



October 21, 2020

To,
The Manager,
The Department of Corporate Services,
BSE Limited,
Floor 25, P. J. Towers,
Dalal Street, Mumbai – 400 001

To,
The Manager,
The Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Scrip Code : 539450

Scrip Symbol – SHK

Dear Sir/ Madam,

Ref: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”)

Sub: Scheme of Merger by Absorption of Keva Chemicals Private Limited (“KCPL”) and Saiba Industries Private Limited (“SIPL”) and Rasiklal Hemani Agencies Private Limited (“RHAPL”) by S H Kelkar and Company Limited (“SHK” or “the Company”) and their respective Shareholders and Creditors

With reference to the captioned subject, we wish to inform you that the National Company Law Tribunal, Mumbai Bench (“NCLT”) has sanctioned the Scheme of Merger by Absorption of Keva Chemicals Private Limited (“KCPL”) and Saiba Industries Private Limited (“SIPL”) and Rasiklal Hemani Agencies Private Limited (“RHAPL”) by S H Kelkar and Company Limited (“SHK” or “the Company”) and their respective Shareholders and Creditors vide order dated 11th September, 2020 (“Order”). The certified copy of said Order has been received by the Company on 24th September 2020 and filed with the Registrar of Companies, Mumbai in e-Form INC- 28 on 20th October 2020, along with the Scheme. We have enclosed the copy of the said Order and the Scheme as **Annexure 1**.

According to the statutory provisions and the terms stated under the Scheme, the Scheme becomes effective from the Appointed Date (i.e. April 1, 2019) and becomes operative from 20th October 2020, being the Effective Date i.e. the date of filing of certified copy of the Order with the Registrar of Companies, Mumbai.

On the Scheme becoming effective, the entire business and whole of the undertaking of Keva Chemicals Private Limited, Saiba Industries Private Limited and Rasiklal Hemani Agencies Private Limited shall stand transferred to and be vested and/or deemed to have been vested in the Company, as a going concern without any further deed or act. The Company shall take necessary actions for completing the requirements in this regard and to do all acts and deeds as may be deemed necessary.

It may also be noted that since the Scheme provides for merger by absorption of wholly owned subsidiaries of the Company, no shares are proposed to be issued and no consideration is payable by the Company pursuant to merger by absorption.



S H Kelkar And Company Limited

Lal Bahadur Shastri Marg, Mulund (West), Mumbai - 400 080. Tel : +91 22 2167 7777

Regd. Office : Devkaran Mansion, 36, Mangaldas Road, Mumbai - 400 002. (INDIA)

Phone : (022) 2206 96 09 & 2201 91 30 / Fax : (022) 2208 12 04

www.keva.co.in

CIN No. L74999MH1955PLCO09593



You are requested to kindly take the same on record and disseminate appropriately.

Thanking you.

Yours faithfully,
For **S H Kelkar and Company Limited**

A handwritten signature in black ink, appearing to read "Deepti Chandratre".



Deepti Chandratre

Company Secretary & DGM - Legal

Encl: as above



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CIN No. L74999MH1955PLC009593

Annexure 1

IN THE NATIONAL COMPANY LAW TRIBUNAL
COURT - I, MUMBAI BENCH

*** **

C.P.(CAA)/938/MB-I/2020
connected with
C.A.(CAA)/3747/MB-I/2019

In the matter of

Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

And

In the matter of

Scheme of Merger by Absorption of Keva Chemicals Private Limited ("*First Transferor Company*" or "*KCPL*") and Saiba Industries Private Limited ("*Second Transferor Company*" or "*SIPL*") and Rasiklal Hemani Agencies Private Limited ("*Third Transferor Company*" or "*RHAPL*") by S H Kelkar and Company Limited ("*Transferee Company*" or "*SHK*") and their respective Shareholders and Creditors

Keva Chemicals Private Limited, a company incorporated under the provisions of Companies Act, 1956 having its registered office at Devkaran Mansion, 36, Mangaldas Road, Mumbai – 400 001
CIN: U24100MH2007PTC169546

... First Petitioner Company
(First Transferor Company)



Saiba Industries Private Limited, a company incorporated under the provisions of Companies Act, 1956 having its registered office at Devkaran Mansion, 36, Mangaldas Road, Mumbai – 400 002.

CIN: U15495MH1960PTC011658

... Second Petitioner Company
(Second Transferor Company)

Rasiklal Hemani Agencies Private Limited, a company incorporated under the provisions of Companies Act, 1956 having its registered office at Devkaran Mansion, 36, Mangaldas Road, Mumbai – 400 002.

CIN: U74899MH1975PTC290035

... Third Petitioner Company
(Third Transferor Company)

S H Kelkar and Company Limited, a company incorporated under the provisions of Companies Act, 1913 having its registered office at Devkaran Mansion, 36, Mangaldas Road, Mumbai – 400 002.

CIN: L74999MH1955PLC009593

... Fourth Petitioner Company
(Transferee Company)

Order dated: 11th September 2020



Coram:

Hon'ble Janab Mohammed Ajmal, Member (Judicial)

Hon'ble Shri V. Nallasenapathy, Member (Technical)

Appearance (through videoconferencing):

For the Petitioners : Mr. Ajit Singh Tawar i/b Ajit Singh Tawar & Co.
Advocates

For the Regional Director : Ms. Rupa Sutar, Deputy Director
Office of the Regional Director, MCA (WR), Mumbai

Per: Janab Mohammed Ajmal, Member (Judicial)

ORDER

The sanction of the Tribunal is sought under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the Act), to the Scheme of Merger by Absorption (the Scheme) of Keva Chemicals Private Limited ("First Transferor Company" or "KCPL") and Saiba Industries Private Limited ("Second Transferor Company" or "SIPL") and Rasiklal Hemani Agencies Private Limited ("Third Transferor Company" or "RHAPL") by S H Kelkar and Company Limited ("Transferee Company" or "SHK") and their respective Shareholders and Creditors.

2. The Court is convened through videoconference. Heard the Learned Counsel for the Petitioner Companies and the representative of the Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai. No objector has come before the Tribunal to oppose the Scheme and nor any party has controverted any averments made in the Petition.



3. The Board of Directors of the First, Second and Third Petitioner Companies have approved the Scheme in their respective board meetings held on 24th October, 2019 and the Board of Directors of the Transferee Company has approved the Scheme in its board meeting held on 25th October, 2019. The Appointed Date fixed under the Scheme is 1st April, 2019.
4. It is submitted by the Learned Counsel for the Petitioner Companies that the First Transferor Company is engaged in the business of manufacturing and trading of aroma ingredients. The Second Transferor Company is engaged in the business of manufacturing and trading of flavours and plant extracts i.e. natural essential oils and natural extracts and the Third Transferor Company is acting as a commission agent for dealing in flavours, fragrances, aromatic chemicals and essential oils. The Transferee Company is engaged in the business of manufacturing and trading of fragrances and flavours and is holding the entire stake i.e. 100% shareholding in the First Petitioner Company, Second Petitioner Company and Third Petitioner Company.
5. The Company Petition is filed in consonance with Sections 230 to 232 of the Act along with the order passed in C.A. (CAA)/3747/MB/2019 of this Tribunal.
6. All the Transferor Companies are direct wholly owned subsidiaries of the Transferee Company. In order to consolidate and effectively manage the Transferor Companies and the Transferee Company as a single entity, which will provide several benefits including optimal utilization of resources, economies of scale, attain efficiencies and cost competitiveness, it is intended that the Transferor Companies be merged with the Transferee Company. That rationale for the Scheme is that the merger of the Transferor



Companies with the Transferee Company will result in achieving the following benefits:

- i. Simplification of the group structure and consolidation of legal entities;
 - ii. Reducing the number of legal entities, resulting into lesser administrative and regulatory compliances;
 - iii. Improved allocation of capital and optimization of cash flows contributing to the overall growth prospectus of the combined entity;
 - iv. Creation of a larger asset base by consolidation of the assets and facilitation of access to better financial resources;
 - v. Enable greater / enhanced focus of the management on the business; and
 - vi. Creating enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all its shareholders, creditors and all other stakeholders.
7. The Petitioner Companies have complied with all the requirements as per directions of this Tribunal and have filed necessary affidavits of compliance with the Tribunal. Moreover, the Petitioner Companies through their Counsel undertake to comply with all statutory requirements, if any, as required under the Act and the applicable Rules made there under. The undertakings given by the Petitioner Companies are accepted.
8. The Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai, has filed its Report dated 25th August 2020 *inter alia* stating therein that save and except as stated in paragraph IV (a) to (g) of the report, the Scheme is not prejudicial to the interest of shareholders and public. In response to the observations made by the



Regional Director, the Petitioner Companies have also given necessary undertakings and clarifications. The observations made by the Regional Director and the clarifications and undertakings given by the Petitioner Companies are summarized in the table below:

Sr. No. Para (IV)	RD Report/Observations 25 th August, 2020	Response of the Petitioner Companies
(a)	<i>In addition to compliance of AS-14 (IND AS - 103) the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS - 8), etc.;</i>	In so far as observations made in paragraph IV (a) of the Report of Regional Director is concerned, the Transferee Company through its counsel undertakes that it shall pass necessary accounting entries in connection with the Scheme as per IND AS 103 as well as comply with other applicable Accounting Standards such as AS-5 (IND AS-8), etc. to the extent applicable.
(b)	<i>As per Part-A-Definitions Clause 1(1.2, & 1.5) of the Scheme;</i> <i>"Appointed Date" means 1st day of April, 2019 or any other date as may be fixed or approved by the National Company Law Tribunal or such competent authority;</i> <i>"Effective Date" means the last of the dates on which the certified or</i>	In so far as observations of the Regional Director made in paragraph IV (b) is concerned, the Petitioner Companies through its counsel clarify that the Appointed Date shall be 01st April, 2019 and the Scheme shall take effect from the Appointed Date in terms of provisions of Section 232(6) of the Companies Act, 2013. Further,



<p><i>authenticated copies of the orders of the National Company Law Tribunal sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Companies and by the Transferee Company. Any references in this Scheme to "date of coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date.</i></p> <p><i>In this regard, it is submitted that Section 232(6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.</i></p> <p><i>Further, the Petitioners may be asked to comply with the requirements and clarified vide circular no. F. No 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</i></p>	<p>the Petitioner Companies through its counsel undertakes that they would comply with the provisions and requirements clarified vide circular no. F. No 7/12/2019/CL-I dated 21-08-2019 issued by the Ministry of Corporate Affairs, if required.</p>
<p>(c) <i>The Hon'ble Tribunal may kindly seek the undertaking that this Scheme is approved by the requisite majority of members and creditors as per Section 230(6) of the Act in meetings duly held</i></p>	<p>In so far as observations of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (c) of his report are concerned, the Petitioner</p>



	<i>in terms of Section 230(1) read with subsection (3) to (5) of Section 230 of the Act and the Minutes thereof are duly placed before the Tribunal.</i>	Companies through its counsel stated that the meeting of members and creditors of the Petitioner Companies were dispensed with by the Order of the Hon'ble Tribunal dated 18th March 2020 and therefore, the requirement of submission of Minutes of meeting are not applicable.
(d)	<i>Hon'ble NCLT may kindly direct the petitioners to file an affidavit to the extent that the Scheme enclosed to Company Application & Company Petition, are one and same and there is no discrepancy / any change/ changes are made, for changes if any, liberty be given to Central Government to file further report if any required;</i>	In so far as observations of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (d) of his report are concerned, the Petitioner Companies through its counsel submits that the Scheme enclosed to the Company Application and Company Petition is one and same and there is no discrepancy/ deviation in the same.
(e)	<i>The Petitioners under provisions of section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Amalgamation. Further, the approval of the scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such Authorities is binding on the Petitioner Company(s).</i>	In so far as observations of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (e) of his report are concerned, the Petitioner Companies through its counsel submits that an affidavit, stating that the notices have been served to concerned authorities as required under Section 230(5) of the Companies Act, 2013, have



		been annexed with the Company Scheme Petition. The approval of the scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the Scheme. The decision of such Authorities is binding on the Petitioner Company(s).
(f)	<i>As per Part-B-Clause – 17(17.1 to 17.3) of the Scheme – (Combination of Authorised Share Capital of Transferor Companies). In this regard it is submitted that the fee payable by the Transferee Company shall be in accordance with the provisions of Section 232(3)(i) of Companies Act, 2013, further if any stamp duty is payable the same should be paid in accordance with applicable laws of the State;</i>	In so far as observations of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (f) of his report are concerned, the Transferee Company through its counsel undertakes to comply with all applicable provisions of section 232(3)(i) of the Companies Act, 2013.
(g)	<i>As S H Kelkar & Company (Transferee Company) is listed Company. In view of the provisions of section 230(5) of the Companies Act, 2013 r/w rule 8 of the Companies (Compromise, Arrangement and Amalgamations) Rules, 2016 Hon'ble NCLT may kindly issue notice to other sectoral regulators or authorities (The Securities and Exchange Board of India, Bombay Stock Exchange Limited and National</i>	In so far as observations of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (g) of his report are concerned, the Transferee Company through its counsel submits that it will comply with all the directions/order as issued by the Hon'ble Tribunal in this regard.



<i>Stock Exchange of India) and/or pass appropriate orders/ orders as deem fit;</i>	
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9. The observations made by the Regional Director have been explained and the clarifications and undertakings given by the Petitioner Companies have been explained above. The Undertaking filed by the Petitioner Companies in response to the said report are accepted by this Tribunal.
10. The Official Liquidator has filed his report dated 7th September, 2020, *inter alia*, stating therein that the affairs of the Transferor Companies have been conducted in a proper manner.
11. From the material on record, the Scheme appears to be fair and reasonable and does not violate any provisions of law and is not contrary to public policy.
12. Since all the requisite statutory compliances have been fulfilled, C.P.(CAA)/938/MB/2020 is made absolute in terms of prayer made in the Petition. Hence Ordered.

ORDER

The Petition be and the same is allowed subject to the following:

- (i) The Scheme, with the Appointed Date fixed as 1st April, 2019 placed at Page Nos. 594 to 616 (Exhibit-K) of the Company Scheme Petition is hereby sanctioned. It shall be binding on the Petitioners and the Companies involved in the Scheme and all concerned including their respective Shareholders, Secured Creditors, Unsecured Creditors/Trade Creditors and Employees.

- (ii) The Transferor Companies be dissolved without being wound up.
- (iii) The Registrar of this Tribunal shall issue the certified copy of this order along with the Scheme forthwith. The Petitioners are directed to file a certified copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically in E-Form INC-28 within 30 days from the date of receipt of the order from the Registry.
- (iv) The Petitioner Companies to lodge a copy of this order and the Scheme duly authenticated by the Deputy/Assistant Registrar of this Tribunal with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, payable within sixty days from the date of the receipt of the certified copy of the Order.
- (v) The Petitioner Companies shall comply with the undertakings given by them.
- (vi) All concerned shall act on a copy of this Order along with the Scheme duly authenticated by the Deputy/ Assistant Registrar of this Tribunal.
- (vii) The Petitioner Companies are directed to issue newspaper publications with respect to the approval of the Scheme, in same newspapers in which previous publications were issued.
- (viii) The Petitioner Companies shall take all consequential and statutory steps required under the provisions of the Companies Act, in pursuance of the scheme.



NCLT, Court - I, MUMBAI BENCH
C.P.(CAA)/938/MB/2020 connected with C.A.(CAA)/3747/MB/2019

- (ix) Any person interested in the above matter shall be at liberty to apply to the Tribunal for any directions that may be necessary.

Sd/-
V. Nallasenapathy
Member (Technical)

Sd/-
Janab Mohammed Ajmal
Member (Judicial)

Jenny DSouza - Steno

Certified True Copy
Date of Application 12 Sept 2020
Number of Pages 12
Fee Paid Rs. 60
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PKhanolkar
For Assistant Registrar
National Company Law Tribunal, Mumbai Bench

Page 12 of 12



NATIONAL COMPANY LAW TRIBUNAL
COURT No. – I, MUMBAI BENCH

*** **

CP (CAA) No. 938/MB-I/2020
in CA (CAA) No. 3747/MB/2019

KEVA CHEMICALS PRIVATE LIMITED

*** **

Dated 11th September 2020

ORDER

The work of the Tribunal has been closed due to Covid-19 pandemic as per letter dated 22.03.2020 and subsequent follow up orders of the Principal Bench, National Company Law Tribunal. The Principal Bench vide Order dated 31.07.2020, constituted this Bench for hearing of the urgent matters through Video Conference (VC).

The matter is taken up on VC. Heard the Counsel for the Petitioner and Ms. Rupa Sutar, Dy. Director from the office of the Regional Director (WR), MCA, Mumbai. Petition allowed.

Sd/-
V. NALLASENAPATHY
Member (Technical)

Sd/-
MOHAMMED AJMAL
Member (Judicial)



Certified True Copy

Date of Application 12 Sept 2020

Number of Pages 01

Fee Paid Rs. 05

Applicant called for certified copy on 24/09/2020

Copy prepared on 24/09/2020

Copy issued on 24/09/2020

(Signature)

For Assistant Registrar
National Company Law Tribunal, Mumbai Bench

SCHEME OF MERGER BY ABSORPTION
OF
KEVA CHEMICALS PRIVATE LIMITED (“FIRST TRANSFEROR COMPANY”)
AND
SAIBA INDUSTRIES PRIVATE LIMITED (“SECOND TRANSFEROR COMPANY”)
AND
RASIKLAL HEMANI AGENCIES PRIVATE LIMITED (“THIRD TRANSFEROR
COMPANY”)
BY
S H KELKAR AND COMPANY LIMITED (“TRANSFEEE COMPANY”)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Under Sections 230 to 232 and other applicable provisions of the Companies Act 2013

A. PREAMBLE

This Scheme of Merger by Absorption (hereinafter referred to as “the Scheme”) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“the Act”) for Merger by Absorption of Keva Chemicals Private Limited and Saiba Industries Private Limited and Rasiklal Hemani Agencies Private Limited by S H Kelkar and Company Limited. This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

B. DESCRIPTION OF COMPANIES

a) **Keva Chemicals Private Limited** (hereinafter referred to as the “**First Transferor Company**” or “**KCPL**”), is a private company limited by shares incorporated on April 02, 2007 under the Companies Act, 1956 bearing CIN: U24100MH2007PTC169546 and PAN: AADC1184G and having registered office at Devkaran Mansion, 36, Mangaldas Road Mumbai 400 001. The First Transferor Company is a wholly owned subsidiary of the Transferee Company as the entire paid-up equity share capital of the First Transferor Company is held by the Transferee Company and its nominees. The First Transferor Company is primarily engaged in the business of manufacturing and trading of aroma ingredients.

b) **Saiba Industries Private Limited** (hereinafter referred to as the “**Second Transferor Company**” or “**SIPL**”), is a private company limited by shares incorporated on April 26, 1960 under the Companies Act, 1956 bearing CIN: U15495MH1960PTC011658 and PAN: AAACS6278D and having its registered office at Devkaran Mansion, 36,



Mangaldas Road Mumbai 400 002. The Second Transferor Company is a wholly owned subsidiary of the Transferee Company as the entire paid-up equity share capital of the Second Transferor Company is held by the Transferee Company and its nominees. The Second Transferor Company is primarily engaged in the business of manufacturing and trading of flavours and plant extracts i.e. natural essential oils and natural extracts.

- c) **Rasiklal Hemani Agencies Private Limited** (hereinafter referred to as the “**Third Transferor Company**” or “**RHAPL**”), is a private company limited by shares incorporated on February 13, 1975 under the Companies Act, 1956 bearing CIN: U74899MH1975PTC290035 and PAN: AAACR5135N and having its registered office at Devkaran Mansion, 36 Mangaldas Road, Mumbai City – 400 002. The Third Transferor Company is also a wholly owned subsidiary of the Transferee Company as the entire paid-up equity share capital of the Third Transferor Company is held by the Transferee Company and its nominees. The Third Transferor Company is acting as a commission agent for dealing in flavours, fragrances, aromatic chemicals and essential oils.

KCPL, SIPL and RHAPL shall hereinafter, together be referred to as “Transferor Companies”.

- d) **S H Kelkar and Company Limited**, the Transferee Company, is a listed public company, limited by shares, incorporated on July 01, 1955 under the provisions of the Companies Act, 1913 bearing CIN: L74999MH1955PLC009593 and PAN: AAACS9778G and having its registered office at Devkaran Mansion, 36 Mangaldas Road, Mumbai – 400 002. The Transferee Company is engaged in the business of manufacturing and trading of fragrances and flavours.

C. **RATIONALE FOR THE SCHEME**

All the Transferor Companies are direct wholly owned subsidiaries of the Transferee Company. In order to consolidate and effectively manage the Transferor Companies and the Transferee Company in a single entity, which will provide several benefits including optimal utilization of resources, economies of scale, attain efficiencies and cost competitiveness, it is intended that the Transferor Companies be merged with the Transferee Company. The rationale for the Scheme of Merger by Absorption of the Transferor Companies by the Transferee Company would, inter alia, have the following benefits:

- i. Simplification of the group structure and consolidation of legal entities;
- ii. Reducing the number of legal entities, resulting into lesser administrative and regulatory compliances;
- iii. Improved allocation of capital and optimization of cash flows contributing to the overall



growth prospectus of the combined entity;

- iv. Creation of a larger asset base by consolidation of the assets and facilitation of access to better financial resources;
- v. Enable greater / enhanced focus of the management on the business; and
- vi. Creating enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all its shareholders, creditors and all other stakeholders.

In view of the aforesaid, the Board of Directors of the Transferee Company and the Transferor Companies has considered and proposed the Merger by Absorption of the entire undertaking and business of the Transferor Companies by the Transferee Company. Accordingly, the Board of Directors of the Transferee Company and the Transferor Companies has formulated this Scheme for the transfer and vesting of the entire undertaking and business of the Transferor Companies into the Transferee Company pursuant to the provisions of Sections 230 to 232 read with other applicable provisions of the Act.

D. PARTS OF THE SCHEME

The Scheme is divided into following parts:

- Part A – Deals with the Definitions, Share Capital and date of operation of the Scheme
- Part B – Deals with Merger by Absorption of the Transferor Companies by the Transferee Company; and
- Part C – Deals with general terms and conditions applicable to the Scheme and other matters consequential and integrally connected thereto.

PART A

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

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

- 1.1 **“Act” or “the Act”** means the Companies Act, 2013 and rules and regulations made thereunder, and includes any statutory re-enactment or amendments(s) thereto, from time to time
- 1.2 **“Appointed Date”** means the 1st day of April 2019 or any other date as may be fixed or approved by the National Company Law Tribunal or such other competent authority.



- 1.3 **“Board of Directors”** means Board of Directors of the Transferor Companies or the Transferee Company, as the case may be, and shall include any person authorised by the Board.
- 1.4 **“Effective Date”** means the last of the dates on which the certified or authenticated copies of the orders of the National Company Law Tribunal sanctioning the Scheme are filed with the respective Registrar of Companies by the Transferor Companies and by the Transferee Company. Any references in this Scheme to the “date of coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date.
- 1.5 **“First Transferor Company” or “KCPL”** means Keva Chemicals Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Devkaran Mansion, 36, Mangaldas Road Mumbai 400 001, bearing CIN: U24100MH2007PTC169546
- 1.6 **“Law”** means any statute, law, regulation, ordinance, rule, judgment, notification, rule of common law, notice, order, decree, bye-law, Governmental approval, directive, guideline, requirement or other governmental restriction, or any similar form of decision of, or determination by, or any interpretation, policy or administration, having the force of law of any of the foregoing, any Governmental Authority having jurisdiction over the matter in question.
- 1.7 **“Merger by Absorption”** means the amalgamation of the Transferor Companies with the Transferee Company in accordance with Section 2(1B) of the Income Tax Act, 1961, and the restructuring as contemplated by the Scheme in terms of Part B of the Scheme.
- 1.8 **“Scheme”** means this Scheme of Merger by Absorption, *inter alia*, for the absorption of the Transferor Companies by the Transferee Company in its present form, submitted to the Tribunal for sanction with such modification(s), if any, made as per Clause 20.
- 1.9 **“SEBI”** means the Securities Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- 1.10 **“Second Transferor Company” or “SIPL”** means Saiba Industries Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Devkaran Mansion, 36, Mangaldas Road Mumbai 400 002, bearing CIN: U15495MH1960PTC011658.



- 1.11 **“Stock Exchange”** means BSE Limited and National Stock Exchange of India Limited
- 1.12 **“The Tribunal”** means the National Company Law Tribunal, Mumbai bench as applicable or such other forum or authority as may be vested with any of the powers to sanction the present Scheme under the Act.
- 1.13 **“Third Transferor Company” or “RHAPL”** means Rasiklal Hemani Agencies Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Devkaran Mansion, 36, Mangaldas Road Mumbai City 400 002, bearing CIN: U74899MH1975PTC290035.
- 1.14 **“Transferee Company” or “SHK”** means S H Kelkar and Company Limited, a company incorporated under the provisions of the Companies Act, 1913 and having its registered office at Devkaran Mansion, 36, Mangaldas Road Mumbai, 40002, bearing CIN: L74999MH1955PLC009593.
- 1.15 **“Transferor Companies”** means collectively First Transferor Company, Second Transferor Company and Third Transferor Company.
- 1.16 **“Undertaking”** means the whole of the undertaking of the Transferor Companies, as a going concern, including:
- a) all their current and non-current assets (including investments, bank balances), properties (whether movable or immovable, tangible or intangible, personal, corporeal or incorporeal, present, future or contingent) including rights, if any, in licences, permits whether recorded in the books or not (hereinafter referred to as **“the said Assets”**);
 - b) all secured (if any) and unsecured debts, outstanding, liabilities, contingent liabilities, duties and obligations (if any) of the Transferor Companies and all other obligations of whatsoever kind whether recorded in the books or not (hereinafter referred to as **“the said Liabilities”**);
 - c) Without prejudice to the generality of sub-clauses (a) and (b) above, the Undertaking of the Transferor Companies shall include all their secured and unsecured debts, borrowings, liabilities including deferred tax liabilities (if any), duties and obligations and all the assets and properties, whether movable or immovable, real or personal, in



possession or reversion, corporeal or incorporeal, tangible or intangible (including, but not limited to, trademarks, copyrights, trade names, brand names, corporate names, logos, goodwill, business methodologies, etc.), present or contingent, all fixed assets, current assets, deferred tax assets (if any), investments, reserves, provisions, funds, Demat accounts with the Depositories (if any), Banks, etc., all the licenses / permits, registrations including registrations obtained under local or central statutes and / or regulations made under such statutes, benefits of agreements, contracts and arrangements, including insurance contracts, deposits, reserves, provisions, advances, funds, cash, bank balances and all other rights, 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;

- d) All agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits and credits, subsidies, concessions (including but not limited to direct and indirect tax concessions/ credits of any nature whatsoever), grants, rights, claims, leases, tenancy rights, liberties, and all other approvals of every kind, nature and description whatsoever relating to the business activities and operations of the Transferor Companies;
- e) All staff and employees and other obligations of whatsoever kind, including liabilities of the Transferor Companies with regard to their employees, with respect to the payment of gratuity, superannuation, pension benefits and contribution made towards any provident fund, employees state insurance or any other compensation or benefits, if any whether in the event of resignation, death, retirement, retrenchment or otherwise;
- f) Entitlements held by the Transferor Companies or which may accrue or become due to them as on the Appointed Date or to which they may become so due or entitled to thereafter.
- g) Amounts claimed by the Transferor Companies whether or not so recorded in their respective books of accounts as refund of any tax, duty, cess or of any excess payment from any Governmental authority, under any Law, Act or Rule in force.
- h) Right to any claim made or not preferred by the Transferor Companies in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Companies and any interest thereon, with regard to any Law, Act or Rule or Scheme made by the Governmental Authority, and in respect of deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, or any other or like benefits under the said Acts or under and in



accordance with any Law or Act and tax credits (including but not limited to credits in respect of income-tax, tax on book profits, MAT credit, value added tax, sales tax, service tax, excise duty, goods and service tax, etc.).

It is intended that the definition of Undertaking as set out above would enable the transfer of all properties, assets, liabilities, employees etc. of the Transferor Companies to the Transferee Company pursuant to the Scheme.

2. In this Scheme, unless the context otherwise requires:

- a) words denoting the singular shall include the plural and vice versa;
- b) headings and bold typefaces are only for convenience and shall be ignored for the purpose of interpretation;
- c) references to the word "include" or "including" shall be construed without limitation;
- d) a reference to a clause, section or part is, unless indicated to the contrary, a reference to a clause, section or part of this Scheme;
- e) unless otherwise defined, the reference to the word "days" shall mean calendar days;
- f) reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- g) word(s) and expression(s) elsewhere defined in the Scheme shall have the meaning(s) respectively ascribed to them; and
- h) All terms and words used but 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 for the time being in force.

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

The Scheme set out here in its present form or with any modification(s) approved or imposed or directed by the Tribunal or in terms of this Scheme shall take effect from the Appointed Date but shall be operative from the Effective Date.

4. **SHARE CAPITAL**

- 4.1 The share capital structure of the First Transferor Company as on March 31, 2019, is as follows:

Particulars	Amount (Rs.)
Authorised Share Capital	



45,00,000 Equity Shares of Rs. 10/- each	4,50,00,000/-
Total	4,50,00,000/-
Issued, Subscribed and Paid-up Share Capital	
40,30,000 Equity Shares of Rs. 10/- each	4,03,00,000/-
Total	4,03,00,000/-

There has been no change in the issued, subscribed and paid-up share capital of the First Transferor Company subsequent to March 31, 2019.

- 4.2 The share capital structure of the Second Transferor Company as on March 31, 2019, is as follows:

Particulars	Amount (Rs.)
Authorised Share Capital	
2,500 Equity Shares of Rs. 1,000/- each	25,00,000/-
Total	25,00,000/-
Issued, Subscribed and Paid-up Share Capital	
2,198 Equity Shares of Rs. 1,000/- each	21,98,000/-
Total	21,98,000/-

There has been no change in the issued, subscribed and paid-up share capital of the Second Transferor Company subsequent to March 31, 2019.

- 4.3 The share capital structure of the Third Transferor Company as on March 31, 2019, is as follows:

Particulars	Amount (Rs.)
Authorised Share Capital	
50,000 Equity Shares of Rs. 100/- each	50,00,000/-
Total	50,00,000/-
Issued, Subscribed and Paid-up Share Capital	
25,000 Equity Shares of Rs. 100/- each	25,00,000/-
Total	25,00,000/-

There has been no change in the issued, subscribed and paid-up share capital of the Third Transferor Company subsequent to March 31, 2019.

- 4.4 The share capital structure of the Transferee Company as on March 31, 2019, is as follows:

Particulars	Amount (Rs)
Authorised Share Capital	
15,40,64,500 Equity Shares of Rs. 10/- each	154,06,45,000/-
1,19,35,500, Preference Shares of Rs. 10/- Each	11,93,55,000/-



Total	166,00,00,000/-
Issued, Subscribed and Paid-up Share Capital	
14,46,20,801 Equity Shares of Rs. 10/- each	144,62,08,010/-
Total	144,62,08,010/-

As on date of approval of this Scheme by the Board of Directors of the Transferee Company, the authorized, issued, subscribed and paid up share capital of the Transferee Company is as follows:

Particulars	Amount (Rs)
Authorised Share Capital	
15,40,64,500 Equity Shares of Rs. 10/- each	154,06,45,000/-
1,19,35,500, Preference Shares of Rs. 10/- each	11,93,55,000/-
Total	166,00,00,000/-
Issued, Subscribed and Paid-up Share Capital	
14,13,20,801 Equity Shares of Rs. 10/- each	141,32,08,010/-
Total	141,32,08,010/-

PART B

MERGER BY ABSORPTION OF THE TRANSFEROR COMPANIES BY THE TRANSFEE COMPANY

5. MERGER BY ABSORPTION OF THE TRANSFEROR COMPANIES

- 5.1 Upon coming into effect of the Scheme and with effect from the Appointed Date, the whole of the Undertakings of all the Transferor Companies shall, pursuant to the sanction of this Scheme and pursuant to the applicable provisions of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, each as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become, on and from the Appointed Date, the Undertakings of the Transferee Company by virtue of and in the manner provided in this Scheme.

Without prejudice to the generality of Clause 5.1 above, on the coming into effect of this Scheme and with effect from the Appointed Date:

- 5.2 In respect of such of the Assets and Undertaking of the Transferor Companies as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, wherever located, the same may be so transferred by the Transferor Companies and



shall become the property of the Transferee Company.

- 5.3 In respect of such of the Assets and Undertaking belonging to the Transferor Companies other than those referred to in sub-clause 5.2 above, the same shall (as more particularly provided in sub-clause 5.1 above) without any further act, instrument or deed, stand transferred to and vested in the Transferee Company and / or be deemed to be transferred to and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Section 232 of the Act.
- 5.4 All assets (including investments), estates, rights, title, interest and authorities acquired by the Transferor Companies after the Appointed Date and immediately prior to the Effective Date for operation of the Transferor Companies shall also stand transferred to and vested in the Transferee Company upon the Scheme coming into effect.
- 5.5 Upon the Scheme coming into effect and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Transferor Companies, to which the Transferor Companies are parties 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 on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto.
- 5.6 Without prejudice to the other provisions of the Scheme and notwithstanding the fact that vesting of the Transferor Companies occurs by virtue of Part B of this Scheme itself, the Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Companies are parties or any writings as may be necessary to be executed. The Transferee Company shall, under the provisions of Part B of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies to be carried out or performed.
- 5.7 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all insurance claims and policies, consents,



permissions, licenses, approvals, certificates, clearances, authorities given by, issued to or executed in favour of the Transferor Companies and all approvals, intellectual property and all other interests relating to the Transferor Companies, be transferred to and vested in the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the rights and benefits under the same shall be available to the Transferee Company.

- 5.8 With effect from the Appointed Date the said Liabilities, if any, and any accretions or deletion thereto after the Appointed Date and upto the Effective Date shall also stand transferred to or deemed to be transferred to without any further act or instrument or deed to the Transferee Company and further it shall not be necessary to obtain the consent of any third party or other person who is party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause.
- 5.9 Upon this Scheme coming into effect, any loan or other obligation due between the Transferor Companies and the Transferee Company, if any (arising out of any arrangement), shall stand discharged, the said loan, obligation or convertible securities shall be correspondingly extinguished, and there shall be no liability in that behalf with effect from the Appointed Date.
- 5.10 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company, and all loans raised and used and all liabilities and obligations incurred by the Transferor Companies after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 5.11 It is clarified that the Scheme shall not in any manner affect the rights and interests of the creditors of the Transferor Companies or be deemed to be prejudicial to their interests.

6. ENCUMBRANCES

- 6.1 The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee



Company under Clause 5 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.

- 6.2 All the existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances"), if any, as on the Appointed Date and created by the Transferor Companies after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Companies, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.
- 6.3 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Undertaking transferred to and vested in the Transferee Company by virtue of this Scheme.
- 6.4 Any reference in any security documents or arrangements (to which the Transferor Companies is a party) to the Transferor Companies and their assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Companies transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Companies and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required.
- 6.5 Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the said Liabilities, which have been transferred to it in terms of the Scheme.
- 6.6 It is expressly provided that, no other term or condition of the Said Liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.



6.7 The provisions of this Clause 6 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

7. COMPLIANCE WITH TAX LAWS

7.1 This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961 (the "IT Act") and other relevant provisions of the IT Act. 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 IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act and other relevant provisions of the IT Act.

7.2 On or after the Effective Date, the Transferee Company is expressly permitted to revise, its financial statements and returns along with prescribed forms, filings and annexures under the IT Act (including for the purpose of re-computing minimum alternative tax, and claiming other tax benefits), Service Tax law, VAT law, Goods and Service Tax law and other tax laws, and to claim refunds and / or credits for taxes paid (including tax on book profits, MAT credit and foreign tax credit), and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme notwithstanding that the period of filing / revising such returns / forms may have lapsed and period to claim refund / credit also elapsed upon this Scheme becoming effective.

7.3 All tax assessment proceedings / appeals (including application and proceedings in relation to advance ruling) of whatsoever nature by or against the Transferor Companies pending and / or arising at the Appointed Date and relating to the Transferor Companies shall be continued and / or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued and enforced by or against the Transferor Companies.

7.4 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the Merger by Absorption of the Transferor Companies by the Transferee Company or anything contained in the Scheme.



- 7.5 Any tax liabilities including but not limited to liabilities under the IT Act, Foreign Tax Credit, Tax Treaties, Customs Act 1962, Service Tax laws, VAT laws, Goods and Service Tax laws or other applicable laws / regulations dealing with taxes / duties / levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.
- 7.6 Any refund including but not limited to refund under the IT Act, Foreign Taxes, Customs Act 1962, Service Tax laws, VAT laws, Goods and Service Tax laws or other applicable laws / regulations dealing with taxes / duties / levies allocable or related to the business of the Transferor Companies and due to the Transferor Companies consequent to the assessment 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.
- 7.7 All taxes including income-tax, minimum alternate tax, foreign taxes, custom duty, service tax, goods and service tax, etc. paid or payable by the Transferor Companies in respect of their operations and / or the profits of the business before the Appointed Date, shall be on account of the Transferor Companies and, in so far as it relates to the tax payment (including, without limitation, income-tax, minimum alternate tax, custom duty, service tax, goods and service tax, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of their profits or activities or operation 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 the Transferor Companies / Transferee Company on payables to the Transferee Company / Transferor Companies on account of inter-se transactions which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 7.8 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies including but not limited to obligation under the IT Act, Service Tax laws, Customs law, Goods and Service tax law 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.
- 7.9 Without prejudice to the generality of the above, all benefits, incentives, losses, credit for tax including on book profits, accumulated losses, credits (including, without limitation income



tax, excise duty, service tax, applicable state value added tax, cenvat credit, goods and service tax credit, etc.) to which the Transferor Companies are entitled, shall be available to and vest in the Transferee Company, if eligible as per the provisions of the IT Act on and after the Appointed Date, even if such credits have not been availed off in the books as on the date of transfer. Also, the Transferee Company will be entitled to avail Cenvat Credit / Goods and Service Tax Credit after the Appointed Date in respect of all duties / taxes where the documents are in the name of the Transferor Companies. Further, licenses issued to the Transferor Companies by any regulatory authorities, if any, and all benefits and tax credits, if any, associated with it shall stand transferred to the Transferee Company upon the Scheme becoming effective.

8. COMPLIANCE WITH SEBI REGULATIONS

8.1 As the present Scheme solely provides for Merger by Absorption of wholly owned subsidiaries with its Holding Company, no formal approval, no objection certificate or vetting is required from Stock Exchange or SEBI for the Scheme, in terms of provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015, SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, SEBI Circular No. CFD/DIL3/CIR/2018/2 dated 3rd January, 2018 and other applicable provisions, if any.

8.2 In terms of the SEBI Regulations, the present Scheme of Merger by Absorption is only required to be filed with Stock Exchange for the purpose of disclosure and dissemination on their website.

9. LEGAL PROCEEDINGS

On and from the Appointed Date, all suits, actions and legal proceedings, if any, instituted and / or pending and / or arising by or against any of the Transferor Companies shall be continued and / or enforced until the Effective Date as directed by the Transferee Company and on and from the Effective Date, shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and / or were pending and / or arising by or against the Transferee Company.

10. CONTRACTS, DEEDS, ETC.



- 10.1 Upon coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, agreements, incentives, benefits, exemptions, entitlements, arrangements, escrow arrangements and other instruments of whatsoever nature in relation to the Transferor Companies 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 on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto.
- 10.2 The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings, confirmations or novations or tripartite arrangements with any party to any contract or arrangement to which the Transferor Companies are a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 10.3 On the Scheme becoming effective, such contracts / escrow arrangements / deeds / any other arrangements shall stand transferred to or deemed to be transferred to the Transferee Company without any further act or instrument or deed and further it shall not be necessary to obtain the consent of any third party or other person who is party to any such contract / escrow arrangements / deeds / any other arrangement.

11. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

- 11.1 With effect from the Appointed Date and up to and including the Effective Date:
- a) The Transferor Companies shall stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and shall take strategic decisions for and on account of, and in trust for the benefit of the Transferee Company.
 - b) All income, profits, costs, charges, expenses and taxes accruing to the Transferor Companies or losses arising or incurred by it (including the effect of taxes if any thereon), relating to the Transferor Companies shall for all purposes, be treated as the income, profits, costs, charges, expenses and taxes or losses, as the case may be, of the Transferee Company.



11.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Companies.

11.3 For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Companies have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies in the name of the Transferor Companies in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Companies after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, till the time any regulatory registrations of the Transferor Companies are closed / suspended and regulatory filings are required to be done on such registrations, the Transferee Company shall be entitled to do so to comply with the relevant regulations.

12. EMPLOYEES

12.1 On the coming into effect of this Scheme, all employees, if any, of the Transferor Companies who are in employment of the Transferor Companies, as on the Effective Date, shall become the employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on the same terms and conditions as to employment and remuneration on which they are engaged or employed by the Transferor Companies. It is clarified that the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement / settlement, if any, entered into by any of the Transferor Companies with any union / employee. After the Effective Date, the Transferee Company shall be entitled to vary the terms and conditions as to employment and remuneration of the said employees or any of them on the same basis as it may do for the employees of the Transferee Company.

12.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity



Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the employees of the Transferor Companies shall become funds / trusts of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such funds / trusts in relation to the obligation to make contributions to the said funds / 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 the Transferor Companies in relation to such funds / trusts shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Companies will be treated as having been continuous for the purpose of the said funds / trusts and for computing any other employee benefits.

13. SAVING OF CONCLUDED TRANSACTIONS

The Merger by Absorption of the Transferor Companies pursuant to this Scheme shall not affect any transaction or proceedings already concluded or liabilities incurred, or any liabilities discharged by the Transferor Companies, on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company shall accept and adopt all acts, deeds and things made, done and executed by the Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

14. INTER-SE TRANSACTIONS

14.1 Without prejudice to Clauses 5 and 11, with effect from the Appointed date, all inter-party transactions inter-se the Transferor Companies and between any of the Transferor Companies and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date or from the transaction date whichever is later and on the coming into effect of this Scheme, the same shall stand cancelled without any further act, instrument or deed.

14.2 Further, it is clarified that the above clause has no impact whatsoever on any taxes in the form of income-tax, goods and service tax, service tax, works contract tax, value added tax etc. paid on account of such transactions. The taxes paid shall be deemed to have been paid by or on behalf of the Transferee Company and on its own account and therefore, the Transferee Company will be eligible to claim the credit / refund of the same and is also entitled to revise returns, as may be necessary, to give effect to the same.

15. CONSIDERATION



- 15.1 All the Transferor Companies are direct wholly owned subsidiaries of the Transferee Company and the entire paid-up share capital of the Transferor Companies is held by the Transferee Company directly and through its nominees.
- 15.2 On the Scheme coming into effect, the entire issued, subscribed and paid-up share capital of all the Transferor Companies shall, ipso facto, without any further application, act, deed or instrument stand extinguished and cancelled and no new shares of the Transferee Company will be issued or allotted with respect to the shares held in the Transferor Companies.
- 15.3 The share certificates issued by each of the Transferor Companies in relation to their respective shares shall, without any further application, act, instrument or deed, be deemed to be and stand automatically cancelled as on the Effective Date. In relation to shares of any of the Transferor Companies which are held in dematerialized form, the Transferee Company shall execute and take all necessary steps, actions, matters or things and make all necessary filings, as required to give effect to the cancellation.

16. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY

- 16.1 Upon the coming into effect of this Scheme, the Transferee Company shall account for the amalgamation in its financial statement in accordance with "Pooling of Interest Method" laid down by Appendix C of Ind AS 103 (Business Combinations of entities under common control) notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and applicable accounting standards prescribed under the Act.
- 16.2 The Transferee Company, upon the Scheme coming into effect, record the assets and liabilities, if any, of the Transferor Companies vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Companies.
- 16.3 The identity of the reserves of the Transferor Companies shall be preserved and the Transferee Company shall record the reserves of the Transferor Companies in the same form, manner and at the same values as they appear in the financial statements of the Transferor Companies.
- 16.4 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 shall stand cancelled and there shall



be no further obligation in that behalf.

- 16.5 The value of investments held by the Transferee Company in the Transferor Companies shall stand cancelled pursuant to amalgamation.
- 16.6 The difference between the Net Assets ("Net Assets" means difference of book value of assets transferred over the book value of liabilities and reserves) and the book value of investments cancelled shall be accounted based on accounting principles prescribed by Appendix C of Ind AS 103 in the books of the Transferee Company.
- 16.7 In case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference shall be quantified and adjusted in the Reserve in the books of accounts of the Transferee Company.
- 16.8 In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

17. COMBINATION OF AUTHORISED SHARE CAPITAL OF TRANSFEROR COMPANIES

- 17.1 Upon the Scheme becoming effective, the authorised share capital of the Transferor Companies shall stand transferred, re-organised, credited and merged with that of the Transferee Company without payment of additional fees and stamp duty as the said fees and stamp duty have already been paid by the Transferor Companies and the authorised share capital of the Transferee Company will be increased to that effect by just filing requisite forms and no separate procedure shall be followed under the Act. Consequently, the Memorandum of Association of the Transferee Company shall without any further act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and other applicable provisions of the Act.
- 17.2 Accordingly, the words and figures in Clause 4 of the Memorandum of Association of the Transferee Company shall stand modified and be substituted to read as follows:

"The Authorised Share Capital of the Company is Rs. 171,25,00,000/- (Rupees One Hundred and Seventy One Crores Twenty Five lacs Only) divided into 15,93,14,500 (Fifteen Crores Ninety Three Lakhs Fourteen Thousand Five Hundred) Equity Shares of Rs. 10/- (Rupees Ten



only) each and 1,19,35,500 (One Crore Nineteen Lakh Thirty Five Thousand Five Hundred) Preference Shares of Rs. 10/- (Rupees Ten Only) each."

- 17.3 The approval of this Scheme under Sections 230 to 232 of the Companies Act, 2013 shall be deemed to have the approval under Sections 13, 61 and other applicable provisions of the Companies Act, 2013, and any other consents and approvals required in this regard. 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 to the Memorandum of Association of the Transferee Company as may be required under the Act.

18. WINDING-UP OF THE TRANSFEROR COMPANIES

On the Scheme becoming effective, the Transferor Companies shall stand dissolved without being wound up and without any further acts by any party.

PART C

GENERAL TERMS AND CONDITIONS

19. APPLICATION TO THE TRIBUNAL

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

20. MODIFICATIONS / AMENDMENTS TO THE SCHEME

The Transferee Company and the Transferor Companies through their respective Board of Directors may make and / or consent to any modifications / amendments to this Scheme or to any conditions or limitations that the Tribunal or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them or the Board, including the withdrawal of this Scheme or part thereof. The Board of Directors of the Transferee Company shall take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, including interpretation of the Scheme, 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. The power of the Board to modify / amend the Scheme shall be subject to the approval of the Tribunal.



21. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

21.1 The Scheme is conditional upon and subject to:

- a) The approval by the requisite majority of the shareholders and / or creditors (as may be required and / or to the extent not dispensed with by the Appropriate Authorities) of the Transferor Companies, as required under applicable Laws;
- b) The requisite sanction or approval of the Appropriate Authorities being obtained and / or granted in relation to any of the matters in respect of which such sanction or approval is required;
- c) Sanctions and Orders under the applicable provisions of the Act / Laws being obtained by the Transferee Company and the Transferor Companies from the Appropriate Authorities; and
- d) Certified copies of the orders of the Appropriate Authorities, sanctioning the Scheme being filed with the Registrar of Companies, Mumbai at Maharashtra by the Transferee Company and the Transferor Companies

22. EFFECT OF NON-RECEIPT OF APPROVALS

22.1 In the event of any of the said sanctions and approvals referred to in Clause 21 above not being obtained (unless otherwise released by the Board of Directors) and / or the Scheme not being sanctioned by the Tribunal or such other competent authority as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

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

22.3 The Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity post Merger by Absorption.



22.4 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 Transferor Companies and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Transferor Companies and / or the Transferee Company, then in such case the Transferor Companies and / or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Companies and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part.

23. COSTS

All costs, charges, levies and expenses of the Transferor Companies and the Transferee Company respectively in relation to or in connection with or incidental to this Scheme or the implementation thereof shall be borne and paid for by the Transferee Company, unless otherwise determined by the Boards of Directors of the Transferor Companies and the Transferee Company.

