Annexure A

68

Company")with effect from the Appointed Date*(as defined hereinafter)*. In addition, this Scheme also provides for various other matter consequential or otherwise integrally connected herewith.

1. BACKGROUND AND DESCRIPTION OF COMPANIES

1.1 Ritesh Properties and Industries Limited (**'RPIL' or the 'Transferee Company'**), is a listed public limited company, incorporated under the provisions of Companies Act, 1956 (**"1956 Act"**) on February19, 1987 bearing Corporate Identification Number (**"CIN"**) L74899DL1987PLC027050. The Transferee Company was incorporated as a private company in the name of 'Ritesh Industries Private Limited' and pursuant to change in its constitution, the name of the Transferee Company was changed to 'Ritesh Industries Limited' and fresh certificate of incorporation was issued by the RoC

(SBE) The Transferred Company, is widely engaged in the business

Company I') is an unlisted public limited company duly

incorporated under the provisions of 1956 Act on March 31, 1994.

Private Limited (RPE) of the Transferor

also engaged in the business of real estate.

For Riddhi Siddhi Mills Limited

For Riddhi Siddhi Mills Limited

1.4 H B Fibres Limited ('HBFL' or the 'Transferor Company 3'), is an unlisted public limited company incorporated under the provisions

3.1 **"Act"** means the Companies Act, 2013, and applicable rules thereunder and includes any amendments, statutory re-enactments and modifications thereof for the time being in force.

3.2 **"Amalgamation"** means amalgamation of Transferor Companies with and into Transferee Company in terms of the Scheme (*as defined hereinafter*) in its present form or with any modification(s) as approved by the Tribunal (*as defined hereinafter*).

3.3 **"Applicable Laws"** means any relevant statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinances, schemes, notices, treaties, judgement, decree, approvals, orders or instructions enacted or issued or sanctioned by any Governmental and Registration Authority (*as defined hereinafter*), having the force of law and as applicable to the Companies.

3.4 **"Appointed Date"**for purposes of this Scheme means 1st April, 2018.

3.5 **"Board of Directors"** or **"Board"** means and includes the respective Boards of Directors of the Transferor Companies and the Transferee Company or any committee constituted by such Board of Directors for the purposes of the Scheme.

3.6 **"Effective Date"** shall be last of the dates on which certified copies of the order of the Tribunal, under section 232 of the Act, sanctioning this Scheme, is filed by Companies with Registrar of Companies *(as defined hereinafter).*

For Ritesh Properties and Industries Ltd.
Chairman cum Managing Director

For Ritesh Spinning Mills Limited
Director

For RITESH IMPEX PVT. LTD.
Director

For H. G. Fibres Limited
Director

National Company Law Tribunal

Provided that references in this Scheme to the date of "upon coming into effect of the Scheme" or "upon the scheme becoming effective" or "effectiveness of the Scheme" shall mean Effective Date.

3.7 **"Governmental and Registration Authority"** means any relevant Central, State or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, quasi-judicial body, bureau or instrumentality thereof or arbitral body having jurisdiction over the companies.

3.8 **"Intellectual Property Rights"** or **"IPR"** means, whether registered or not, in the name of or recognized under Applicable Laws as being intellectual property of Transferor Companies, or in the nature of common law rights of Transferor Companies, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web portals, trade names, logos, trade dress and all applications and registration for the foregoing, and all goodwill associated with the foregoing and symbolized by the foregoing; (b) confidential and proprietary information and trade secrets; (c) published and unpublished works of authorship and [illegible] copyrights thereon and registrations and applications therefor, and [illegible]

For Rites [illegible]

Chairman [illegible]

technology or know-how, licenses, software licenses and formulas; (g) ideas and all other intellectual property or proprietary rights; and (h) all rights in all of the foregoing provided by Applicable Laws.

3.9 **"IT Act"**means the Income Tax Act, 1961 and the rules made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.

3.10 **"Listing Regulations"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.

3.11 **"National Company Law Tribunal"** or **"NCLT"** or **"Tribunal"** means the National Company Law Tribunal, Bench at New Delhi or such other court/tribunal having jurisdiction over Companies involved in the Scheme, depending on the context and applicability.

3.12 **"Record Date"**means the date fixed by the Board of Directors of the Transferee Company or any committee thereof in consultation with the Board of Directors of each of the Transferor Company, for the purpose of determining names of the equity shareholders of the Transferor Companies and the names of compulsorily convertible debenture holders of the Transferor Company 1, who shall be eligible to receive the equity shares in the Transferee Company upon coming into effect of this Scheme.

3.13 **"Registrar of Companies"** or **"RoC"** means the 1Registrar of

For Ritesh Properties and Industries Ltd.
Chairman Cum Managing Director

For Ritesh Spinning Mills Limited
Director

For RITESH TEX PVT. LTD.
Director

For H. B. Fibres Limited
Director

National Company Law Tribunal
New Delhi Bench

ascribed to it in Clause1.2of this Scheme.

3.19 "Transferor Company 2"or "RIPL" shal

Transferor Company-2	5,00,00,000/- (5,000 Equity Shares of Rs.100/-each)	1,08,000/- (1,080 Equity Shares of Rs.100/-each fully paid up)	1,08,000/- (1,080 Equity Shares of Rs.100/-each fully paid up)

80

building, (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), bank balances, bank deposits against bank guarantees, any cheques deposited interest accrued but not due on bank deposits, interest accrued on deposits, security deposits, cash and cash equivalents, cash imprest, sundry debtors, outstanding loans and advances *(short-term and long-term)*,if any, recoverable in cash or in kind or for value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, prepaid expenses(*current and non-current*), fixed assets, inventories, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, Goods and Service Tax (GST) credits and refunds including refunds from

computer software and hardware including all types of furniture and fixtures, vehicles (*whether freehold or encumbered*), office equipment including all types of lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by Transferor Companies (hereinafter referred to as **"Said Assets"**) and all documents of titles, receipts and easements in relation thereto or improvement, all rights, covenants, continuing

[illegible] rights, titles and interest in connection with Said Assets shall, unless [illegible]

[illegible] made and manner as prescribed in this Scheme on a going [illegible] in the mode and manner as prescribed in th[illegible]

[illegible] further act, instrument, [illegible] any sanctioning the Scheme without an[illegible]

[illegible] Director [illegible] Director

82

property or are otherwise capable of being transferred by delivery or possession or by endorsement and/or delivery, the same shall stand transferred to Transferee Company upon coming into effect of this Scheme and shall upon such transfer become Said Assets of Transferee Company with effect from Appointed Date. In respect of any such assets, rights, titles and interests other than Said Assets referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Transferee Company pursuant to an order being made thereof by the Tribunal under section 232 of the Act.

7.3 Without prejudice to the above, in respect of IPR and Said Assets of Transferor Companies, if any, belonging to the Transferor [illegible]

Transferor Companies under Applicable Laws including without limitation, Contract Labour Act, 1970, Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident Fund and Miscellaneous Provisions Act, 1952 and/or Gratuity Act, 1972 and pension and/or superannuation fund, retirement fund or benefits and any other funds or benefits created by the Transferor Companies for the Employees, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the IT Act, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (hereinafter referred to as **"Said Rights and Interests"**), enjoyed or conferred upon or held or availed of and all

[illegible] and benefits that have accrued or [illegible] which may accrue to [illegible]

[illegible] and be available to Transferee Company so as to become [illegible]

[illegible] effective and enforceable [illegible]

[illegible] Laws for the time being in force and shall be duly and [illegible]

[illegible] Directors [illegible]

86

but prior to the Effective Date, shall be deemed to be transferred to and vested with Transferee Company without any further act or deed.

b) The borrowing limits, if any, of Transferee Company shall, without any further act or deed, stand enhanced by an amount being the aggregate of Said Liabilities ofTransferor Companies which are being transferred to Transferee Company pursuant to this Scheme

d) Transferee Company, at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that Transferee Company shall assume sole responsibility for repayment of borrowings.

8.2 With effect from Effective Date and until such time names of the bank accounts of Transferor Companies are replaced with that of Transferee Company, Transferee Company shall be entitled to operate the existing bank accounts of Transferor Companies, in so far, as may be necessary. The banks shall also allow and honour cheques or other bills issued in the name of Transferor Companies on and from Effective Date.

8.3 Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of movable and immovable properties of Transferor Companies with Transferee Company occurs by virtue of this Scheme itself, Transferee Company, at any time upon coming into effect of this Scheme, may execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement or memorandum of understanding to which Transferor Companies are parties, on Effective Date, as may be necessary to be

For Ratesh Properties and Securities Ltd
Chairman cum Managing Director

Laws be deemed to be authorized to execute any such writings on behalf of Transferor Companies to carry out or perform all such formalities or compliance, referred to above.

9. TRANSFER OF PROFITS, INCOMES AND EXPENDITURE

9.1 All profits or incomes including interest on deposits with banks, interest income etc., accruing or arising to Transferor Companies or expenditure (*including the effect of taxes, if any*) to Transferor Companies on and any time after the Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure as the case may be of Transferee Company.

10. COMPLIANCE WITH IT ACT

10.1 This Scheme complies with the conditions relating to "amalgamation" as specified under Section 2(1B) of the IT Act. If any terms and provisions of this Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of Applicable Laws or for any other reason whatsoever, then the provisions of such amended section(s) of the IT Act or any other Applicable Laws shall prevail and this Scheme shall stand modified to the extent determined necessary to

11. LEGAL PROCEEDINGS

11.1 Upon coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings (***before any statutory or quasi-judicial authority or tribunal or any court***), if any, by or against Transferor Companies pending and/or arising on or before Effective Date shall be continued and/or be enforced by or against Transferee Company as effectually and in the same manner and extent as if the same has been instituted and/or pending and/or arising by or against Transferee Company.

11.2 It is expressly specified that Transferee Company undertakes to have all legal or other proceedings initiated by or against Transferor Companies as referred above, be transferred to its name and shall have the same continued, prosecuted and enforced in its name.

12. INTER COMPANY TRANSACTIONS

For Ansal Properties & Industries Ltd
Chairman Cum Managing Director

Without prejudice to the above provisions, upon the Scheme becoming effective and with effect from Appointed Date, all inter-company transactions, inert-se amongst the Transferor Companiesor inter-se between Transferor Companies and Transferee Company,including but not limited to:

a) any loans, advances, and other obligations (*including any guarantees, letters of credit, letters of comfort or any other instrument or*

90

form), which are due or outstanding or which may at any time in future; or

b) any agreement/memorandum of understanding, executed amongst the aforesaid Companiesshall stand cancelled as on Effective Date and shall be of no effect and the Transferor Companies and the Transferee Companies shall have no further obligation outstanding in that behalf.

13. TREATMENT OF TAXES

13.1 Upon this Scheme becoming effective and with effect from Appointed Date, all taxes, duties, cess payable by Transferor Companies*(including under the IT Act, Customs Act, 1962 or any other Applicable Laws)*, accruing and relating to Transferor Companies from Appointed Date onwards, including but not limited to advance tax payments, tax deducted at source ("**TDS**"), minimum

relevant returns filed with the Governmental and Registration Authorities for the period either prior to the Appointed date and/ or period commencing on and from the Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.

13.3 Upon this Scheme becoming effective, all unavailed credits, claims and exemptions, any refunds, interest due there on, benefit of carried forward losses and other statutory benefits, if any, in respect of income tax (including but not limited to TDS, tax collected at source, advance tax, MAT credit, book and tax losses etc.), cenvat, customs, value added tax, sales tax, service tax, GST etc. to which Transferor Companies is entitled shall be taken to the benefit of Acquirer Date. State shall

92

notwithstanding that certificates or challans for advance tax/ service tax/ GST etc. being in the name of Transferor Companies and not in the name of Transferee Company. Upon this Scheme becoming effective, Transferee Company is permitted to file and/ or revise tax returns of the Transferor Companies (including but not limited to income tax returns, withholding tax returns, sales tax returns, value added tax returns, service tax returns, GST returns, excise tax returns, GST returns) [illegible] such return may have elapsed.

file. Transferee Company shall be deemed to be authorized to execute any such writings on behalf of Transferor Companies in order to carry out or perform all such formalities or compliances referred to above on part of Transferor Companies.

13.7 All the expenses incurred by Companies in relation to Amalgamation as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Transferee Company in accordance with section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

13.8 Any refund under the tax laws due to Transferor Companies consequent to the assessments made on Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be

received by Transferee Company. The con

94

a) All staff, workmen and employees who are in employment of Transferor Companieson Effective Date shall become staff, workmen and employees of Transferee Company with effect from Appointed Date on the basis that:

(i) their employment shall be deemed to have been continuous and not interrupted by reasons of the said transfer; and

(ii)terms and conditions of their employment after such transfer shall not in any way be less favorable to them than those applicable to them immediately preceding the said transfer.

b) It is expressly provided that as far as provident fund, employee state insurance plan scheme, gratuity beneficiaries, leave encashment, schemes/trusts, leave encashment

of payment of any retrenchment compensation and other terminal benefits. Transferee Company shall file relevant intimations with the concerned Governmental and Registration Authorities who shall take the same on record and endorse the name of Transferee Company for Transferor Companies. Upon this Scheme becoming effective, all contributions to such scheme(s) or fund(s) or trust(s) created or existing for the benefit of such employees of Transferor Companies

or regulatory licences, certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favour of Transferor Companies or any instrument of whatsoever nature including various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed or availed by any Transferor Companies, granted by any Governmental or Registration Authorities, or by any other person, shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of 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.

15.3 All resolutions of Transferor Companies which are valid and subsisting on Effective Date, shall continue to be valid and subsisting and be considered as resolutions of Transferee Company and if any such resolutions have any upper monetary or any other limits imposed under provisions of the Act, then the said limits shall apply mutatis mutandis to such resolutions and shall constitute the aggregate of the said limits in Transferee Company.

For Rutesh Properties and Investments Ltd.
Chairman Cum Managing Director

16. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

16.1 With effect from Appointed Date and upto and including Effective Date, the Transferor Companies shall be deemed to carry on all their [illegible] and on account of and in [illegible] businesses and other incidental matters [illegible]

trust for the Transferee Company with reasonable diligence and due business prudence in the same manner as carried before and shall not without the prior written consent of Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of such Said Assets or such Said Rights and Interests or IPR and their business undertaking(s) or any part thereof, save and except in each case:

a) If it is in the ordinary course of business of Transferor Companies; or

b) If the same is expressly permitted by this Scheme.

17. SAVING OF CONCLUDED TRANSACTION

17.1 Where any of the Said Liabilities of Transferor Companies, as on Appointed Date, transferred to the Transferee Company have been discharged by the Transferor Companies after Appointed Date and prior to Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

17.2 Without prejudice to anything mentioned above or anything contained in this Scheme, transfer and vesting

deeds, matters and things made, done and executed by or on behalf of the Transferee Company.

shares of face value of Rs. 10(Rupees Ten) each} in Transferee Company for every 1(One) Equity share of face

c. the shareholders of Transferor Company 2 (other than the shares already held therein immediately before the amalgamation by Transferee Company, its nominee or subsidiary company), shares in proportion of **1,756(One Thousand Seven Hundred and Fifty Six) Equity shares of face value of Rs. 10(Rupees Ten) each in Transferee Company for every 1 (One) Equity share of face value of Rs.100/- (Rupees Hundred)** each held by them in Transferor Company 2 pursuant to this Scheme of Amalgamation.

d. the shareholders of Transferor Company 3 (other than the shares already held therein immediately before the amalgamation by Transferee Company, its nominee or subsidiary company), shares in proportion of **14(Fourteen) Equity shares of face value of Rs. 10(Rupees Ten) each in Transferee Company for every 1 (One) Equity shares of face value of Rs.10/-**

18.3 Any fraction arising out of allotment of equity shares pursuant to the Scheme shall be rounded off to the nearest whole integer.

Equity shares in Transferee Company from the Appointed Date.

18.7 Upon the Scheme becoming effective and subject to the above provisions, the shareholders of Transferor Companies including the holders of compulsory convertible Debentures in the Transferor Company 1 (other than the shares already held therein immediately before the amalgamation by Transferee Company) as on the record date shall receive new share in their demat accounts.

18.8 Upon the issue and allotment of new shares in the capital of Transferee Company to the shareholders of Transferor Companies including the holders of compulsory convertible debentures in the Transferor Company 1, the shares in relation to the shares held by them in Transferor Companies shall be deemed to have been cancelled.

18.9 Subject to provisions of the Securities Contracts (Regulations) Act, 1956, Securities and Exchange Board of India Act, 1992 and Listing Regulations, the Transferee Company shall take steps for listing of New Equity Shares on the Stock Exchange. The New Equity Shares shall remain frozen in the depositaries system till relevant directions in relation to listing/ trading are given by the Stock Exchange.

For Ritesh Properties and Industries Ltd.

National Company Law Tribunal New Delhi Bench

For Ritesh Spinning Mills Limited
Director

For RITESH INFRAPEX PVT. LTD.
Director

For R.B. Fibres Limited
Director

19. CLUBBING OF AUTHORIZED SHARE CAPITAL

19.1 The authorized share capital of the Transferor Companies as on March 31, 2018is as follows:

Authorized Share Capital	Amount in Rs.
Transferor Company 1	2,10,00,000/-
Transferor Company 2	5,00,000/-
Transferor Company 3	5,00,00,000/-
Total	**7,15,00,000/-**

19.2 Upon the Scheme coming into effect and with effect from Appointed Date, the authorized share capital of Transferor Companies [illegible]

[illegible] Transferee Company shall [illegible]

[illegible] necessary application with the ROC [illegible] Transferee Company shall [illegible]

[illegible] increase in authorized share capital of Rs. 7,15,00,000/- (Rupees [illegible]

[illegible] Act on stamp duty or any other [illegible]

19.3 Consequent to transfer of the existing authorized share capital of Transferor Companies on Effective Date in accordance with the aforementioned; Clause V of the memorandum of association of Transferee Company shall be substituted as necessary.

19.4 It is hereby clarified that the consent of shareholders of Transferee Company to the Scheme shall be sufficient for purposes of effecting the amendment in the Memorandum of Association and Articles of Association of Transferee Company and that no further resolution under sections 13, 14 and 61 of the Act and any other applicable

Act would be required to [illegible] provisions of the

[illegible]

Transferee Company shall take necessary steps to [illegible] as required, in

20 ACCOUNTING TREATMENT FOR AMALGAMATION

Upon the coming into effect of this Scheme, the amalgamation of the Transferor Company with the Transferee Company shall be accounted for as per the "Indian Accounting Standard (Ind AS) 103 for Business Combination" prescribed under section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time such that:

20.1 Transferee Company shall, record all the assets and liabilities, including reserves of the Transferor Company vested in it pursuant to this Scheme, at their respective book values as appearing in the books of Transferor Company on the Appointed Date.

20.2 Inter-se-investment, if any, in the share capital between the Companies as appearing in the books of accounts of Transferee Company shall stand cancelled and there shall be no further obligation / outstanding in that behalf.

20.3 The loans and advance or payables or receivables of any kind, held inter-se, if any between Transferor Companies and Transferee Company, as appearing in their respective books of accounts shall stand discharged.

20.4 Transferee Company shall record in its books of accounts, all transactions of Transferor Companies in respect of Said Assets and Said Liabilities, income and expenses, from Appointed Date to Effective Date.

For Ritesh Spinning Mills Limited
Director

For H. B. Fibres Limited
Director

106

20.5 The difference between the share capital issued by the Transferee Company and the net assets of the Transferor Company acquired would be adjusted in the capital reserves of the Transferee Company. Also, the difference, if any arising from the cancellation of cross-holdings (if any) shall also be adjusted in the capital reserves of the Transferee Company.

20.6 If at the time of amalgamation, Transferor Company and Transferee Company have conflicting accounting policies, a uniform accounting policy shall be adopted by Transferee Company following the

PARTC

GENERAL TERMS & CONDITIONS

22 APPLICATION TO TRIBUNAL

The Companies shall, with all reasonable dispatch, make necessary applications/petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the Tribunal for seeking sanction of this Scheme.

23 MODIFICATION OR AMENDMENTS TO THE SCHEME

23.1 Subject to approval by the Tribunal, Board of each of Companies may assent to any modifications/ amendments including withdrawal/ termination of the Scheme or to any other conditions or limitations that the Tribunal or any Governmental and Registration Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by their respective Boards. Each of Companies shall authorize their respective Boards to take all such steps as may be necessary, desirable or proper to resolve

[redacted]

[redacted] effect to and to implement the Scheme in part or in whole and/or

[redacted]

23.2 Further, it is clarified that the initial consent of the shareholders and creditors (both secured and unsecured) of Companies to this Scheme shall in itself be deemed to be sufficient to authorize the operation of the abovementioned clause of this Scheme and any subsequent alteration would not require a fresh note of consent from such shareholders and creditors.

24 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

24.1 The requisite consent, approval or permission from BSE and/or SEBI pursuant to Regulation 37 of the Listing Regulations read with SEBI Circulars and Regulation 11 and 94 of the Listing Regulations which by law or otherwise may be necessary for the implementation of this Scheme in compliance with the provisions of SEBI Circulars;

24.2 The approval of the Scheme by the respective requisite majorities in number and value of the shareholders and/or creditors (where applicable) of the Companies in accordance with Section 230 to 232 of the Act;

24.3 As clause (a) of Para (1)(A)(9) of Annexure I of SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 is applicable to the Scheme , therefore, the Transferee Company shall provide minimum

24.4 As clause (b) of Para (1)(A)(9) of Annexure I of SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 is applicable to this Scheme , this Scheme shall be acted only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by the public shareholders against it.

24.5 The Scheme being sanctioned by the Tribunal in terms of Sections 230 to 232 and other relevant provisions of the Act and the requisite orders of the Tribunal;

24.6 Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the relevant Registrar of Companies by Transferor Companies and Transferee Company as per the provisions of the Act.

25 EFFECT OF NON-RECEIPT OF APPROVALS

25.1 In the event of any of the said sanctions and approvals referred in the

25.2 In the event of revocation of the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter se to Transferor Companies and Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the applicable laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.

25.3 The Board of Directors of the Transferor Companies and Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.

26 COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly provided)Transferor Companies and Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by Transferee Company.

Certified True Copy

For Ritesh Properties and Industries Ltd.

Schedule I

(Refer clause 18.1(b) of the Scheme)

Terms and conditions of conversion of compulsorily convertible debentures ("CCDs") of Transferor Company 1 along with necessary computations

(i) Transferor Company 1 issued following CCDs:

a) 50,000 CCDs of Rs. 5,000/- (Rupees Five Thousand only) each bearing interest @ 4% per annum on March 5, 2007; and

b) 9,976 CCDs of Rs. 5,000/- (Rupees Five Thousand only) each bearing interest @ 4% per annum on April 17, 2009.

The aggregate amount of CCDs issued by Transferor Company 1 was Rs. 29,98,80,000/- ("**Subscription Consideration**").

(ii) Transferor Company 1 and the CCD holders entered into Restated Debenture Subscription Agreement dated 27.08.2010 ("**Debenture Agreement**") wherein the terms and conditions for conversion of CCDs into equity shares were reaffirmed. The CCDs are referred as 'FCDs' in the Debenture Agreement.

(iii) Important clauses of the Debenture Agreement providing terms and conditions for conversion of CCDs into equity shares are as under:

"Clause 5.3: Parties acknowledge and agree that the FCDs of the Company issued to the Investor against the Subscription Consideration shall upon conversion constitute Seventy-Six (76%) of the fully paid up equity share capital of the Company based on the Conversion Ratio and in terms of the guidelines issued by the Reserve Bank of India in this regard.

For Ganesh Spinning Mills Limited
Director

For RITESH EXPEX PVT. LTD.
Director

For H. B. Fibres Limited
Director

National Company Law Tribunal
New Delhi Bench

Clause 8: Conversion price

The Conversion price for converting the outstanding FCDs shall be arrived at as per the Conversion mechanism as set forth in Annexure II annexed herewith.

Annexure II- Conversion Mechanism

1.1 The authorized equity share capital of the Company being INR 21.0 million divided into 2.1 million equity shares of Rs. 10/- each, 76% of the authorized equity share capital equals to INR 1,59,60,000/- [i.e. 15,96,000 shares of INR 10].

1.2 The Subscription Consideration is divided by 1.1 above which shall

** There is no change in authorized equity share capital of Transferor Company 1 since 27.08.2010.*

Since the shareholding of the CCD holders in Transferor Company 1 should constitute 76% of the paid equity share capital on fully diluted basis in terms of clause 5.3 of the Debenture Agreement, 11,26,949 equity shares of Transferor Company 1 could not be issued to the CCD holders. Therefore, number of shares to be issued to the CCD holders has to be computed on the basis of shareholding of the other shareholders in the paid equity share capital on fully diluted basis as under:

No. of equity shares of Transferor Company 1 to be = [Total no. of existing equity shares]

IN THE NATIONAL COMPANY LAW TRIBUNAL

COURT -II,

Item No.2 Item No 2

HON'BLE MEMBER (J) HON'BLE MEMBER (T)

PRESENT

Order is pronounced in the open court

Order is pronounced in the open court

U.N. GUPTA

Date of Presentation

Date of Receipt

Deputy Registrar

No. 639
Date of Presentation
of application for Copy 23/08/2021
No. of Pages 13
Copying Fee 5/-
Registration & Processing Fee
Total ₹ 350/-
Date of Receipt
Record of Copy
Date of Ready
Delivery 25/08/2021
26/08/2021
25.8.21
DD/DR/AR/Court Officer
National Company Law Tribunal
New Delhi

NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH (COURT - II)

(CAA)-62/ND/2021

IN THE MATTER OF SCHEME OF AMALGAMATION

AMONGST

Ritesh Spinning Mills Limited
...Petitioner No. 1/Transferor Company 1

AND

Ritesh Impex Private Limited
...Petitioner No. 2/ Transferor Company 2

AND

H B Fibres Limited

...Petitioner No. 3/ Transferor Company 3

Ritesh Properties and Industries Limited

ORDER

PER SHRI L. N. GUPTA, MEMBER (T)

This Petition is preferred jointly by the Transferor Companies and the Transferee Company under Section 230 to 232 of Companies Act, 2013 read with the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 for the purpose of the approval of the

4. That H B Fibres Limited, (hereinafter referred to as "Petitioner-3"/"Transferor Company-3") was incorporated on the 17.09.1986 under the provisions of the erstwhile Companies Act, 1956 as Public company having its registered office at 11/5B, Pusa Road, New Delhi-110060 with CIN number U51497DL1986PLC269074.

5. That Ritesh Properties and Industries Limited, (hereinafter referred to as "Petitioner-4"/"Transferee Company") was incorporated on the 19.02.1987 under the provisions of the erstwhile Companies Act, 1956 as a Public company, which is listed on Bombay Stock Exchange, having its registered office at 11/5B, Pusa Road, New Delhi-110060 with CIN number L74899DL1987PLC027050.

6. That the present Petition has been filed jointly by all the Transferor Companies and Transferee Company. All the 'Transferor' and [illegible]

Application bearing No. CA (CAA)-17/ND/2021, vide order dated 24.02.2021 dispensed with the requirement of convening meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferor Companies. Further the order was passed in relation to dispensation from convening the meeting of Debenture Holder of the Transferor Company-1. Furthermore, in pursuance of the order dated 24.02.2021, directions with respect to convening meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company on 03.04.2021 were passed by this Tribunal.

8. The Appointed date as fixed for the Proposed Scheme of Amalgamation is 01st April, 2018.

9. Subsequent to the order of dispensation of meetings in relation to the Transferor Companies and holding of meetings of Equity Shareholders, Secured and Unsecured Creditors of the Transferee Company on 03.04.2021, the Second Motion petition was moved by the Petitioner Companies in connection with the scheme of Amalgamation for issuance of notices to the Central Government, Registrar of Companies NCT of Delhi & Haryana, Regional Director (Northern Region) MCA, Income Tax Authorities, Official Liquidator, Real Estate Regulation Authority, Punjab at Chandigarh and to such other Objector(s), if any, and also for publication of the said Scheme. The said petition was admitted and directions were issued, vide Order dated 11.06.2021 of this Tribunal, requiring the Petitioner Companies to serve notices to the Central Government through Registrar of

Companies NCT of Delhi & Haryana, Regional Director (Northern Region) MCA, Income Tax Authorities, Official Liquidator, Bombay Stock exchange Limited, Real Estate Regulation Authority, Punjab at Chandigarh and also to carry out necessary publication in English and Hindi newspapers with respect to the said Scheme.

10. It is submitted by the Petitioners that in compliance of the above stated directions, the Petitioners have filed the Affidavit of Service dated 20.07.2021 confirming that the aforesaid Notices of the present Company Petition were published on 17.06.2021 in Business Standard (English) and Jansatta (Hindi) newspapers. It is further submitted that the [illegible] companies have served the Notices of the present Company [illegible] Petitioner Co[illegible] Petition to all the Statutory Authorities by e-mails [illegible]

manner and that the affairs of the Transferor Companies do not appear to have been conducted in a manner prejudicial to the interest of its members, creditors or public.

13. The Regional Director has filed its Affidavit on 04.08.2021 stating that it has no objection if the Scheme of Amalgamation is approved by this Tribunal. The scanned copy of the RD's Report is reproduced below :

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL

NEW DELHI BENCH-II, AT NEW DELHI

COMPANY PETITION NO. CP(CAA)-62/ND/2021

CONNECTED WITH

COMPANY APPLICATION NO. CA(CAA)-17/ND/2021

IN THE MATTER OF SECTIONS 230 TO 232 OF

THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF AMALAGAMATION

BETWEEN

RITESH SPINNING PRIVATE LIMITED
11/5B, FIRST FLOOR, PUSA ROAD, NEW DELHI-110060
.....TRANSFEROR COMPANY 1/
PETITIONER COMPANY NO. 1

AND

RITESH IMPEX PRIVATE LIMITED
11/5B, FIRST FLOOR, PUSA ROAD, NEW DELHI-110060
.....TRANSFEROR COMPANY 2/
PETITIONER COMPANY NO. 2

AND

PETITIONER COMPANY NO. 3

AND

RITESH PROPERTIES AND INDUSTRIES LIMITED

11/5B, FIRST FLOOR, PUSA ROAD, NEW DELHI-110060

.....TRANSFEREE COMPANY/

PETITIONER COMPANY NO. 4

ADDITIONAL AFFIDAVIT OF REGIONAL DIRECTOR NORTHERN REGION, MINISTRY OF CORPORATE AFFAIRS, NEW DELHI.

I, Dr. Raj Singh, Regional Director (NR) having my office at B-2 Wing, 2nd Floor, Pt. Deendayal Antyodaya Bhawan, CGO Complex, New Delhi-110003, do hereby solemnly affirm and sincerely state as follows:-

1. I am the Regional Director, Northern Region, Ministry of Corporate

[illegible]

[illegible] section 22(2)(b) defines companies [illegible] as a public company

[illegible] consolidated authorized share capital of the transferee [illegible] authorized share capital of the transferee

[illegible]

[illegible] the transferee company i.e. Ritesh Properties & Industries Limited

[illegible] However, no prosecution has been filed against the transferee [illegible]

4. That the office of deponent examined the point raised by ROC, Delhi in its report regarding status of inquiry u/s 235(3A) of the Companies Act, 1956 of the Transferee Company. It was observed from the report obtained from Inquiry section that no sanction of prosecution has been issued so far on the transferee company on the basis of Inquiry Report and hence the inquiry report has no bearing on the status of transferee company as on the date of filing of this affidavit. Besides the violations in the inquiry report are against company, which shall remain in the Transferee company, which shall remain in existence even after approval [illegible]

15. In view of the foregoing facts and discussion and upon considering the approval accorded by the Members and Creditors of all Companies to the proposed Scheme of Amalgamation and no sustainable objections having been raised by the Office of the Regional Director, Income Tax Department or any other interested party, there does not appear to be any impediment in granting sanction to the Scheme. **Accordingly, in sequel to the above, sanction is hereby,**

Further the approval of the Scheme would in no manner affect the tax treatment of the transactions under the Income Tax Act, 1961 or serve as any exemption or defense for the Petitioner Companies against tax treatment in accordance with the provisions of Income Tax Act, 1961.

18. **THIS TRIBUNAL FURTHER DIRECTS** with respect to Transferor Companies and Transferee Company, that:

(i) Upon the sanction becoming effective from the appointed date of amalgamation i.e., 1st April, 2018, the Transferor Companies No.1 to 3 shall stand dissolved without undergoing the process of winding up.

(ii) All benefits, entitlements, incentives and concessions under incentive schemes and policies that the Transferor Companies are entitled to including under Customs, Excise, Service Tax, VAT, Sales Tax, GST and Entry Tax and Income Tax laws, subsidy receivables from Government, grant from any governmental authorities, direct tax benefit/exemptions/deductions, shall, to the extent statutorily available and along with associated obligations, stand transferred to and be available to the Transferee Company as if the Transferee Company was originally entitled to all such benefits, entitlements, incentives and concessions;

Date, shall stand transferred to and vested in the Transferee Company and be in full force and effect in favor of the Transferee Company and may be enforced by or against it as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obliged thereto.

[redacted]

No. 639
Date of Presentation of application for Copy 23/08/2021
No. of Pages 13
Copying Fee 5/-
Registration Fee
Total Fee 350/-
Date of Notice
Record of Notice
Date of Delivery 25/08/21.
Date of Dispatch 26/08/21.
25.8.2021
DD/Branch Clerk Officer
National Company Law Tribunal
New Delhi

Company and shall be exercised by or against the Transferee Company, as if it had incurred such liabilities.

(vi) All proceedings now pending by or against the Transferor Companies be continued by or against the Transferee company.

(vii) That any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary

19. That the Petitioner Companies shall within thirty days of the date of the receipt of this Order cause a Certified Copy of this Order to be delivered to the Registrar of Companies for registration and on such Certified Copy being so delivered, the Transferor Companies shall be dissolved and the Registrar of Companies shall place all documents relating to the Transferor Companies on the file kept by him in relation to the Transferee Company and the files relating to all the Petitioner Companies shall be consolidated accordingly.

20. The Company Petition is **ALLOWED** in the above terms.

—Sd—
(L.N. GUPTA)
MEMBER (T)

—Sd—
(ABNI RANJAN KUMAR SINHA)
MEMBER (J)

25.8.2021
Deputy Registrar
National Company Law Tribunal
CGO Complex, New Delhi-110003