5,44,460/- for the Assessment years 2017-18 is due to the Income Tax Department by Transferee Company i.e. Gujarat Petrosynthese Limited. In this regard the Petitioner Company submits that the present Scheme of Merger by absorption is of Gujarat Polybutenes Pvt. Ltd. ("Transferor Company') with Gujarat Petrosynthese Limited ("Transferee Company") and their respective Shareholders, the Transferor Company is the wholly-owned subsidiary of the Assessee Company and accordingly there will not be any adverse effect on the Assessee Company, i.e. Gujarat Petrosynthese Limited. The Petitioner Company will continue to remain as a going concern entity and the pending tax proceedings against it, will continue to remain intact even after the approval of the Scheme by this Tribunal. The Petitioner Company further states that it will comply with all the provisions of Income Tax Act, 1961 and rules framed thereunder.
16. The reports of the RoC, RD, IT and CCI are taken on record. Similarly, reply filed by the Petitioner Company to the above mentioned reports are also taken on record.
17. Intimation of Scheme of Merger by absorption was sent to all relevant statutory authorities/regulators. Wherever no response has been received from the said authorities/regulators, it is deemed that they have no objection to the proposed Scheme.
18. On 03.08.2022, we have heard the learned Counsel for Petitioner Company and Counsel for Income Tax. This Tribunal directed the learned Counsel to file affidavit regarding no legal proceedings are pending against the Companies and CDR. In this regard an Affidavit dated 05.08.2022 of the Authorized Representatives of the Petitioner Company have been filed stating that no



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pending investigation/proceedings/ litigations pending or going against the Petitioner Company under any law, for the time being in force; no pending proceedings or litigations under CDR Scheme, which are pending or on-going against the Petitioner Company under any law, for the time being in force and there is no petition/application under Insolvency and bankruptcy Code, 2016 which is admitted by NCLT against the Petitioner Company and no litigation is initiated or pending before any Court or any Judicial/Quasi-Judicial Authority under any law time for the time being in force against the Petitioner Company.

19. In view of the above discussion, we conclude that the objections/observations to the Scheme received from RD, ROC, CCI and IT have been adequately replied by the petitioner company and hence there is no impediment in approval of the Scheme.
20. The Scheme in question as annexed at Annexure - D is approved and we hereby declare that the same is to be binding on all the shareholders and creditors of the Transferor as well as Transferee Company. While approving the Scheme, it is clarified that this order should not be construed as an order in anyway granting exemption from payment of any stamp duty, taxes, or any other charges, if any, and payment in accordance with law or in respect of any permission/compliance with any other requirement which may be specifically required under any law. With the sanction of the Scheme, the Transferor Company, namely, Gujarat Polybutenes Pvt. Ltd. shall stand dissolved without undergoing the process of winding up resulting in increase in the authorised share capital of the Transferee Company, namely Gujrat Petrosynthese Ltd.

**AND THIS TRIBUNAL DOES FURTHER ORDER:**

- (i) That the petitioner company do, within 30 days after the date of receipt of this Order, cause a certified copy of this Order to be delivered to the Registrar of Companies, Karnataka for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without undergoing the process of winding up. The concerned Registrar of Companies shall place all documents relating to the Transferor Company



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(Second Motion)

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registered with him on the file relating to the said Transferee Company and the files relating to Transferor and Transferee Companies shall be consolidated accordingly, as the case may be; and

- (ii) That the Transferee Company shall deposit an amount of Rs.75,000/-with the Pay & Accounts Office, Chennai in respect of the Regional Director, South East Region, Ministry of Corporate Affairs, Hyderabad and Rs.25,000/-in favour of The Prime Minister's National Relief Fund, within a period of four weeks from the date of receipt of certified copy of this Order; and
- (iii) That any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.
- (iv) The approval /sanctioning of the Scheme shall not be construed as an exemption from any of the provisions under the Income Tax Act, 1961 or the Companies Act, 2013 and that the authorities under both the Acts, are at liberty to take appropriate action, in accordance with law, if so advised.

21. As per the directions, Form No.CAA-7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, formal orders be issued on the petitioner company on filing of the Schedule Property i.e., (i) freehold property of the Transferor Company and (ii) leasehold property of the Transferor Company by way of affidavit of the Transferor Company respectively.

22. Accordingly, C.P. (CAA) No.29/BB/2021 is disposed of. Copy of this Order be communicated to the Counsel for the Petitioner Company.

*- Sd -*  
(MANOJ KUMAR DUBEY)  
MEMBER (TECHNICAL)



C.P. (CAA) No. 29/BB/2021  
(Second Motion)

*- Sd -*  
(KISHORE VEMULAPALLI)  
MEMBER (JUDICIAL)

CERTIFIED TO BE TRUE COPY  
OF THE ORIGINAL

*[Signature]*  
DEPUTY/ASST. REGISTRAR  
NATIONAL COMPANY LAW TRIBUNAL  
Bengaluru Bench

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**SCHEME OF MERGER BY ABSORPTION**  
**OF**  
**GUJARAT POLYBUTENES PRIVATE LIMITED**  
**(TRANSFEROR COMPANY)**  
**WITH**  
**GUJARAT PETROSYNTHESIS LIMITED**  
**(TRANSFeree COMPANY)**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS**



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

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**Certified True Copy**

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This Scheme of Merger by Absorption (the "Scheme") is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof) for Merger by Absorption of 'GUJARAT POLYBUTENES PRIVATE LIMITED' (hereinafter referred to as 'Transferor Company') with 'GUJARAT PETROSYNTHESE LIMITED' (hereinafter referred to as 'The Transferee Company') and their respective Shareholders.

**(A) DESCRIPTION OF COMPANIES**

i. **GUJARAT POLYBUTENES PRIVATE LIMITED** (hereinafter referred to as "GPPL" or "Transferor Company") bearing CIN U24200MH2002PTC340316. GPPL was incorporated under the Companies Act, 1956, under the name and style of 'Gujarat Polybutenes Private Limited' on the 17<sup>th</sup> day of December, 2002 with the Registrar of Companies Maharashtra, Mumbai. There after GPPL shifted its registered office from the State of Maharashtra to state of Gujarat by an order of the Company Law Board, Western Region, Mumbai dated 23<sup>rd</sup> day of December, 2004 and the Certificate registering the order was given by Registrar of Companies, Ahmedabad on 14<sup>th</sup> day of March, 2005. Thereafter GPPL shifted its registered office from the State of Gujarat to state of Karnataka by an order of the Regional Director, North-Western Region, Mumbai dated 24<sup>th</sup> day of June, 2019 and the Certificate registering the order was given by Registrar of Companies, Bangalore on 22<sup>nd</sup> day of July, 2019. Subsequently GPPL has shifted its registered office from the State of Karnataka to state of Maharashtra by an order of the Regional Director, South Eastern Region, Hyderabad dated 20<sup>th</sup> day of March, 2020 and the Certificate registering the order was given by Registrar of Companies, Maharashtra, Mumbai on 5<sup>th</sup> day of June, 2020. Currently the Registered office of GPPL is situated in state of Maharashtra, City Mumbai, India. GPPL was



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engaged in the business of manufacturing polybutenes used in the manufacture of lubricants and additives. GPPL discontinued its business in the year 2016 due to the non- availability of feedstock. GPPL is the wholly owned subsidiary of GPL.

ii. **GUJARAT PETROSYNTHESIS LIMITED** (hereinafter referred to as "GPL" or "Transferee Company") bearing CIN L23209KA1977PLC043357. GPL was incorporated under the Companies Act, 1956, under the name and style of "Petrosynthese Private Limited" on the 19<sup>th</sup> September, 1977 with the Registrar of Companies Gujarat, Ahmedabad. Thereafter GPL converted from Private Limited to Public Limited under section 31 of the Companies Act, 1956, the Registrar of Companies Gujarat, Ahmedabad issued a fresh certificate of incorporation consequent on change of name dated 13<sup>th</sup> day of September, 1981. Subsequently GPL changed its name from Petrosynthese Private Limited to Gujarat Petrosynthese Limited under section 21 of the Companies Act, 1956, the Registrar of Companies Gujarat, Ahmedabad issued a fresh certificate of incorporation consequent on change of name dated 4<sup>th</sup> day of February, 1982. GPL shifted its registered office from the State of Gujarat to state of Karnataka by an order of the Company Law Board, Western Region, Mumbai dated 11<sup>th</sup> day of June, 2007 and the Certificate registering the order was given by Registrar of Companies, Bangalore on 13<sup>th</sup> day of July, 2007. Currently GPL has its registered office situated in state of Karnataka, City Bangalore, India. The Equity shares of GPL are listed on Bombay Stock Exchange Limited (BSE). The company is engaged in the business of polymer blends and alloys.



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**(B) RATIONALE OF THE SCHEME**

The merger of Transferor Company with Transferee Company would *inter alia* have the following benefits:

- i. The Transferor Company is wholly-owned subsidiary of the Transferee Company, so merger will help to consolidate the entities;
- ii. The merger of the Transferor Company with the Transferee Company will remove inefficiencies and combine similar business interest into one corporate entity, resulting in operational synergies, simplification, streamlining and optimization of the group structure and efficient administration;
- iii. Achieving operational and management efficiency by way of consolidation of businesses;
- iv. Post-merger of Transferor Company with Transferee Company, the Transferor Company shall stand dissolved. Consequently, there would be lesser regulatory and legal compliance obligations including accounting, reporting requirements, statutory requirements, tax filings, company law requirements, etc. and therefore reduction in administrative costs.

In view of the aforesaid, the Board of Directors of the Transferor Company as well as the Board of Directors of the Transferee Company have considered and proposed the present Scheme of Merger by Absorption between the Transferor Company with the Transferee Company. This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

For sake of convenience, this Scheme is divided into following parts:

- |                 |   |
|-----------------|---|
| <b>Part A -</b> | Dealing with definitions and share capital.         |
| <b>Part B -</b> | Dealing with Merger by Absorption of GPPL with GPL. |
| <b>Part C -</b> | Dealing with general terms and conditions.          |
| <b>Part D -</b> | Dealing with Other Terms & Conditions.              |

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**PART A**  
**DEFINITIONS AND SHARE CAPITAL**

**1. DEFINITIONS**

1.1. In this Scheme, unless repugnant to or inconsistent with the subject or context thereof, the following expressions shall have the following meanings:

1.1.1. "GPPL" or "Transferor Company" means 'GUJARAT POLYBUTENES PRIVATE LIMITED' a company incorporated under the Companies Act, 1956 bearing CIN U24200MH2002PTC340316 and having its registered office at Flat No.1A, Ground Floor, Arcadia Building, N.C.P.A Marg, Nariman Point, Mumbai - 400021, Maharashtra, India.

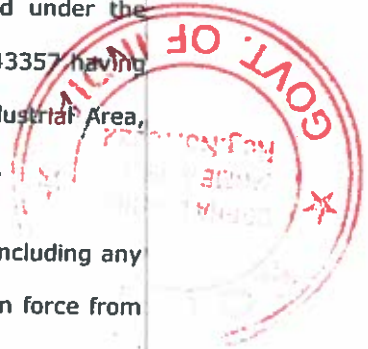
1.1.2. "GPL" or "Transferee Company" means 'GUJARAT PETROSYNTHESE LIMITED' a company incorporated under the Companies Act, 1956 bearing CIN L23209KA1977PLC043357 having its registered office at 24, II Main, Doddanekkundi Industrial Area, Phase 1, Mahadevapura, Bangalore -560048, Karnataka.

1.1.3. "Act" or "the Act" means the Companies Act, 2013 (including any statutory modifications and re-enactments thereof) as in force from time to time.

1.1.4. "Applicable Law(s)" means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or reenactment thereof for the time being in force.

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1.1.5. "Appointed Date" shall mean 1<sup>st</sup> day of July, 2020 for the purposes of Section 232(6) of the Companies Act, 2013 or such other date as may be fixed by the Tribunal.

1.1.6. "Appropriate Authority" means any governmental, statutory, regulatory, departmental or public body or authority of India including Securities and Exchange Board of India, Stock Exchange, Registrar of Companies, the National Company Law Tribunal.

1.1.7. "Board of Directors" or "Board" means the Board of Directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted Committee thereof;

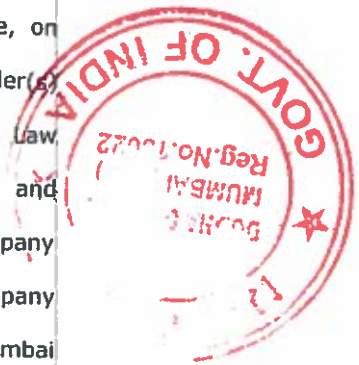
1.1.8. "Effective Date" means the last of the dates, if applicable, on which the certified or authenticated copy (ies) of the order(s) sanctioning the Scheme passed by the National Company Law Tribunal of Judicature at Mumbai for Transferor Company and order(s) sanctioning the Scheme passed by the National Company Law Tribunal of Judicature at Bengaluru for Transferee Company is/are filed with the Registrar of Companies, Maharashtra, Mumbai and Registrar of Companies, Bangalore respectively.

1.1.9. "Governmental Authority" means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;

1.1.10. "National Company Law Tribunal" or "NCLT" or "Tribunal" means the competent authority under the provisions of Sections 230 to 232 and other applicable provisions of the Act and specifically refers to the National Company Law Tribunal, Mumbai Bench for Transferor Company and National Company Law Tribunal, Bengaluru

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Bench for Transferee Company. The Jurisdictions with respect to the Companies involved in the Scheme is based on the location of their registered offices located in State of Maharashtra and in State of Karnataka respectively.

1.1.11. "SEBI" means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

1.1.12. "SEBI Circular" shall mean the circular issued by the SEBI, being Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, and any amendments thereof.

1.1.13. "Scheme" or "the Scheme" or "this Scheme" or "Scheme of Merger by Absorption" or "Merger" means this Scheme of Merger by Absorption in its present form or with any modification(s) made under Clause 18 of this Scheme or any modifications approved or directed by the National Company Law Tribunal or any other Government Authority.

1.1.14. 'Stock Exchange' means BSE Limited ("BSE")

1.1.15. "Undertaking" means and includes the whole of the undertaking / business of Transferor Company, as a going concern, being carried on by Transferor Company and shall include (without limitation):

- (a) All the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses, registrations, membership of professional associations, other associations and clubs, certificates,



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permissions, consents, approvals from state, central, municipal or any other authority for the time being in force, concessions (including but not limited to income-tax, excise duty, service tax (Goods and Service Tax) or customs, goods and service tax (Goods and Service Tax) and other incentives of any nature whatsoever), remissions, remedies, subsidies, guarantees, bonds, copyrights, patents, trade names, trade-marks and other rights and licenses including any applications in respect thereof, tenancy rights, leasehold rights, premises, ownership flats, hire purchase, lending arrangements, benefits of security arrangements, security contracts, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, contracts, deeds, instruments, agreements and arrangements, powers, authorities, permits, registrations / licenses etc. including pertaining to expatriates, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits (including but not limited to credits in respect of income-tax, minimum alternate tax i.e. tax on book profits, , value added tax, sales tax, service tax (Goods and Service Tax), goods and service tax (Goods and Service Tax), etc.), tax benefits, tax losses (unabsorbed allowances), and other claims and powers, all books of accounts, documents and records of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favor of or enjoyed by the Transferor Company, as on the date immediately preceding the Appointed Date;



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(c) All the debts, present and future liabilities, payables, contingent liabilities, duties and obligations (including duties/ rights/ obligations under any agreement, contracts, applications, letters of intent or any other contracts) as on the date immediately preceding the Appointed Date; and

(d) All employees if any on the payrolls of the Transferor Company on the closing hours of the date immediately preceding the Effective Date.

It is intended that the definition of Undertaking under this clause would enable the transfer of all property, assets, rights, duties, employees and liabilities of Transferor Company into Transferee Company pursuant to this Scheme.

The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meanings ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be.

References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme. The headings herein shall not affect the construction of this Scheme.

Unless the context otherwise requires:

- a. the singular shall include the plural and vice versa, and references to one gender include all genders;
- b. references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality);
- c. reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be

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amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.

## 2. SHARE CAPITAL

2.1. The Share Capital structure of the Transferor Company as per the Audited Accounts for the year ended as on 31<sup>st</sup> March, 2020 is as under:

Particulars	Amount in Rs
<b>Authorized Share Capital</b>	
60,00,000 Equity shares of Rs. 10/- each	6,00,00,000/-
40,00,000 shares 5% Non-Cumulative Redeemable Preference shares of Rs. 10/- each	4,00,00,000/-
<b>TOTAL</b>	<b>10,00,00,000/-</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
44,90,000 Equity shares of Rs. 10/- each fully paid	4,49,00,000/-
<b>TOTAL</b>	<b>4,49,00,000/-</b>

Subsequent to 31<sup>st</sup> March, 2020, there has been no change in the Authorized, Issued, Subscribed and Paid up Share Capital of the Transferor Company.

2.2. The Share Capital structure of the Transferee Company as per the Audited Accounts for the year ended as on 31<sup>st</sup> March, 2020 is as under:

Particulars	Amount in Rs
<b>Authorized Share Capital</b>	
80,00,000 Equity shares of 10/- each	8,00,00,000/-
<b>Total</b>	<b>8,00,00,000/-</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
59,69,166 Equity shares of 10/- each	5,96,91,660/-
<b>Total</b>	<b>5,96,91,660/-</b>

Subsequent to 31<sup>st</sup> March, 2020, there has been no change in the Authorized, Issued, Subscribed and Paid up Share Capital of the Transferee Company.

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**PART B**

**DEALING WITH MERGER BY ABSORPTION OF GPPL WITH GPL**

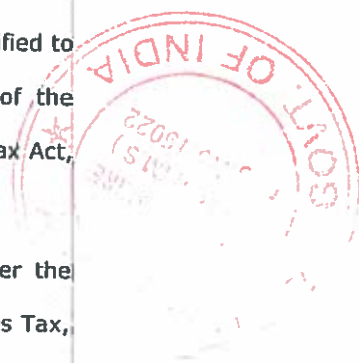
**3. DATE OF TAKING EFFECT**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the National Company Law Tribunal under Clause 18 of the Scheme shall be effective from the Appointed Date but shall become operative from the Effective Date.

**4. COMPLIANCE WITH TAX LAWS**

4.1. This Scheme has been drawn up to comply with the conditions as specified under Section 2 (1B) of the Income-tax Act, 1961 and other relevant provisions of the Income-tax Act, 1961. 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 Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961 and other relevant provisions of the Income-tax Act, 1961.

4.2. All tax liabilities / refunds / credits / claims relating thereto under the Income-tax Act, Customs Act, Central Excise Act, Goods and services Tax, State sales tax laws, Central Sales Tax Act, Service tax, or other applicable laws / regulations dealing with taxes / duties / levies (hereinafter in this Clause referred to as "Tax Laws") of the Transferor Company to the extent not provided for or covered by tax provision in the financial statements made as on the date immediately preceding the Appointed Date shall be treated as liabilities / refunds / credits / claims of the Transferee Company and shall be transferred to the Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and TDS, credit for minimum alternate tax/ service



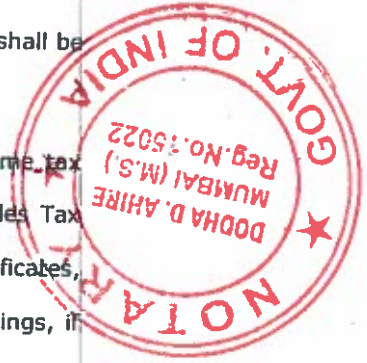
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tax, Goods and Service Tax or such other credits as on the date immediately preceding the Appointed Date will also be transferred to and become the advance tax/other tax of the Transferee Company.

- 4.3. The refund under the Tax Laws due to the Transferor Company consequent to the assessments made on the Transferor Company whether before or after the Appointed Date and for which whether credit is taken or not in the financial statements as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 4.4. Without prejudice to the generality of the above, all benefits, credits, refunds, exemptions, incentives or concessions under Tax Laws as may be applicable to which the Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments in India, shall be available to and vest in the Transferee Company.
- 4.5. The Transferee Company shall be entitled to file / revise its income tax returns, service tax returns, Value Added Tax returns, Central Sales Tax returns, Goods and Service Tax Return, tax deducted at source certificates, tax deducted at source returns and other statutory returns and filings, if required under the Tax Laws, and shall have the right to claim or adjust refunds, advance tax credits, credit for minimum alternate tax / tax deducted at source / foreign taxes withheld/ paid, input tax credits etc. of the Transferor Company if any, as may be required consequent to implementation of this Scheme.



**5. MERGER BY ABSORPTION OF GUJARAT POLYBUTENES PRIVATE WITH GUJARAT PETROSYNTHESE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND TRANSFER AND VESTING OF THE UNDERTAKING**

5.1. The Undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the respective Appointed Date,

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the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme in the following manner:

5.1.1. With effect from the Appointed Date, the whole of the Undertaking of the Transferor Company comprising of all assets and properties (whether movable or immovable) and all other assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 to Section 232 and all other applicable provisions, if any, of the Act, without any further act or deed (same as provided in clauses 5.1.2 and 5.1.3 below) be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and liabilities of the Transferee Company from the Appointed Date and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.

5.1.2. All the movable assets including cash in hand, if any, of the Transferor Company, capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. Such delivery shall be made on a date mutually agreed upon between the respective Board of Directors of the Transferor Company and the Board of Directors of the Transferee Company.

5.1.3. In respect of movables other than those specified in sub-clause 5.1.2 above, including sundry debtors, outstanding loans and advances, receivables, bills, credits, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, and other persons, 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.



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5.1.4. With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Transferor Company shall also under the provisions of Section 230-232 of the Act read with rules made thereunder, without any further act or deed, be transferred to or be deemed to be transferred to Transferee Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of Transferee Company and it shall not be necessary to obtain the consent of any third party or another person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

5.1.5. All assets, rights, title, interest, investments and properties of the Transferor Company deemed to be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets of the Transferee Company as from the Appointed Date, upon the Scheme becoming effective, the Transferor Company will follow the necessary procedure to transfer them in the name of Transferee Company. The registrations in the name of the Transferor Company shall be deemed to be transferred in the name of the Transferee Company from the Appointed Date.

5.1.6. 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 Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, including income tax benefits and exemptions, shall, under the provisions of Sections 230 to 232



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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 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.

5.1.7. All the profits or income taxes (including advance tax, tax deducted at source, Foreign Tax Credits and MAT credit) or any costs, charges, expenditure accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes (namely Advance tax, Tax deducted at source & Foreign Tax Credits), tax losses, MAT Credit, income costs, charges, expenditure or losses of Transferee Company, as the case may be.

5.1.8. It is clarified that the Scheme shall not in any manner affect the rights and interest of the creditors of the Transferor Company or be deemed to be prejudicial to their interests.

5.1.9. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date until such times the names of the bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by



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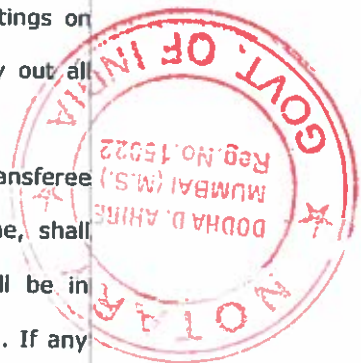
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the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company shall be instituted, or as the case may be, continued by or against the Transferee Company after the coming into effect of the Scheme. The Transferee Company shall under the provisions of the Scheme be deemed from appointed date, to be authorized to execute any such writings on behalf of the Transferor Company, to implement and carry out all formalities and compliances, if required, referred to above.

5.1.10. The merger of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.



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## 6. CONSIDERATION

As the Transferor Company is a wholly-owned subsidiary of the Transferee Company, hence no consideration shall be payable pursuant to the Merger by Absorption of the Transferor Company with the Transferee Company, and the Shares held by the Transferee Company in the Transferor Company shall stand cancelled without any further act, application or deed.

## 7. ACCOUNTING TREATMENT

- 7.1. The Transferee Company shall, record all the assets, liabilities and reserves of the Transferor Company vested in it pursuant to this Scheme, at their book values and in the same form as appearing in the books of the Transferor Company as on the Appointed Date, by applying the principles as set out in **Appendix C of IND AS 103 'Business Combinations'** and prescribed under Companies (Indian Accounting Standards) Rules, 2015 issued by the Institute of Chartered Accountants of India.
- 7.2. The financial statements of the Transferee Company will reflect the financial position on the basis of consistent accounting policies. In case of any difference in any of the accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and impact of the same as on the Appointed Date will be quantified and adjusted in the Reserves to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 7.3. If there are any loans, advances or other obligations (including but not limited to any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) that are due between the Transferor Company and the Transferee Company or between any of the Transferor Company inter-se, if any, shall, ipso facto, stand discharged and come to end and the same shall be eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.



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- 7.4. Investments in shares of the Transferor Company held by the Transferee Company shall be adjusted against Share Capital of the Transferor Company in the books of the Transferee Company and the difference, if any, between cost of investment of the Transferor Company in the books of the Transferee Company shall be adjusted against balance of reserves and surplus of the Transferee Company post-merger.
- 7.5. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.
- 7.6. Notwithstanding the above, the Board of Directors of the Transferor Company and the Transferee Company, in consultation with respective statutory auditors, are authorized to record Assets, Liabilities and Reserves and Surplus in compliance with prevailing Accounting Standards.



**PART C**

**GENERAL TERMS AND CONDITIONS**

**8. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

8.1. Subject to the other provisions of this Scheme, all memoranda of understanding, contracts (including but not limited to customer contracts, service contracts and supplier contracts), schemes, assurances, licences, insurance policies, guarantees, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, and other assurances and other instruments of whatsoever nature to which the Transferor Company, is a party or to the benefit of which the Transferor Company maybe eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of, as the case may be, the Transferee Company, and enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement,

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confirmation or novation to which the Transferor Company will, if necessary, also be a party in order to give formal effect to this clause, if so required or becomes necessary.

**9. LEGAL PROCEEDINGS**

- 9.1. If any legal proceedings including but not limited to suits, summary suits, indigent petitions, appeal, revision or other proceedings of whatever nature (hereinafter called "the proceedings") by or against the Transferor Company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Company or of anything contained in the Scheme, but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made, and any payment and expenses made thereto shall be the liability of Transferee Company.
- 9.2. On and from the Effective Date, the Transferee Company shall be entitled to initiate any legal proceeding for and on behalf of the Transferor Company for any actions taken by or against the Transferor Company or any other person, as the case may be, notwithstanding the fact the Transferor Company stand dissolved without winding up from the Effective Date.
- 9.3. Without prejudice to the provisions of above mentioned clauses, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

**10. EMPLOYEES OF THE TRANSFEROR COMPANY**

- 10.1. All staff, workmen and employees (including those on sabbatical / maternity leave) of the Transferor Company, in service on the Effective Date, shall become staff, workmen and employees of the Transferee Company on such date without any break or interruption in service and on



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terms and conditions as to remuneration not less favourable than those subsisting with reference to the Transferor Company as on the said date. The services of such employees shall not be treated as having been broken or interrupted for the purpose of provident fund or gratuity or superannuation or statutory purposes or otherwise and for all purposes will be reckoned from the date of appointment with the Transferor Company.

10.2. It is expressly provided that, on the Scheme becoming effective, the provident fund, contribution towards employees state insurance, labour welfare fund or any other special fund or trusts created or existing for the benefit of the employees of the Transferor Company (collectively referred to as the "Funds") shall be transferred to similar Funds created by the Transferee Company and shall be held for their benefit pursuant to this Scheme or, at the Transferee Company's sole discretion, maintained as separate Funds by the Transferee Company. In the event that the Transferee Company does not have its own Funds in respect of any of the above, the Transferee Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Transferor Company, until such time that the Transferee Company creates its own Funds, at which time the funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to the Funds created by the Transferee Company.

10.3. It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits (including employee stock options) that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Transferor

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Company with any employee of the Transferor Company.

#### 11. CONDUCT OF ACTIVITIES TILL EFFECTIVE DATE

With effect from the appointed date of the Scheme and up to and including the Operative Date:

- 11.1. The Transferor Company shall carry on or deemed to have carried on all their respective activities and shall be deemed to have held or stood possessed of and shall hold and stand possessed of all the said assets for and on account of and in trust for the Transferee Company.
- 11.2. All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and be deemed to be and accrued as the profits and income or expenditure or losses of the Transferee Company, as the case may be.
- 11.3. The Transferor Company shall carry on its respective activities with reasonable diligence, business prudence and shall not alienate, charge, mortgage, encumber or otherwise deal with the said assets or any part thereof except in the ordinary course or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date or except with prior written consent of the Transferee Company.
- 11.4. The Transferor Company shall not, without prior written consent of the Transferee Company, undertake any new activities.
- 11.5. The Transferor Company shall not, without prior written consent of the Transferee Company, take any major policy decisions in respect of management and activity of the Company and shall not change its present capital structure.
- 11.6. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require pursuant to this Scheme.



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11.7. Pending sanction of the Scheme, the Transferor Company shall not, except by way of issue of shares / convertible debentures to the Transferee Company, increase their capital (by fresh issue of shares, convertible debentures or otherwise).

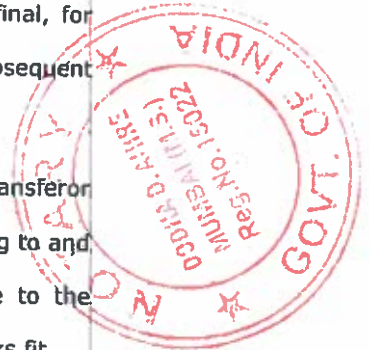
**12. SAVING OF CONCLUDED TRANSACTIONS**

The transfer and vesting of the Undertaking under Clause 5 above, and the continuation of proceedings by or against the Transferee Company under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in regard thereto, as if done and executed by the Transferee Company on its behalf.

**13. DIVIDENDS, PROFIT AND BONUS/RIGHTS SHARES**

13.1. The Transferor Company shall not without the prior written consent of the Transferee Company declare any dividends, whether interim or final, for the financial year ending on or after the Appointed Date and subsequent financial years.

13.2. Subject to the provisions of this Scheme, the profits of the Transferor Company for the period beginning from Appointed Date shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit



**14. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

14.1. Upon the Scheme coming into operation, the resolutions of the Transferor Company, as are considered necessary by the Board of Directors of the Transferee Company and which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other statutory provisions, then the said limits as are considered necessary by

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the Board of Directors of the Transferee Company shall be added to the limits, if any under like resolutions passed by the Board of the Transferee Company and shall constitute the aggregate of the said limits of the Transferee Company.

14.2. Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 180 of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Company which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

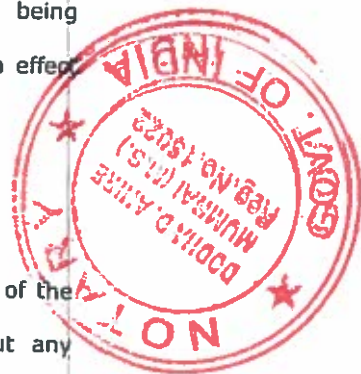
**15. COMBINATION OF AUTHORISED CAPITAL**

15.1. Upon the Scheme coming into effect, the Authorized Share Capital of the Transferee Company, shall automatically stand increased without any further act on the part of the Transferee Company including payment of stamp duty and registration fees payable to Registrar of Companies, by clubbing the Authorized Share Capital of the Transferor Company Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 60,00,000 Equity shares of Rs. 10/- each, and 40,00,000 5% Non-Cumulative Redeemable Preference shares of Rs. 10/- each.

15.2. Pursuant to the Scheme becoming effective and consequent Merger of the Transferor Company into the Transferee Company, the authorized share capital of the Transferee Company will be as under:

Particulars	Amount in Rs
<b>Authorized Share Capital</b>	
1,40,00,000 Equity shares of 10/- each	14,00,00,000/-
40,00,000 shares 5% Non-Cumulative Redeemable Preference shares of Rs. 10/- each	4,00,00,000/-
<b>Total</b>	<b>18,00,00,000/-</b>

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It is clarified that the approval of the members of the Transferee Company to the Scheme, whether at a meeting or otherwise, shall also be deemed to be their consent / approval to the amendment of the Memorandum of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

Clause V of the Memorandum of Association of the Transferee Company

"The Authorized share capital of the Company shall be Rs. 18,00,00,000/- (Rupees Eighteen Crore Only) divided into 1,40,00,000 (One Crore Forty Lakh) Equity shares of Rs. 10/- each, and 40,00,000 (Forty Lakh) 5% Non-Cumulative Redeemable Preference shares of Rs. 10/- each with the power to the Company to increase or reduce the said capital and to issue any part of its capital, original or increased with or without preferences, priority or special privilege or subject to any postponement of rights or to any conditions of issue shall otherwise be subject to the power herein contained. The rights and privileges attached to any share having preferential, qualified or special rights, privileges or conditions attached thereto may be altered or dealt with in accordance with clause of the accompanying Articles of Association but not otherwise."



15.3. It is hereby clarified that the Transferee Company through its Board, if required, would be entitled to make appropriate reclassification / combination of its Authorized Share Capital and provide suitable clarifications to the Registrar of Company with regard to the clubbing of the Authorized Share Capital of the Transferor Company with the Transferee Company.

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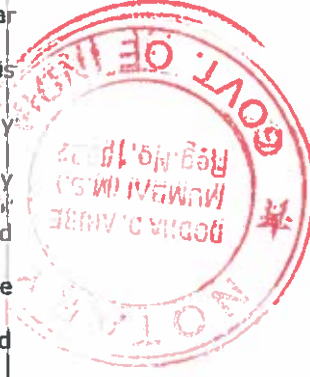
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**PART D**

**DEALS WITH OTHER TERMS AND CONDITIONS**

**16. DISSOLUTION OF THE TRANSFEROR COMPANY**

- 16.1. On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and without any further act by the parties.
- 16.2. On and with effect from the Effective Date, the names of the Transferor Company shall be struck off from the records of the appropriate Registrar of Companies. The Transferee Company shall make necessary filings in this regard. Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferee Company insofar as may be necessary until the transfer and vesting of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally effected by the parties concerned.



**17. APPLICATIONS / PETITIONS TO THE NATIONAL COMPANY LAW TRIBUNAL AND APPROVALS**

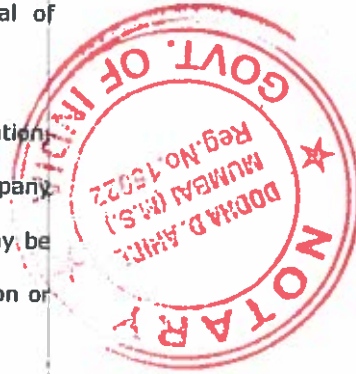
- 17.1. The Transferor Company and Transferee Company shall, with all reasonable dispatch, make application / petition to the National Company Law Tribunal or such other appropriate authority under Sections 230 to 232 and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of the Transferor Company as may be directed by the National Company Law Tribunal or such other appropriate authority.

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## 18. MODIFICATIONS / AMENDMENTS TO THE SCHEME

- 18.1. The Transferor Company and the Transferee Company, through their Directors or Committee of Directors or through any Director(s) or Company Secretary authorized in that regard, may consent on behalf of all persons concerned, to any modifications or amendments of this Scheme or to any conditions which the National Company Law Tribunal and/or any other Authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in carrying out this Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme into effect, subject to approval of Honourable National Company Law Tribunal.
- 18.2. For the purpose of giving effect to this Scheme or to any modification, amendment or condition thereof, the Directors of the Transferee Company are authorized to give such directions and/or to take such step as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.



## 19. VALIDITY OF EXISTING RESOLUTIONS, ETC

Upon the coming into effect of the Scheme, the resolutions of the Transferor Company as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferor Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company.

## 20. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

- 20.1. The Scheme is conditional upon and subject to:

20.1.1 Approval of the Scheme by the requisite majority of each class of

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the respective members and creditors of the Transferor Company and the Transferee Company, if applicable, in terms of the applicable provisions of the Act;

20.1.2 Sanctions and orders under the provisions of Section 230 read with Section 232 of the Act being obtained by the Transferor Company and the Transferee Company from the respective National Company Law Tribunal;

20.1.3 The requisite consents, approvals or permissions if any of the Government Authority or any other Statutory Agencies which by law may be necessary for the implementation of this Scheme.

20.1.4 The certified or authenticated copies of the orders of the National Company Law Tribunal sanctioning this Scheme being filed with the appropriate Registrar of Companies.



**21. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

21.1. In the event of any of the said approvals referred to in Clause 20 above not being obtained and / or complied with and/or satisfied and/or this Scheme not being sanctioned by the respective National Company Law Tribunal and/or order or orders not being passed as aforesaid at a date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company (who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect.

21.2. The Boards of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme could have adverse implications on the Transferor Company and/ or the Transferee Company.

21.3. If any part of this Scheme hereof is invalid, ruled illegal by the National Company Law Tribunal, or unenforceable under present or future laws,

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then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme.

**22. COSTS, CHARGES AND EXPENSES**

All costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of / payable by the Transferor Company and the Transferee Company in relation to or in connection with the Scheme and incidental to the completion of the Merger by Absorption of the Transferor Company with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

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As filled by the Govt.

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