



NOCIL LIMITED

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ARVIND MAFATLAL GROUP
The ethics of excellence

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 230 to 232 of the Companies Act, 2013;

AND

In the matter of Scheme of Amalgamation of Suremi Trading Private Limited ('Suremi' or 'the Transferor Company 1') and Sushripada Investments Private Limited ('Sushripada' or 'the Transferor Company 2') with NOCIL Limited ('NOCIL' or 'the Transferee Company' or 'the Company') and their respective Shareholders ('the Scheme')

COMPANY SCHEME APPLICATION NO. 1011 OF 2020

NOCIL LIMITED

...the Applicant Company

NOTICE TO UNSECURED CREDITORS UNDER SECTION 230 TO 232 OF THE COMPANIES ACT 2013

Notice is hereby given pursuant to the directions of the Mumbai Bench of the National Company Law Tribunal ('NCLT' or 'Tribunal') by an Order dated 7th July, 2020 under the provisions of the Companies Act, 2013 ('the Act') in relation to the Scheme of Amalgamation of Suremi Trading Private Limited ('the Transferor Company 1) and Sushripada Investment Private Limited ('the Transferor Company 2') with NOCIL Limited ('NOCIL' or 'the Transferee Company' or 'the Company') and their respective Shareholders ('the Scheme').

The salient features of the Scheme are as under:

- (i) It provides for Amalgamation of the Transferor Company 1 and Transferor Company 2 (collectively referred as the Transferor Companies) with NOCIL;
- (ii) Appointed date of the Scheme is 1st October, 2020
- (iii) The Scheme is an arrangement between the Transferor Companies and NOCIL and their respective shareholders. There is no compromise or arrangement with or diminution of liability of any of the creditors of NOCIL pursuant to the proposed Scheme. As far as the rights of the creditors of NOCIL are concerned, they will not be affected by the proposed Scheme, since post the Scheme, assets of NOCIL will be sufficient to discharge the liabilities and all its creditors would be paid off in the ordinary course of business. The interest of the creditors of NOCIL is not impacted by the proposed Scheme.



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- (iv) The Transferor Companies, as part of the Promoter Group, holds shares of NOCIL. Members of Mr. Hrishikesh Mafatlal Family (the Promoters of NOCIL) are the beneficial owners of the Transferor Companies. The Scheme provides for cancellation of equity shares held by the Transferor Companies in NOCIL and issuance of the same number of equity shares of NOCIL to the shareholders of the Transferor Companies. Accordingly, there would be no change in the capital structure / shareholding pattern of NOCIL and pre-Scheme and post Scheme shareholding percentage of promoters and public shareholders in NOCIL would remain the same.
- (v) Further, as per the proposed Scheme, the shareholders of the Transferor Companies shall indemnify and hold harmless NOCIL and its directors, officers, representatives, employees and agents for losses, liabilities, costs, charges, expenses arising on account of amalgamation of the Transferor Companies into NOCIL.
- (vi) All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferor Companies.

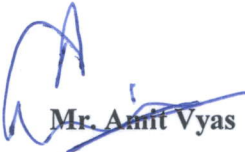
You are requested to read the entire text of the Scheme enclosed to get fully acquainted with the provisions thereof. The aforesaid are only some of the key provisions of the Scheme.

You are hereby informed that representations, if any, in connection with the proposed Scheme may be made to the Hon'ble Tribunal within thirty (30) days from the date of receipt of this Notice. The address of the Hon'ble NCLT is 4th Floor, MTNL Exchange Building, Near G.D. Somani Memorial School, G.D.Somani Marg, Cuffe Parade, Mumbai-400005.

You are also requested to simultaneously serve a copy of such representation, if any, to NOCIL Limited at its registered office or email the same to amit.vyas@nocil.com

In case no representation is received within the stated period of thirty (30) days, it shall be presumed that you have no representation to make on the proposed Scheme.

For NOCIL LIMITED


Mr. Amit Vyas

Assistant Vice President Legal and Company Secretary

Dated this 13th day of August, 2020

Place: Mumbai

Enclosures:

- i. The draft Scheme of Amalgamation of Suremi Trading Private Limited and Sushripada Investments Private Limited with NOCIL Limited and their respective Shareholders drawn up and adopted by the Board of Directors;

**SCHEME OF AMALGAMATION
OF
SUREMI TRADING PRIVATE LIMITED
("SUREMI" or "THE TRANSFEROR COMPANY 1")
AND
SUSHRIPADA INVESTMENTS PRIVATE LIMITED
("SUSHRIPADA" or "THE TRANSFEROR COMPANY 2")
WITH
NOCIL LIMITED
("NOCIL" or "THE TRANSFEREE COMPANY")
AND
THEIR RESPECTIVE SHAREHOLDERS**

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

I. PREAMBLE

This Scheme of Amalgamation is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, as may be applicable, for amalgamation of Suremi Trading Private Limited ("Suremi" or "The Transferor Company 1") and Sushripada Investments Private Limited ("Sushripada" or "The Transferor Company 2") collectively referred to as the Transferor Companies with NOCIL Limited ("NOCIL" or "The Transferee Company"). The Scheme of Amalgamation also provides for various other matters consequential or otherwise integrally connected herewith.

II. RATIONALE OF THE SCHEME

The amalgamation of the Transferor Company 1 and the Transferor Company 2 with the Transferee Company would include the following benefits:

- Ensuring a streamlined group structure by reducing the number of legal entities in the group structure;
- Reducing the multiplicity of legal and regulatory compliances required at present;
- Eliminating duplicative communication and coordination efforts across multiple entities;

- Rationalizing costs by eliminating multiple record keeping and administrative functions;

III. PARTS OF THE SCHEME

This Scheme of Amalgamation is divided into the following parts:

- Part A** - Deals with Definitions, Interpretation and Share Capital;
- Part B** - Deals with the amalgamation of Suremi and Sushripada with NOCIL;
- Part C** - Deals with the general terms and conditions applicable to this Scheme.

PART A

DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 **“Act” or “the Act”** means the Companies Act, 2013 and the rules and regulations made thereunder as the case may be, and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force;
- 1.2 **“Appointed Date”** means October 1, 2020.
- 1.3 **“Appropriate Authority”** means any applicable central, state or local government, legislative body, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, including, but not limited, to Regional Director, Registrar of Companies, Securities and Exchange Board of India, BSE Limited, The National Stock Exchange of India Limited and National Company Law Tribunal;
- 1.4 **“Board of Directors” or “Board”** means the Board of Directors of the Transferor Companies or of the Transferee Company as the context may require and shall, unless it be repugnant to the context or otherwise, include a duly constituted committee of directors or any person(s)

authorised by the Board of Directors or such committee of directors;

- 1.5 **“Effective Date”** means the date on which the certified copy of the order of NCLT sanctioning this Scheme of Amalgamation, is filed by the Transferor Company 1, the Transferor Company 2 and the Transferee Company with the Registrar of Companies, Mumbai
- 1.6 **“NCLT”** means the Mumbai Bench of National Company Law Tribunal and the National Company Law Appellate Tribunal or any other competent authority as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under Section 230 – 232 and other applicable provisions of the Companies Act, 2013;
- 1.7 **“NOCIL” or “Transferee Company”** means NOCIL Limited (CIN: L99999MH1961PLC012003), a company incorporated under the Companies Act, 1956, having its registered office at Mafatlal House, H.T Parekh Marg, Backbay Reclamation, Churchgate, Mumbai – 400020 . NOCIL is engaged in the business of manufacturing rubber chemicals;
- 1.8 **“Record Date”** means the date fixed by the Board of Directors or a committee thereof, if any, of the Transferee Company for the purpose of determining the members of the Transferor Companies to whom New Equity Shares will be allotted pursuant to the Scheme;
- 1.9 **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.10 **“Scheme” or “the Scheme of Amalgamation” or “this Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 17 of this Scheme as approved or directed by the Tribunal;
- 1.11 **“Stock Exchange(s)”** means BSE Limited and The National Stock Exchange of India Limited;
- 1.12 **“Suremi” or “the Transferor Company 1”** means Suremi Trading

Private Limited (CIN: U65990MH1978PTC020335), a company incorporated under the Companies Act, 1956 and having its registered office at D1 Sindhu House, Nanabhat Lane, Mumbai – 400023. Suremi is engaged in the business of Trading of Fabrics and holds investments in securities (including shares in NOCIL);

- 1.13 **"Sushripada" or "the Transferor Company 2"** means Sushripada Investments Private Limited (CIN: U65990MH1974PTC017275), a company incorporated under the Companies Act, 1956 and having its registered office at Mafatlal House, Backbay Reclamation, Mumbai – 400020. Sushripada is engaged in the business of Trading of Fabrics and holds investments in securities (including shares in NOCIL);

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT

The Scheme in its present form or with any modification(s) approved or directed by the NCLT or any amendment(s) made under Clause 17 of this Scheme shall be deemed to be effective from the Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL

- 3.1 The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company 1 as on December 31, 2019 is as under:

Share Capital	Amount (in Rs.)
Authorised Capital	
10,00,000 Equity Shares of Rs. 10/- each	100,00,000
1,87,200 Preference Shares of Rs. 100/- each	1,87,20,000
1,87,200 Preference Shares of Rs. 1/- each	1,87,200
20,00,000 Preference Shares of Rs. 10/- each	2,00,00,000

TOTAL	4,89,07,200
Issued, Subscribed and Paid-up Share Capital	
53,179 Equity Shares of Rs. 10/- each fully paid up	5,31,790
1,87,200 6% Cumulative Redeemable Non - Convertible Preference Shares of Rs. 1/- each fully paid up	1,87,200
9,84,000 0.01% Non-Cumulative Compulsory Convertible Preference Shares of Rs. 10/- each fully paid up	98,40,000
TOTAL	1,05,58,990

Subsequent to December 31, 2019 and as on date the Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company 1 is as under:

Share Capital	Amount (in Rs.)
Authorised Capital	
10,00,000 Equity Shares of Rs. 10/- each	100,00,000
1,87,200 Preference Shares of Rs. 100/- each	1,87,20,000
1,87,200 Preference Shares of Rs. 1/- each	1,87,200
20,00,000 Preference Shares of Rs. 10/- each	2,00,00,000
TOTAL	4,89,07,200
Issued, Subscribed and Paid-up Share Capital	
53,179 Equity Shares of Rs. 10/- each fully paid up	5,31,790
9,84,000 0.01% Non-Cumulative Compulsory Convertible Preference Shares of Rs. 10/- each fully paid up	98,40,000
TOTAL	1,03,71,790

3.2 The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company 2 as on December 31, 2019 is as under:

Share Capital	Amount (in Rs.)
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Authorised Capital	
35,000 Equity Shares of Rs. 100/- each	35,00,000
21,01,000 Preference Shares of Rs. 100/- each	21,01,00,000
TOTAL	21,36,00,000
Issued, Subscribed and Paid-up Share Capital	
30,644 Equity Shares of Rs. 100/- each fully paid up	30,64,400
TOTAL	30,64,400

Subsequent to December 31, 2019 and as on date the Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company 2 is as under:

Share Capital	Amount (in Rs.)
Authorised Capital	
35,000 Equity Shares of Rs. 100/- each	35,00,000
21,01,000 Preference Shares of Rs. 100/- each	21,01,00,000
TOTAL	21,36,00,000
Issued, Subscribed and Paid-up Share Capital	
30,644 Equity Shares of Rs. 100/- each fully paid up	30,64,400
6,99,998 0.01% Non-Cumulative Compulsory Convertible Preference Shares of Rs. 100/- each fully paid up	6,99,99,800
TOTAL	7,30,64,200

3.3 The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferee Company as on December 31, 2019 is as under:

Share Capital	Amount (in Rs.)
Authorised Capital	
1200,00,00,00 Equity Shares of Rs. 10/- each	1200,00,00,000
TOTAL	1200,00,00,000

Issued, Subscribed and Paid-up Share Capital	
16,55,96,705 Equity Shares of Rs. 10/- each fully paid up	165,59,67,050
TOTAL	165,59,67,050

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up capital of the Transferee Company.

2,07,72,170 Equity Shares constituting 12.54% of the total Paid-up Equity Share Capital of the Transferee Company is held by the Transferor Company 1.

89,60,880 Equity Shares constituting 5.41% of the total Paid-up Equity Share Capital of the Transferee Company is held by the Transferor Company 2.

PART B

AMALGAMATION OF SUREMI AND SUSHRIPADA WITH NOCIL

4. TRANSFER AND VESTING OF UNDERTAKING

- 4.1 With effect from the Appointed Date, the whole of the undertaking of the Transferor Companies as a going concern, including its business, all the assets, investments, properties, rights, titles and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, provisions, funds, statutory licenses, registrations, all intangible assets and intellectual property rights of any kind and nature, tenancy rights, premise, hire purchase and lease arrangements, lending arrangements, all plant and machinery and office equipment, contracts, powers, authorities, permits, benefit and advantage, deposits, advances, receivables, funds, cash, bank balances, accounts (including demat accounts with depository participants) and all other rights, benefits of all agreements, assets held in trust, subsidies, grants, tax credits (including

but not limited to benefits of tax relief including under the Income-tax Act such as credit for advance tax, minimum alternate tax, taxes deducted at source, etc.) whether in physical, electronic form in connection/relating to the Transferor Companies and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies, all debts, liabilities and obligations of every kind, nature and description of the Transferor Companies, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company so as to become as from the Appointed Date the undertaking of the Transferee Company and to vest in the Transferee Company with all the rights, title, interest or obligations of the Transferor Companies therein.

4.2 Without prejudice to the generality of Clause 4.1 above, it is expressly provided that such of the assets of the Transferor Companies that are tangible and movable including cash on hand, etc., shall with effect from the Appointed Date and subject to the provisions of this Scheme, be transferred by physical delivery and/or endorsement and delivery to the Transferee Company to the end and intent that the property therein passes to the Transferee Company upon such delivery.

4.3 Without prejudice to the generality of Clause 4.1 above, movable assets, other than those specified in Clause 4.2 above, including sundry debtors, outstanding loans recoverable in cash or in kind or value to be received, bank balances and deposits of the Transferor Companies shall with effect from the Appointed Date and subject to provisions of this Scheme, stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors and the debtors shall be obliged to make payment to the Transferee Company. The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or

realize the same is in substitution of the right of the Transferor Companies.

4.4 All the assets, investments and properties which are acquired by the Transferor Companies on or after the Appointed Date shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Sections 230 to 232 and all other applicable provisions if any of the Act, without any further act or execution of any 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 pursuant to the provisions of Sections 230 to 232 of the Act.

4.5 With effect from the Appointed Date, any statutory licenses, permissions, approvals, quotas or consents to carry on the operations and business of the Transferor Companies shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions registrations or other licenses and consents shall vest in and shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if instead of the Transferor Companies, the Transferee Company had been the party thereto or the beneficiary or obligee thereof pursuant to this Scheme.

4.6 With effect from the Appointed Date, all debts, liabilities (including contingent liabilities), duties and obligations (including obligations to hold assets in trust) of every kind, nature and description of the Transferor Companies, shall be deemed to have been transferred to the Transferee Company and to the extent they are outstanding on the Scheme becoming effective shall, without any further act, deed, matter or thing be and stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company which undertakes to meet, discharge and satisfy the same and it shall not be necessary to obtain the consent of any third party or other person who is

a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

- 4.7 Where any of the debt, liabilities (including contingent liabilities), duties and obligations of the Transferor Companies as on the Appointed Date, deemed to be transferred to the Transferee Company has been discharged by the Transferor Companies, after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.8 Without prejudice to the provisions of the foregoing clauses and upon the Scheme becoming effective, the Transferor Companies and the Transferee Company shall execute all such instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies, Mumbai to give formal effect to the above provisions, if required.
- 4.9 Upon the Scheme being sanctioned and taking effect, the Transferee Company shall be entitled to operate all bank accounts (including demat accounts) related to the Transferor Companies and all cheques, drafts, pay orders, instruction slips, direct and indirect tax balance and/or payment advices of any kind or description issued in favour of the Transferor Companies, either before or after the Appointed Date, or in future, may be deposited with the bank / depository participant of the Transferee Company and credit of all receipts thereunder will be given in the accounts of the Transferee Company.
- 4.10 All taxes of any nature, duties, cess or any other like payments or deductions made by the Transferor Companies to any statutory authorities such as Income Tax, Minimum Alternate Tax, tax on distributed profits (i.e. Dividend Distribution Tax), tax on distributed income (i.e. Buy-back Tax), Equalisation Levy, Sales Tax, Value Added Tax, Service Tax, Goods and Services Tax etc. or any tax deduction/collection at source, relating to the period after the Appointed Date and upto the Effective Date shall be deemed to have been on account of and on behalf of the Transferee Company and the relevant

authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the coming into effect of this Scheme and upon relevant proof and documents being provided to the said authorities.

- 4.11 The Transferee Company shall be entitled to file/ revise its income-tax returns, TDS certificates, TDS returns, goods and service tax returns and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credits of all taxes paid/ withheld, if any, as may be required consequent to implementation of this Scheme.

5. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

- 5.1 Upon the coming into effect of this Scheme and with effect from Appointed Date and subject to the other provisions contained in this Scheme, all contracts, deeds, bonds, agreements, 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 subsisting or having effect immediately before the Effective Date shall be in full force and effect against or in favour of Transferee Company and may be enforced as fully and effectually as if instead of the Transferor Companies, Transferee Company had been the party thereof
- 5.2 Without prejudice to Clause 5.1 above, the Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Companies shall, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Companies and to implement or carry out all formalities required on the part of the Transferor Companies to give effect to the provisions of this Scheme.
- 5.3 Upon the coming into effect of this Scheme and with effect from Appointed Date and subject to the other provisions contained in this Scheme, all contracts, deeds, bonds, agreements, 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 subsisting or having effect immediately before the Effective Date shall be in full force and effect against or in favour of Transferee Company and may be enforced as fully and effectually as if instead of the Transferor Companies, Transferee Company had been the party thereof

6. LEGAL PROCEEDINGS

6.1 All legal proceedings of whatsoever nature by or against the Transferor Companies pending and/ or arising on or after the Appointed Date and relating to the Transferor Companies shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies if this Scheme had not been made

6.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Companies referred to in Clause 6.1 above transferred in its name respectively and to have the same continued, prosecuted and enforced by or against the Transferee Company to the same extent as would or might have been continued and enforced by or against the Transferor Companies.

7. STAFF & EMPLOYEES

Upon this Scheme becoming effective, all employees of the Transferor Companies shall be deemed to have become employees of the Transferee Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to the Transferor Companies on the date on which scheme becomes effective.

8. CONSIDERATION

8.1 Upon the Scheme becoming effective and upon the amalgamation of the Transferor Company 1 and the Transferor Company 2 with the

Transferee Company in terms of this Scheme, the Transferee Company shall without any application or deed, issue and allot equity shares at face value, credited as fully paid up, to the extent indicated below, to the equity shareholders holding fully paid up equity shares of the Transferor Companies and to the compulsorily convertible preference shareholders of the Transferor Companies holding fully paid up compulsorily convertible preference shares of the Transferor Companies and whose name appear in the register of members of the Transferor Companies on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferor Companies / the Transferee Company in the following proportion, subject to the Clause 8.4 and Clause 8.5 of the Scheme:

“2,07,72,170 equity shares of the face value of Rs. 10 each fully paid-up of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company 1 and compulsorily convertible preference shareholders of the Transferor Company 1 in the proportion of their holding in the Transferor Company 1.”

“89,60,880 equity shares of the face value of Rs. 10 each fully paid-up of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company 2 and compulsorily convertible preference shareholders of the Transferor Company 2 in the proportion of their holding in the Transferor Company 2.”

- 8.2 It is clarified that any positive net assets of the Transferor Companies as on the Appointed Date, other than the investment in the shares of the Transferee Company, will not affect/alter the share exchange ratio.
- 8.3 The equity shares issued and allotted pursuant to Scheme of Amalgamation shall be hereinafter referred to as “New Equity Shares”.
- 8.4 The Transferor Company 1 holds 2,07,72,170 equity shares of the Transferee Company and pursuant to the amalgamation, the Transferee Company shall issue the same number of New Equity Shares i.e.

2,07,72,170 to the equity shareholders and compulsorily convertible preference shareholders of the Transferor Company 1. In the event the Transferor Company 1 holds more than 2,07,72,170 fully paid up equity shares of the Transferee Company (without incurring any additional liability) on the Record Date, New Equity Shares to be issued by the Transferee Company to the shareholders of the Transferor Company 1 shall stand increased by such additional number of equity shares held by the Transferor Company 1

8.5 The Transferor Company 2 holds 89,60,880 equity shares of the Transferee Company and pursuant to the amalgamation, the Transferee Company shall issue the same number of New Equity Shares i.e. 89,60,880 to the equity shareholders and compulsorily convertible preference shareholders of the Transferor Company 2. In the event the Transferor Company 2 holds more than 89,60,880 fully paid up equity shares of the Transferee Company (without incurring any additional liability) on the Record Date, New Equity Shares to be issued by the Transferee Company to the shareholders of the Transferor Company 2 shall stand increased by such additional number of equity shares held by the Transferor Company 2

8.6 The New Equity Shares to be issued to the members of the Transferor Companies shall be in multiples of 1 (One) and, in case of any fractional entitlement, the same shall be rounded to the nearest integer. However, in no event shall the number of New Equity Shares to be allotted by the Transferee Company to the shareholders of the Transferor Companies exceed the number of equity shares held by the Transferor Companies in the Transferee Company on the Record Date and the Board of Directors shall be authorised to make necessary adjustment for the same in the allotment of shares to the shareholders of Suremi and / or Sushripada pursuant to clause 8.1 of this Scheme.

8.7 The New Equity Shares to be issued to the members of the Transferor Companies as above shall be subject to the Memorandum and Articles of Association of the Transferee Company. Further, the New Equity Shares issued shall rank *pari passu* with the existing equity shares of the Transferee Company in all respects including dividends, if any that may

be declared by the Transferee Company on or after the Scheme becoming effective, as the case may be.

- 8.8 The issue and allotment of the New Equity Shares to the shareholders of the Transferor Companies as provided in Clause 8.1 of this Scheme, is an integral part of the Scheme thereof, and shall be deemed to be have carried out without requiring any further act on the part of the Transferee Company or its shareholders as if the procedure laid down under Section 62 of the Act and any other applicable provisions of the Act, were duly complied with.
- 8.9 The New Equity Shares to be issued and allotted by the Transferee Company to the shareholders of the Transferor Company shall be issued in dematerialized form
- 8.10 Upon the Scheme becoming effective and upon the amalgamation of the Transferor Company 1 and the Transferor Company 2 with the Transferee Company in terms of this Scheme, the investment held by the Transferor Company 2 in the equity share capital and preference share capital of the Transferor Company 1 shall, without any further application, act, instrument or deed stand cancelled.
- 8.11 The investment held by the Transferor Companies in the equity share capital of the Transferee Company shall, without any further application, act, instrument or deed stand cancelled. The share certificates, if any, in relation to the shares held by the Transferor Companies shall be of no effect and the shares held by the Transferor Companies in dematerialized form shall be extinguished on and from such issue and allotment of New Equity Shares.

9. LISTING OF NEW EQUITY SHARES OF THE TRANSFEEE COMPANY

- 9.1 The New Equity Shares to be issued and allotted in terms of Clause 8.1 above, shall, in compliance with the requirement of applicable regulations, be listed and/or admitted to trading on the Stock Exchange where the existing equity shares of the Transferee Company are listed. The Transferee Company shall enter into such arrangements and give

such confirmations and/or undertakings as may be necessary in accordance with applicable laws or regulations for complying with the formalities of the Stock Exchange. On such formalities being fulfilled, the Stock Exchange shall list and/or admit the New Equity Shares for the purpose of trading.

- 9.2 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities for the issue and allotment by the Transferee Company of New Equity Shares to the members of the Transferor Companies under the Scheme and listing thereof.

10. REDUCTION OF SHARE CAPITAL

- 10.1 Upon the Scheme becoming effective and simultaneous to the New Equity Shares being issued by the Transferee Company, the equity shares of the Transferee Company held by the Transferor Companies on Scheme becoming effective shall be cancelled without any further act or deed. Accordingly, the share capital of the Transferee Company shall stand reduced to the extent of face value of shares held by the Transferor Companies as on the Effective Date.

- 10.2 Such reduction of the aforesaid equity share capital of the Transferee Company shall be effected as an integral part of the scheme itself and not in accordance with section 66 of the Act and no separate compliance and sanction under section 66 of the Companies Act, 2013 will be necessary.

Notwithstanding the reduction of capital of the Transferee Company, the Transferee Company shall not be required to add “And Reduced” as suffix to its name.

11. ACCOUNTING TREATMENT

- 11.1 Upon the coming into effect of this Scheme, the Transferee Company shall account for the amalgamation of the Transferor Companies in its books as per the applicable accounting principles prescribed under Indian Accounting Standards (Ind AS). It would inter alia include the following;

- 11.2 The shares of the Transferee Company held by the Transferor Companies shall stand cancelled.
- 11.3 The inter-company deposits/ inter-company loans and advances, if any, in the books of accounts of the Transferee Company and the Transferor Companies shall stand cancelled.
- 11.4 The face value of New Equity Shares issued by the Transferee Company to the shareholders of the Transferor Company pursuant to Clause 8.1 above shall be credited to the Equity Share Capital Account of the Transferee Company.
- 11.5 Other assets and liabilities of the Transferor Companies transferred to and vested in the Transferee Company shall be recorded at their respective fair values as appearing in the books of accounts of the Transferor Companies and in accordance with requirements of Ind AS.
- 11.6 The difference, if any, being excess or deficit arising pursuant to the Scheme, after giving effect to the above adjustments, shall be accounted based on generally accepted accounting principles under Ind AS.

12. CONDUCT OF BUSINESS UNTIL THE SCHEME BECOMES EFFECTIVE

- 12.1 With effect from the Appointed Date and upto and including the Effective Date, Transferor Companies shall carry on and be deemed to have been carrying on its business and activities and shall stand possessed of and hold all of the business for and on account of and for the benefit of and in trust for Transferee Company. Further, all the profits or income accruing or arising to Transferor Companies or expenditure or losses arising to or incurred by Transferor Companies, with effect from the said Appointed Date shall for all purposes and intents be treated and be deemed to be and accrue as the profits or income or expenditure or losses of Transferee Company, as the case may be.
- 12.2 With effect from the date of approval of this Scheme by the Board of Directors of Transferee Company upto and including the Effective Date:

- a. The Transferor Companies shall (i) carry on and be deemed to have carried on its businesses and activities; and (ii) be deemed to have held and stood possessed of and shall hold and stand possessed of its entire businesses and undertakings, including assets for and on account of and in trust for the Transferee Company.
- b. The Transferor Companies shall carry on its businesses and activities in the ordinary course of business with reasonable diligence and business prudence and shall not make borrowings or undertake financial commitments either for itself or on behalf of group companies or any third party or sell, transfer, alienate, mortgage, charge, or encumber or otherwise deal with or dispose of its assets, business or undertaking or any part thereof, save and except in the ordinary course of business or with the prior written consent of the Transferee Company.
- c. The Transferee Company shall be entitled to apply to the Central Government and any other Government or statutory authorities/agencies/body concerned as are necessary under any law for such consents, approvals, licenses, registrations and sanctions which the Transferee Company may require to carry on the business of the Transferor Companies.
- d. Any income, profits or other funds of the Transferor Companies will first be utilized to meet any current or expected liabilities of the Transferor Companies, including any tax liabilities or costs in relation to the amalgamation of the Transferor Companies with the Transferee Company, before they are utilized for other purposes.
- e. During the pendency of this Scheme, in the event the Transferee Company distributes dividend (including interim dividend) or issues bonus shares or offers rights shares to its shareholders, the Transferor Companies shall be entitled to receive such dividend and bonus shares, and subscribe to such rights shares offered by the Transferee Company or make distribution of profits/reserves to its Shareholders.

13. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets, properties and liabilities under Clause 4 above

and the continuance of proceedings by or against the Transferor Companies under Clause 6 above shall not affect any transaction or proceedings already concluded by the Transferor Companies on and after the Appointed Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of the Transferee Company.

14. INDEMNITY BY SHAREHOLDERS OF THE TRANSFEROR COMPANIES

The shareholders of the Transferor Companies shall indemnify and hold harmless the Transferee Company and its directors, officers, representatives, employees and agents (collectively the “Indemnified Persons”) for losses, liabilities, costs, charges, expenses whether or not resulting from third party claims, including those paid or suffered pursuant to any actions, proceedings, claims and including interest and penalties discharged by the Indemnified Persons, which may devolve on the Indemnified Persons on account of amalgamation of the Transferor Companies into the Transferee Company but would not have been payable by such Indemnified Persons otherwise, in the form and manner as may be agreed amongst the Transferee Company and shareholders of the Transferor Companies.

15. DISSOLUTION OF THE TRANSFEROR COMPANIES

Upon filing of the certified copies of order of the Hon’ble NCLT sanctioning the Scheme by the Transferor Companies and the Transferee Company with the jurisdictional Registrar of the Company, the Transferor Companies shall stand dissolved without being wound-up.

PART C

GENERAL TERMS AND CONDITIONS

16. APPLICATION

The Transferor Companies and the Transferee Company shall make necessary applications before the NCLT for the sanction of this Scheme under Sections 230 to 232 of the Act and other applicable provisions of the Act, and for seeking orders for dispensing with or convening,

holding and/or conducting of the meetings of respective shareholders/creditors and for sanctioning of this Scheme.

17. MODIFICATIONS/AMENDMENTS TO THE SCHEME

17.1 The Transferor Companies and the Transferee Company by their respective Board of Directors may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors).

17.2 The term “any other authority” referred to in Clause 17.1 above, shall specifically include the Stock Exchanges with which the shares of the Transferee Company are listed and with which the Transferee Company shall file a copy of the Scheme under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 or any other Government authority.

17.3 Any modification or amendment to the Scheme shall be subject to the approval of Hon’ble NCLT.

17.4 The Transferor Companies and the Transferee Company by their respective Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

17.5 The Transferor Companies and the Transferee Company in their full and absolute discretion, may withdraw this Scheme prior to the Scheme becoming effective at any time.

18. CONDITIONALITY OF THE SCHEME

This Scheme is conditional upon and subject to the following:

18.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members

and/or creditors, if required, of the Transferor Companies and the Transferee Company, as may be directed by the NCLT or any other appropriate authority as may be applicable;

18.2 The Transferee Company complying with other provisions of the SEBI circular, including seeking approval of its shareholders through e-voting. The Scheme shall be acted upon only if the number of votes cast by public shareholders in favour of the proposal are more than the number of votes cast by public shareholders against it, in accordance with the circular no CFD/DIL3/CIR/2017/21 issued on March 10, 2017 by SEBI, subject to modification, if any, in accordance with any subsequent circulars and amendments that may be issued by SEBI from time to time. The term “public” shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;

18.3 The requisite sanctions and approvals of Appropriate Authority, as may be required by law, in respect of the Scheme being obtained;

18.4 The sanction of this Scheme by the NCLT under Sections 230 to 232 of the Act, and other applicable provisions, if any of the Act in favour of the Transferor Companies and the Transferee Company; and

18.5 Requisite form along with Certified or authenticated copy of the Order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, Mumbai by the Transferor Company 1, the Transferor Company 2, and the Transferee Company as may be applicable.

19. EFFECT OF NON-RECIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the Clause 18 not being obtained or for any other reason, the Scheme cannot be implemented on or before December 31, 2021 or within such further period(s) that the Boards of the Transferor Companies and the Transferee Company may mutually agree upon (and which the Board of Directors of the Transferor Companies and the Transferee Company are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation), or the Transferor Companies and the Transferee Company withdraw from this Scheme pursuant to

Clause 17 above, the Scheme shall become null and void and in such event no rights or liabilities whatsoever shall accrue to or be incurred by the Transferor Companies and the Transferee Company or their shareholders or creditors or employees or any other person.

20. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferor Companies. Any surplus assets of the Transferor Companies available after the Effective Date to the Transferee Company to pay the cost, charges and expense of this Scheme shall be deemed to be sufficient discharge of the obligations by the Transferor Companies under this clause.
