



GOCL Corporation Limited

Corporate Office

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CIN: L24292TG1961PLC000876

14th November, 2017

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001
Fax: 022-22723121/2027/2041/2061/3719
Through: BSE Listing Centre

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (E), Mumbai- 400 051.
Fax: 022-2659 8237/38, 2659 8347/48
Through: NEAPS

Dear Sir/Madam,

Intimation of Scheme of Arrangement with and for merger of IDL Buildware Limited and Gulf Carosserie India Limited (both wholly owned subsidiaries) with the Company.

Ref: BSE Scrip code-506480, NSE Scrip symbol- GOCLCORP


Further to our letter dated September 13, 2017 on the matter and pursuant to SEBI Circular No.CFD/DIL3/CIR/2017/21 dated March 10, 2017 and the other applicable provisions, please find enclosed herewith the text of the Scheme of Arrangement proposed between GOCL Corporation Limited (GOCL, the Transferee Company) and IDL Buildware Limited and Gulf Carosserie India Limited, both the transferor companies are wholly owned subsidiaries of GOCL and its Shareholders and Creditors.

As the Transferor Companies are wholly owned subsidiaries, the Company is not required to comply with the requirements laid down in the aforesaid SEBI Circular.

Kindly take the same on your record.

Thanking you.

Yours faithfully,
For **GOCL Corporation Limited**


A Satyanarayana
Company Secretary

Encl: a/a

SCHEME OF ARRANGEMENT
BETWEEN
GOCL CORPORATION LIMITED
AND
IDL BUILDWARE LIMITED
AND
GULF CAROSSERIE INDIA LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013

PART A

1. DESCRIPTION OF COMPANIES:

1.1 GOCL CORPORATION LIMITED (“GOCL/ Transferee Company”) is a public listed Company incorporated under the provisions of the Companies Act, 1956 bearing CIN: L24292TG1961PLC000876 and having its registered office at Kukatpalli P.B.No.1, Sanatnagar (IE), Hyderabad, 500018 in the State of Telangana. The equity shares of GOCL are listed on the BSE Limited and the National Stock Exchange of India Limited. The Company was originally incorporated as “Indian Detonators Limited” on 20th day of April, 1961 in the State of Telangana (erstwhile Andhra Pradesh). It was earlier known as Indian Detonators Limited, IDL Chemicals Limited, IDL Industries Limited and Gulf Oil Corporation Limited respectively.

GOCL is primarily engaged in following businesses/ divisions as set out below:

- (i) **Energetics and Industrial Explosives** – Primarily engaged in the business of manufacturing, marketing and technical services in industrial explosives, detonating accessories, and special devices for Defence and Space applications;

(ii) **Mining and Infrastructure Contracts** – Under this business, GOCL undertakes large scale mining services in coal, iron ore, limestone and uranium mines. GOCL also undertakes contracts in the infrastructure sector such as underground metro railways, elevated highways, industrial structures/ buildings;

(iii) **Property Development** – GOCL typically develops large properties owned by it into special economic zones, industrial parks and commercial conglomerates.

1.2 IDL BUILDWARE LIMITED (“IDLBL/ Transferor Company 1”) is a Company incorporated under the provisions of the Companies Act, 1956 bearing CIN: U70102TG1994PLC018453 and having its registered office at c/o GOCL Corporation Limited, Kukatpally, PB. No.1, Sanathnagar (IE), Hyderabad – 500018 in the State of Telangana. The Company was incorporated on 03rd day of October, 1994 in the State of Telangana (erstwhile Andhra Pradesh). IDLBL is currently a wholly owned subsidiary of GOCL. The main objects of the Company are:

(a) To produce, manufacture or otherwise acquire, sell, distribute, deal in and dispose off chemical products of every nature and description and compounds, alkalis and acids, gases, fertilisers and compounds, intermediaries, derivatives and by-products thereof and products to be made there from including partition wall phospho gypsum and its panels, ceiling tiles, fibrous boards, artificial marble, special plasters, plaster boards, plaster of paris, cement retarders, other building material and requisites, anhydrous gypsum, polymerized gypsum, calcium sulphate, plastics and resins and other related products etc. and fly ash composed bricks blocks or related products.

(b) To carry on the business as traders, importers, exporters, intenders, manufacturer, contractor of prefab houses, partitions, trailers, pipes and pipe

fittings, plumbing material, conduits, ceramic tiles, sanitary ware and fittings, electrical wires and light fittings, lighting systems, acoustic systems, refrigeration, air conditioning, air handling system and to carry on the business as stevedores, cartage and haulage contractor, job masters, custom house agents, warehouse man, interior designers and take up all maintenance services.

1.3 GULF CAROSSERIE INDIA LIMITED (“GCIL/ Transferor Company 2”) is a Company incorporated under the provisions of the Companies Act, 1956 bearing CIN: U23201TG1994PLC102889 and having its registered office at c/o GOCL Corporation Limited, Kukatpally, PB.No.1, Sanathnagar (IE), Hyderabad – 500018 in the State of Telangana. The Company was originally incorporated on 08th day of June, 1994 in the State of Maharashtra and subsequently shifted its Registered Office to the State of Telangana Vide the Order dated 15th October 2015 issued by the Regional Director, Mumbai and obtained a fresh Certificate of Incorporation from the Registrar of Companies, Andhra Pradesh and Telangana on 5.2.2016.

1.4 GCIL is currently a wholly owned subsidiary of GOCL. The main objects of the Company are:

(a) To manufacture, produce, extrude, fabricate, act as dealers, importers, exporters, converters, designers, formulators, preparers, marketers, buyers, sellers, distributors, and suppliers of all kinds and varieties of additives, viz diesel fuel additives, gasoline fuel additives, radiator repair, coolant additives.

(b) To manufacture, produce, extrude, fabricate, act as dealers, importers, exporters, converters, designers, formulators, prepares, marketers, buyers, sellers, distributors and suppliers of general all purpose, multipurpose lubricant sprays and aerosol, Teflon based grease spray and other grease based products, rust removers, rust converters, spray paints, all types of sealants,

including tyre sealants and metal sealants, dash board cleaners, car polishes and protectives.

(c) To manufacture, produce, extrude, fabricate, act as dealers, importers, exporters, converters, designers, formulators, preparers, marketers, buyers, sellers, distributors, and suppliers, of all types , kinds , varieties of additives used in car care products viz. carburetor, valve, cleaners, diesel injectors for all house – hold industries, cars and automobile industries.

2. DEFINITIONS

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

- 2.1 **“Act”** means the Companies Act, 1956 and/or Companies Act, 2013 (wherever applicable) as amended from time to time and the Rules made there under or any statutory modification or re-enactment thereof for the time being in force;
- 2.2 **“Amalgamated Entity”** means GOCL Corporation Limited after approval of the Scheme of Arrangement by National Company Law Tribunal.
- 2.3 **“Arrangement”** means the term “arrangement” as referred to and understood under the provisions of Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Act;
- 2.4 **“Appointed Date”** or **“Transfer Date”** or means the date from which this Scheme shall become operative viz., 1st October, 2017 or in case the Hon'ble National Company Law Tribunal, Hyderabad Bench modifies the Appointed Date to such other date, then the same shall be the Appointed Date.
- 2.5 **“Board”** means the Board of Directors of the Transferor Companies or the Transferee Company, as the case may be.

2. 6 “**BSE**” means BSE Limited and “**NSE**” means the National Stock Exchange of India Limited.
2. 7 “**NCLT**” or “**Tribunal**” means the Hyderabad Bench of Hon’ble National Company Law Tribunal constituted under Section 408 of the Companies Act, 2013 having jurisdiction in relation to GOCL, IDLBL and GCIL or such other competent authority under law to whom this Scheme in its present form is submitted for sanctioning under Sections 230 – 232 of the Act;
2. 8 “**Effective Date**” shall mean the date on which the certified copy of the order of the Tribunal sanctioning the Scheme vesting the assets, properties, liabilities, rights, duties, obligations and the like of the Transferor Companies in the Transferee Company is filed with Registrar of Companies of Telangana and Andhra Pradesh, Hyderabad after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary thereof.
2. 9 “**Record Date**” means the date on which the Board of Directors of Transferee Company decides for nullifying the shares of the Transferor Companies i.e., cancellation of the shares held by the Transferee Company.
2. 10 “**Scheme**” means this Scheme of Arrangement pertaining to the amalgamation of the Transferor Companies with the Transferee Company in its present form or with any modification(s) approved or imposed or directed by the Tribunal, or as may be modified from time to time.
2. 11 “**Transferor Company 1**” means M/s. IDL Buildware Limited (IDLBL).
2. 12 “**Transferor Company 2**” means M/s. Gulf Carrosserie India Limited (GCIL).
2. 13 “**Transferor Companies**” shall mean and include IDL Buildware Limited (Transferor Company 1) and Gulf Carrosserie India Limited (Transferor Company 2) respectively.
2. 14 “**Transferee Company**” means M/s. GOCL Corporation Limited (GOCL)

2. 15 **The “said Assets”** shall mean and include the Undertaking, the entire business, all cash balance with banks, inter-corporate deposits, investments, housing loans, advances, fixed assets and other assets, all other movable and immovable properties, estates, lands, buildings, installations, plant and machinery, furniture and fittings, vehicles, office equipment, shares, stocks securities, spares, tools and instruments, inventories, book debts, remittances in transit, post dated cheques, benefit of any security arrangements including assigned insurance policies, National Savings Certificates, Indira Vikas Patra or any other instrument, postage stamps on hand, pre-paid expenses, concessions, tax exemptions, tax credits, Income-tax paid in advance, reversions, powers, authorities, allotments, approvals, consents, licences, Leases, registrations agreements, contracts, engagements, arrangements of all kinds, rights, privileges, title, interests, benefits and advantages of whatsoever nature and where so ever situate, trade names and other intellectual property rights of any nature whatsoever, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity connections, power plants, electricity generation & installations, and other services, reserves, provisions, funds, benefits of all agreements and all other interests of whatsoever nature, whether in India or abroad belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or enjoyed by the Transferor Company.

2. 16 **The “said Liabilities”** shall mean all debts, whether statutory, revenue or otherwise, term deposits, borrowings, bills payable, interest accrued and all other liabilities including Contingent Liabilities, duties, undertakings and obligations of the Transferor Company.

2. 17 **“Undertaking” or “Undertakings”** shall in relation to Transferor Companies means the whole of the business carried on by such Transferor Companies and shall include:-

- (a) all the assets and liabilities of whatsoever nature shown in the books of the Transferor Companies including immovable, movable, intellectual property rights, bills, etc., wherever situated of the Transferor Companies as on the Appointed Date;
- (b) all the assets wherever situated, whether moveable or immovable, tangible or intangible, including all plant and machinery, buildings, offices, depots together with all present and future rights pertaining to the transferred Undertakings and properties of the Transferor Companies including all cash balance with banks, inter-corporate deposits, investments, advances, fixed assets and other assets, all other movable and immovable properties, estates, lands, buildings, installations, plant and machinery, furniture and fittings, vehicles, office equipment, shares, stocks securities, spares, tools and instruments, inventories, book debts, remittances in transit, benefit of any security arrangements including assigned insurance policies, or any other instrument, postage stamps on hand, pre-paid expenses, concessions, tax exemptions, tax credits, Income-tax paid in advance, reversions, powers, authorities, allotments, approvals, consents, licences, Leases, registrations agreements, contracts, engagements, arrangements of all kinds, rights, privileges, title, interests, benefits and advantages of whatsoever nature and where so ever situate, trade names and other intellectual property rights of any nature whatsoever, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity connections, electricity generation & installations, and other services, reserves, provisions, funds, benefits of all agreements and all other interests of whatsoever nature, whether in India or abroad belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or enjoyed by the Transferor Companies.
- (c) all the debts, liabilities, (including Contingent and future liabilities), duties and obligations of the Transferor Companies including export obligations;

- (d) all the reserves, movable and immovable properties, estates, assets, all permits, quotas, rights, entitlements, industrial and other licences, approvals, consents from various authorities (whether granted or pending) tenancies, offices and depots, trademarks, patents, copyrights, trade secrets, confidential information, inventions, know-how, goodwill, all other intellectual property, bank accounts, privileges, receivables, all rights in goods sold or leased, benefits, and all rights and benefits (including liabilities) under the sales tax deferrals/incentives granted by Government of Telangana or any other Government, power (electricity) subsidies whether granted or pending with Government, reimbursements, excise duty benefits and other benefits, lease rights, licences, all benefits and rights under pending applications and clearances, powers and facilities of every kind, nature and description of whatsoever nature, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity connections, power plants, electricity generation & installations and other services, provisions, funds benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Companies business and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals;
- (e) all earnest moneys and/or security deposits paid by the Transferor Companies in connection with or relating to the Transferor Companies businesses; and
- (f) all necessary records, files, papers engineering and process information, computer programmes, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customer credit information, customer pricing information and other records in connection with or relating to Transferor Companies business.

(g) All Taxes paid under the Income Tax Act by the Transferor Companies whether Advance Tax, Self Assessment Tax, Minimum Alternate Tax and all other taxes paid and pending for adjustment against tax payable for the respective years.

(h) All refunds /reimbursement receivable by the Transferor Companies from Central Excise, Customs, DGFT, sales Tax or any other Government.

3. CAPITAL STRUCTURE:

3.1 TRANSFEROR COMPANY 1:

Presently the share capital of IDL Buildware Limited (IDLBL) is as under

Authorized Share Capital:

Particulars	Amount in Rs.
25,00,000 Equity Shares of Rs.10/- each	2,50,00,000
2,50,000 8% redeemable cumulative preference shares of Rs.100/- each	2,50,00,000
Total	5,00,00,000

Issued, Subscribed and Paid-up Capital:

Particulars	Amount in Rs.
19,70,000 equity shares of Rs. 10/- each	1,97,00,000
1,60,000 8% redeemable cumulative preference shares of Rs. 100/- each	1,60,00,000
Total	3,57,00,000

3.2 TRANSFEROR COMPANY 2:

Presently the share capital of the Gulf Carrosserie India Limited (GCIL) is as under:

Authorized Share Capital:

Particulars	Amount in Rs.
10,00,000 Equity Shares of Rs.10/- each	1,00,00,000
Total	1,00,00,000

Issued, Subscribed and Paid-up Capital:

Particulars	Amount in Rs.
4,00,007 equity shares of Rs. 10/- each	40,00,070
Total	40,00,070

3.3 TRANSFEREE COMPANY:

Presently the share capital of the GOCL Corporation Limited (GOCL) is as under

Authorized Share Capital:

Particulars	Amount in Rs.
7,54,27,510 Equity Shares of Rs.2/- each	15,08,55,020
Total	15,08,55,020

Issued, Subscribed and Paid-up Capital:

Particulars	Amount in Rs.
4,95,72,490 equity shares of Rs. 2/- each	9,91,44,980
Total	9,91,44,980

4. OPERATIVE DATE OF THE SCHEME

Upon becoming effective this Scheme, shall operate retrospectively with effect from the Transfer Date/ Appointed Date.

5. TRANSFER OF UNDERTAKING:

5. 1 Upon the Scheme becoming effective, with effect from the opening of business as on the Transfer Date, the entire Undertakings of the Transferor Companies shall, without any further act or deed and without registration of any document or order with any registering authority including the sub-registrar of assurances and without payment of any further stamp duty on such transfer be and the same shall stand transferred to and vested in or deemed to have been transferred to or vested in the Transferee Company pursuant to the provisions of Section 232 and other applicable provisions of the said Act.
5. 2 Subject to the provisions of this Scheme in relation to the mode of transfer and vesting and pursuant to the provisions of Section 232(4) of the said Act, all the properties, estates, assets, rights, title and interest of the Transferor Companies in the said assets shall, without any further act or deed and without registration of any document or order with any registering authority including the sub-registrar of assurances and without payment of any further stamp duty on such transfer be transferred to and vested in the Transferee Company so as to become as and from the Transfer Date, the estates, assets, rights, title and interests of the Transferee Company.

Provided that the transfer and vesting as aforesaid shall be subject to existing securities, mortgages, charges or any other encumbrances (if any, as may be subsisting) over or in respect of the said assets or any part thereof.

5. 3 Without prejudice to the above Clause, in respect of such of the said Assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Companies, and shall become the property of the Transferee Company in accordance with applicable provisions of law;

- 5.4 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to and obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.
- 5.5 The said Assets, other than the assets transferred in the manner provided in the aforesaid Clause and comprised in the undertakings of the Transferor Companies whether or not included in the books of the Transferor Companies shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company on the Transfer Date, by virtue of the order of sanction of the Tribunal under the provisions of Section 232 of the Act;
- 5.6 All the said Liabilities of the Transferor Companies shall stand transferred to or be deemed to have been transferred, without any further act, instrument or deed, to the Transferee Company, pursuant to the provisions of Section 232 and other applicable provisions of the said Act so as to become as and from the Transfer Date, the debts, liabilities, duties, Undertakings and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;
- 5.7 Upon the coming into effect of this Scheme, any loans or other obligations due between or amongst the Transferor Companies and the Transferee Company,

if any, shall stand discharged and there shall be no liability in this behalf by or from one company to another company and in so far as any securities or notes issued by the Transferor Companies, and held by the Transferee Company, are concerned, the same shall, unless sold or transferred by the Transferee Company at any time prior to the Effective Date also stand discharged and cancelled as on the Effective Date, and shall be of no effect and the Transferor Companies shall have no further obligations outstanding in that behalf.

5. 8 Since the entire Undertakings of the Transferor Companies together with all the assets and liabilities of the Transferor Companies stand transferred to and vested in the Transferee Company, all assets, whether tangible or intangible, all the liabilities including contingent liabilities, losses, provisions, and reserves of the Transferor Companies shall, with effect from the Transfer Date be deemed to be the assets, losses, liabilities including contingent liabilities, provisions and reserves of the Transferee Company on the same terms and conditions.
5. 9 There is no likelihood that any creditor of the Transferor Companies/ Transferee Company would be prejudiced as a result of the Scheme and there is no arrangement or compromise with any of the creditors of the said companies.

6. TRANSFER OF RIGHTS AND OBLIGATIONS UNDER CONTRACTS, DEEDS AND OTHER INSTRUMENTS

6. 1 On and from the Transfer Date, and subject to the provisions of this Scheme all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Company(ies) are a party or to the benefit of which the Transferor Company(ies) may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effective against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or

beneficiary thereto. The Transferee Company shall if necessary and if so required for the purpose of complying with the regulatory provisions enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any arrangement or confirmations or novations in order to give formal effect to the provisions of this Clause, if so required or if it becomes necessary.

- 6.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation or any other writings in favour of the secured creditors or other creditors of the Transferor Companies or in favour of any other party to any contract or arrangement to which the Transferor Companies are party or are subject to in order to give formal effect to the provisions contained in this Scheme. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Companies and to implement or carry out all such formalities or compliances referred to above on the part of the Transferor Companies to be carried out or performed.

7. LEGAL PROCEEDINGS

With effect from the Effective Date, if any suit, petition, appeal, revision or other proceedings of whatever nature (hereinafter called "the Proceedings") by or against the Transferor Companies under any statute, whether pending on the Transfer Date, or which may be instituted in future (whether before or after the effective date) in respect of any matter arising before the effective date and relating to the Transferred Undertaking as agreed between the Transferor Companies and the Transferee Company shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the said assets/ liabilities of the Transferor Companies 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 be or might have been continued, prosecuted and enforced by or against the Transferor Companies as if the Scheme had not been made.

8. STAFF, WORKMEN AND EMPLOYEES OF THE TRANSFEROR COMPANIES

All the staff, workmen and other employees on the permanent rolls of the Transferor Companies immediately before the Transfer of the Undertaking under the Scheme shall become the staff, workmen and employees of the Transferee Company on the basis that :

8. 1 Their services shall have been continuous and shall not have been interrupted by reason of the transfer of the Undertaking;
8. 2 The terms and conditions of services applicable to the said staff, workmen or employees after such transfer shall not in any way be less favorable to them than those applicable to them immediately before the transfer; and
8. 3 It is expressly provided that so far as the Provident Fund amounts paid by the Transferor Companies payable by itself and deducted from the employee's wages and salaries and deposited with the Regional Provident Fund Commissioner, for and on behalf of the staff including workmen and other employees of the Transferor Companies are concerned, the same shall, upon the Scheme becoming effective shall stand substituted as if made by the Transferee Company for all purpose with the said Regional Commissioner of Provident Fund in the name of the Transferee Company and it is hereby clarified that for the aforesaid purpose the services of the employees who are employees of the Transferor Companies as on the Effective Date shall be treated as having been in the employment of the Transferee Company without any break of the service as having been in the continuous service of the Transferee Company.

- 8.4 Upon this Scheme becoming effective, the Superannuation Fund Scheme with Life Insurance Corporation of India of the Transferor Company¹ which exists immediately prior to the Effective date, shall stand transferred to the similar fund scheme of the Transferee Company for all purposes whatsoever.

9. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANY UPTO THE EFFECTIVE DATE

With effect from the Transfer Date upto and including the Effective Date:

- 9.1 The Transferor Companies shall carry on and be deemed to have carried on all its business and activities with due diligence and prudence and shall be deemed to have held and been in possession of all the said Assets for and on account of and in trust for the Transferee Company.
- 9.2 The transfer and vesting of the property and liabilities and the continuance of the proceedings by the Transferee Company under this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Companies in the ordinary course of business on and after the Appointed Date but prior to the effective date and all such acts, deeds and things done and executed by the Transferor Companies in respect thereto shall be deemed to be done by the Transferee Company as if done and executed on behalf of itself.
- 9.3 All the profits/ losses or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred by the Transferor Companies shall for all purposes be treated and be deemed to be and accrue as the profits/ losses or incomes or rights and privileges or expenditure or losses of the Transferee Company, as the case may be, including for the purposes of taxation.

9.4 Provided always that the Transferor Companies and the Transferee Company shall have the liberty to take up any new projects, avail any new loans and facility and raise any debentures and to create any mortgage or charge on their respective properties and/or to declare any interim dividend on its Equity Shares (provided however the Transferor Companies shall obtain the consent of the Board of Directors of the Transferee Company for declaring any dividend) and otherwise carry on all activities in the usual course of business.

10. DIVIDENDS, PROFITS, BONUS/ RIGHTS SHARES:

10.1 The Transferor Companies shall be entitled to declare and pay dividend, whether interim or final, to its shareholders for any financial year or any period from the date of filing of scheme up to the effective date subject, however, to the prior written approval of the Board of the Transferee Company and subject to such other agreements entered into by the Transferor Companies.

10.2 Subject to the provisions of the Scheme, the profits of the Transferor Companies for the period beginning from 1st October, 2017 (being the 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 including declaration of dividend by the Transferee Company in respect of its financial year ending 31st March, 2018 or any year thereafter.

10.3 The Transferor Companies shall not issue or allot any Rights Shares or Bonus Shares out of its Authorised or un-issued Share Capital for the time being except with the permission of the Board of the Transferee Company.

11. TAXATION MATTERS:

11.1. Upon the Scheme becoming effective, all taxes payable by the Transferor Companies under the Income-tax Act, 1961, Customs Act, 1962, Central

Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956 or other applicable laws/ regulations dealing with taxes/ duties/ levies (hereinafter referred to as "Tax Laws") shall be to the account of the Transferee Company; similarly all credits for tax deduction at source on income of the Transferor Companies, or obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies shall be made or deemed to have been made and duly complied with by the Transferee Company if so made by the Transferor Companies. Similarly any advance tax payment required to be made for by the specified due dates in the Tax Laws shall also be deemed to have been made by the Transferee Company if so made by the Transferor Companies. Further, the Minimum Alternate Tax paid by the Transferor Companies under Section 115 JB and/ or other provisions (as applicable) of the Income-tax Act, 1961, shall be deemed to have been paid on behalf of the Transferee Company, and the Minimum Alternate Tax credit (if any) of the Transferor Companies as on the Appointed Date or accruing after the Appointed Date shall stand transferred to the Transferee Company and such credit would be available for set-off against the tax liabilities of the Transferee Company. Any refunds under the Tax Laws due to the Transferor Companies consequent to the assessments made of the Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

- 11.2. All taxes of any nature, duties, cess or any other like payments or deductions made by the Transferor Companies or any of its agents to any statutory authorities such as income tax, sales tax, and service tax, or any tax deduction/ collection at source, tax credits under Tax Laws, relating to the period after the Appointed Date shall be deemed to have been on account of or paid by the Transferee Company, and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the Effective Date and upon relevant proof and documents being provided to the said authorities.

11.3. All cheques and other negotiable instruments and payment orders received in the name of the Transferor Companies after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company. Similarly, the banker of the Transferee Company shall honour cheques issued by the Transferor Companies for payment on or after the Appointed Date and presented after the Effective Date.

12. OBJECTS/ BENEFITS OF THE ARRANGEMENT

12.1. The arrangement would result in better and efficient utilization of resources of the Transferor Companies and Transferee Company, reduction in overheads and other expenses and create a stronger base for future growth of the amalgamated entity.

12.2. To have better administrative and managerial control for the management, as the merger of the companies would ensure synergy in administration and management.

12.3. The Transferee Company will derive and avail the benefits of assets of the Transferor Companies, thereby increasing its financial strength and enhance the value of its business and asset base to result in maximization of shareholders wealth.

12.4. The proposed Arrangement in general will have beneficial results for the Companies, their shareholders, employees and all other stakeholders.

13. CONSIDERATION

13.1 The Transferor Companies are wholly owned subsidiaries of the Transferee Company and the entire equity shares of the Transferor Companies are held by the Transferee Company and its Nominees. Accordingly there would be no

issue of equity shares of the Transferee Company to the shareholders of the Transferor Companies. Pursuant to the vesting of the undertakings of the Transferor Companies in the Transferee Company the equity shares of the Transferor Companies held by the Transferee Company, shall automatically stand cancelled. Towards consideration necessary entries will be made in the books of accounts of the Transferee Company to reflect the investments made in the Transferor Companies in an appropriate manner.

13.2 In view of the fact that the Transferor Companies are wholly owned subsidiaries of the Transferee Company and there being no allotment of shares by the Transferee Company as it holds all the shares in the Transferor Companies, the Transferee Company shall not be required to pay any stamp duty for implementation of this Scheme of Arrangement involving Amalgamation of the wholly owned subsidiary companies with the holding company.

14. REORGANISATION OF SHARE CAPITAL OF THE TRANSFEE COMPANY

Upon the Scheme becoming fully effective:

14.1. Without any further act, instrument or deed, the Authorised equity share capital of Transferor Companies shall be combined with the authorised Share capital of the Transferee Company. Filing fees and stamp duty, if any, paid by the Transferor Companies on its authorized share capital, shall be deemed to have been so paid by the Transferee Company on the combined authorized Share capital and accordingly, the Transferee Company shall not be required to pay any fee/ stamp duty for its increased authorized Equity Share capital.

14.2. The 2,50,000 8% redeemable cumulative preference shares of Rs.100/- each forming part of the authorized share capital of IDLBL shall be converted into equity shares and shall form part of equity share capital of the transferee company without any further effect. On the approval of the shareholders of the companies to the Scheme it shall be deemed that the said shareholders have

also accorded all relevant consents under the provisions of Companies Act, 2013 and Companies Act, 1956 to the extent the same may be considered applicable

PRE AMALGAMATION SHARE CAPITAL STRUCTURE OF THE COMPANIES:

(Amount in Rs.)

AUTHORISED SHARE CAPITAL	GOCL	IDLBL	GCIL
Equity share Capital	15,08,55,020 (divided into 7,54,27,510 shares of Rs. 2/- each)	2,50,00,000 (divided into 25,00,000 shares of Rs. 10/- each)	1,00,00,000 (divided into 10,00,000 shares of Rs. 10/- each)
8% Redeemable Cumulative Preference share Capital	NIL	2,50,00,000 (divided in to 2,50,000 shares of Rs. 100/- each)	NIL
TOTAL	15,08,55,020	5,00,00,000	1,00,00,000

POST AMALGAMATION SHARE CAPITAL STRUCTURE OF GOCL:

(Amount in Rs.)

AUTHORISED SHARE CAPITAL	GOCL
Equity Share Capital	21,08,55,020 (divided into 10,54,27,510 shares of Rs. 2/- each)

14.3. Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and hereby stand altered, modified and amended pursuant to the provisions of Companies Act, 2013 and the provisions of Companies Act, 1956 as may be applicable by deleting the existing Clause and replacing it by the following:

*“The Share Capital of the Company is **Rs. 21,08,55,020/-** (Rupees Twenty One Crores Eight Lakhs Fifty Five Thousand Twenty only) divided into 10,54,27,510 (Ten Crores Fifty Four Lakhs Twenty Seven Thousand Five Hundred and Ten only) equity shares of Rs. 2/- each (Rupees Two only) with a power to increase or reduce the Capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such as preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the provisions of the Companies Act, 2013.”*

14.4. For the purposes of this Re-organisation clause, on the approval of the shareholders of the companies to the Scheme it shall be deemed that the said shareholders have also accorded all relevant consents under the provisions of Companies Act, 2013 to the extent the same may be considered applicable. The sanction of the Tribunal, under section 230 and 232 of the Companies Act, 2013 for the Scheme shall consequentially deemed to be a sanction under such applicable provisions of the Companies Act, 2013 read with rules made thereunder.

15. CANCELLATION OF CERTIFICATES REPRESENTING SHARES OF TRANSFEROR COMPANIES

Upon this Scheme coming into effect, the equity share certificates held by the shareholders of the Transferor Company shall be rendered invalid and deemed to have been cancelled automatically without any act or deed on part of the Transferee Company. Further wherever such shares are held in dematerialized form, as a consequence of the scheme, the depository participant shall cancel the entry in the demat account of the respective shareholders of the Transferor Companies without any act or deed on the part of the Transferee Company.

GENERAL

16. APPLICATION TO THE TRIBUNAL

The Transferor Companies and Transferee Company hereto shall, with all reasonable dispatch, make Company Application/ Petition under Section 230 and 232 of the said Act, to the Hon'ble National Company Law Tribunal, Hyderabad Bench for sanctioning this Scheme of Arrangement. Upon the Scheme being sanctioned the Transferor Companies shall stand dissolved without undergoing the process of winding up.

17. MODIFICATION/ AMENDMENTS TO THE SCHEME

17.1 The Transferor Companies and the Transferee Company may make or consent from time to time on behalf of all persons concerned to any modifications or amendments to this Scheme or to any conditions or limitation which the Tribunal or any other authority under law may direct or impose or which may otherwise be considered necessary to resolve all doubts or difficulties that may arise in implementing and/ or carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary for putting the Scheme into effect. The aforesaid powers of the Transferor Companies and the Transferee Company may be exercised by their respective Board of Directors or any other person authorized in that behalf by the concerned Board.

17.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company and the Transferor Companies respectively or any person authorized by the respective Boards in that behalf may give and is authorized to give all such directions as are necessary or desirable as the respective Boards may think fit and such determination or directions, as the case may be, shall be final and binding on all parties in the same manner as if the same were specifically incorporated in this Scheme.

18. SCHEME CONDITIONAL UPON APPROVALS / SANCTIONS

This Scheme will become effective upon the Effective Date and subject to the availability of each of the following, if required under law: -

- 18.1 The approval to the Scheme by the requisite majority at the Meetings, if directed to be convened by Tribunal.
- 18.2 The sanction of the Scheme by Tribunal under Section 230 and 232 of the said Act and necessary orders passed in this behalf.
- 18.3 The certified copies of the orders issued by the Tribunal referred to in this Scheme being filed with the Registrar of Companies, Andhra Pradesh and Telangana.
- 18.4 The Provisions of the Securities and Exchange Board of India (SEBI) circular No.CFD/DIL3/CIR/2017/21 dated March 10, 2017 shall not apply to this Scheme of Arrangement, being a scheme providing for merger of wholly owned subsidiaries with the parent company. Hence, obtaining of approval or 'Observation Letter' / 'No Objection Letter' from the Stock Exchanges and/ or SEBI, is not required for implementing this Scheme of Arrangement.

19. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

In the event of any of the aforesaid sanctions and approvals not being obtained and/ or the Scheme not being sanctioned by the Tribunal and/ or the order or orders not being passed as aforesaid on or before 31st May, 2018 or within such further period or periods as may be agreed upon between the Transferor Companies and the Transferee Company through their respective Board of Directors, the Scheme shall become null and void and each party shall bear and pay its respective cost, charges and expenses for and/ or in connection with the Scheme.

20. DISSOLUTION OF THE TRANSFEROR COMPANIES

The Transferor Companies shall be dissolved without winding up as and from the Effective Date or such other date as the Tribunal may direct.

21. ACCOUNTING OF ARRANGEMENT

21.1 The Transferee Company shall account for the Amalgamation of Transferor Companies, as per the Indian Accounting Standard (Ind AS) 103 – Business Combination as stated in Section 133 of the Act read with Companies (Accounting Standards) Amendment Rules, 2016. On the Scheme becoming effective, the accounting for merger will be done in accordance with the Indian Accounting Standard (Ind AS) 103 – Business Combination and other generally accepted accounting practices.

21.2 Inter-company deposits, loans, share application money and other balances and investments, if any, shall be cancelled and there shall be no further obligation/ outstanding in that respect.

21.3 The Transferee Company is entitled to get reimbursed the advance taxes paid if any by the Transferor Companies and any other benefits attracted under Indian Accounting Standard (Ind AS) 103 – Business Combination and other provisions of Indian accounting standards prevailed under the laws of India and any other origin including but not limited to consolidation of accounts under Income Tax Act, 1961.

21.4 The Transferee Company is entitled to any unutilized depreciation Allowance of the Transferor Companies with effect from the Appointed Date.

22. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Companies and the Transferee Company respectively in relation to or in connection with this

Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company in pursuance of this Scheme, shall be borne and paid by the Transferee Company.
