

Form No. CAA.7

[Pursuant to section 232 and rule 20]

IN THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH

COMPANY PETITION (CAA) NO. 11/KB/2022

Connected With

COMPANY APPLICATION (CAA) No. 44/KB/2021

A Petition under Section 230 to 232 and other Applicable provisions of the Companies Act, 2013.

In the matter of:

APSARA SELECTIONS LIMITED, a public company, limited by shares, incorporated under the Companies Act, 1956, having Corporate Identification Number: U52190MH2011PLC269248 and having its registered office at Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15 Homi Modi Street, Fort Mumbai – 400023, Maharashtra, India outside the aforesaid jurisdiction

.....Transferor Company No. 1

AND

SANKHU MERCHANDISE PRIVATE LIMITED, a private company limited by shares, incorporated under the Companies Act, 1956 having Corporate Identification Number: U52190MH2011PTC269247 and its registered office at Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15 Homi Modi Street, Fort Mumbai – 400023, Maharashtra, India outside the aforesaid jurisdiction

.....Transferor Company No. 2

AND

GRETEX INDUSTRIES LIMITED, a public company, limited by shares, incorporated under the Companies Act, 1956, having Corporate Identification Number: L17296WB2009LC136911 and its registered office at 90, Phears

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Lane, 5th Floor, Kolkata – 700012, West Bengal, India within the aforesaid jurisdiction.

...Transferee Company

-AND-

In the matter of:

1. APSARA SELECTIONS LIMITED
2. SANKHU MERCHANDISE PRIVATE LIMITED
3. GRETEX INDUSTRIES LIMITED

... Petitioners

Order Under Sections 230 and 232 of the Companies Act, 2013

The above Company Petition coming on for further hearing on the 21st March, 2024 and upon hearing the advocate appearing for the Petitioners and upon hearing Deputy Director of Regional Directorate, Eastern Region representing the Central Government the final order was passed on the 02nd April, 2024.

1. The instant petition has been filed under Section 230(6), read with Section 232(3) of the Companies Act, 2013 (“Act”), for sanction of the Scheme of Amalgamation of M/s. APSARA SELECTIONS LIMITED, (hereinafter referred to as the “Transferor Company No. 1”), and M/s. SANKHU MERCHANDISE PRIVATE LIMITED, (hereinafter referred to as the “Transferor Company No. 2”), with M/S. GRETEX INDUSTRIES LIMITED (hereinafter referred to as the “Transferee Company”) whereby and whereunder the Transferor Companies are proposed to be amalgamated with the Transferee Company from the Appointed Date, viz 1st January, 2020 in the manner and on the terms and conditions stated in the said Scheme of Amalgamation (“Scheme”).

2. The Petition has now come up for final hearing. Counsel for the Petitioner submits as follows:

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(a) The Scheme was approved unanimously by the respective Board of Directors of the Transferor Companies and the Transferee Company at the meetings held on 8th June, 2020 (Page 360-369 in Annexure A-14)

(b) The circumstances which justify and/or have necessitated the Scheme and the benefits of the same are, inter alia, as follows:-

- i. The amalgamation will enable the Transferee Company to Consolidate the business of Finance & Trading activities by virtue of consolidation of finance & management of both the transfer the Transferee Companies.
- ii. The registered office of most of the companies shares common resources, director.
- iii. The amalgamation will result in economy of scale and reduction in overheads, administrative, managerial and other expenditure and optimal utilization of resources.
- iv. The amalgamation will result in significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Companies and the Transferee Company.
- v. The said scheme has been proposed, inter alia, to specific group structure and provide for overall business efficiency to combine their managerial and marketing strength, to streamline administration, to build a wider capital and financial base and to promote and secure the overall interest growth and economics of all the companies concerned.

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- vi. The amalgamation will result in usual economics of a centralized and a larger company including reduction in overheads, better and more productive utilization of labour and other resources and reduction in procedural and administrative work.
- vii. The Scheme would ensure higher retained earning leading to enhanced to enhanced intrinsic value of shareholding to the investors.
- viii. The amalgamated company would have stronger fundamentals which enhance its credit rating and resource raising ability in the financial markets.
- ix. The said Scheme will enable the establishment of larger company with larger resources and a larger capital base facilitating further expansion and development of the business of all companies to obtain greater facilities possessed and enjoyed by one large company as compared with a number of smaller companies, for raising capital, securing and conducting trade, on favorable terms and other benefits.
- x. The business of the said companies can be conveniently and advantageously combined together and in general the business of all the companies concerned will enable the companies concerned to diversify and expand their activities without restricting their existing activities.
- (c) The Statutory Auditors of the Transferee Company have by their certificate dated 18th January, 2021 confirmed that the accounting treatment in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013. (Page 433-435 in Annexure A-17)

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(d) No proceedings are pending under Sections 210 to 227 of the Companies Act, 2013 against the Petitioner Company.

(e) It is submitted by Ld. Counsel appearing for the Petitioner(s) that, the Petitioner(s) have the following clauses of shareholders and creditors:-

Particulars	Equity Shareholders as on 31.12.2020	Unsecured Creditors	Secured Creditors
		as on 31.12.2020	
GRETEX INDUSTRIES LIMITED	51	NIL	NIL

(f) By order dated 21st September, 2021 and mentioning order dated 23rd September, 2021 in Company Application (CAA) No. 44 / KB /2021, this Tribunal made the following directions with regard to the meetings of Shareholders and Creditors under section 230 (1) read with 232 (1) of the Act:-

- i) Meetings to be held, Date and Time: in view of the fact that a meeting of the shareholders of the Applicant Company/transferee Company be convened through Video Conferencing/Other Audio visual Means ("VC/OVAM") on Friday, October 29, 2021 at 11.00 a.m. (IST) and in compliance with the applicable provisions of the Companies Act, and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and compliance of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from Time to time, issued by the Securities and Exchange Board of India, and NSE observation letter bearing No. NSE/LIST/24011-II DATED JANUARY 12, 2021 for the purpose of considering and, if thought

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fit, approving, with or without modification(s), in the proposed Scheme.

- ii) Accordingly, voting by equity shareholders of the Transferee Company to the Scheme shall be carried out through (a) postal ballot, (b) remote e-voting; and (c) e-voting during the Meeting to be held on October 22, 2021.
- iii) At least 30 clear days before the said meeting of the Members of the Applicant Transferee Company to be held as aforesaid, a notice convening the said Meeting at the place, day, date and time aforesaid, together with a copy of the Scheme, a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230 of the Companies Act, 2013 and the prescribed Form of Proxy, if applicable, shall be sent by registered post or by e-mail, air mail or by courier or by speed post or by hand deliver to each of the shareholders of the Applicant Transferee Company at their respective registered or last known address as per the records of the Applicant Companies.
- iv) At least 30 clear days before the Meeting of the Shareholders of the Applicant Companies to be held as aforesaid, a notice convening the said meeting, at the place, date and time aforesaid and stating the copies of the Scheme of Amalgamation and the statement required to be furnished pursuant to section 230 of the Companies Act, 2013 and that the form of Proxy, to the extent applicable, can be obtained free of charge at the registered and shall also be published once each in 'Financial Express' in English and 'Aajkaal' in Bengali.
- v) In view of the fact that there were no secured or Unsecured creditors with the company and duly certified by the Chartered Accountants, the requirements of convening and holding of separate meetings of the Secured & Unsecured Creditors of the Applicant Company Gretex

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Industries Limited to ascertain the wishes of the Secured and Un-secured Creditors of the Applicant Company for the Scheme of Amalgamation, does not arise;

Further, by the said orders, notices were directed to be served under Section 230(5) of the Act on the Statutory / Sectoral Authorities and leave was given to the Petitioner Company to file the petition for sanction of the Scheme. The Petitioner Companies has duly sent the said notices on 11th October 2021 by way of speed post on the Statutory/Sectoral Authorities, as directed by the said order, including upon the Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata, Registrar of Companies with whom the Petitioner is registered; Income Tax Department having jurisdiction over the Petitioner; Official Liquidator and on 14th October, 2021 on the Securities Exchange Board of India by Speed post and filed an affidavit of service evidencing the same. (Page 588-601 in Annexure A-23)

- (g) Consequently, the Petitioner Company presented the instant petition for sanction of the Scheme. By an order dated 14th March, 2022, the instant petition was admitted by this Tribunal and fixed for hearing on 25th April, 2022 upon issuance of further notices to the Statutory Authorities and advertisement of date of hearing. In compliance with the said order dated 14th March, 2022, the Petitioner Companies have duly served such notices on the Regional Director (Eastern Region), Ministry of Corporate Affairs, Kolkata; Registrar of Companies, West Bengal, Competition Commission of India on 13th April, 2022 and Income Tax Assessing Officer & Chief Commissioner of IT, Aayakar Bhavan, Central Circle 1(1) on 18th April, 2022 and Securities Exchange Board of India, National Stock Exchange of India on 11th April, 2022, 2023. The Petitioner Company have also published such advertisements once each in the English daily newspaper namely "Financial Express" and Bengali daily newspaper namely "Aajkal" on 10th April, 2022. An affidavit of compliance in this regard has also been filed by the Petitioner Company on 19th April, 2022.

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(h) All statutory requirements for obtaining sanction of the Scheme have been duly complied with by the Petitioner Company. The Scheme has been made bona fide and is in the interest of all concerned.

3. The Official Liquidator has filed his report dated 19th September, 2022 and concluded as under:-

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

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

4. Pursuant to the said advertisements and notices, the Regional Director, Ministry of Corporate Affairs, Kolkata ("RD") has filed their representations before this Tribunal.

5. The RD has filed his reply affidavit dated 22nd April, 2022 ("RD Affidavit") which has been dealt with by the Petitioner Company by their Rejoinder dated 12th March, 2024 ("Rejoinder"). The observations of the RD and responses of the Petitioner Company are summarized as under: -

a) **Paragraph No. 2(b) of the RD Affidavit:**

"It is submitted that the Petitioner Company, M/s Gretex Industries Limited was asked to furnish certain information and documents in the matter of Amalgamation. However, the said information and documents have not been received yet from the Petitioner Company. In view of this and in absence of the required information and documents relevant with the proposed merger, this

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Deponent is not in a position to offer any comment on the scheme. The Hon'ble NCLT may kindly allow this Directorate to file representation on the Scheme within two (2) weeks after the necessary documents and information are supplied by the petitioner Company."

Paragraph No. 2 of the rejoinder:

With reference to paragraph No. 2 (b) of the said reply dated 22nd April, 2022, it is stated that the petitioner Company namely Gretex Industries Limited has furnished all the information on 27th July, 2022.

b) Paragraph no. 2(c) of the RD Affidavit:

"That it is submitted that on examination of the report of the Registrar of Companies, West Bengal it appears that no complaint and/or representation has been received against the proposed Scheme of Amalgamation in respect of M/s Gretex Industries Limited, Transferee Company. The Company is also updated in filing its financial statement for the year ended 31/03/2021. However, in the said report, the ROC.WB made some observations regarding non filing of Form MGT-14 u/s 179(3)(g) r.w. section 117 of the Companies Act, 2013 for the financial years 31.03.2015 31.03.2016 and 31.03.2018."

Paragraph No. 3 of the Rejoinder:

With reference to paragraph No. 2 (c) of the said reply dated 22nd April, 2022, it is stated that the petitioner Company namely Gretex Industries Limited has filed MGT -14 under section 179(3) (g) of the Companies Act, 2013 for the financial years 31.03.2015 to 31.03.2023.

c) Paragraph No. 2(d) of the RD Affidavit:

"Petitioner company should undertake to comply with the provisions of section 232(3)(i) of the Companies Act,2013 through appropriate affirmation."

Paragraph no. 4 of the Rejoinder:

With reference to paragraph No. 2 (d) of the said reply dated 22nd April, 2022, I do hereby undertake that the Petitioner Companies will comply with the provision of section 232(3)(i) of the Companies Act, 2013.

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

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

Paragraph No. 5 of the Rejoinder:

With reference to paragraph No. 2 (e) of the said reply dated 22nd April, 2022, I do hereby undertake that the Transferee Company shall pay Stamp duty if applicable, on the transfer of immovable properties from the Transferor Companies to it.

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

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

Paragraph No. 6 of the Rejoinder:

With reference to paragraph No. 2 (f) of the said reply dated 22nd April, 2022, I do hereby undertake that the Transferee Company shall pass accounting entries which are necessary in connection with the scheme to comply with all the accounting standard as applicable to the Company.

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

"The Hon'ble Tribunal may kindly direct the Petitioners to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy or no change is made."

Paragraph No. 7 of the Rejoinder:

With reference to paragraph No. 2 (h) of the said reply dated 22nd April, 2022, I do hereby undertake that the scheme enclosed to the Company Application and Company Petition is one and same and there is no discrepancy or no change is made.

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

“The Transferee Company, Gretex Industries Limited is a listed Company registered with Stock Exchange(s) However, no NOC/consent in the matter of proposed amalgamation from the concerned Stock Exchange/SEBI has been received yet”

Paragraph No. 8 of the Rejoinder:

With reference to paragraph No. 2 (j) of the said reply dated 22nd April, 2022, it is stated that the petitioner Company namely Gretex Industries Limited has received a no objection certificate from National Stock Exchange of India Limited.

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

THIS TRIBUNAL DOTH ORDER

- a) The Scheme of Amalgamation mentioned in the Petition being Annexure “A-1” thereto is hereby sanctioned by this Tribunal with the Appointed date fixed as 1st January, 2020(“**Appointed Date**”)and shall be binding on Transferor Company No. 1 namely **M/s. APSARA SELECTIONS LIMITED**, Transferor Company No. 2 namely **M/s. SANKHU MERCHANDISE PRIVATE LIMITED**, with **M/S. GRETEX INDUSTRIES LIMITED**(Transferee Company) their respective shareholders and creditors and all concerned;
- b) All the properties, rights and interest of Transferor Companies, including those described in the Schedule of Assets herein, be transferred from the said Appointed Date, without further act or deed, to the Transferee Company and, accordingly, the same shall pursuant to Section 232(4) of the Companies Act, 2013, be transferred to and vest

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in the Transferee Company for all the estate and interest of the Transferor Companies therein but subject nevertheless to all charges now affecting the same, as provided in the Scheme;

- c) All the debts, liabilities and duties of Transferor Companies be transferred without further act or deed to Transferee Company and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 be transferred to and become the liabilities and duties of Transferee Company.
- d) The employees of the Transferor Companies shall be engaged by the transferee Company, as provided in clause 11(i) of the Scheme;
- e) All proceedings and/or suits and/or appeals now pending by or against the Transferor Companies be continued by or against the Transferee Company, as provided in the Scheme.
- f) The Transferee Company do without further application issue and allot to the shareholders of the Transferor Companies, the shares in the Transferee Company to which they are entitled in terms of the Scheme.
- g) Leave is granted to the Petitioners to file the Schedule of Assets of the Transferor Companies in the form as prescribed in the Schedule to Form No.CAA7 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016 within three weeks from the date of receiving a copy of this order.
- h) The Transferor Companies and the Transferee Company shall each day within thirty days of the receipt of this order, cause a certified copy thereof to be delivered to the Registrar of Companies for registration

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and on such certified copies being so delivered, the Transferor Company shall be dissolved without winding up.

7. The Petitioner Companies shall supply legible print out of the scheme and schedule of assets and liabilities in acceptable form to the Registry and the Registry will append such printout, after verification, to the certified copy of the order,
8. The Company Petition (CAA) No. 11/KB/2022 is disposed of accordingly.

Witness:

Ms. Bidisha Banerjee, the Hon'ble Member (Judicial) and Shri D. Arvind, the Hon'ble Member (Technical) at Kolkata aforesaid on the 02nd April, 2024.

Mr. Patita Paban Bishwal, Advocate for the Petitioners.

Mr. Alok Tandon, J.D. R.D. (E.R.), MCA.

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Schedule of Assets

First Part-I

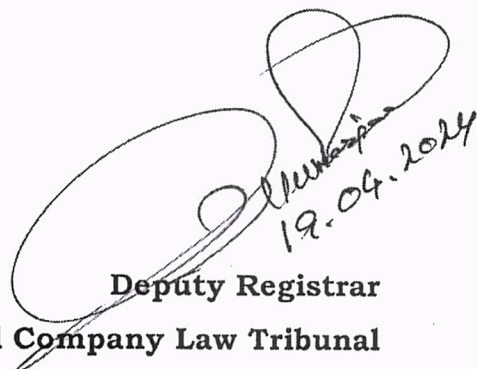
(As per Annexure)

Second Part-II

(As per Annexure)

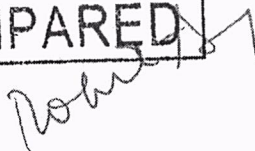
Third Part-III

(As per Annexure)


19.04.2024

Deputy Registrar
National Company Law Tribunal
Kolkata Bench

Dated, the 19th day of April, 2024.

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ANNEXURE - 1

SCHEME OF AMALGAMATION

By way of Merger Absorption

GRETEX INDUSTRIES LIMITED	-	Transferee Company
APSARA SELECTIONS LIMITED	-	Transferor Company
SANKHU MERCHANDISE PRIVATE LIMITED	-	Transferor Company

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

A. Description of Parties

1. APSARA SELECTIONS LIMITED is a public company, limited by shares, incorporated under the Companies Act, 1956, under corporate identification number U52190MH2011PLC269248 and having its registered office at Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15 Homi Modi Street, Fort, Mumbai - 400023, Maharashtra, India) (hereinafter referred to as the "Transferor Company no. 1").

The Transferor Company no. 1 is primarily engaged in the business of retailer of Fancy Sarees.

SANKHU MERCHANDISE PRIVATE LIMITED is a private company, limited by shares, incorporated under the Companies Act, 1956, under corporate identification number U52190MH2011PTC269247 and having its registered office at Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15 Homi Modi Street, Fort, Mumbai - 400023, Maharashtra, India) (hereinafter referred to as the "Transferor Company No. 2").

The Transferor Company No. 2 is primarily engaged in the business of Trading of Sarees.

GRETEX INDUSTRIES LIMITED is a public company, limited by shares, incorporated under the Companies Act, 1956, under corporate identification number L17296WB2009PLC136911 and having its registered office at 90, Phears Lane, 5th Floor, Kolkata - 700012, West Bengal, India, India (hereinafter referred to as the "Transferee Company"). The equity shares of the Transferee Company are listed on the Stock Exchange.

The Transferee Company is engaged, inter alia, in the business of Distribution of Musical Instrument and Crockeries.

B. Description of Scheme

2. This Scheme (as defined hereunder) provides, inter alia, for:
 - a. the amalgamation of the Transferor Company into the Transferee Company, by way of merger by absorption and dissolution of the Transferor Company without winding up and the consequent issuance of the Transferee Company Shares (as defined hereunder) in accordance with the Share Exchange Ratio (as defined hereunder) to the Eligible Members (as defined hereunder), in respect of each Transferor Company Share (as defined hereunder) held by them in accordance with this Scheme ("Amalgamation");
 - b. various other matters incidental, consequential or otherwise integrally connected therewith, including the increase in the share capital of the Transferee Company,



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c. pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in this Scheme and in compliance with the provisions of the IT Act (as defined hereunder).

3. The Amalgamation of the Transferor Companies into the Transferee Company shall be in full compliance with the conditions relating to "amalgamation" as provided under Section 2(1B) and other related provisions of the IT Act such that, *inter alia*:

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

C. Rationale for the Scheme

4. The Amalgamation pursuant to this Scheme would, inter alia, have the following benefits:

a) M/s. Gretex Industries Ltd, M/s. Apsara Selection Limited and M/s.Sankhu Merchandise Private Limited are sister concern and all of them are part of same promoter group companies

The group had diversify business profile and different business activities were conducted in different companies such as M/s. Gretex Industries Ltd deals as Distributor of Musical Instrument – Eastern India, M/s. Apsara Selection Limited and M/s. Sankhu Merchandise Private Limited deas in Wholesale/ Retail Sale of Garments.

The Capital of M/s. Apsara Selection Limited and M/s. Sankhu Merchandise Private Limited, will provide an additional capital to M/s. Gretex Industries Limited as a whole to expand the businesses as due to capital crunch the company i.e. M/s. Gretex Industries Ltd could not able to scale up its businesses.

b) M/s. Apsara Selection Limited and M/s. Sankhu Merchandise Private Limited, are non-profit making / marginal profit making companies and hence the promoters decided to close down the business operation carried under this two companies and since at present the capital invested in the said two company are idle, hence, the merger of these two companies with M/s. Gretex Industries Limited will provide an additional capital as a whole to expand the business of the resulted company i.e. M/s. Gretex Industries Limited

c) With the additional capital in M/s. Gretex Industries Limited, the company will be able to acquire new distributors' rights of Eastern India in musical instruments which the Company has already started. We are enclosing, the new distributors rights acquired as Annexure I and this will result in growth in turnover of the resulted company i.e. M/s. Gretex Industries Limited will yield higher return on net worth.

d) With the merger, the promoter and directors of the Company will be able to concentrate on single line of business activity and thus will result in overall reduction in overhead and maintenance cost and optimize their productivity;

e) The following results will be achieved by the resultant company i.e M/s. Gretex Industries Limited merging with M/s. Apsara Selection Limited and M/s. Sankhu Merchandise Private Limited:-

- i. Strengthen the Net worth of the Company
- ii. Exploring more business in single streamline business activity i.e. Distribution Rights of Musical Instruction – Eastern India
- iii. Overall reduction in fixed overhead and maintenance cost
- iv. Increasing in Turnover Sales and profit
- v. Yielding in Higher return on Capital Employed
- vi. Other operational benefits from merging the three promoter group companies.



5. This Scheme is divided into the following parts:

- a. Part I, which deals with the introduction and definitions, and sets out the share capital of the Transferor Companies and the Transferee Company;
- b. Part II, which deals with the Amalgamation;
- c. Part III, which deals with the changes to share capital of the Transferor Companies and the Transferee Company; and
- d. Part IV, which deals with the general terms and conditions applicable to the Scheme.

D. Definitions

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

- a. "Act" shall mean the Companies Act, 2013 as amended from time to time, and shall include any other statutory re-enactment thereof, read with all surviving and applicable provisions of the Companies Act, 1956 and shall include all rules, regulations, circulars, notifications, guidelines made or issued in relation thereto, from time to time;
- b. "Amalgamation" shall have the meaning ascribed to it in Clause 3(a) above;
- c. "Applicable Law" shall mean any applicable law, statute, ordinance, rule, regulation, guideline or policy having the force of law, of any Governmental Authority;
- d. "Appointed Date" shall mean January 01, 2020;
- e. "Board" in relation to any company, means the board of directors of such company and shall, where applicable, include a duly authorised committee of the Board;
- f. "CCI" means the Competition Commission of India, as established under the Competition Act, 2002;
- g. "Effective Date" means the date of the Board meetings of the Transferor Company and the Transferee Company held to declare this Scheme effective, which will be no later than 15 (Fifteen) days (unless extended by mutual written agreement between the Transferor Company and the Transferee Company), following satisfaction or waiver (to the extent possible under Applicable Law) of the conditions set out in Clause 26 (other than those conditions that by their nature are to be satisfied on the Effective Date);

References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective Date;

- h. "Eligible Member" shall mean each person whose name appears in the register of members of the Transferor Company and/ or whose name appears as the beneficial owner of the Transferor Companies Shares in the record of depositories or the registered of members or on the Record Date;
- i. "Encumbrance" or "Encumber" means any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other agreement or arrangement the effect of which is the creation of security, or any other right to acquire or option, any right of first refusal or any right of pre-emption, or any agreement or arrangement to create any of the same;
- j. "Governmental Authority" means: (a) any national, federal, provincial, state, city, municipal, county or local government, governmental authority or political subdivision thereof; (b) any agency or instrumentality of any of the authorities referred to in clause 7(j)(a); (c) any non-governmental regulatory or administrative authority, body or other organization, to the extent that the rules, regulations, standards, requirements, procedures or orders of such authority, body or other



investments, all cash and bank balances (including cash and bank balances deposited with any banks or entities), money at call and short notice, loans, advances, contingent rights or benefits, reserves, provisions, funds, benefits of all agreements, lands, buildings, structures and premises, whether leasehold or freehold (including offices, warehouses, sales and / or marketing offices, liaison offices, branches, factories), work-in-progress, current assets (including sundry debtors, bills of exchange, loans and advances), fixed assets, vehicles, furniture, fixtures share of any joint assets, and other facilities;

- (ii) all permits, registrations, rights, entitlements, licenses, permissions, approvals, subsidies, concessions, clearances, credits, awards, sanctions, allotments, quotas, no-objection certificates, subsidies, Tax deferrals, Tax credits, (including any credits arising from advance Tax, self-assessment Tax, other income Tax credits, withholding Tax credits, minimum alternate Tax credits, CENVAT credits, goods and services Tax credits, other indirect Tax credits and other Tax receivables), other claims under Tax laws, incentives (including incentives in respect of income Tax, sales Tax, value added Tax, service Tax, custom duties and goods and services Tax), benefits, Tax exemptions, Tax refunds (including those pending with any Tax authority), advantages, benefits and all other rights and facilities of every kind, nature and description whatsoever; authorities, consents, deposits, privileges, exemptions available to the Transferor Companies, receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations; utilities, email, internet, leased line connections and installations, electricity and other services, provisions and benefits of all engagements, agreements, contracts, letters of intent, memorandum of understanding, cheques and other negotiable instruments (including post-dated cheques), benefit of assets or properties or other interest held in trust, benefit of any security arrangements, expressions of interest whether under agreement or otherwise, and arrangements and all other interests of every kind, nature and description whatsoever enjoyed or conferred upon or held or availed of by and all rights and benefits;
- (iii) all contracts, agreements, memorandum of undertakings, memoranda of agreements, arrangements, undertakings, whether written or otherwise, deeds, service agreements, or other instruments (including all tenancies, leases, and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature along with any contractual rights and obligations, to which the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date;
- (iv) all intellectual property rights including patents, copyrights, trade and service names, service marks, trademarks, domain names and other intellectual property of any nature whatsoever, goodwill, receivables, belonging to or utilized for the business and activities of the Transferor Companies;
- (v) all records, files, papers, computer programs, software licenses, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers, suppliers and employees, customer credit information, customer pricing information, and other records whether in physical or electronic form belonging to or held by the Transferor Companies;
- (vi) all present, and contingent future liabilities of the Transferor Companies including all debts, loans (whether denominated in rupees or a foreign currency), term deposits, time and demand liabilities, borrowings, bills payable, interest accrued and all other duties, liabilities, undertakings and obligations (including any post-dated cheques or guarantees, letters of credit, letters of comfort or other instruments which may give rise to a contingent liability in whatever form); and
- (vii) the Transferor Companies Employees and the Employee Benefit Funds of the Transferor Companies.

7. Share Capital

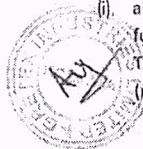


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organization have the force of law; or (d) any court or tribunal having jurisdiction and including, without limitation or prejudice to the generality of the foregoing, SEBI, the RBI, the NCLT and any Tax authority;

- k. "Governmental Order" means any judgment, order, writ, injunction, decree, decision or other requirement of any Governmental Authority (or, as the context requires, any Governmental Authority specified) other than any competition or anti-trust authority other than the Competition Commission of India;
- l. "IT Act" shall mean the Income Tax Act, 1961 or any modifications or re-enactments or amendments thereof from time to time;
- m. "NCLT" shall mean the National Company Law Tribunal at Mumbai, Maharashtra or Kolkata, West Bengal, as the context may require;
- n. "Record Date" shall mean the date fixed by the respective Board of the Transferor Companies and Transferee Company for the purpose of determining the shareholders of the Transferor Companies to whom the Transferee Company Shares shall be allotted under this Scheme;
- o. "Scheme" means this scheme of amalgamation by way of merger by absorption including any modification or amendment hereto, made in accordance with the terms hereof;
- p. "SEBI" means the Securities and Exchange Board of India;
- q. "SEBI Listing Regulations" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines etc., that may replace such regulations;
- r. "SEBI Scheme Circular" means the SEBI Circular dated March 10, 2017, bearing reference number CFD/DIL3/CIR/2017/21, as amended or replaced from time to time;
- s. "Share Exchange Ratio" shall have the meaning ascribed to it in Clause 18.1;
- t. "Stock Exchange" shall mean the National Stock Exchange of India Limited;
- u. "Tax" or "Taxes" means any and all taxes (direct or indirect), surcharges, fees, levies, duties, tariffs, imposts and other charges of any kind in each case in the nature of a tax, imposed by any Governmental Authority (whether payable directly or by withholding), including taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales, severance, branch profits, customs duties, excise, CENVAT, withholding tax, self-assessment tax, advance tax, service tax, goods and services tax, stamp duty, transfer tax, value-added tax, minimum alternate tax, banking cash transaction tax, securities transaction tax, taxes withheld or paid in a foreign country, customs duty and registration fees (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto).
- v. "Transferee Company" shall have the meaning ascribed to it in Clause 2 above;
- w. "Transferee Company Shares" means fully paid up equity shares of the Transferee Company, each having a face value of INR 10 (Rupee Ten only) and one vote per equity share;
- x. "Transferor Companies" shall have the meaning ascribed to it in Clause 1 above;
- y. "Undertaking" means all the undertakings and entire business of the Transferor Companies, as a going concern, and shall include (without limitation):
- (i) all assets and properties (whether movable or immovable, tangible or intangible, present or future, in possession or reversion, of whatsoever nature and wherever situate) of the Transferor Companies and investments of all kinds including but not limited to securities (marketable or not), securitized assets, receivables and security receipts, mutual fund



7.1. The share capital structure of the Transferee Company as June 05, 2020 is as follows:

Particulars	Amount (Rs.)
<u>Authorised</u> 45,00,000 equity shares of face value of Rs.10/- each	4,50,00,000
<u>Issued and Subscribed Share Capital</u> 42,11,600 equity shares of face value of Rs.10/- each.	4,21,16,000
<u>Fully Paid-up Share Capital</u> 42,11,600 equity shares of face value of Rs.10/- each.	4,21,16,000

The equity shares of the Transferee Company are listed on Stock Exchange.

7.2. The share capital structure of the Transferor Company no. 1 as on June 05, 2020 is as follows:

Particulars	Amount (Rs.)
<u>Authorised</u> 4,28,000 equity shares of face value of Rs.10/- each.	42,80,000
<u>Issued and Subscribed Share Capital</u> 4,27,920 equity shares of face value of Rs.10/- each.	42,79,200
<u>Fully Paid-up Share Capital</u> 4,27,920 equity shares of face value of Rs.10/- each.	42,79,200

7.3. The share capital structure of the Transferor Company no. 2 as on June 05, 2020 is as follows:

Particulars	Amount (Rs.)
<u>Authorised</u> 2,40,000 equity shares of face value of Rs.10/- each	24,00,000
<u>Issued and Subscribed Share Capital</u> 2,40,000 equity shares of face value of Rs.10/- each	24,00,000
<u>Fully Paid-up Share Capital</u> 2,40,000 equity shares of face value of Rs.10/- each	24,00,000

PART II

AMALGAMATION OF THE TRANSFEROR COMPANIES INTO THE TRANSFEE COMPANY

B. Transfer

With effect from the Appointed Date, the Transferor Companies shall stand amalgamated into the Transferee Company and its Undertaking shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand 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, the undertaking of the Transferee Company by virtue of and in the manner provided in the Scheme.

9. Transfer of Assets

- i. Without prejudice to the generality of Clause 9 above, with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances of the Undertaking, of whatsoever nature and wherever situate, whether or not included in the books of the Transferor Companies shall, subject to the provisions of this Clause 10 in relation to the mode of vesting and pursuant to Sections 230 to 232 of the Act and without any



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further act, deed, matter or thing, be and stand transferred to and vested in or shall be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the Transferee Company.

- ii. In respect of such of the assets of the Transferor Companies as are movable in nature or are otherwise capable of transfer by delivery of possession, payment or by endorsement and delivery, the same may be so transferred by the Transferor Companies, and shall become the property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act without requiring any deed or instrument of conveyance for transfer of the same.
- iii. In respect of such of the assets belonging to the Transferor Companies other than those referred to in sub-clause (ii) above, the same shall, as more particularly provided in sub-clause (i) above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.

10. Contracts, Deeds, Licenses etc.

- i. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible or for the obligations of which the Transferor Companies may be liable, and which are subsisting or have effect immediately before the Appointed Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or oblige thereto.
- ii. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of Part II of this Scheme, be deemed to be authorised to execute any such writings as a successor of the Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies to be carried out or performed.
- iii. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and subject to Applicable Law, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to any Governmental Authority as may be necessary in this behalf.
- iv. Without prejudice to the provisions of Clauses 12 to 15, with effect from the Appointed Date, all transactions between the Transferor Companies and the Transferee Company, if any, that have not been completed, shall stand cancelled.

11. Transfer of Liabilities

- i. With effect from the Appointed Date, all debts, liabilities, loans raised and used, duties and obligations of the Transferor Companies, whether or not recorded in its books and records shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to be transferred to and vested in the Transferee Company to the extent that they



are outstanding on the Appointed Date so as to become as and from the Appointed Date the debts, liabilities, loans, obligations and duties of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts or liabilities have arisen in order to give effect to the provisions of this Clause 12.

- ii. All Encumbrances, if any, existing prior to the Appointed Date over the assets of the Transferor Companies shall, after the Appointed Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Appointed Date.
- iii. Without prejudice to the provisions of the foregoing Clauses the Transferee Company shall execute any instrument(s) and/or document(s) and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the jurisdictional registrar of companies to give formal effect to the above provisions, if required.
- iv. It is hereby clarified that, unless expressly provided for, 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 and liabilities, have arisen, in order to give effect to the provisions of this Clause 12.
- v. Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause 12 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

12. Legal, Taxation and other proceedings

- i. Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal or courts), by or against the Transferor Companies, under any statute, pending on the Appointed Date, shall be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against, as the case may be, the Transferee Company.
- ii. The Transferee Company shall have all legal, taxation or other proceedings initiated by or against the Transferor Companies referred to in Clause 13(i) above transferred to its name as soon as is reasonably possible after the Appointed Date and to have the same continued, prosecuted and enforced by or against the Transferee Company, as a successor of the Transferor Companies.

13. Employees

- i. Upon the coming into effect of this Scheme, all Transferor Companies Employees shall become the employees of the Transferee Company, subject to the provisions hereof without any break in their service and on the basis of continuity of service and, on terms and conditions no less favourable than those on which they are engaged by the Transferor Companies and without any interruption of service as a result of the Amalgamation. For the purpose of payment of any compensation, gratuity and other terminal benefits, the uninterrupted past services of such Transferor Companies Employees with the Transferor Companies shall also be taken into account and paid (as and when payable) by the Transferee Company.
- ii. In so far as the Employee Benefit Funds created by the Transferor Companies or in respect of which the Transferor Companies makes contributions, for the Transferor Companies Employees, all amounts standing to the credit of the Transferor Companies Employees in such Employee Benefit Funds and investments made by such Employee Benefit Funds shall be transferred to such Employee Benefit Funds nominated by the Transferee Company and/or such new Employee Benefit Funds to be established and caused to be recognized by appropriate Governmental Authorities, by the Transferee Company.



- iii. In relation to those Transferor Companies Employees who are not covered under the provident fund trust of the Transferor Companies or who do not enjoy the benefit of any other provident fund trust, and for whom the Transferor Companies is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Companies, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees, such that all the rights, duties, powers and obligations of the Transferor Companies in relation to such provident fund trust shall become those of the Transferee Company.
- iv. Pending the transfer as aforesaid, the Employee Benefit Fund dues of the Transferor Companies Employees would be continued to be deposited in the existing Employee Benefit Funds of the Transferor Companies. It is clarified that upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Companies shall stand dissolved.
- v. Notwithstanding the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Law, shall be entitled to:
 - a. retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Companies; or
 - b. merge the pre-existing funds of the Transferor Companies with other similar funds of the Transferee Company.

14. Treatment of Taxes

- (i) Upon the scheme becoming effective:
 - a. To the extent required, the Transferor Companies and the Transferee Company shall be permitted to revise and file their respective Income Tax returns, withholding Tax returns (including Tax deducted at source certificates), sales Tax, value added Tax, service Tax, central sales Tax, entry Tax, goods and services Tax returns and any other Tax returns: and
 - b. The Transferee Company shall be entitled to: (a) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of the Transferor Company(ies), which may be allowable in accordance with the provisions of the IT Act on or after the Appointed Date: and (b) exclude items such as provisions, reversals, etc. for which no deduction or Tax benefit has been claimed by the Transferor Companies prior to the Appointed Date.
- (ii) Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, unabsorbed Tax depreciation, minimum alternate Tax credit, if any, of the Transferor Company(ies) as on the Effective Date, shall, for all purposes, be treated as unabsorbed Tax depreciation, minimum alternate Tax credit of the Transferee Company. It is further clarified that any unabsorbed depreciation of the Transferor Companies as specified in their respective books of accounts shall be included as unabsorbed depreciation of the Transferee Company for the purposes of computation of minimum alternate Tax.
- (iii) Upon the Scheme becoming effective, the Transferee Company shall be entitled to claim refunds (including refunds or claims pending with the Tax authorities) or credits, with respect to Taxes paid by, for, or on behalf of, the Transferor Company(ies) under Applicable Law (including Tax laws).
- (iv) Upon the Scheme becoming effective, all Taxes, cess, duties and liabilities (direct and indirect), payable by or on behalf of the Transferor Companies, shall, for all purposes, be treated as Taxes, cess, duties and liabilities, as the case may be, payable by the Transferee Company.
- (v) Upon the Scheme becoming effective, all unavailed credits and exemptions and other statutory benefits, including in respect of income Tax, CENVAT, customs, value added Tax, sales Tax, service tax, entry Tax and goods and service Tax to which the Transferor Companies is entitled shall be available to and vest in the Transferee Company, without any further act or deed.



- (vi) Any Tax liability under the IT Act, or any other applicable Tax laws or regulations allocable to the Transferor Companies whether or not provided for or covered by any Tax provisions in the accounts of the Transferor Companies made as on the date immediately preceding the Effective Date, shall be transferred to the Transferee Company. Any surplus in the provision for Taxation or duties or levies in the accounts of the Transferor Companies, including advance Tax and Tax deducted at source as on the close of business in India on the date immediately preceding the Effective Date will also be transferred to the account of the Transferee Company.
- (vii) All Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Companies, pending or arising as at the Effective Date, shall be continued and/or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in this Scheme.
- (viii) Any refund under the IT Act or any other Tax laws related to or due to the Transferor Companies, including those for which no credit is taken as on the date immediately preceding the Effective Date, shall also belong to and be received by the Transferee Company.
- (ix) Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including income Tax, service Tax, excise duty, goods and service Tax and applicable state value added Tax) to which the Transferor Companies is entitled to in terms of applicable Tax laws, shall be available to and vest in the Transferee Company from the Effective Date.
- (x) All the expenses incurred by the Transferor Companies and the Transferee Company in relation to the amalgamation of the Company with the Transferee Company in accordance with this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with section 35DD of the IT Act over a period of five (5) years beginning with the financial year in which this Scheme becomes effective.

15. Conduct

During the period between the approval of the Scheme by the Board of the Transferor Companies and the Board of the Transferee Company and the Effective Date, the business of the Transferor Companies shall be carried out with diligence and business prudence in the ordinary course consistent with past practice in good faith and in accordance with Applicable Law.

16. Saving of concluded transactions

Subject to Clause 15 above, the transfer of assets and liabilities to, and the continuance of proceedings by or against, the Transferee Company as envisaged in this Scheme shall not affect any transaction or proceedings already concluded by the Transferor Companies on or before the Appointed Date (subject to the terms of any agreement with the Transferee Company) to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

17. ISSUE OF SHARES, CANCELLATION OF SHARE CAPITAL OF TRANSFEROR COMPANIES:

The Paid-up capital of the Transferee company consist of 42,11,600 equity shares of face value of Rs.10/- each.

Shareholding Pattern as on June 05, 2020:

Particulars	No of Shareholders -	Share Holdings (Rs.) FV:Rs.10/- each	%
i. Promoters	8	2,23,08,000	52.99
Individual and HUF promoters	4	48,20,000	11.46



Bodies Corporate	4	1,74,88,000	41.53
II. Public Shareholding	39	1,98,00,000	47.01
TOTAL EQUITY SHARES (I+II)	47	4,21,16,000	100.00

17.1. CONSIDERATION/EXCHANGE (SWAP RATIO)

Based on the valuation report dated June 05, 2020 prepared by Registered valuer Ankush Garg registration no. IBBI/RV/02/2018/10010. The Swap ratio was prepared considering the fact that both the Shareholders and Directors of the Companies and the public holdings in the Transferee Listed Company. The swap ratio is determined based on the audited financials for the period ended on December 31, 2019.

- i. The Transferee Company shall allot its 13 (Thirteen) equity shares of Rs.10/- each fully paid-up for every 1 (One) equity share of Transferor Company No. 1 of Rs.10/- each fully paid-up.
- ii. The Transferee Company shall allot its 21 (Twenty-one) equity shares of Rs.10/- each fully paid-up for every 1 (One) equity share of Transferor Company No. 2 of Rs.10/- each fully paid-up.

17.2. As per the ICDR Regulation, 2018 and amendment thereto any increase of promoter holding beyond the 5% of the creeping acquisition of shares under SAST Regulation is not applicable to this scheme. In the Present case the promoter holding will be increased from 52.99% to 64.48%. The promoters are not required to give any open offer under Regulation 10 of SEBI SAST, 2011.

17.3. NETWORTH OF THE TRANSFEREE COMPANY

- (a) The net worth of the transferee company based on the valuation report of the Registered Valuer dated June 05, 2020 based on the Balance Sheet as on December 31, 2019 is Rs. 3,77,41,554/- (Rupees Three Crore Seventy-Seven Lakh Forty-One Thousand Five Hundred Fifty-Four Only).
- (b) The paid-up value per share of the Transferee Company is of Rs. 4,21,16,000/- (Rupees Four Crore Twenty-One Lakh Sixteen Thousand Only) each fully paid up.

17.4. NETWORTH OF THE TRANSFEROR COMPANY NO. 1 & 2

- (a) The net worth of the Transferor Companies individually as per the valuation report of Registered Valuer based on the Balance Sheet dated December 31, 2019 are of:
 - i. Transferor Company No. 1 is Rs. 3,62,95,854/- (Rupees Three Crore Sixty-Two Lakh Ninety-Five Thousand Eight Hundred Fifty-Four Only).
 - ii. Transferor Company No. 2 is Rs. 3,21,13,322/- (Rupees Three Crore Twenty-One Lakh Thirteen Thousand Three Hundred Twenty-Two Only).
- (b) The Aggregate net worth of the Transferor Companies as per the valuation report of Registered Valuer based on the Balance Sheet dated December 31, 2019 is in aggregate of Rs.6,83,43,676/- (Rupees Six Crore Thirty-Three Lakh Forty-Three Thousand Six Hundred Seventy-Six Only) after giving effect to the cross holdings.
- (c) For the purpose of swap ratio, the paid-up value per share of the Transferor Companies to be considered of Rs. 10/- each, fully paid up.
- (d) There will be cancellation of shares and mutual entries on account of cross holdings while deriving the swap ration. In the present case there is no cross holdings.

17.5. SWAP RATIO:

Considering parameters like options of single control point, closure of multiple companies, better governance, cost reduction, meeting single statutory obligations and Liabilities, wider market accessibility,



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easy liquidity; etc., the shareholders of the Transferor Companies have agreed to accept the shares in the following ratio:

- (a) the shares at par of the Transferee company and based on an entitlement and of net worth basis and mutual agreement as most of the shareholders and Directors are same.

The Board of Transferee Company considering the above factors and the shares to be issued post sanction from the Hon'ble NCLT and other statutory authorities by the transferee company as mentioned herein below. The details of the New shares to be issued to the shareholders of Transferor companies are calculated as under:

To the Shareholders of Transferor Company(ies)	No. of shares before merger	Swap Ratio	No. of shares to be issued by the Transferee company of face value of Rs.10/- each
APSARA SELECTIONS LIMITED	4,27,920	(13:1) 13 equity shares for every 1 equity share	55,62,960
SANKHU MERCHANDISE PRIVATE LIMITED	2,40,000	(21:1) 21 equity shares for every 1 equity share	50,40,000

18. Issuance of Transferee Company Shares for Amalgamation

- i. Upon the effectiveness of the Scheme and in consideration of the Amalgamation including the transfer and vesting of the Undertaking in the Transferee Company pursuant to this Scheme, the Transferee Company shall, as soon as possible after the Record Date and in any event no later than 15 (fifteen) days from the Record Date, or such other date as may be required by the Stock Exchange, complete allotment of the Transferee Companies to the Eligible Member (the "Share Exchange Ratio") as per Share Exchange Ratio.
- ii. If any Eligible Member becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of equity shares by the Transferee Company in accordance with this Scheme, and at sole discretion of the Board, who will decide proportion to the respective fractional entitlements which is final and binding upon every share-holders.
- iii. In the event of there being any pending share transfers, whether lodged or outstanding, of any member of the Transferor Companies, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the Transferor Companies and in relation to the shares issued by the Transferee Company, after the effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company on account of difficulties faced in the transaction period.
- iv. The issue and allotment of the Transferee Company Shares by the Transferee Company to Eligible Members as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 62 read with Section 42 of the Act and any other applicable provisions of the Act were duly complied with.
- v. Where Transferee Company Shares are to be allotted to heirs, executors or administrators or, as the case may be, to successors of deceased equity shareholders of the Transferor Companies, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.



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- vi. Promptly upon the issuance of the Transferee Company Shares pursuant to this Clause 18, the Transferee Company shall prepare and file applications, along with all supporting documents, to obtain approval from SEBI and the Stock Exchange, for listing of such Transferee Company Shares.
- vii. Immediately upon receipt of such approval, the Transferee Company shall take all necessary steps to obtain trading approval for the Transferee Company Shares. The Transferee Company shall ensure that steps for listing of the Transferee Company Shares are completed and trading of the Transferee Company Shares commences within the period prescribed under the SEBI Scheme Circular. The Transferee Company Shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing/trading are given by the relevant Stock Exchange.
- viii. The Transferee Company Shares to be issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall rank *pari passu* in all respects and shall have the same rights attached to the then existing equity shares of the Transferee Company.
- ix. If any consolidation, stock split, sub division, reorganization, reclassification or other similar action in relation to the share capital of the Transferor Companies or the Transferee Company, that occurs after the date of approval of the Scheme by the Board of Transferor Companies and the Board of Transferee Company, and on or before the Effective Date, the Share Exchange Ratio shall be subject to equitable adjustments by the directors of the relevant company to reflect such corporate action in such a manner as the relevant company's auditors may determine to be appropriate to reflect such corporate action.
- x. The Transferee Company Shares shall be issued in dematerialized form to all Eligible Members holding the Transferor Companies Shares, in accordance with the Applicable Laws.
- xi. The Transferee Company Shares to be issued by the Transferee Company in respect of the Transferor Company (ies) Shares, the allotment or transfer of which is held in abeyance under Applicable Law shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Transferee Company.
- xii. Pending convertible warrants into equity shares
- There were no convertible warrants in to equity shares pending for allotment in transferee or transferor companies.
- xiii. Partly paid up shares

The Transferee or Transferor Companies does/do not has/have any partly paid up shares as on date.

19. Consequential changes in Shareholding Pattern of Gretex Industries Limited:

Particulars	No of Shareholders - Pre	Pre-Share Holdings (Rs.) FV Rs.10/- each	%	No of Share Holders- Post	Post-Share Holdings (Rs.) FV Rs.10/- each	%
I. Promoters	8	22,31,600	52.99	12	9552430	64.48
Individual & HUF promoters	4	4,82,800	11.46	6	8,22,800	5.55
Bodies Corporate	4	17,48,800	41.52	6	87,29,630	58.93
II. Public Shareholding	39	19,80,000	47.01	42	52,62,130	35.52
TOTAL EQUITY SHARES (I+II)	47	42,11,600	100.00	54	1,48,14,560	100.00

PART III

CHANGES TO THE SHARE CAPITAL OF THE TRANSFEROR COMPANIES AND THE TRANSFEE COMPANY

20. Consolidation of the authorised share capital of the Transferor Companies with the authorised capital of the Transferee Company

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Upon this Scheme becoming effective and pursuant to the reclassification/ reorganization of the resultant authorized share capital of the Transferor Companies as set out in this Scheme but prior to the issuance and allotment of Transferee Company Shares under Clause 18 above, the resultant authorized share capital of the Transferor Companies, shall be deemed to be added to the authorized share capital of the Transferee Company without any requirement of a further act or deed on the part of the Transferee Company (including payment of stamp duty and / or fees payable to the relevant registrar of companies), such that upon the effectiveness of the Scheme, the authorised share capital of the Transferee Company shall be Rs.15,00,00,000/- (Rupees Fifteen Crore only) comprising of 1,50,00,000 equity shares of Rs.10/- (Rupees Ten one) each without any further act, deed, resolution or writing.

21. Amendment of the memorandum of association of the Transferee Company

- i. Pursuant to the consolidation and increase of authorized capital pursuant to Clause 21 above, the memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any requirement of a further act, instrument or deed, be and stand altered, modified and amended, such that Clause 5 of the memorandum of association shall be replaced by the following:

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V. The Authorised Share Capital of the Company Rs.15,00,00,000/- (Rupees Fifteen Crore only) consisting of 1,50,00,000 equity shares of Rs.10/- each. The Company has power from time to time to increase or reduce its capital and to divide the shares in such capital for the time being into secured classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such right, privileges or conditions or restrictions in such manner as may for the time being be permitted by the Articles of Association of the Company or the legislative provision for the time being in force in that behalf.

AOA

3(a) The Authorised Share Capital of the Company is as per Clause V of the Memorandum of Association of the Company."

- ii. It is clarified that the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendments and the increase of authorised capital of the Transferee Company pursuant to Clauses 20 and 21, and no further resolution(s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Act, if any, would be required to be separately passed.
- iii. In accordance with Section 232 (3)(i) of the Act and Applicable Law, the stamp duties and / or fees (including registration fee) paid on the authorised share capital of the Transferor Companies shall be utilized and applied to the increased authorised share capital of the Transferee Company pursuant to Clause 20 above and no stamp duties and/or fees would be payable for the increase in the authorised share capital of the Transferee Company to the extent of the authorised share capital of the Transferor Companies.
- iv. Upon the Scheme becoming effective, the issued, subscribed and paid-up share capital of the Transferee Company shall stand suitably increased consequent upon the issuance of new equity shares in accordance with the Scheme. It is clarified that no special resolution under Section 62 of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of Transferee Company Shares to the members of the Transferor Companies under this Scheme and for the members of the Transferee Company approving this Scheme, it shall be deemed that they have given their consent to the issue of the Transferee Company Shares to the members of the Transferor Companies in terms of the Scheme.
- v. Object of the Transferee company

The transferee company will continue with its main object.



- vi. Object: There will be no change of management of the Transferee company. (vii) Management of the company is vested with the present Board and Promoter and the same will continue even after merger.

This is a consolidation of promoters holding only. The Promoters of the Transferor and Transferee companies are the same. The Transferor companies are the main shareholders of the Transferee Company,

22. Accounting Treatment

The Amalgamation will be accounted in accordance with the "acquisition method" prescribed under the Accounting Standard 14 (Accounting for Amalgamation) as notified under Section 133 of the Companies Act, read together with Rule 7 of The Companies (Accounts) Rules, 2014.

23. Dissolution

Upon the coming into effect of the Scheme, the Transferor Companies shall stand dissolved without winding up.

PART IV

GENERAL TERMS AND CONDITIONS

The provisions of this Part shall be applicable to Part II and Part III of the Scheme.

24. The Transferor Companies and the Transferee Company shall make necessary applications before the NCLT for the sanction of this Scheme under Sections 230 and 232 of the Act.
25. No modifications shall be made to the Scheme unless made in accordance with a written agreement between the Transferor Companies and the Transferee Company to do so. This Scheme shall not be modified, revoked or withdrawn, other than in accordance with a written agreement between the Transferor Companies and the Transferee Company to do so.
26. The coming into effect of this Scheme is conditional upon and subject to:
- i. pursuant to the provisions of the Competition Act, 2002 (including any statutory modification or re-enactment thereof) and the rules and regulations thereunder, the first of the CCI (or any appellate authority in India having appropriate jurisdiction) having either:
 - a. granted approval to the Scheme; or
 - b. been deemed to have granted approval to the Scheme through the expiration of time periods available for their investigation;
 - ii. the Stock Exchange having issued their observation/ no-objection letters as required under the SEBI Listing Regulations read with the SEBI Scheme Circular;
 - iii. this Scheme being approved by the respective requisite majorities of the various classes of members (passed through postal ballot/ e-voting, as applicable) and creditors (where applicable) of the Transferor Companies and the Transferee Company, as required under the Act and the SEBI Scheme Circular, subject to any dispensation that may be granted by the NCLT;
 - iv. sanctions and orders under the provisions of Sections 230 to 232 of the Act being obtained from the benches of the NCLT at Mumbai, Maharashtra and Kolkata, West Bengal;
 - v. the certified copies of the orders of the NCLT approving this Scheme having been filed with the registrar of companies in Maharashtra and Kolkata;



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- vi. there not being any Governmental Order from any Governmental Authority (other than a competition and/or anti-trust authority) that has the effect of making the Amalgamation illegal or otherwise restraining or preventing its consummation; and
- vii. there not being any Governmental Order from any Governmental Authority (other than a competition and/or anti-trust authority) that has the effect of making the transfer of the intellectual property being used in relation to the Transferor Company's business illegal or otherwise restraining or preventing its transfer.

27. Dissolution

- i. Each of the Transferor Companies and the Transferee Company agree that it shall bear by itself all own costs, charges, levies and expenses in relation to or in connection with or incidental to this Scheme until the date of sanction of this Scheme by the NCLT, including without limitation costs and expenses associated with retention of financial, legal, Tax and other professional advisers, and in connection with the valuation report and the fairness opinion issued by their respective valuers and merchant bankers.
- ii. Save as otherwise agreed, all stamp, transfer, registration, and other similar Taxes, duties, charges and fees (including in relation to the registration and the stamping of the sanction orders) payable or assessed in connection with this Scheme, the issuance of Transferee Company Shares and the transfers contemplated by the Scheme shall be borne by Transferee Company.



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APSARA SELECTIONS LIMITED

OFFICE NO. 13, 1ST FLOOR, RAJA BAHADUR MANSION

9-15, HOMI MODI STREET, FORT

NEAR BSE BUILDING, MUMBAI-400023

Mob: 9830025765 E-mail ID: info@apsaraselections.com

CIN: U52190MH2011PLC269248

Schedule of Assets and Liabilities

Apsara Selections Limited (Transferor Company No. 1)
OFFICE NO. 13, 1ST FLOOR, RAJA BAHADUR MANSION
9-15, HOMI MODI STREET, FORT
NEAR BSE BUILDING, MUMBAI-400023
Email ID: info@apsaraselections.com

Schedule of Assets and Liabilities as on 31st March, 2023	
Particulars	Amount (In Rs.)
EQUITY AND LIABILITIES	
Shareholders Fund	5,82,09,562.50
Share Capital	3,68,21,120.00
Reserve & Surplus	1,71,09,242.50
Profit % Loss A/c	42,79,200.00
Non-Current Liabilities	
Current Liabilities	55,03,625.75
Sundry Creditors	20,495.75
Provisions	54,84,480.00
Duties & taxes	-1,350.00
Total	6,37,13,188.25
ASSETS	
Non Current Assets	3,92,000.00
Fixed Assets	3,92,000.00
Current Assets	6,33,21,188.25
Deposits (Asset)	2,03,411.00
Cash & Cash Equivalents	3,20,592.83
Short Term Loans & Advances	6,24,08,864.00
Bank Accounts	3,88,320.42
Total	6,37,13,188.25

For Apsara Selections Limited

RAJKUMARI HARLALKA
Digitally signed by
RAJKUMARI HARLALKA
Date: 2024.04.13
13:06:56 +05'30'

Rajkumari Harlalka
Director (03519046)

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SANKHU MERCHANDISE PRIVATE LIMITED

OFFICE NO. 13, 1ST FLOOR, RAJA BAHADUR MANSION

9-15, HOMI MODI STREET, FORT

NEAR BSE BUILDING, MUMBAI-400023

Mob: 9830025765, E-mail ID: arvind@gretexgroup.com

CIN: U52190MH2011PTC269247

Schedule of Assets and Liabilities

Sankhu Merchandise Private Limited (Transferor Company No. 2)

OFFICE NO. 13, 1ST FLOOR, RAJA BAHADUR MANSION

9-15, HOMI MODI STREET, FORT

NEAR BSE BUILDING, MUMBAI-400023

Email ID: arvind@gretexgroup.com

Schedule of Assets and Liabilities as on 31st March, 2023	
Particulars	Amount (In Rs.)
EQUITY AND LIABILITIES	
Shareholders Fund	3,15,54,274.91
Share Capital	24,00,000.00
Reserve & Surplus	2,91,54,274.91
Non-Current Liabilities	48,00,000.00
Unsecured Loans	48,00,000.00
Current Liabilities	23,862.00
Provisions	17,962.00
Audit Fees Payable	5,900.00
Total	3,63,78,136.91
ASSETS	
Non Current Assets	3,47,00,700.00
Investment in Shares	3,47,00,700.00
Current Assets	16,77,436.91
Deposits(Asset)	27,000.00
Cash & Cash Equivalents	1,98,011.00
Bank Accounts	14,52,425.91
Total	3,63,78,136.91

For Sankhu Merchandise Private Limited

ARVIND Digitally signed by
ARVIND HARLALKA
HARLALKA Date: 2024.04.13
13:10:07 +05'30'

Arvind Harlalka
Director
00494136

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