

3

SCHEME OF ARRANGEMENT

BETWEEN

PRATIK PANELS LIMITED ("First Transferor Company" / "PRATIK")

AND

**SANGEETA TEX.DYES PRIVATE LIMITED ("Second Transferor Company" /
"SANGEETA")**

AND

**KRISHNA FANCYFAB PRIVATE LIMITED ("Third Transferor Company" /
"KRISHNA")**

WITH

HARIT INDUSTRIES PRIVATE LIMITED ("Transferee Company" / "HARIT")

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**(UNDER SECTION 230 TO 232 OF AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER)**



1

32

Approved and Signed by Board of Directors on June 2, 2023

FOR PRATIK PANELS LIMITED AND

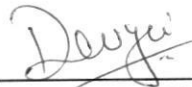
FOR KRISHNA FANCYFAB PRIVATE LIMITED AND

FOR SANGEETA TEX.DYES PRIVATE LIMITED AND

FOR HARIT INDUSTRIES PRIVATE LIMITED



PANKAJ C. MISHRA
DIRECTOR
DIN: 03604391



DEVYANI P. MISHRA
DIRECTOR
DIN: 00731043



A. PREAMBLE OF THE SCHEME

This Scheme of Arrangement is presented under Sections 230-232 of The Companies Act, 2013 and other applicable provisions of the Act inter- alia for, as integral part of the Scheme, Amalgamation of the Pratik Panels Limited ("First Transferor Company" or "PRATIK") and Sangeeta Tex.Dyes Private Limited ("Second Transferor Company" or "SANGEETA") and Krishna Fancyfab Private Limited ("Third Transferor Company" or "KRISHNA") With Harit Industries Private Limited ("Transferee Company" or "HARIT") and Conversion of Transferee Company into Public Company and the issue of Bonus Shares to shareholders of Transferee Company, in accordance with the relevant provisions of the Act, Section 2(1B) of the Income Tax Act, 1961, the relevant provisions of SEBI circular (as defined below), the relevant provisions of the Listing Regulations and other applicable Laws.

In addition, this Scheme also provides for various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme.



A handwritten signature or mark.

A handwritten signature or mark.

B. GENERAL / INTRODUCTION OF COMPANIES

❖ Harit Industries Private Limited (“Transferee Company” or “HARIT”)

(CIN: - U17299MH2019PTC332459) the Transferee Company is a Private limited company incorporated on 01/11/2019 under the provisions of the Companies Act, 2013, having PAN **AAFCH0925B**, Email id: - info@haritgroup.co.in and having its Registered Office at Unit No. 209, Emerald Plaza, Block IV, Hiranandani Meadows, Gladys Alwares Road, Off Pokharan Road No.2, Thane West, Maharashtra- 400610, India. The company was incorporated to carry on the business of Manufacturers, producers, processors, importers, exporters, buyers, sellers of and dealers in all kinds of Textiles, fibers, fabrics and yarns and hosiery goods prepared or manufactured from cotton, wool, worsted, shoddy, silk, jute, ramie, hemp, linen, viscose, rayon, artificial, silk, nylon, polyester, acrylic, polypropylene, polynosic or any other synthetic, artificial and natural yarn, fibre and converters of synthetics, artificial and natural fibres including fibre-glass or their wastes or waste products into materials like cloth, readymade garments, made ups, ropes, tapes, yarn, hosiery goods, dress makers, furriers, clothe and outfitter.



❖ **Pratik Panels Limited ("First Transferor Company" or "Pratik")** (CIN: L17100MH1989PLC317374) is a Public company incorporated on 27/02/1989 under the provisions of the Companies Act, 1956, having PAN AABCP9788N, Email id: - pplby8@gmail.com and having its Registered Office at Gala No. C-2 (H. No. 366/8-2), Gr. Floor, Gurudev Complex, Behind Deep Hotel, Sonale Village, Bhiwandi, Thane, Maharashtra- 421302, India. The company was incorporated to carry on the of Manufacturers, producers, processors, importers, exporters, buyers, sellers of and dealers in all kinds of textiles, fibers, fabrics and yarns and hosiery goods prepared or manufactured from cotton, wool, worsted, shoddy, silk, jute, ramie, hemp, linen, viscose, rayon, artificial, silk, nylon, polyester, acrylic, polypropylene, polynosic or any other synthetic, artificial and natural yarn, fibre and converters of synthetics, artificial and natural fibres including fibre-glass or their wastes or waste products into materials like cloth, readymade garments, made ups, ropes, tapes, yarn, hosiery goods, dress makers, furriers, clothes and outfitter. The Equity Shares of the PRATIK are listed on the BSE Limited under Scrip Code 526490.

❖ **Sangeeta Tex.Dyes Private Limited ("Second Transferor Company" or "Sangeeta")** (CIN: - U17120MH2009PTC196784) is a Private limited company incorporated on 30/10/2009 under the provisions of the Companies Act, 1956, having PAN AANCS5350B, Email id: -



Handwritten initials or signatures.

info@haritgroup.co.in and having its Registered Office at Plot: 4/7, H. No. 742, Saravali, MIDC, Near Remco Silk Mills, Kalyan Road, Bhiwandi, Thane, Maharashtra- 421311, India. The company was incorporated to carry on the business of manufacturing, purchasing, selling, exporting and Importing and dealing, making, spinning, printing, dyeing and bleaching, colouring designing, fashion settlers, tailoring of Textiles, Textile Processor, yarns, material, fabrics whether cotton, silken, synthetic, woolen, jute, leather, hosiery rubber or water proof material or combination thereof and readymade garments, apparels, accessories in India or abroad. SANGEETA is a Wholly-owned Subsidiary of HARIT.

- ❖ **Krishna Fancyfab Private Limited ("Third Transferor Company" or "Krishna")** (CIN: - U17291MH2013PTC240227) is a Private limited company incorporated on 06/02/2013 under the provisions of the Companies Act, 1956, having PAN **AAFCK0522P**, Email id: - info@haritgroup.co.in and having its Registered Office at Gala No. D-10, Gurdev Compound, Plot No 35, Sonale Village, Bhiwandi, Thane, Maharashtra-421302, India. The company was incorporated to carry on the business of import, export, buy, sell, trade, deal in, convert, manufacture, produce, process, alter textiles, manmade handlooms, cotton, silk, wool, jute, artificial silk, terelene, and any other type of yarn, trend fabrics and to make, process alter convert the yarn, fabrics into readymade garments, made ups, bed sheets, pillow covers, duvets, upholstery,



tapestry, needlework, neckwear, ties, collars, scarves, tinsol, fabrics, threads, furnishing fabrics, hosiery, tapestry, linen curtains and mattresses by the process of spinners, doublers, combers, scourers, weavers, jacquards weavers, knitters, finishers, bleachers, dyers and printers and to act as manufacturers, products, processors, fabricators, ginners, doublers, pressers, spinners, weavers, knitters, dyers, printers, bleachers, assemblers, balers, carders, seizers, finishers, worsted spinners, wool-combers, woollen spinners, converters, crimpers, texturisers, twister, packers, reelers, refiners, distributors, traders, commission agents, brokers, buyers, sellers, importers and exporters, of and dealers, in all types of yarn, clothes, threads, silk, linen, woollen goods and fibre, synthetic, viscose, rayon, jute, hemp, flexwool, linen nylon, terylene and synthetics waste or any fibrous materials and to carry on the business of cotton spinners and doublers, linen manufactures, threads, cotton, flex, hemp, jute wool, yarn and cloth merchants, printers, dyers and bleachers, makers of vitrial, bleaching and dyeing materials. KRISHNA is a Wholly-owned Subsidiary of HARIT.

C. Transferor companies and Transferee Company have not undertaken/started its construction activities falling in the ambit of RERA, hence not required to register with Real Estate Regulatory Authority ("RERA").



7



P J

D. There are no proceedings/investigation pending against any Transferor Company or the Transferee Company under Sections 210 to 217, 219, 220, 223, 224, 225, 226 & 227 of the Act.

E. **DATE OF TAKING EFFECT:** The Scheme set out herein in its present form or with any modification(s) approved, imposed or directed by the Hon'ble NCLT shall be effective from the Appointed Date but shall be operative from the Effective Date.

F. **PURPOSE AND RATIONALE FOR THIS SCHEME**

1. The management of the Transferor Companies and the Transferee Company believe that the business existing in the Transferor Companies should be consolidated with the Transferee Company for the following primary reasons:

(i) The amalgamation of the Transferor Companies with and into the Transferee Company will enable consolidation of the business and operations of the Transferor Companies into the Transferee Company, which complement the business of the Transferee Company and which will provide substantial impetus to growth, enable synergies, reduce operational costs, increase operational efficiencies, manage working



8



39

Two handwritten signatures in black ink.

capital and enable optimal utilization of various resources as a result of pooling of financial, managerial and technical resources, and technologies of the Transferor Companies and the Transferee Company, thereby significantly contributing to business efficiency, future growth and maximizing shareholder value;

- (ii) The amalgamated company will be well positioned to compete effectively with its peers in the markets;
- (iii) The combined entity would be able to effectively optimize the overall administration and statutory compliances by eliminating duplication of functions (viz. secretarial, finance);
- (iv) The transactions contemplated in the scheme provides opportunities that benefits all the stakeholders of the Parties. This will result in enhanced shareholder value pursuant to economies of scale and business efficiencies.
- (v) The combined managerial resources of Transferor Companies would enhance the capability of the Transferee Company to invest in larger and sophisticated projects to ensure rapid growth and would consolidate the strategic strength of the Amalgamated Company/ Transferee Company
- (vi) It would also lead to growth prospects for the personnel and organizations connected with these Companies.



Handwritten signatures.

2. Rule 19(1) of Securities Contracts (Regulation) Rules, 1957 the Company seeking listing on any Recognised Stock Exchange shall be a Public Company. Therefore, as an integral part of the Scheme, upon the Scheme being effective, the Transferee Company shall stand converted into a 'public company' in terms of the Sections 13, 18 and other applicable provisions of the Act and rules made thereunder.
3. The Management of the Companies deliberated on the condition of BSE requiring the Transferee Company to have minimum paid up Share Capital of 3 Crores post the Scheme of Arrangement. Therefore, in order to comply with the Condition of BSE, the Board of Transferee Company proposes to issue 12,00,00,000 Bonus Equity Shares to Shareholder of the Transferee Company after giving effect of the Amalgamation, as an integral part of the Scheme, upon the Scheme being effective. The Management of the Transferee Company states that the Company, post Arrangement, would have sufficient reserves to facilitate the said Bonus issue and the said Issue is in compliance with Conditions laid in Section 63 of the Act read with Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 and Chapter XI of Securities And Exchange Board Of India (Issue Of Capital And Disclosure Requirements) Regulations, 2018.
4. The Transferee Company shall make an application to BSE for listing of its Equity Share Capital on BSE under Rule 19(2)(b) of Securities Contracts (Regulation) Rules, 1957.



[Handwritten signatures]

5. The Scheme is in the best interests of the shareholders, employees, creditors and all stakeholders of each of the Parties (as defined hereinafter).

G. PARTS OF THIS SCHEME

The Scheme is divided into following parts:

- I. **PART A** - dealing with Definitions, interpretation, effective date and Share Capital;
- II. **PART B** - dealing with the amalgamation of Transferor Companies with the Transferee Company in accordance with sections 232 of the Act; and
- III. **PART C** - Conversion of the Transferee Company into Public Company
- IV. **PART D** - Issue of Bonus Shares in Transferee Company
- V. **PART E** - dealing with General Terms and Conditions



P J

PART-A

DEFINITIONS, INTERPRETATION, EFFECTIVE DATE AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme the following words and expressions shall, unless the context requires otherwise, have the following meanings ascribed to them:

- 1.1. "**Act**" means the Companies Act, 2013, the rules and/ or regulations made thereunder and shall include any statutory modification(s) or re-enactment(s) thereof for the time being in force.
- 1.2. "**Amalgamation**" means amalgamation of Pratik Panels Limited (First Transferor Company or PRATIK) and Sangeeta Tex.Dyes Private Limited (Second Transferor Company or SANGEETA) and Krishna Fancyfab Private Limited (Third Transferor Company or KRISHNA) With Harit Industries Private Limited (Transferee Company or HARIT) as set out in Part B hereof.
- 1.3. "**Appointed Date**" For the purpose of this Scheme and for Income Tax Act, 1961, means 1st April, 2023 or such other date as the National Company Law Tribunal NCLT Mumbai or any other Competent Government Authority may direct, which shall be the date with effect from which this Scheme shall become effective and with effect from which



12



43

[Handwritten signature]

date the Transferor Companies shall amalgamate with the Transferee Company in terms of the Scheme, upon the order sanctioning this Scheme becoming effective.

1.4. "**Board**" or "**Board of Directors**" in relation to Transferor Companies or Transferee Company means the board of directors of the respective Companies or any person authorized by the Board of Directors of Transferor Companies or Transferee Company.

1.5. "**Bonus Issuance**" issuance and allotment of Bonus Shares by way of a bonus issue by the Transferee Company.

1.6. "**Bonus Issuance Record Date**" means, upon the Scheme being effective, the date to be fixed by the Board of the Transferee Company for the purpose of determining the shareholders of the Transferee Company that are to be offered shares of the Transferee Company, pursuant to Part D of this Scheme.

1.7. "**Bonus Shares**" shall mean 12,00,00,000 (Twelve Crore) Equity Shares of the Transferee Company having face value of INR 1 (Indian Rupee One) each to be issued by way of a bonus issue by the Transferee Company, in the proportion of share held by shareholders in the Transferee Company, after Part-B of the Scheme is given effect.



48

J J

1.8. "**Director(s)**" means a member of the Board of the First Transferor Company, Second Transferor Company, Third Transferor Company and the Transferee Company, as may be applicable.

1.9. "**Effective Date**" or "**upon the Scheme becoming effective**" or "**effectiveness of the Scheme**" means the last of the dates on which all the conditions specified in Clause 21 of this Scheme are satisfied or complied with and Scheme comes into effect.

1.10. "**Equity Shares**" with respect to a company, means the fully paid-up Equity Shares of such company.

1.11. "**Financial Statements**" include standalone accounts, i.e., balance sheet, statement of profit & loss, cash flow statement and notes to accounts of Transferor Companies and the Transferee Company, as the context may require.

1.12. "**Governmental Authority**" means (i) 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 Registrar of Companies, Regional Director, the Official Liquidator, National Company Law Tribunal, judicial or quasi-judicial or arbitral body having jurisdiction over the territory of India and (ii) any stock exchange or similar self-regulatory or quasi-governmental agency or private body exercising any regulatory or administrative functions of or relating to the government;



45

J J

1.13. **"Goodwill"** means and includes the goodwill in connection with the businesses of the Transferor Company, together with the exclusive right of Transferee Company and its assignees to represent themselves as carrying on the business in succession to the Transferor Company and includes business claims, business information, business records, product registrations/ approvals, skilled employees, technical knowhow and other intangible assets.

1.14. **"Harit Industries Private Limited or HARIT or Transferee Company"** is a company incorporated under the provisions of the Companies Act 2013, registered with CIN: - U17299MH2019PTC332459, having PAN AAFCH0925B, and Registered Office at Unit No. 209, Emerald Plaza, Block IV, Hiranandani Meadows, Gladys Alwares Road, Off Pokharan Road No.2, Thane West, Maharashtra- 400610, India.

1.15. **"Indian Rupees"** or **"INR"** means the lawful currency of the Republic of India.

1.16. **"IT Act"** means the Income-tax Act, 1961, together with all rules, regulations, circulars and notifications issued thereunder by any Governmental Authority, as amended, modified, replaced or supplemented from time to time and to the extent in force.

1.17. **"Listing Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time



46

J J

1.18. **"MOA"** means the memorandum of association of the Transferee Company.

1.19. **"Parties"** means the First Transferor Company, Second Transferor Company, Third Transferor Company and the Transferee Company, collectively, and "Party" shall mean each of them individually.

1.20. **"Pratik Panels Limited or Pratik or First Transferor Company"** is a company incorporated under the provisions of the Companies Act 1956, registered with CIN: L17100MH1989PLC317374, having PAN AABCP9788N, and Registered Office at Gala No. C-2 (H. No. 366/8-2), Gr. Floor, Gurudev Complex, Behind Deep Hotel, Sonale Village, Bhiwandi, Thane, Maharashtra- 421302, India.

1.21. **"Sangeeta Tex.Dyes Private Limited or Sangeeta or Second Transferor Company"** is a company incorporated under the provisions of the Companies Act 1956, registered with CIN: - U17120MH2009PTC196784, having PAN AANCS5350B, and Registered Office at Plot: 4/7, H. No. 742, Saravali, MIDC, Near Remco Silk Mills, Kalyan Road, Bhiwandi, Thane, Maharashtra- 421311, India.

1.22. **"Krishna Fancyfab Private Limited or Krishna or Third Transferor Company"** is a company incorporated under the provisions of the Companies Act 1956, registered with CIN: - U17291MH2013PTC240227, having PAN AAFCK0522P, and Registered Office at Gala No. D-10, Gurdev



47

J J

Compound, Plot No 35, Sonale Village, Bhiwandi, Thane, Maharashtra-421302, India.

1.23. "**NCLT**" means the Hon'ble National Company Law Tribunal at Mumbai Bench that has jurisdiction over Transferor Company and Transferee Company or such other forum or authority that may be vested with requisite powers under the Companies Act, 2013 in relation to the provisions of sections 230 to 232 of the Companies Act, 2013.

1.24. "**ROC**" means the Registrar of Companies, Mumbai.

1.25. "**Record Date**" means the date to be fixed by the Board of Directors of Transferee Company, for the purposes of issue and allotment of shares of the company as may be applicable and relevant in accordance with this scheme of amalgamation.

1.26. "**Scheme**" or "**this Scheme**" or "**the Scheme of Amalgamation**" means this Scheme of Amalgamation of among the Pratik Panels Limited (First Transferor Company or PRATIK) and Sangeeta Tex.Dyes Private Limited (Second Transferor Company or SANGEETA) and Krishna Fancyfab Private Limited (Third Transferor Company or KRISHNA) with Harit Industries Private Limited (Transferee Company or HARIT) and their respective shareholders and creditors in its present form filed with the NCLT and with any modification(s) approved or imposed or directed by the NCLT or any other appropriate authority.

1.27. "**SEBI**" means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.



Two handwritten signatures in black ink.

1.28. "**SEBI Act**" means the Securities and Exchange Board of India, 1992

1.29. "**SEBI Circular**" means the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, and includes any substitution, modification or reissuance thereof from time to time.

1.30. "**Stock Exchanges**" means the stock exchanges where the equity shares of the Transferor Company 1 are listed and are admitted to trading, viz., the BSE Limited.

1.31. "**Transition Period**" means the period starting from the date immediately after the Appointed date till the last date on which condition stipulated in Clause 21 of scheme are fulfilled.

1.32. "**Tax**" or "**Taxes**" means any and all taxes (direct or indirect), surcharges, fees, levies, duties, tariffs, imposts and other charges of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto), in each case in the nature of a tax, imposed by any Governmental Authority (whether payable directly or by withholding), including without limitation, taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales, severance, branch profits, customs duties, excise, anti-dumping duty, special additional duty, octroi, bonds with the custom authorities etc., CENVAT, withholding tax, self-assessment tax, advance tax, service tax, sales tax, goods and services tax, stamp duty, transfer tax, value-added tax, minimum alternate tax, banking cash

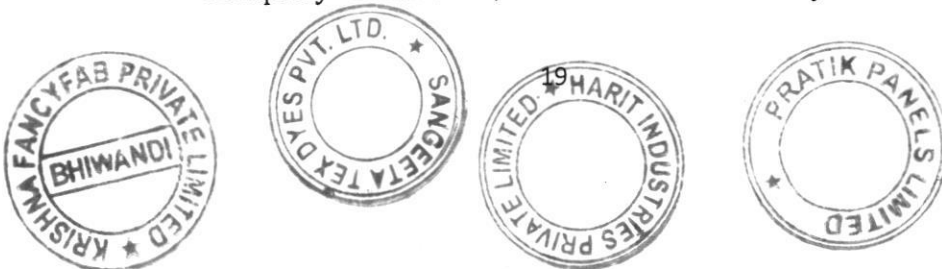


J J

transaction tax, securities transaction tax, taxes withheld or paid, customs duty and registration fees.

1.33. "**Undertakings**" means the Transferor Companies and includes all the business, undertakings, assets, properties, investments and liabilities of each of the Transferor Company of whatsoever nature and kind and wherever situated, on a going concern basis which shall include:

- a) All the businesses, properties, assets including investments, liabilities of whatsoever kind and wherever situated of the Transferor Company as on Appointed Date;
- b) Without prejudice to the generality of the foregoing clause, the Undertaking of 'The Transferor Company' shall include all rights, powers, authorities, privileges, liberties and all properties, claims, receivables, entitlements and assets whether movable or immovable, freehold, leasehold, real or personal, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and wherever situated including office equipment, inventories, receivable, payables, inter Company balances, investment in shares, sundry debtors, cash and bank balances, loans and advances, telephones, facsimile, email, internet, leased lying connections and other communication facilities and equipment, rights and benefits of all agreements, all records, files, papers, computer programs, manuals, data, inter Company Balances , Receivables and Payables and all other



P J

interests and rights in or arising out of such property together with all licenses, trademarks, patents, copyrights, entitlements and other quotas, if any, held, applied for or as may be obtained hereafter by 'The Transferor Company' or to which 'The Transferor Company' are entitled to and all debts, liabilities (contingent or otherwise), responsibilities, duties and obligations of each Transferor Company of whatsoever kind..

1.34. "**Tribunal**" means the Mumbai Bench of the National Company Law Tribunal having jurisdiction over the Parties.

2. INTERPRETATIONS

1. 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 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. The headings herein shall not affect the construction of this Scheme.
3. The singular shall include the plural and vice versa; and references to one gender shall include all genders.
4. Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as



illustrative and shall not limit the sense of the words preceding those terms.

5. References to person includes any individual, firm, body corporate (whether or not incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employees representative body (whether or not having separate legal personality).

3. SHARE CAPITAL STRUCTURE

3.1 The share capital structure of **HARIT (Transferee Company)** as on 31st March, 2023 was as follows:

Particulars	(Amount in Rs.)
<u>Authorised Capital</u>	
100,00,000 Equity Shares of Re. 1/- each	1,00,00,000
TOTAL	1,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
100,00,000 Equity Shares of Re. 1/- each	1,00,00,000
TOTAL	1,00,00,000



52

J J

As on the date of this Scheme being approved by the Board, there is no change in the Authorized, Issued, subscribed and Paid-Up Share Capital of the Transferee Company since March 31, 2023.

3.2 The share capital structure of **PRATIK (First Transferor Company)** as on 31st March, 2023 was as follows:

Particulars	(Amount in Rs.)
<u>Authorised Capital</u>	
7,50,00,000 Equity Shares of Re. 1/- each	7,50,00,000
TOTAL	7,50,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
6,38,98,500 Equity Shares of Re. 1/- each	6,38,98,500
TOTAL	6,38,98,500

As on the date of this Scheme being approved by the Board, there is no change in the Authorized, Issued, subscribed and Paid-Up Share Capital of the Transferee Company since March 31, 2023.

3.3 Further as on date of approval of this Scheme, PRATIK has applied to BSE for Listing approval for 6,00,00,000 Equity Shares issued by way of Preferential Issue in the FY 2022-2023 and approval of BSE Ltd. is



pending. The said equity shares shall be available for trading on the stock exchange once the Trading Approval is granted by the BSE Ltd.

3.4 The share capital structure of **SANGEETA (Second Transferor Company)** as on 31st March, 2023 was as follows:

Particulars	(Amount in Rs.)
<u>Authorised Capital</u>	
200,00,000 Equity Shares of Re. 1/- each	2,00,00,000
TOTAL	2,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
100,00,000 Equity Shares of Re. 1/- each	1,00,00,000
TOTAL	1,00,00,000

As on the date of this Scheme being approved by the Board, there is no change in the Authorized, Issued, subscribed and Paid-Up Share Capital of the Transferor Company since March 31, 2023.

Note: HARIT is a Holding Company of SANGEETA and holds 100% equity shares of SANGEETA.



Handwritten signatures

3.5 The share capital structure of **KRISHNA (Third Transferor Company)** as on 31st March, 2023 was as follows:

Particulars	(Amount in Rs.)
<u>Authorised Capital</u>	
3,50,00,000 Equity Shares of Re. 1/- each	3,50,00,000
TOTAL	3,50,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
3,24,34,000 Equity Shares of Re. 1/- each	3,24,34,000
TOTAL	3,24,34,000

As on the date of this Scheme being approved by the Board, there is no change in the Authorized, Issued, subscribed and Paid-Up Share Capital of the Transferor Company since March 31, 2023

Note: HARIT is a Holding Company of KRISHNA and holds 100% equity shares of KRISHNA.



24

J J

55

4. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Competent Authority shall become effective from the Appointed Date and the provisions of this Scheme shall be applicable and would come into operation from the effective date.



[Handwritten signatures]

PART - B

**AMALGAMATION OF THE TRANSFEROR COMPANIES WITH THE
TRANSFeree COMPANY**

5. TRANSFER AND VESTING OF UNDERTAKING

Transfer of assets, properties, estates, claims, refunds, debts, duties, liabilities, obligations etc.,

5.1 Subject to the provisions of this Scheme as specified herein and with effect from the appointed date and upon the scheme becoming effective and in accordance with Clause 23 of this Scheme, the Transferor Companies shall be transferred to and vested in or be deemed to be transferred to and vested on going concern basis in the Transferee Company in the following manner:

- a) The Assets and Liabilities of all Transferor Companies comprising of its business, all assets and liabilities of whatsoever nature and where-so-ever situated, shall, under the provisions of Sections 232 of the Company Act, 2013 and all other applicable provisions, if any, of the Act, 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



J

[Signature]

as a going concern so as to become the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of all Transferor Companies therein.

- b) All the Immovable properties of Transferor Companies shall under the provisions of Sections 232 of the Company Act, 2013, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become the Properties of the Transferee Company with effect from the Appointed Date.
- c) All the movable assets including but not limited to computers and equipment, office equipment, machineries, software, products, websites, portals, capital work in progress, cash in hand of Transferor Companies capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company.
- d) In respect of movables other than those specified in sub clause (c) above, including, outstanding loans and advances, Investments (whether current or non - current), trade receivables, recoverable in cash or in kind or for value to be received, bank accounts, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers, intercompany balances, receivables and payables, stock in trade and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested



Handwritten signatures.

in and /or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Sections 232 of the Company Act, 2013.

- e) Where any of the debts, liabilities, loans and obligations incurred, duties and obligations of Transferor Companies as on appointed date deemed to be transferred to and vested in the Transferee Company have been discharged by Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and account of the Transferee Company.
- f) In relation to all licenses, franchises, permissions, approvals including but not limited to environmental approvals, consents, registrations, entitlements, sanctions, permits, rights, privileges and licenses including rights arising from contracts, deeds, license Instruments and agreements, if any, belonging to Transferor Companies which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Transferee Company will execute - the necessary documents of transfer including documents for attornment or endorsement, as the case maybe, as and when required.
- g) All secured and/or unsecured debts, if any, all liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of account and whether disclosed or undisclosed in the balance sheet of the Transferor Companies shall also, under the



Handwritten signatures

provisions of Sections 232 of the Company Act, 2013, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company 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 restructuring by virtue of which such secured and/or unsecured debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub clause.

It is clarified that unless otherwise determined by the Board of Directors of the Transferee Company, in so far as the borrowings/debts and assets comprising the Transferor Company are concerned:

- a) the security or charge, if any existing or created in future before the effective date, for the loans or borrowings of Transferor Companies shall, without any further act or deed continue to relate to the said assets after the Effective Date; and
- b) the assets of the Transferee Company shall not relate to or be available as security in relation to the said borrowings of Transferor Companies;



Handwritten initials or signatures

h) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including credit on account of tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax, GST and other incentives), granted by any government body, local authority or by any other person and availed by Transferor Companies, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

5.2 The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of Transferor Companies, to implement and carry out all formalities and compliances, if required, referred to above.

5.3 All the properties or assets of Transferor Companies whether movable or immovable, being transferred pursuant to this Scheme, which are registered and standing in the name of Transferor Companies shall, upon the scheme becoming effective, be registered in the name of the Transferee Company and the name of Transferor Companies shall be substituted with the name of the Transferee Company in all such certificates of registration, endorsements, records and in revenue/mutation records in case of immovable properties by such appropriate Authorities.



P J

5.4 Any tax liabilities under the Income-tax Act, 1961, service tax laws, Goods and Service Tax (GST), customs law or other applicable laws/ regulations dealing with taxes/ duties / levies of 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, if any, shall be transferred to Transferee company.

5.5 Any refund under the Income-tax Act, 1961, service tax laws, GST or other applicable laws / regulations dealing with taxes/ duties / levies tax due to Transferor companies consequent to the assessment made on 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.

5.6 On or after the Effective Date, all rights, entitlements and powers to revise returns and filings of Transferor Companies under the Income tax Act, 1961, service tax laws, GST and other laws, and to claim refunds and /or credits for taxes paid, etc. and for matters incidental thereto, shall be available to, and vest with the Transferee Company.

5.7 All tax assessment proceedings/ appeals of whatsoever nature by or against Transferor Companies pending and/or arising at the Appointed Date and relating to any Transferor Company shall be continued and/or



62

enforced until the Effective Date against the Transferor Companies and from the Effective Date, the same shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Companies. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of Transferor Companies into the Transferee Company or anything contained in the Scheme.

5.8 All the tax payments including, without limitation payments under the Income -Tax Act, 1961 Service Tax law, MAT, GST and other laws) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operations of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Transferor Companies on transactions with the Transferee Company, if any (from Appointed Date till Effective Date) shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings be dealt with accordingly.



5.9 Obligation for deduction of tax at source on any payment made by or to be made by Transferor Companies under the Income-tax Act, 1961, service tax laws, or other applicable laws/regulations dealing with taxes/duties / levies shall be made or deemed to have been made and duly complied with by the Transferee Company.

5.10 This Scheme has been drawn up to comply with the conditions relating to Amalgamation as specified under Section 2(18) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the Income-Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(18) of the Income-tax Act, 1961.

6. STAFF, WORKMEN & EMPLOYEES

6.1 Upon the Scheme being effective, the staff, workmen or employees, if any, of Transferor Companies, as on the date on which the Transition Period ends, shall become and be deemed to have become the employees of the Transferee company on the terms and conditions not



Handwritten signatures.

less favourable than those on which they are engaged by the Transferor Companies, without any break in their services and on the basis of continuity of services.

6.2 The existing provident fund, gratuity fund, pension and/ or superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the employees of the Transferor Companies shall become the trusts/ funds of the Transferee Company, respectively, for all purposes whatsoever in relation to the administration or operation of such funds or trusts or in relation to the obligation to make contributions to the said funds or trusts in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of Transferor Companies in relation to such funds or trusts shall become those of Transferee Company.

6.3 It is clarified that services of the employees of Transferor Companies will be treated as having been continuing for the purpose of said fund or funds.

7. SAVING OF CONCLUDED TRANSACTIONS



J J

Subject to the terms of this Scheme, the Transfer and vesting of the undertaking of Transferor Companies under Clause 5 of this Scheme shall not affect any transactions or proceedings already concluded by 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 the acts, deeds and things made, done and executed by Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

8. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

8.1 Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, understandings whether written or oral and other instruments, if any, of whatsoever nature to which any Transferor Company is party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect on the date on which the Transition Period ends, without any further act, instrument or deed, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.



(Handwritten signatures)

8.2 Transferor Companies may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which any Transferor Company is party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

9. CONSIDERATION

9.1 Upon the coming into effect of the Scheme, in consideration of the transfer of and vesting of the Undertaking and the Liabilities of the Transferor Companies to the Transferee Company in terms of Part B of this Scheme, and as per Valuation Report issued by Registered Valuer, the Transferee Company shall without any further application, act or deed, issue and allot to the equity shareholders of the First Transferor Company in the following ratios (the "Share Exchange Ratios"):

- the Transferee Company shall, issue and allot Equity Shares, credited as fully paid-up, 6 (Six) equity shares in the HARIT (Transferee Company) of Re. 1/- be issued and allotted as fully



36

67

paid-up for every 100 (One-Hundred) equity shares of Re. 1/- each held by such Shareholders in PRATIK (First Transferor Company), as on the Record Date.

9.2 The aforesaid ratio for the issue of Equity Shares by the Transferee Company against the Equity Shares held by the shareholders in the Transferor Company is based on the recommendations made in the Valuation Report dated June 2, 2023 issued by Ramesh Chand Kumawat who is a Registered Valuer – Securities or Financial Assets.

9.3 Equity Shares to be issued and allotted in terms hereof will be subject to the Memorandum of Association and Articles of Association of the Transferee Company and shall be deemed to be in compliance with the provisions of the Act or any law for the time being in force.

9.4 The said Equity Shares in the Transferee Company to be issued to the equity shareholders of the Transferor Company pursuant to this clause shall rank pari passu in all respects with the existing Equity shares of the Transferee Company, including with respect to dividend, bonus, voting rights and other corporate benefits attached to the Equity Shares of the Transferee Company. The Equity Shares of the Transferee Company issued pursuant to this clause and in lieu of the locked in shares of the Transferor Companies, if any, will be subject to lock-in for



A handwritten signature in black ink.

the remaining lock-in period of such locked-in shares, in accordance with the SEBI Circular.

9.5 Issuance of new Equity Shares by the Transferee Company shall be made in compliance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Master Circular issued by the Securities and Exchange Board of India on November 23, 2021 bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 or any statutory modification or re-enactment thereof from time to time.

9.6 The Equity Shares shall be issued in dematerialized form to those shareholders who hold shares of the Transferor Companies in dematerialized form, into the account in which shares of the Transferor Company are held or such other account as is intimated in writing by the shareholders to the Transferor Company and/or its Registrar. All the shareholders who hold shares of the Transferor Company in physical form shall also have the option to receive the Equity Shares, as the case may be, in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to the Transferor Company and/or its Registrar on or before 'the Record Date, the shareholders who fail to provide such details shall be issued Equity Shares of the Transferee Company in physical form. Notwithstanding



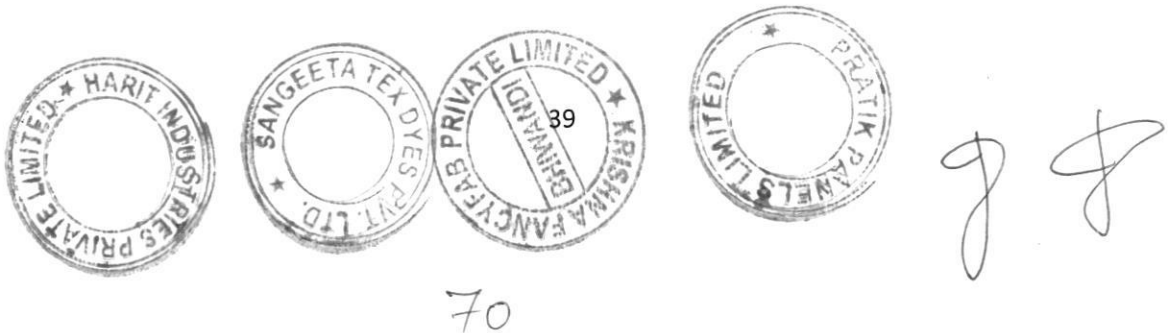
69

J D

the above, if as per Applicable laws, the Transferee Company is not permitted to issue and allot the new Equity Shares in physical form and it has still not received the demat account details of such shareholders of the Transferor Company, the Transferee Company shall issue and allot such shares in lieu of the new equity share entitlement of such shareholders, into a Demat Suspense account, which shall be operated by one of the directors of the Transferee Company, duly authorised in this regard, who shall upon receipt of appropriate evidence from such shareholders regarding their entitlements, will transfer from such Demat Suspense account into the individual demat account of such claimant shareholders, such number of shares as may be required in terms of this scheme.

9.7 The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing / trading permission is given by the designated stock exchange.

9.8 The new shares to be issued by the Transferee Company in respect of any Equity Shares of the Transferor Company which are held in abeyance under the provision of Section 126 of the Act or otherwise, shall also be kept in abeyance.



9.9 For the purpose of allotment of the shares, pursuant to this Scheme, the fractional entitlements, if any, shall aggregated and held by the trust, nominated by the Board in that behalf, who shall sell such shares in the market at such price, within a period of 90 days from the date of allotment of shares and eligible shareholders would be compensated accordingly. For the sake of clarification, in case any shareholder of the Transferor Company becomes entitled to any fractional shares of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee (nominated by the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders, to whom they belong, for the specific purpose of selling such shares in the market at such price or prices within 90 days from the date of allotment of shares and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements: from such net proceeds shall be rounded off to the next Rupee.



Two handwritten signatures in black ink, one above the other.

9.10 Upon the Scheme being effective, there shall be no issue of shares to shareholders of SANGEETA and KRISHNA as both are Wholly-Owned Subsidiaries of HARIT.

9.11 For the avoidance of doubt, it is clarified that, in case, the issued and paid-up share capital of the Transferee Company and / or the Transferor Company, as the case may be, undergoes any change, prior to this Scheme becoming effective, then Clause 9.1 shall automatically stand modified / adjusted accordingly to take into account the effect of such change.

9.12 Upon the issuance and allotment of Equity Shares pursuant to the Scheme, the Transferee Company shall take necessary steps, including the filling of the applications with Stock Exchanges, for the purpose of listing of the Equity Shares of the Transferee Company on such Stock and in compliance with the Listing Regulations, SEBI Circular and other applicable regulations and Applicable Laws.

9.13 Post listing of the Equity Shares of the Transferee Company on the Stock Exchanges, the Transferee Company shall comply with the requirement of maintaining public shareholding within such timelines as may be prescribed under Applicable Laws.



9.14 The approval of this Scheme by the requisite majority of shareholders of the Transferee Company shall be deemed to be in due compliance of the provisions of Section 62 of the Act, and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by the Transferee Company to the shareholders of the Transferor Company, as provided in this Scheme.

9.15 There shall be no change in the shareholding pattern or control in the Transferee Company between Record Date and the listing of the equity shares on the Stock Exchanges.

9.16 The investments in the equity shares of the Transferee Company, appearing in the books of account of the Transferor Company shall, without any further act or deed, stand cancelled. The cancellation of share capital of the Transferee Company will be affected as part of this Scheme in accordance with provision of Section 66 of the Act and the order of the NCLT shall be deemed to be the order under the applicable provisions of the Act for confirming the cancellation of share capital.

10. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY



Handwritten signature

10.1 Upon the Scheme coming into effect on the Effective Date, the Transferee Company shall account for the amalgamation of Transferor Companies with the Transferee Company in its books of accounts in accordance with the Indian Accounting Standard 103 'Business Combinations' as prescribed under Section 133 of the Companies Act, 2013 read with

10.2 the relevant rules issued thereunder and other generally accepted accounting principles in India and any other relevant or related requirement under the Act, as applicable on the Effective Date, such that:

- a. The Transferee Company shall record the assets and liabilities relating to the Transferor Companies vested in it pursuant to this Scheme, at their respective carrying amounts.
- b. The identity of the reserves shall be preserved and the Transferee Company shall record the reserves of the Transferor Companies in the same form and at the carrying amount as appearing in the financial statements of the Transferor Companies, as may be applicable.
- c. Pursuant to the amalgamation of the Transferor Companies with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Companies, if any, appearing in the books of the Transferee Company and Transferor Companies shall stand cancelled.
- d. All inter-company investments in the share capital of the Transferee Company, Transferor Companies shall stand cancelled.



Handwritten signature

- e. All inter-company transactions entered between the Transferor Companies and Transferee Company shall stand cancelled.
- f. The face value of the Equity Shares of the Transferee Company issued to the shareholders of the First Transferor Company pursuant to Clause 9.1 shall be credited to the equity share capital account in the books of the Transferee Company.
- g. The surplus / deficit, if any arising after taking the effect of sub-clauses (a) to (f) of Clause 10.1 above, shall be adjusted in 'Capital Reserve' in the financial statements of the Transferee Company and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.
- h. In case of any differences in accounting policies between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

11. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

with effect from the Appointed Date and up to the Effective Date:

- 11.1 Transferor companies shall be deemed to have been carrying on all business and activities and shall be deemed to have held and stood possessed of all its assets, properties, rights, title, interest, authorities,



Handwritten signature or initials.

contracts, investments and strategic decisions for and on account of, and in trust for the Transferee Company and shall account for the same to the Transferee Company.

11.2 All the profits or income accruing or arising to Transferor Companies or expenditure or losses incurred or suffered and all costs, charges, expenses, losses or taxes (including but not limited to advance tax, tax deducted at source, minimum alternate credit, indirect tax credits or refunds, indirect tax entitlements, taxes withheld/paid in a foreign country, sales tax, value added tax, turnover tax, excise duty, service tax, GST, etc) by any Transferor Company pertaining to the business of Transferor Company shall for all purposes be treated and deemed to be the profits or income or expenditure or credit (as the case may be) of the Transferor Company.

11.3 Transferor Companies hereby undertakes that they will from the Appointed Date up to and including the Transition Period preserve and carry on its business with diligence and utmost business prudence and agree that they will not, without the prior written consent of Transferee Company, alienate, charge, mortgage or encumber or otherwise deal with or dispose of any of their properties except in the ordinary course of business.



Handwritten initials or signature.

12. LEGAL PROCEEDINGS

12.1 All legal proceedings of whatever nature by or against the Transferor Company pending and / or arising at or after the Appointed Date 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 Company.

12.2 The Transferee Company undertakes to have all legal and other proceedings initiated by or against the Transferor Company referred to in Clause 12.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company and any payment and expenses to be made thereto shall be the liability of the Transferee Company.

13. TREATMENT FOR TAXES

13.1 Any tax liability under the Income-Tax Act, 1961, Customs Act 1962, Central Excise Act, 1944, State Value Added Tax laws, Central Sales Tax Act, 1956, GST, luxury tax, stamp laws or other applicable laws/regulations dealing with taxes/ duties/ levies (herein referred to as Tax Laws,) allocable or related to the business of Transferor Companies to



77

A handwritten signature in black ink.

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. Any surplus in the provision for taxation/ duties/ levies account including advance income tax and Tax Deducted at Source ('TDS') as on the appointed date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company. Further any tax holiday/ deduction/ exemption/ carry forwards losses enjoyed by Transferor Companies under Income-Tax Act, 1961 would be transferred to the Transferee Company.

13.2 Any refund/ credit under Tax Laws due to any 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.

13.3 All taxes (including income tax, sales tax, excise duty, service tax, VAT, GST etc.) paid or payable by the Transferor Company in respect of the operations and/ or the profits of the business before the Appointed Date shall be on account of the Transferor Company and in so far as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT, GST etc.) whether by way of



Handwritten initials or signature.

deduction at source, advance tax or otherwise howsoever, by any Transferor Company in respect of the profits or activities or operations of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.

14. DISSOLUTION OF THE TRANSFEROR COMPANIES

Upon the Scheme being effective, Transferor Companies shall be dissolved without winding up and without any further act or deed pursuant to the provisions of Company Act, 2013.

15. COMBINATION OF AUTHORISED SHARE CAPITAL

15.1 The Authorized share capital of the '**PRATIK**' comprising of 7,50,00,000 (Seven Crore Fifty Lakhs) Equity Shares of Re. 1/- (Rupee One Only) each aggregating to Rs. 7,50,00,000/- (Rupees Seven Crore Fifty Lakhs Only) and '**SANGEETA**' comprising of 2,00,00,000 (Two Crore) Equity



Shares of Re. 1/- each aggregating to Rs. 2,00,00,000/- (Rupees Two Cores Only) and 'KRISHNA' comprising of 3,50,00,000 (Three Crore Fifty Lakhs) Equity Shares of Re. 1/- each aggregating to Rs. 3,50,00,000/- (Rupees Three Crore and Fifty Lakhs Only) shall be merged with the authorized share capital of the Transferee Company and Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and hereby 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 any of the sections of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorized capital of the Transferor Companies shall be utilized.

15.2 Upon this Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of the stamp duty and fees payable to the Registrar of Company, by combining the authorized share capital of the Transferor Companies and the Memorandum of Association of the Transferee Company (Relating to the authorized share capital) shall, without any further act, instrument or deed, be and hereby stand altered, modified and amended, and the consent of the shareholders to the Scheme shall



49



80

be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 13 and 61 of the Companies Act, 2013 and applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorized capital of Transferor Companies shall be utilized and applied to be increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of the stamp duty and / or fee by the Transferee Company for increase in the authorized share capital to that extent. The filing fees and Stamp duty that may arise, if any, on account of difference between the stamp duty already paid by Transferor Companies on its authorized share capital and stamp duty calculated as per the current rate of stamp duty, shall be paid by Transferee Company.

15.3 Pursuant to scheme becoming effective and consequent upon the merger of Transferor company into Transferee Company in Part B and Issuance of Bonus Shares to Shareholders of Transferee Company in Part D, the authorized capital of the Transferee Company will be as under:

Authorised capital	Amount in (Rs.)
14,00,00,000 (Fourteen Crore)	Rs. 14,00,00,000



81

[Handwritten signature]

Equity Shares of Re. 1/- each	
TOTAL	Rs. 14,00,00,000 (Rupees Fourteen Crore Only)

15.4 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the Memorandum of Association of the Transferee Company as may be required under the Act, and clause V of the Memorandum of Association of the Transferee Company shall respectively stand substituted by virtue of the Scheme as to read as follows:

Clause V of the Memorandum of Association the Transferee Company after Amalgamation:

The Authorized Capital of the Company is Rs. 14,00,00,000/- (Rupees Fourteen Crores Only) divided into 14,00,00,000 (Fourteen Crore) Equity shares of Re.1/- (Rupees Fourteen Crores Only) each.



Handwritten signature

16. CANCELLATION OF SHARE CAPITAL

16.1 Notwithstanding anything contained under the Act, pursuant to the provisions of Sections 230 to 232 of the Act, the existing shareholding of the Transferor Companies in the Transferee Company shall stand cancelled and extinguished without any further act, instrument or deed immediately following the issuance of the equity shares in accordance with Clause 9 above.

16.2 Further, Notwithstanding anything contained under the Act, pursuant to the provisions of Sections 230 to 232 of the Act, the existing shareholding of any Transferor Company in the other Transferor Company shall stand cancelled and extinguished without any further act, instrument or deed immediately following the issuance of the equity shares in accordance with Clause 9 above

16.3 The consequent reduction of share capital of the Transferor Company, if any shall be an integral part of this Scheme and the Companies shall not be required to follow the process under Section 66 of the Act or any other provisions of Applicable Law separately.



P J

16.4 The reduction would not involve either a diminution of liability in respect of unpaid share capital, if any or payment to any shareholder of any unpaid share capital.

Part-C

17. CONVERSION OF THE TRANSFEREE COMPANY INTO A PUBLIC COMPANY

17.1 As an integral part of the Scheme, upon the Scheme coming into effect on the Effective Date and in accordance with Clause 23 of the Scheme, the Transferee Company shall stand converted into a 'public company' in



53

84

A J

terms of the Sections 13, 18 and other applicable provisions of the Act and rules made thereunder. As the conversion of the Transferee Company into a 'public company' is an integral part of the Scheme, it shall be deemed that the Board and members of the Transferee Company have accorded their consent for such conversion as required under the Act and rules made thereunder, including in terms of Sections 13 and 18 and any other applicable provisions of the Act and rules made thereunder, and provisions of the Articles.

17.2 The MOA shall be amended (to the extent required) to reflect the conversion contemplated in Clause 17.1 above as required in terms of the Act and rules made thereunder. Upon the Scheme coming into effect on the Effective Date, the Transferee Company's name shall stand changed to remove the word 'Private' from its name or be adopted to such other name as may be mutually agreed between the Board of the Transferee Company, Transferor Companies 1 and approved by the ROC.

17.3 The Articles of the Transferee Company shall be amended and restated to reflect the conversion contemplated in Clause 17.1 above.

17.4 On approval of the Scheme by the Board and the members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, it shall be deemed that the Board and the members of the Transferee Company have also accorded their consent



J J

under Sections 13, 14 and 18 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations, as may be applicable for effecting the aforesaid conversion of the Transferee Company into a public company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under Sections 13, 14 or 18 of the Act and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations and payment of any necessary fees as per the provisions of Act and rules made thereunder with ROC or any other applicable Governmental Authority in respect of the aforesaid conversion of the Transferee Company into a public company, in the manner set out in this Clause 17 of the Scheme. The ROC will issue a fresh certificate of incorporation to the Transferee Company in accordance with the provisions of the Act and rules made thereunder.



J J

Part-D

18. BONUS ISSUANCE BY THE TRANSFEREE COMPANY

18.1 The Board of Directors of Transferee Company deliberated on the condition of BSE requiring the Transferee Company to have Minimum Paid Up Capital of Rs. 3 Crore post the Scheme of Arrangement. Therefore, in order to comply with the Condition of BSE, the Board of Transferee Company proposes to issue 12,00,00,000 (Twelve Crore) Bonus Equity Shares to Shareholder of the Transferee Company after giving effect of the



Handwritten signature

Amalgamation. The Management of the Transferee Company states that post Arrangement the Company would have sufficient reserves to facilitate the said Bonus issue and the said Issue is in compliance with Conditions laid in Section 63 of the Act read with Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 and Chapter XI of Securities and Exchange Board Of India (Issue Of Capital And Disclosure Requirements) Regulations, 2018.

18.2 Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, and in accordance with Clause 23 of this Scheme:

- a) The Transferee Company shall, without any further act, instrument or deed, issue and allot the 12,00,00,000 (Twelve Crore) Equity Shares of the Transferee Company having face value of INR 1 (Indian Rupee One) each to be issued by way of a bonus issue by the Transferee Company, in the proportion of share held by shareholders in the Transferee Company, after Part-B of the Scheme is given effect and as on the Bonus Issuance Record Date.
- b) Pursuant to the Bonus Issuance as set out in sub-clause (a) above the authorised share capital and issued, subscribed and paid-up share capital of the Transferee Company shall be as follows:

Authorised Share Capital	Amount (INR)
14,00,00,000 (Fourteen Crore) Equity Shares having face value of	14,00,00,000 (Rupees Fourteen Crore Only)



[Handwritten signatures]

INR 1 (Indian Rupee One) each	
Total Authorised Share Capital	14,00,00,000 (Rupees Fourteen Crore Only)
Issued, Subscribed and Paid-up Share Capital	Amount (INR)
13,36,53,019 (Thirteen Crore Thirty-Six Lakhs Fifty-Three Thousand Nineteen Only) Equity Shares having face value of INR 1 (Indian Rupee One) each	13,36,53,019 (Rupees Thirteen Crore Thirty-Six Lakhs Fifty-Three Thousand Nineteen Only)
Total Issued, Subscribed and Paid-up Share Capital	13,36,53,019 (Rupees Thirteen Crore Thirty-Six Lakhs Fifty-Three Thousand Nineteen Only)

- c) The Equity Shares issued by the Transferee Company in terms of this Clause 18 of the Scheme shall be issued in dematerialized form and the register of members and / or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect



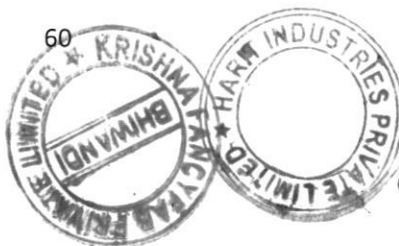
Handwritten initials/signature

the issue of such Equity Shares by the Transferee Company in terms of this Scheme. Upon Part B of the Scheme being operative, All the shareholders who hold shares of the Transferee Company in physical form shall also have the option to receive the Equity Shares, as the case may be, in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to the Transferee Company and/or its Registrar on or before 'the Bonus Record Date, the shareholders who fail to provide such details shall be issued Equity Shares of the Transferee Company in physical form. Notwithstanding the above, if as per Applicable laws, the Transferee Company is not permitted to issue and allot the new Equity Shares in physical form and it has still not received the demat account details of such shareholders, the Transferee Company shall issue and allot such shares in lieu of the new equity share entitlement of such shareholders, into a Demat Suspense account, which shall be operated by one of the directors of the Transferee Company, duly authorised in this regard, who shall upon receipt of appropriate evidence from such shareholders regarding their entitlements, will transfer from such Demat Suspense account into the individual demat account of such claimant shareholders, such number of shares as may be required in terms of this scheme.

- d) The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing / trading permission is given by the designated stock exchange.



- e) The Bonus shares to be issued by the Transferee Company in respect of any Equity Shares of the Transferee Company which are held in abeyance under the provision of Section 126 of the Act or otherwise, shall also be kept in abeyance.
- f) For the purpose of allotment of the Bonus shares, pursuant to this Scheme, the fractional entitlements, if any, shall aggregated and held by the trust, nominated by the Board in that behalf, who shall sell such shares in the market at such price, within a period of 90 days from the date of allotment of shares and eligible shareholders would be compensated accordingly. For the sake of clarification, in case any shareholder of the Transferee Company becomes entitled to any fractional shares, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee (nominated by the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders, to whom they belong, for the specific purpose of selling such shares in the market at such price or prices within 90 days from the date of allotment of shares and distribute the net sale proceeds {after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements: from such net proceeds shall be rounded off to the next Rupee.



91
60
J J

- g) Upon the issuance and allotment of Bonus Shares pursuant to the Scheme, the Transferee Company shall take necessary steps, including the filling of the applications with Stock Exchanges, for the purpose of listing of the Equity Shares of the Transferee Company on such Stock and in compliance with the Listing Regulations, SEBI Circular and other applicable regulations and Applicable Laws.
- h) The Transferee Company shall in its books of accounts in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other generally accepted accounting principles in India and any other relevant or related requirement under the Act, as may be applicable, transfer the balance of INR 12,00,00,000 (Indian Rupees Twelve Crore) from the Free Reserve and Securities Premium account to share capital account.
- i) On the approval of the Scheme by the Board and members of each of the Parties pursuant to Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, if applicable, it shall be deemed that the Board and members of the Transferee Company have also accorded their consent under Sections 13, 61, 62, 63 and 64 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Articles, as may be applicable for the aforesaid increase in authorised share capital, issuance of the Bonus Shares and amendment of the MOA of the Transferee Company and no further resolution or actions, including compliance with any procedural requirements, shall be required



92



99

to be undertaken by the Transferee Company under Sections 13, 61, 62, 63 or 64 of the Act and! or any other applicable provisions of the Act and rules made thereunder. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents/ intimations as per the provisions of Act and rules made thereunder with ROC or any other applicable authority to record the aforesaid amendment of its MOA and issuance of the Bonus Shares, in the manner set out in this Clause 9 of this Scheme.

- j) Issuance of Bonus Shares by the Transferee Company shall be made in compliance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Master Circular issued by the Securities and Exchange Board of India on November 23, 2021 bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 or any statutory modification or re-enactment thereof from time to time.
- k) The increase in authorised share capital, issuance and allotment of the Bonus Shares and amendment of the MOA of the Transferee Company shall be undertaken as an integral part of the Scheme and in accordance with Clause 23 of this Scheme. The Bonus Shares to be issued to the Shareholder(s) pursuant to Section D of this Scheme shall rank pari passu in all respects with the existing Equity Shares of the Transferee Company, including with respect to dividend, bonus, voting rights and other corporate benefits attached to the Equity Shares of the Transferee Company.



Part E

GENERAL TERMS AND CONDITIONS

19. LISTING OF EQUITY SHARES

19.1 Upon the Scheme coming into effect on the Effective Date, the Equity Shares of the Transferee Company issued pursuant to Clause 9 and Clause 18 of the Scheme shall be listed and admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with Securities Contracts (Regulation) Rules, 1957 and provisions of other Applicable Laws (including the SEBI Circular). The Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the SEBI Circular, the Listing Regulations, and take all steps to get its Equity Shares listed on the Stock Exchanges and obtain the final listing and trading permissions.

19.2 The Equity Shares issued and allotted by the Transferee Company pursuant to this Scheme shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchanges. There shall be no change in the shareholding pattern of the Transferee Company between the Record Date and the listing which may affect the status of such permission. Further, the Transferee Company will not issue / reissue any Equity Shares which are not covered under the Scheme.



94



[Handwritten signatures]

19.3 Any acquisition of shares, voting rights or control pursuant to the amalgamation of the First Transferor Company, Second Transferor Company and Third Transferor Company with the Transferee Company pursuant to this Scheme does not trigger any obligation to make an open offer, in terms of Regulation 10(1)(d) of the Takeover Code.

20. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Board of Directors of the Transferor Companies and the Transferee Company may assent to any modification or amendment to the Scheme or agree to any condition which the NCLT, Mumbai or any other authority may deem fit to approve or impose and the said Board may do all such acts, things, and deeds as they may, in their sole direction think fit for the purpose of effectively carrying out and implementing this Scheme. It is however, clarified that any amendment or modification to this scheme after sanction thereof shall be made in accordance with the provisions contained in the section 232 of the Act or any statutory modification thereof.

21. APPLICATION FOR APPROVAL TO THE NCLT

The Transferor companies and the Transferee company shall, with all reasonable care, make necessary application/ petition to the NCLT under



64

A handwritten signature consisting of two stylized initials.

Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act for seeking sanction to this Scheme

22. CONDITIONALITY OF THE SCHEME

This Scheme is conditional upon and subject to:

22.1 This Scheme is and shall be conditional upon and subject to the following:

(a) Approval of the members:

1. the requisite majorities in number and value of such classes of members as may be directed by the Tribunal or any other competent authority, as may be applicable, approving the Scheme through e-voting or any other permissible mode;
2. the Scheme being approved by the public shareholders of First Transferor Company through e-voting in terms of Part - I (A)(10)(b) of SEBI Circular and the scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than number of votes cast by public shareholders against it; and
3. public shareholders of the First Transferor Company shall have approved the Scheme by way of an ordinary resolution and all 'interested persons' as understood in terms of the Listing



96



A handwritten signature in black ink.

Regulations shall have abstained from voting in the relevant meeting of the members approving the Scheme; in each case, the e-voting is in compliance with the provisions of the Act, the SEBI Circular and the Listing Regulations, if applicable.

(b) Obtaining observation letter or no-objection letter from the Stock Exchanges in respect of the Scheme, pursuant to regulation 37 of the Listing Regulations read with SEBI Circular and Regulations 11 and 94 of the LODR Regulations.

(c) The Scheme being sanctioned by the Tribunal under Sections 230 to 232 and any other applicable provisions of the Act and rules made thereunder, and each of the Parties having filed certified copies of the order of the Tribunal sanctioning this Scheme with ROC within the statutory timelines.

22.2 The approval by requisite majority of the shareholders and/or Creditors of the Transferor and the Transferee Company as required under the Act and the requisite orders of the NCLT referred to in clause 21.1 above hereof being obtained.

22.3 The authenticated/certified copy of the NCLT order sanctioning the Scheme being filed with the Registrar of Company of Mumbai; and



97



J J

22.4 Such other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

23. SEQUENCING OF ACTIONS

23.1 Upon the sanction of this Scheme and upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the following shall be deemed to have occurred / shall occur and become effective and operative, only in the sequences and in the order mentioned hereunder:

- (a) Amalgamation of the First Transferor Company, the Second Transferor Company, and Third Transferor Company with and into the Transferee Company in accordance with Part B of this Scheme and Issue of new Shares to shareholders of First Transferor Company in consideration of the Amalgamation as stipulated in Part B of this Scheme; and
- (b) Upon the Part B of the Scheme being given effect the Conversion of Transferee Company into Public Company as envisaged in Part C of the Scheme; and
- (c) issuance and allotment of Bonus Shares to the Shareholders of Transferee Company, by way of a bonus issue by the Transferee Company in accordance with Part D of this Scheme, after giving the effect of shares issued as a Consideration in Clause 9 of this Scheme;

98



99

24. NO CHANGE IN MANAGEMENT OF THE TRANSFEREE COMPANY

There shall be no change in the control and management of the Transferee Company pursuant to the Scheme.

25. WINDING UP

On the Scheme becoming effective, Transferor Companies shall be dissolved without being wound up and without further acts by parties.

26. REVOCATION AND WITHDRAWAL OF THIS SCHEME

26.1 The Board of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel, withdraw and declare this Scheme to be of no effect at any stage, but before the Effective Date, and where applicable re-file, at any stage, in case,

- (a) this Scheme is not approved by the Tribunal, or if any other consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not received or delayed;
- (b) any condition or modification imposed by the Tribunal is not applicable;
- (c) the coming into effect of this Scheme in terms of the provisions hereof or filing of the drawn-up order(s) with any Governmental Authority could have adverse implication on the Transferor Companies and / or the Transferee Company; or



99



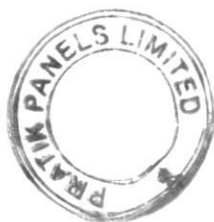
J J

(d) for any other reason whatsoever, and do all such acts, deeds and things as they may deem necessary and desirable in connection therewith and incidental thereto.

26.2 Upon revocation, cancellation or withdrawal, this Scheme shall stand revoked, cancelled or withdrawn and be no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between any Transferor Companies and the 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 in accordance with the Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

27. EFFECT OF NON-RECEIPT OF APPROVALS

In case the scheme is not sanctioned by the NCLT under Section 230-232 of the Act, or in the event any of the consents, approvals, permissions, resolutions, agreements, sanctions, or conditions enumerated in the scheme not being obtained or complied or for any other reason, the Scheme shall automatically become null and void. In that event no rights or liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such a case, each company shall bear



Handwritten signature

its own cost, charges and expenses in connection with the scheme unless otherwise mutually agreed. Notwithstanding anything contained herein the Transferor Companies and Transferee Company shall have liberty at any time to withdraw the proceedings in respect of the Scheme at any time before the Effective Date of the Scheme.

28. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and Other expenses, if any in relation to or in connection with the scheme shall be borne by the Transferee Company.

29. RESOLUTIONS

29.1 Upon the Scheme coming into effect, the resolutions, if any, of the Transferor Companies, which are valid and subsisting and the Effective Date shall continue to be valid and subsisting and be considered as resolutions of Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other Applicable Law, then the said limits shall be added to the limits, if any, like resolutions are passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

29.2 Upon the Scheme coming into effect, the borrowing limits of the Transferee Company in terms of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the



Transferor Companies which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

30. MISCELLANEOUS

If any part of this Scheme hereof is invalid, ruled illegal by any Tribunal of competent jurisdiction or unenforceable under present or future Laws, then it is the intention of the Parties to the Scheme that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any Party, in which case the Parties to the Scheme shall attempt to bring about a modification in the Scheme, as will best preserve for such Parties the benefits and obligations of the Scheme, including but not limited to such part.



102

71



A handwritten signature in black ink.

