

GIL/KOL/2017-18

January 24, 2018

Corporate Relationship Manager <b>Bombay Stock Exchange Limited</b> Floor 25, P J Towers, Dalal Street, Mumbai- 400 001. INDIA. Scrip Code: 533265	Mr. Hari K. – V.P.-Listing <b>National Stock Exchange of India Limited</b> "EXCHANGE PLAZA", Bandra – Kurla Complex, Bandra (East), Mumbai- 400 051. INDIA. Scrip Code: GALLISPAT
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Sir/Madam,

**SUB: OUTCOME OF THE BOARD MEETING – WEDNESDAY, 24.01.2018- MEETING OF THE BOARD COMMENCED AT 11.30 A.M. AND CONCLUDED AT 8.00 P.M.**

The Board of Directors at their meeting held on today the 24<sup>th</sup> January, 2018, *inter alia* has decided and approved following **important** businesses:

**1. APPROVAL OF THE SCHEME OF AMALGAMATION**

Board of Directors of the Company has approved Scheme of Amalgamation of Bhavika Smelters and Food Products Private Limited, Shrinu Rolls and Milling Private Limited, Satlaj Rolls and Milling Private Limited and Antarmukh Steel Manufacturer Private Limited with Gallantt Ispat Limited (hereafter referred to as "the Company").

All the above amalgamating Companies are Wholly Owned Subsidiaries of the Company within the meaning of the Companies Act, 2013 and rules made thereunder.

Separate Disclosure for all the above Companies as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed herewith.

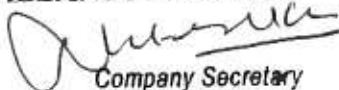
Further, we are enclosing herewith Scheme of Amalgamation as approved by the Board of Directors today.

Thanking you,

Yours faithfully,

**GALLANTT ISPAT LIMITED**

**GALLANTT ISPAT LTD.**



Company Secretary

Nitesh Kumar

**(COMPANY SECRETARY)**

Encl: As above

**GALLANTT ISPAT LIMITED**



DISCLOSURE UNDER REGULATION 30 OF THE SEBI (LODR) REGULATIONS,  
2015 FOR AMALGAMATION OF BHAVIKA SMELTORS AND FOOD PRODUCTS  
PRIVATE LIMITED AS A WHOLLY OWNED SUBSIDIARY OF THE COMPANY

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Company shall not pay any consideration on merger as Bhavika Smeltors is a Wholly Owned Subsidiary of the Company.

f. Brief details of change in shareholding pattern if any.



**GALANT**

Company shall not pay any consideration on merger as Shrinu Rolls is a Wholly

**DISCLOSURE UNDER REGULATION 30 OF THE SEBI (LODR) REGULATIONS, 2015 FOR AMALGAMATION OF SATLAJ ROLLS AND MILLING PRIVATE LIMITED AS A WHOLLY OWNED SUBSIDIARY OF THE COMPANY**

- a. Name and other details in brief such as size, turnover etc. of entities forming part of the amalgamation

Name of the transferor entity is SATLAJ ROLLS AND MILLING PRIVATE LIMITED (hereinafter referred to as "Satlaj Rolls"). Satlaj Rolls has been incorporated in India under the Companies Act, 1956. Main object Satlaj Rolls is Iron, Steel and Flour and Agro Products. Object of the Satlaj Rolls is same as that of the Company. Other information are given hereunder.

- b. Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/group companies have any interest in the entity being acquired?

Transaction of amalgamation of Satlaj Rolls, Wholly Owned Subsidiary with the Company falls under the Related Party Transactions of the Company. Since, this is an amalgamation between the Wholly Owned Subsidiary and the Company, hence, no consideration is to be discharged, accordingly, the question of "arm's length does not arise.

- c. Area of business of the entity(ies)

Satlaj Rolls belongs to Iron, Steel and Flour and Agro Industry. Main Business of Satlaj Rolls is as same as that of the Company. Through amalgamation, the business will be combined with that of the Company business.

- d. rationale for amalgamation/ merger

Rationale behind the amalgamation is to attain better, efficient and economical management, control and running of the business of the undertakings concerned and for administrative convenience and to obtain advantage of economy of large scale and to broad base the present business. Hence, the present Scheme is proposed to amalgamate the TRANSFEROR COMPANY with the COMPANY.

- e. In case of cash consideration – amount or otherwise share exchange ratio

**GALLANTT ISPAT LIMITED**

1, CROOKED LANE, SECOND FLOOR, ROOM NOS. 222 & 223, KOLKATA - 700 069  
Tel. : 033-4064 2189, Telefax : 033-2231 2429, e-mail : gil@gallantt.com, Website : www.gallantt.com  
Factory : AL-5, Sector-23, Sahjanwa, District - Gorakhpur-Uttar Pradesh  
Corporate Identification No. : L27109WB2005PLC101650

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Company Secretary



Company shall not pay any consideration on merger as Satlaj Rolls is a Wholly Owned Subsidiary of the Company.

f. **Brief details of change in shareholding pattern (if any) of listed entity.**

There will be no change in shareholding pattern of the Company pursuant to the Scheme of Amalgamation as no shares shall be issued.

**DISCLOSURE UNDER REGULATION 30 OF THE SEBI (LODR) REGULATIONS, 2015 FOR AMALGAMATION OF ANTARMUKH STEEL MANUFACTURER PRIVATE LIMITED AS A WHOLLY OWNED SUBSIDIARY OF THE COMPANY**

- a. **Name and other details in brief such as size, turnover etc. of entities forming part of the amalgamation**

Name of the transferor entity is ANTARMUKH STEEL MANUFACTURER PRIVATE LIMITED (hereinafter referred to as "Antarmukh Steel"). Antarmukh Steel has been incorporated in India under the Companies Act, 1956. Main object Antarmukh Steel is Iron, Steel and Flour and Agro Products. Object of the Antarmukh Steel is same as that of the Company. Other information are given hereunder.

- b. **Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/group companies have any interest in the entity being acquired?**

Transaction of amalgamation of Antarmukh Steel, Wholly Owned Subsidiary with the Company falls under the Related Party Transactions of the Company. Since, this is an amalgamation between the Wholly Owned Subsidiary and the Company, hence, no consideration is to be discharged, accordingly, the question of "arm's length does not arise.

- c. **Area of business of the entity(ies)**

Antarmukh Steel belongs to Iron, Steel and Flour and Agro Industry. Main Business of Antarmukh Steel is as same as that of the Company. Through amalgamation, the business will be combined with that of the Company business.

- d. **rationale for amalgamation/ merger**

Rationale behind the amalgamation is to attain better, efficient and economical management, control and running of the business of the undertakings concerned and for administrative convenience and to obtain advantage of economy of large scale and to broad base the present business. Hence, the present Scheme is proposed to amalgamate the TRANSFEROR COMPANY with the COMPANY.

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Company Secretary

GALLANTT ISPAT LIMITED

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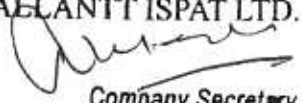
e. **In case of cash consideration – amount or otherwise share exchange ratio**  
Company shall not pay any consideration on merger as Antarmukh Steel is a Wholly Owned Subsidiary of the Company.

f. **Brief details of change in shareholding pattern (if any) of listed entity.**  
There will be no change in shareholding pattern of the Company pursuant to the Scheme of Amalgamation as no shares shall be allotted.

g. **Brief background about Antarmukh Steel**

Antarmukh Steel has been incorporated in the year 2010. Presently, it is in Iron, Steel and agro business objects. Company has small turnover of Rs. 0.15 Lacs, Rs. 0.23 Lacs and Rs. 106.84 Lacs in the financial year 2014-15, 2015-16 and 2016-17 respectively whereas the net worth remains Rs. 4640.52 Lacs, Rs. 4640.53 Lacs and Rs. 4639.98 Lacs in same years. The Entire Shares of the Company has been acquired with a view to acquire control of the Company. Company has presence in India only.

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Company Secretary

GALLANTT ISPAT LIMITED

1, CROOKED LANE, SECOND FLOOR, ROOM NOS. 222 & 223, KOLKATA - 700 069  
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Factory : AL-5, Sector-23, Sahjanwa, District - Gorakhpur-Uttar Pradesh  
Corporate Identification No. : L27109WB2005PLC101650

**SCHEME OF AMALGAMATION  
UNDER SECTIONS 233 OF THE COMPANIES ACT, 2013**

**BETWEEN**

**ANTARMUKH STEEL MANUFACTURER PRIVATE LIMITED**

(TRANSFEROR COMPANY NO. 1)

AND

**BHAVIKA SMELTORS AND FOOD PRODUCTS PRIVATE LIMITED**

(TRANSFEROR COMPANY NO. 2)

AND

**SHRINU ROLLS AND MILLING PRIVATE LIMITED**

(TRANSFEROR COMPANY NO. 3)

AND

**SATLAJ ROLLS AND MILLING PRIVATE LIMITED**

(TRANSFEROR COMPANY NO. 4)

AND

**GALLANTT ISPAT LIMITED**

(TRANSFeree COMPANY)

**CONTENTS OF THE SCHEME**

SL.NO	PART	CONTENTS
1	PART I	GENERAL
2	PART II	DEFINITION AND SHARE CAPITAL
3	PART III	TRANSFER AND VESTING OF UNDERTAKING OF TRANSFEROR COMPANIES
4	PART IV	ISSUE OF EQUITY SHARES BY THE TRANSFeree COMPANY

## **PART I**

### **GENERAL**

#### **A. DESCRIPTION OF COMPANIES AND BACKGROUND:**

1. **ANTARMUKH STEEL MANUFACTURER PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: U27100WB2010PTC144100) and having its Registered Office at 12, Hemanta Basu Sarani (East), Room No. 1 MC, First Floor (Mezzanine), Kolkata-700069 in the State of West Bengal (hereinafter referred to as "THE TRANSFEROR COMPANY NO. 1" or "THE AMALGAMATING COMPANY"). The TRANSFEROR COMPANY NO. 1 is present engaged in Trading activities. The TRANSFEROR COMPANY NO. 1 is a wholly owned subsidiary of the TRANSFEREE COMPANY. The shares of the TRANSFEROR COMPANY NO. 1 are not listed in any stock exchange.
  
2. **BHAVIKA SMELTORS AND FOOD PRODUCTS PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: U27100WB2009PTC133963) and having its Registered Office at 12, Hemanta Basu Sarani (East), Room No. 1 MC, First Floor (Mezzanine), Kolkata-700069 in the State of West Bengal (hereinafter referred to as "THE TRANSFEROR COMPANY NO. 2" or "THE AMALGAMATING COMPANY"). The TRANSFEROR COMPANY NO. 2 is present

Registered Office at 12, Hemanta Basu Sarani (East), Room No. 1 MC, First Floor (Mezzanine), Kolkata-700069 in the State of West Bengal (hereinafter referred to as "THE TRANSFEROR COMPANY NO. 3" or "THE AMALGAMATING COMPANY"). The TRANSFEROR COMPANY NO. 3 is present engaged in Trading activities. The TRANSFEROR COMPANY NO. 3 is a wholly owned subsidiary of the TRANSFEREE COMPANY. The shares of the TRANSFEROR COMPANY NO. 3 are not listed in any stock exchange.

4. **SATLAJ ROLLS AND MILLING PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: U27100WB2010PTC144257) and having its Registered Office at 12, Hemanta Basu Sarani (East), Room No. 1 MC, First Floor (Mezzanine), Kolkata-700069 in the State of West Bengal (hereinafter referred to as "THE TRANSFEROR COMPANY NO. 4" or "THE AMALGAMATING COMPANY"). The TRANSFEROR COMPANY NO.4 is present engaged in Trading activities. The TRANSFEROR COMPANY NO. 4 is a wholly owned subsidiary of the TRANSFEREE COMPANY. The shares of the TRANSFEROR COMPANY NO. 4 are not listed in any stock exchange.
5. **GALLANT ISPAT LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: L27109WB2005PLC101650) and having its Registered Office at 1, Crooked Lane, Second Floor, Room No. 222 & 223, Kolkata-700069 in the State of West Bengal (herein after referred to as the "TRANSFEREE COMPANY" or the "AMALGAMATED COMPANY"). The TRANSFEREE COMPANY is presently engaged in the manufacturing of iron & steel products and multi agro products and Real Estate Business. The shares of the TRANSFEREE COMPANY are listed at National Stock Exchange of India Limited and BSE Limited.

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Company Secretary

6. This Scheme of Amalgamation provides for the amalgamation of the **TRANSFEROR COMPANIES** with the **TRANSFeree COMPANY** pursuant to Sections 233 and other relevant provisions of the Companies Act, 2013 and read with Companies (Compromises, Arrangements and Amalgamations) Rules 2016 that is applicable in the case of amalgamation of wholly owned subsidiary companies with its Holding Company.

The **TRANSFEROR COMPANIES** are wholly owned subsidiaries of the **TRANSFeree COMPANY** and accordingly this Scheme of Amalgamation has been drawn pursuant to Sec 233 of the Act which governs wholly owned subsidiary company.

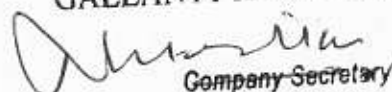
#### **B. RATIONALE FOR THE SCHEME :**

The amalgamation of the T

restructuring and re-organizing its business activities and Capital Structure;

- e) To achieve cost savings from more focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements and rationalization of administrative expenses
- f) The amalgamation will enable the amalgamated company to broad base their business activities under the roof of the **TRANSFeree COMPANY**;
- g) The amalgamation will result in economy of scale including reduction in overhead expenses relating to management and administration in better and more productive utilization of various resources;
- h) The business of the Company can be conveniently and advantageously combined together and in general business of the Company concerned will be carried on more economically and profitably under the said scheme;
- i) The said Scheme of Amalgamation will enable the establishment of a larger company with larger resources and a larger capital base enabling further development of the business of the company concerned. The said scheme will also enable the undertakings and business of the said applicant company to obtain greater facilities possessed and enjoyed by one large company compared with a number of small Company for raising capital, securing and conducting trade on favorable terms and other benefits;
- j) The said scheme will contribute in furthering and fulfilling the objects of the Company concerned and in the growth and development of these businesses;

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- k) The said scheme will strengthen and consolidate the position of the amalgamated company and will enable the amalgamated company to increase its profitability;
- l) The said scheme will enable the undertakings concerned to pool their resources and to expand their activities;
- m) The said scheme will enable the Company concerned to rationalize and streamline their management, business and finances and to eliminate duplication of work to their common advantages;
- n) The merger will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor Companies and the Transferee Company
- o) The said scheme will have beneficial results for the Company concerned, their shareholders, employees and all concerned.
- p) The banks, creditors and financial institutions, if any, are not adversely affected by the proposed merger as their security and asset cover will be maintained

q) The other benefits of the proposed amalgamation

In view of the aforesaid, the Board of Directors of the **TRANSFEROR COMPANIES** and the **TRANSFeree COMPANY** have considered and proposed the amalgamation of the entire undertaking and business of the **TRANSFEROR COMPANIES** with the **TRANSFeree COMPANY** in order to benefit the stakeholders



## 1. DEFINITIONS

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

- a) **"THE ACT"** means the Companies Act, 2013 including any statutory modifications, re-enactments or amendments thereof.
- b) **"APPOINTED DATE"** For the purpose of this Scheme means **1st April, 2017.**
- c) **"BOARD OF DIRECTORS" or "BOARD"** means the board of directors of the **TRANSFEROR COMPANIES** or the **TRANSFeree COMPANY**, as the case may be, and shall include a duly constituted committee(s) thereof;
- d) **"EFFECTIVE DATE"** means the last of the dates on which the certified or authenticated copy of the orders of the Regional Director, Ministry Of Corporate Affairs or by the Hon'ble National Company Law Tribunal, Kolkata Bench, in the event the scheme is referred by the Central Government to the Hon'ble National Company Law Tribunal, sanctioning the Scheme are filed with the Registrar of Companies by the **TRANSFEROR COMPANIES** and by the **TRANSFeree COMPANY**. Any references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date.
- e) **"GOVERNMENTAL AUTHORITY"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India;
- f) **"SCHEME" or "THE SCHEME" or "THIS SCHEME"** means this Scheme of Amalgamation drawn pursuant to Section 233

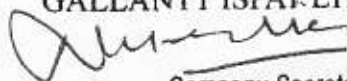
the Central Government, Regional Director, Eastern Region, Ministry of Corporate Affairs at Kolkata with any modification(s) made under clause no. 16 of PART-VI of this Scheme.

- g) **"TRANSFEROR COMPANY NO. 1"** means **ANTARMUKH STEEL MANUFACTURER PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: U27100WB2010PTC144100) and having its Registered Office at 12, Hemanta Basu Sarani (East), Room No. 1 MC, First Floor (Mezzanine), Kolkata-700069 in the State of West Bengal.
- h) **"TRANSFEROR COMPANY NO. 2"** means **BHAVIKA SMELTORS AND FOOD PRODUCTS PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: U27100WB2009PTC133963) and having its Registered Office at 12, Hemanta Basu Sarani (East), Room No. 1 MC, First Floor (Mezzanine), Kolkata-700069 in the State of West Bengal.
- i) **"TRANSFEROR COMPANY NO. 3"** means **S'JAN' TRU' ROL .LS**

at 12, Hemanta Basu Sarani (East), Room No. 1 MC, First Floor (Mezzanine), Kolkata-700069 in the State of West Bengal.

- k) **"TRANSFeree COMPANY"** means **GALLANT ISPAT LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: L27109WB2005PLC101650) and having its Registered Office at 1, Crooked Lane, Second Floor, Room No. 222 & 223, Kolkata-700069 in the State of West Bengal.
- l) **"TRANSFEROR COMPANY NO. 1 to 4"** are collectively referred and called as **"AMALGAMATING COMPANIES or TRANSFEROR COMPANIES"**.
- m) **"THE CENTRAL GOVERNMENT"** means the **"REGIONAL DIRECTOR, EASTERN REGION, MINISTRY OF CORPORATE AFFAIRS"** or such authority as may be prescribed under section 233 of the **Companies Act, 2013** or Rules therein.
- n) **"THE TRIBUNAL" or "THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL"** shall mean the Hon'ble National Company Law Tribunal, Kolkata Bench.
- o) **"UNDERTAKING"** means the whole of the undertaking and entire business of the **TRANSFEROR COMPANIES** as a going concern, including (without limitation):
- (i) All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Companies, including but not limited to, plant and machinery,

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Company Secretary

equipment, buildings and structures, offices,  
residential and other premises, vehicles, sundry

and all other rights including, title, interests, other benefits (including tax benefits), easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the TRANSFEROR COMPANIES and advantages of whatsoever nature and where so ever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the TRANSFEROR COMPANIES or in connection with or relating to the TRANSFEROR COMPANIES and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies,

- (ii) All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Companies, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised;
- (iii) All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, covenants, rights, and obligations

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9,40,000 Equity Shares of Rs. 10/- each	94,00,000/-
<b>ISSUED , SUBSCRIBED AND PAID-UP</b>	
9,37,900 Equity Shares of Rs. 10/- each fully paid-up	93,79,000/-

**B. TRANSFEROR COMPANY NO. 2**

The authorized, subscribed and paid-up share capital of the TRANSFEROR COMPANY NO. 2 as on March 31, 2017 was as under:

<b>Particulars</b>	<b>Rs.</b>
<b>AUTHORISED SHARE CAPITAL</b>	
10,10,000 Equity Shares of Rs. 10/- each	1,01,00,000/-
<b>ISSUED , SUBSCRIBED AND PAID-UP</b>	
10,03,000 Equity Shares of Rs. 10/- each fully paid-up	1,00,30,000/-

**C. TRANSFEROR COMPANY NO. 3**

The authorized, subscribed and paid-up share capital of the TRANSFEROR COMPANY NO. 3 as on March 31, 2017 was as under:

<b>Particulars</b>	<b>Rs.</b>
<b>AUTHORISED SHARE CAPITAL</b>	
2,60,000 Equity Shares of Rs. 10/- each	26,00,000/-
<b>ISSUED , SUBSCRIBED AND PAID-UP</b>	

<b>ISSUED , SUBSCRIBED AND PAID-UP</b>	
9,85,340 Equity Shares of Rs. 10/- each fully paid-up	98,53,400/-

**E. TRANSFEREE COMPANY**

The authorized, subscribed and paid-up share capital of the TRANSFEREE COMPANY as on March 31, 2017 was as under:

<b>Particulars</b>	<b>Rs.</b>
<b>AUTHORISED SHARE CAPITAL</b>	
4,66,85,000 Equity Shares of Rs. 10/- each	46,68,50,000/-
<b>ISSUED , SUBSCRIBED AND PAID-UP</b>	
2,82,36,072 Equity Shares of Rs. 10/- each fully paid-up	28,23,60,720/-

The entire paid-up share capital of the TRANSFEROR COMPANIES is held by the TRANSFEREE COMPANY.

Therefore, The Scheme of Amalgamation has been drawn pursuant to Sec 233 of the Act as applicable to small and wholly owned subsidiary company.

**3. DATE OF TAKING EFFECT AND OPERATIVE DATE**

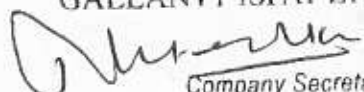
The Scheme set out herein in its present form or with any modifications approved or imposed or directed by the Central Government (Regional Director, Eastern Region, Ministry of Corporate Affairs) shall be operative from the Appointed Date but shall be effective from the Effective Date.

**P A R T – III**

**TRANSFER AND VESTING OF UNDERTAKING OF  
TRANSFEROR COMPANIES**

**1. TRANSFER OF UNDERTAKING**

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Company Secretary



Upon the coming into effect of this Scheme and with effect  
from the Appointed Date the Undertaking pursu



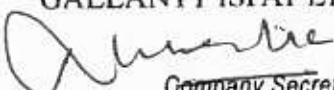
Sections 233 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the **TRANSFeree COMPANY** so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registration,

**TRANSFEROR COMPANIES** on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the **TRANSFeree COMPANY**, and shall under the provisions of Sections 233 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the **TRANSFeree COMPANY** upon the coming into effect of this Scheme. Provided however that no onerous assets shall have been acquired by the **TRANSFEROR COMPANIES** after the Appointed Date without the consent of the **TRANSFeree COMPANY** as provided for in this Scheme.

#### **1.2 TRANSFER OF LIABILITIES :**

- i. Upon the coming into effect of this Scheme and with effect from the Appointed Date all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts, sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the **TRANSFEROR COMPANIES** of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations (herein referred to as the "Liabilities"), shall, pursuant to the sanction of this Scheme by the Central Government, Regional Director, Eastern Region , Ministry of

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Corporate Affairs, under and in accordance with the provisions of Sections 233 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the **TRANSFeree COMPANY**, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the **TRANSFeree COMPANY** to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the **TRANSFeree COMPANY** on the same terms and conditions as were applicable to the **TRANSFEROR COMPANIES**, and the **TRANSFeree COMPANY** shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

- ii. All debts, liabilities, duties and obligations of the Undertaking as on the Appointed Date, whether or not provided in the books of the respective **TRANSFEROR COMPANIES**, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the

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Company Secretary

**TRANSFeree COMPANY** by virtue of this Scheme.

iii. Where any such debts, loans raised, liabilities

charges, if any, affecting the same, as and to the extent hereinafter provided.

- ii. All the existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances"), if any, as on the Appointed Date and created by the **TRANSFEROR COMPANIES** after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the **TRANSFeree COMPANY** by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the **TRANSFEROR COMPANIES**, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the **TRANSFeree COMPANY**.

- iv. Any reference in any security documents or arrangements (to which the **TRANSFEROR COMPANIES** is a party) to the **TRANSFEROR COMPANIES** and its assets and properties shall be



to stand modified and/or superseded by the foregoing provisions.

- viii. All Charges created or any encumbrances existing or subsisting on any asset of the TRANSFEROR COMPANY shall be transferred to the TRANSFEREE COMPANY and enforceable against the TRANSFEREE COMPANY as if the TRANSFEREE COMPANY has created the said charges or any encumbrances on the said assets .

In the event any charges cannot be switched over on account of any technicalities the TRANSFEROR COMPANY(IES) and TRANSFEREE COMPANY shall liaison with the charge holder whereby the charges stands shifted to vested in the TRANSFEREE COMPANY.

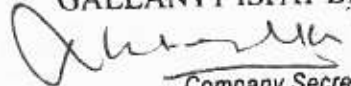
### 3. INTER - SE TRANSACTIONS :

Without prejudice to the provisions of paragraph 1 with effect from the Appointed Date, all inter-party transaction between the **TRANSFEROR COMPANIES** and the **TRANSFEREE COMPANY** or the **TRANSFEROR COMPANIES** inter se shall be considered as intra-party transactions for all purposes. Such transactions such stand cancelled and nullified upon coming into effect of the Scheme .

### 4. CONTRACTS, DEEDS, 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, assurances and other instruments of whatsoever nature to which the **TRANSFEROR COMPANIES** are a party or to the benefit of which the **TRANSFEROR COMPANIES** may be eligible, and which are

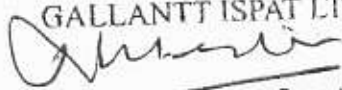
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subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of, as the case may be, the **TRANSFeree COMPANY** and may be enforced as fully and effectually as if, instead of the **TRANSFEROR COMPANIES**, the **TRANSFeree COMPANY** had been a party or beneficiary or obligee or obligor thereto or there under.

- 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, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the **TRANSFEROR COMPANIES** are a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The **TRANSFeree COMPANY** shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the **TRANSFEROR COMPANIES** and to carry out or perform all such formalities or compliances referred to above on the part of the **TRANSFEROR COMPANIES**.

- 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, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or

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executed in favour of the **TRANSFEROR COMPANIES** shall without any further act or deed, stand transferred to the **TRANSFeree COMPANY**, as if the same were originally given by, issued to or executed in favour of the **TRANSFeree COMPANY**, and the **TRANSFeree COMPANY** shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same.

pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Undertaking or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the **TRANSFEE COMPANY** in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the **TRANSFEROR COMPANIES** as if this Scheme had not been made.

**6. CONDUCT OF BUSINESS:**

- a) With effect from the Appointed Date and up to and including the Effective Date:
  - i. The **TRANSFEROR COMPANIES** shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for, the **TRANSFEE COMPANY**.
  - ii. All the profits or income accruing or arising to the **TRANSFEROR COMPANIES**, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the **TRANSFEROR COMPANIES** shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the

**COMPANIES** shall be deemed to have been exercised by the **TRANSFEROR COMPANIES** for and on behalf of and as agent for the **TRANSFeree COMPANY**. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the **TRANSFEROR COMPANIES** shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the **TRANSFeree COMPANY**.

- b) With effect from the date of filing of this Scheme with the Central Government (Regional Director, Eastern Region, Ministry of Corporate Affairs) and up to and including the Effective Date, **TRANSFEROR COMPANIES** shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional

- ii. if the same is permitted by this Scheme; or
  - iii. if consent of the Board of Directors of the **TRANSFeree COMPANY** has been obtained.
- c) The Transferor Companies shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations (ii) any agreement or transaction; and (iii) such other matters as the **TRANSFeree COMPANY** may notify from time to time save and except in each case in the following circumstances:
- i) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the Central government, Regional Director, Eastern Region, Ministry of Corporate Affairs
  - ii) if the same is permitted by this Scheme; or
  - iii) if consent of the Board of Directors of the **TRANSFeree COMPANY** has been obtained.
- d) Without prejudice to the generality of Clause (c) above, the **TRANSFEROR COMPANIES** shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares) decrease, reduction, reclassification, subdivision or consolidation, re-organization, or in any other manner except by way of making calls on partly paid shares to make them as fully paid, which may, in any way, affect the Share Exchange Ratio (as provided in paragraph 10 of PART IV below), except under any of the following circumstances:

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- i) by mutual consent of the Board of Directors of the **TRANSFEROR COMPANIES** and of the **TRANSFeree COMPANY**; or
- ii) as may be permitted under this Scheme.

**7. TREATMENT OF TAXES :**

- a) Any tax liabilities under the Income-Tax Act, 1961, service Tax/GST, stamp laws or other applicable laws/regulations (hereinafter in this Clause referred to as "**Tax Laws**") dealing with taxes/ duties/ levies allocable or related to the business of the **TRANSFEROR COMPANIES** to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the **TRANSFeree COMPANY**.
- b) All taxes (including income Tax, Service Tax/GST, etc.) paid or payable by the **TRANSFEROR COMPANIES** in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the **TRANSFeree COMPANY** and, insofar as, it relates to the tax payment, including without



- c) Any refund under the Tax Laws due to the **TRANSFEROR COMPANIES** consequent to the assessments made on 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.**
- d) Without prejudice to the generality of the above, all benefits including that of withholding tax (TDS) under the Income Tax, Service Tax/GST, etc., to which the **TRANSFEROR COMPANIES** is entitled to in terms of the applicable Tax Laws shall be available to and vest in the **TRANSFeree COMPANY.**

**8. EMPLOYEES**

Upon the coming into effect of this Scheme, the permanent employees of the **TRANSFEROR COMPANIES** who are on employment as on the Effective Date shall become the permanent employees of the **TRANSFeree COMPANY** with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favorable than those on which they are employed.



remuneration of the employees of the TRANSFEROR COMPANIES on the same basis as it may do for the employees of the TRANSFEREE COMPANY.

**9. SAVING OF CONCLUDED TRANSACTIONS**

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the **TRANSFEROR COMPANIES** under Paragraph 1 of PART III of this Scheme shall not affect any transactions or proceedings already concluded by the **TRANSFEROR COMPANIES** on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the **TRANSFEREE COMPANY** accepts and adopts all acts, deeds and things made, done and executed by the **TRANSFEROR COMPANIES** as acts, deeds and things made, done and executed by or on behalf of the **TRANSFEREE COMPANY**.

**PART IV**

**ISSUE OF EQUITY SHARES BY THE TRANSFEREE COMPANY**

The provisions of this **PART IV** shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.

- b) Upon the coming into effect of this scheme, the share certificates, if any, and /or the shares representing the shares held by the transferee company in the Transferor Companies shall be deemed to be cancelled without any further act or deed.

**11. AMENDMENT TO MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE TRANSFEEE COMPANY**

**Increase in authorised share capital of the Transferee Company**

Upon the Scheme coming into effect, the authorised share capital of the **TRANSFEEE COMPANY** in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the **TRANSFEEE COMPANY**, including payment of stamp duty and fees payable to Registrar of Companies, by an amount of Rs. 3,20,00,000/- (Rupees Three Crore Twenty Lacs only), and the Memorandum of Association and Articles of Association of the **TRANSFEEE COMPANY** (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14, 61, 64 and any other applicable provisions of the Companies Act 2013 would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the **TRANSFEROR COMPANIES** on their respective authorised share capital shall be utilized and applied to the increased share capital of the **TRANSFEEE COMPANY**, and shall be deemed to have been so paid by the **TRANSFEEE**

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**COMPANY** on such combined authorised share capital and accordingly, the **TRANSFEEE COMPANY** shall not be required to pay any fees / stamp duty on the authorised share capital so increased.

Accordingly, in terms of this Scheme, the authorised share capital of the **TRANSFEEE COMPANY** shall stand enhanced to an amount of Rs. 49,88,50,000/- (Rupees Forty Nine Crores Eighty Eight Lacs Fifty Thousands only) divided into 4,98,85,000 equity shares of Rs. 10/- each. The capital clause being Clause V of the Memorandum of Association shall on the Effective Date stand substituted to read as follows:

"The Authorised Share Capital of the Company is 49,88,50,000/- (Rupees Forty Nine Crores Eighty Eight Lacs Fifty Thousands only) divided into 4,98,85,000 (Four Crores Ninety Eight Lacs Eighty Five Thousand) equity shares of Rs. 10/- each (Rupees Ten) each with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being with power to increase and reduce the capital of the Company and to attach thereto respectively such preferential, rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company, and to vary, modify on any / each rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company."

12. The Scheme does not contain any reduction in the share capital of the **TRANSFEEE COMPANY** as per Sec. 66 of the Companies Act, 2013.

#### **PART V**

#### **ACCOUNTING TREATMENT**

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### 13. ACCOUNTING TREATMENT :

- a) Upon the Scheme becoming effective and with effect from the Appointed Date, for the purpose of accounting for and dealing with the value of the assets and liabilities in the books of the **TRANSFeree COMPANY**, the **TRANSFeree COMPANY** shall record all the assets and liabilities of the **TRANSFEROR COMPANIES** transferred to and vested in the **TRANSFeree COMPANY** pursuant to this Scheme, at their respective book values as appearing in the books of the **TRANSFEROR COMPANIES**.
- b) The **TRANSFeree COMPANY** shall preserve the identity of the reserves of the **TRANSFEROR COMPANIES** transferred to and vested in the **TRANSFeree COMPANY** and shall record in its books in the same form in which they appear in the books of the **TRANSFEROR COMPANIES**.
- c) The shares held by the **TRANSFeree COMPANY** in the **TRANSFEROR COMPANIES** on the Effective Date shall be cancelled and the amount of such investment cancelled shall be adjusted to Capital Reserve.
- d) No new shares will be issued of

reduced by Reserves recorded in TRANSFEREE COMPANY pursuant to clause (b) and after giving effect to inter-company balances as per clause (e) shall be adjusted to Capital Reserve of the TRANSFEREE COMPANY. For the purpose of this clause 1, Net Assets would mean difference between the book value of assets and liabilities.

- f) In order to ensure that consistent Accounting Policies of the **TRANSFEREE COMPANY** are reflected in the financial statements, differences,

if any, in the Accounting Policies between the

**TRANSFEROR COMPANIES** shall without any further act, instrument or deed be and stand dissolved.

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

Upon the coming into effect of this Scheme, the resolutions, if any, of the **TRANSFEROR COMPANIES**, which are valid and subsisting on the Effective Date, shall continue to be valid and

if necessary, waive any of such conditions (to the extent permissible in law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme. In the event that any conditions are imposed by the Central Government, Regional Director, Eastern Region, Ministry Of Corporate Affairs or the Hon'ble National Company Law Tribunal, Kolkata Bench as the case may be or by any Governmental Authorities, which the Board of Directors of the **TRANSFEROR COMPANIES** or the **TRANSFeree COMPANY** find unacceptable for any reason, then the **TRANSFEROR COMPANIES** and the **TRANSFeree COMPANY** shall be at liberty to withdraw the Scheme.

- ii. For the purpose of giving effect to this Scheme

Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

**17. FILING OF APPLICATIONS**

The **TRANSFEROR COMPANIES** and the **TRANSFeree COMPANY** shall use their best efforts to make and file all applications and petitions under Sections 233 and other applicable provisions of the Act, before the Central Government, Regional Director, Eastern Region, Ministry of Corporate Affairs or the Hon'ble National Company Law Tribunal, Kolkata Bench as the case may be having jurisdiction for sanction of this Scheme under the provisions of law, and shall apply for such approvals as may be required under law.

**18. APPROVALS**

The **TRANSFeree COMPANY** shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the **TRANSFeree COMPANY** may require to



**TRANSFeree COMPANY** as required under the Act and the requisite orders of the Central Government, Regional Director, Eastern Region, Ministry Of Corporate Affairs, being obtained.

- ii. The authenticated/certified copies of the orders of the Central Government, Regional Director, Eastern Region, Ministry of Corporate Affairs or the Hon'ble National Company Law Tribunal, Kolkata bench, as the case may be sanctioning this Scheme being filed with the Registrar of Companies, West Bengal .

Accordingly, this Scheme although operative from the Appointed Date shall become effective on the Effective Date, being the last of the dates on which the conditions referred to above have been fulfilled.

## **20. COSTS, CHARGES, EXPENSES AND STAMP DUTY**

All costs, charges and expenses (including any taxes and duties) incurred or payable by the **TRANSFEROR COMPANIES** and the **TRANSFeree COMPANY** 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, including stamp duty on the orders of the Central Government, Regional Director, Eastern Region, Ministry Of Corporate Affairs, if any and to the extent applicable and payable, shall be paid by the **TRANSFeree COMPANY**.

## **21. MISCELLANEOUS**

The Scheme does not contain or provide for

**TRANSFEROR COMPANIES.** Further the Scheme has not been drawn to accommodate any corporate debt restructuring. The Scheme also does not come under the purview of the Competition Commission of India.

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