

Dated November 19, 2021

To
Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Ref: Scrip Code: 539235; Stock Symbol: GPL

Dear Sir,

Sub: Receipt of the certified copy of the order (“NCLT order”) along with the Scheme of Amalgamation passed by the Hon’ble National Company Law Tribunal, Hyderabad Bench (“NCLT”), sanctioning the Scheme of Amalgamation between Grandeur Products Limited (Transferor Company) and Tierra Agrotech Private Limited (Transferee Company) and their respective Shareholders & Creditors under section 230 to 232 of the Companies Act, 2013.

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations')

Pursuant to Regulation 30 of the SEBI Listing Regulations, please be informed that the company has received the certified copy of the order passed by the Hon’ble National Company Law Tribunal, Hyderabad Bench (“NCLT”) together with the certified copy of the Scheme of Amalgamation, on November 18, 2021. The Certified copy of the Hon’ble NCLT Order and the Scheme of Amalgamation is enclosed for your records.

The Scheme of Amalgamation will become effective upon the filing of the orders passed by Hon’ble NCLT with the respective jurisdictional Registrar of Companies.

This is for your information and records.

The same is being uploaded on the website of the company at www.grandeurproducts.com

Yours Sincerely,
For Grandeur Products Limited

A.V. Kiran

A V Kiran
Company Secretary & Compliance Officer
M. No. A60906



**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, HYDERABAD-2**

CP (CAA) No.35/ 230/ HDB/ 2021
Connected with
CA (CAA) No.30/ 230/ HDB/ 2021

**UNDER SECTIONS 230-232 OF THE COMPANIES ACT, 2013
READ WITH RULE 3 OF THE COMPANIES (COMPROMISES,
ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

**IN THE MATTER OF SCHEME OF AMALGAMATION
BETWEEN**

**GRANDEUR PRODUCTS LIMITED
(TRANSFEROR COMPANY)**

AND

**TIERRA AGROTECH PRIVATE LIMITED
(TRANSFeree COMPANY)**

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS



Grandeur Products Limited,

Registered office situated at 1st Floor,
Sravana Complex, Kamalapuri Colony Lane,
Next to LV Prasad Hospital, Road No: 2,
Banjara Hills, Hyderabad - 500034,
Telangana, India.

Represented by its Whole-time Director, Vijay Kumar Deekonda.

....Petitioner /Transferor Company

AND

Tierra Agrotech Private Limited,

Registered office situated at 1st Floor,
Sravana Complex, Kamalapuri Colony Lane,
Next to LV Prasad Hospital, Road No: 2,

CP (CAA)No.35/230/HDB/2021

IN

CA(CAA) No.30/230/HDB/2021

Date of Order: 12.11.2021

Banjara Hills, Hyderabad - 500034,

Telangana, India.

Represented by its Director, Vijay Kumar Deekonda.

....Petitioner / Transferee Company

Date of order: 12.11.2021

Coram:

Hon'ble Dr. N.V.Ramakrishna Badarinath, [Member Judicial]

Hon'ble Dr. Binod Kumar Sinha, [Member Technical]

Counsels / Parties Present

For the Petitioner : Shri Y.Suryanarayana, and other
Counsels.

For RD : Shri Sashi Raj Dara, Joint Director.

Heard on: 09.11.2021

PER-BENCH

1. The present joint Company Petition is filed under Section 230 to 232 of the Companies Act, 2013 read Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 praying for the sanction of Scheme of Amalgamation between Transferor Company and Transferee Company and their respective shareholders, creditors and employees.
2. The Registered Offices of the Petitioner Companies are situated in the State of Telangana and therefore, they are within the jurisdiction of this Tribunal. Copies of Memorandum of Association and Articles of Association of Transferor Company and Transferee Company are annexed to the petition as Annexure 1&3.



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3. The averments made in the joint petition are mentioned below:

a. **Transferor Company: Grandeur Products Limited** was originally incorporated under the name and style "Chhajer Commercial Company Limited" under the provisions of Companies Act, 1956, on 03.01.1983 (Third Day of January, One Thousand Nine Hundred and Eighty-Three) in the state of West Bengal, vide Certificate of Incorporation No. 35627 of 1983, issued by the Registrar of Companies, West Bengal. Subsequently, the name of the Company was changed from "Chhajer Commercial Company Limited" to "Vidyut Commercial Limited" by following due procedure laid down under the applicable provisions of Companies Act, 1956 and a fresh certificate of Incorporation consequent on change of name was issued by the Registrar of Companies, West Bengal on 03.05.1993 (Third Day of May, One Thousand Nine Hundred and Ninety-Three). Subsequently, the name of the Company was changed from "Vidyut Commercial Limited" to "Bul Steels and Energy Limited" by following due procedure laid down under the applicable provisions of Companies Act, 1956 and a fresh certificate of incorporation consequent on change of name was issued by the Registrar of Companies, West Bengal, on 15.07.2008 (Fifteenth day of July, Two Thousand Eight). Subsequently, the name of the Company was changed from "Bul Steels and Energy Limited" to "**Grandeur Products Limited**" by following due procedure laid down under the applicable provisions of Companies Act, 1956 and a fresh certificate of incorporation consequent on change of name was issued by the Registrar of Companies, West Bengal, on 17.04.2013 (Seventeenth day of April Two Thousand Thirteen). Subsequently, the Registered Office of the Company was changed from the state of West Bengal to the Telangana by following due procedure laid down under the



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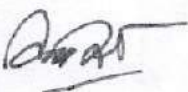
applicable provisions of Companies Act, 1956 and a fresh certificate of incorporation consequent on change of name was issued by the Registrar of Companies, Hyderabad, on 04.06.2016 (Fourth day of June Two thousand sixteen). The present Corporate Identification Number (CIN) of the Company is L15500TG1983PLC110115,

- b. The main objects of the Company are to carry on the business, either solely or in collaboration with other persons or entities, whether of Indian or foreign origin, to manufacture, buy, sell, retail, wholesale, trade, market, import, export process, manipulate, prepare, preserve, carry on, refine, bottle and to deal in all types of Spray Dried Instant Chicory, coffee, tea, cocoa, milk, condensed milk, milk products, sugar, sugar substitutes, fruits and other similar products, manufactured or raw state, whether in India or elsewhere either in wholesale and/ or in retail or otherwise.

- c. **The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on 31.03.2021 is as follows:**

Share Capital	Amount in Rs.
Authorized Capital	
3,00,00,000 (Three Crore Only) Equity Shares of Rs.10/- (Rupees Ten only) each.	30,00,00,000
Total	30,00,00,000
Issued, Subscribed and Paid Up Capital	
2,51,55,165 (Two Crore Fifty One Lakh Fifty-Five Thousand One hundred and Sixty-Five Only) fully paid up Equity Shares of Rs.10/- (Rupees Ten only) each.	25,15,51,650
Total	25,15,51,650

Subsequent to 31st March 2021, there is no change in the authorised, issued, subscribed and paid up share capital of the Transferor Company.



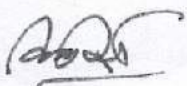
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- d. **Transferee Company: M/s. Tierra Agrotech Private Limited** is private limited company incorporated under the provisions of the Companies Act, 1956, on 13.09.2013, in the erstwhile State of Andhra Pradesh (now the state of Telangana). The present Corporate Identification Number (CIN) of the Company is U01119TG2013PTC090004 .
- e. The main objects of the Transferee Company are develop, identify, validate, produce, process, license and in and outsource various agricultural, bio-technology and Nano-technology related technologies within or outside India.
- f. **The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 31.03.2021 is as follows:**

Share Capital	Amount in Rs.
Authorized Capital	
79,50,000 (Seventy Nine Lakh Fifty Thousand Only) Equity Shares of Rs.10/- (Rupees Ten only) each.	7,95,00,000
Total	7,95,00,000
Issued, Subscribed and Paid Up Capital	
25,10,000 (Twenty-Five Lakh Ten Thousand Only) fully paid up Equity Shares of 10/- (Rupees Ten only) each.	2,51,00,000
Total	2,51,00,000

Subsequent to 31st March 2021, there is no change in the authorised, issued, subscribed and paid up share capital of the Transferee Company.

4. It has been submitted that the Petitioner Companies had jointly filed an application CA (CAA) No. 30/230/HDB/2021 wherein this Hon'ble Tribunal vide order dated 25.07.2021 dispensed



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with the conducting of meetings of secured, unsecured and trade creditors of the Transferor Company and ordered to convene meeting of equity shareholders of Transferor Company. Further dispensed with conducting of meetings of equity shareholders, secured creditors and unsecured creditors of the Transferee Company and ordered to convene meetings of the trade creditors of the transferee company. Copy of Order of Hon'ble Tribunal in CA(CAA) No.30/230/HDB/2021 dated 25.07.2021 is annexed to the petition as Annexure-11.

In the Chairpersons' report regarding meeting of equity shareholders of the Transferor Company it is submitted that equity shareholders of the Transferor Company approved the Scheme of amalgamation with requisite majority. A copy of the chairperson's report dated 13.08.2021, on the result of voting by the Equity Shareholders of the Petitioner / Transferor Company, as submitted to this Tribunal by the Chairperson on 13.08.2021 through e-filing is annexed to the petition as "Annexure - 14".

Further, with regard to the meetings of the trade creditors of the transferee company it is submitted that all the trade creditors have approved the scheme of amalgamation unanimously without any modifications.

A copy of the Chairperson's report dated 12.08.2021, on the result of voting by the Trade Creditors of the Petitioner / Transferee Company, as submitted to this Hon'ble Tribunal by the Chairperson on 13.08.2021 through e-filing is annexed and marked as "Annexure - 15" to the petition.

5. The Petitioner Companies then filed the present Petition before this Tribunal seeking sanction of the Scheme with appointed date as 1st April 2020. This Tribunal vide order dated 15.09.2021 ordered notices to Registrar of Companies and other statutory authorities and directed to effect newspaper publication. Pursuant to the Order, notices were served to the Registrar of Companies, Hyderabad; the Regional Director, South Eastern



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Region, Hyderabad; Official Liquidator for State of Telangana; Income Tax Officer, Ward-17(1), Hyderabad; Deputy Commissioner of Income Tax, Circle-1(1), Hyderabad, Deputy Commissioner of Income Tax, Circle-5(1), Hyderabad and Corporate Finance Department, Securities Exchange Board of India and were served. It has been submitted that the Petitioner Companies published notices of hearing of Petition in English Newspaper i.e. Business Standard and Telugu Newspaper i.e. Nava Telangana on 23.09.2021. The proof of publication and proof of service of notice of hearing was filed by an memo dated 26.10.2021.

6. It is submitted by the learned counsel for petitioner companies that it is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company resulting in benefits of economies of scales, reduction in multiplicity of legal and regulatory compliances, rationalisation, standardisation and simplification of business processes leading to increase in operational feasibility in future, reduction of multi- company inefficiencies and optimal utilisation of resources.



7. **COMPLIANCE OF ACCOUNTING STANDARD:**

It is further submitted that the accounting treatment proposed at clause 11 of the Scheme of Amalgamation between Grandeur Products Limited (Transferor Company) and Tierra Agrotech Private Limited (Transferee Company) and their respective shareholders and creditors is in conformity with the accounting standards as prescribed under the provisions of Section 133 of the Companies Act, 2013.

Certificates issued by the Chartered Accountant confirming the Accounting Treatment proposed in the Scheme, are annexed marked as "Annexure- 6 to 7" to the petition.

8. The Regional Director vide his report dated 2nd November 2021, has not objected to the proposed Scheme but has made certain

observations. The Petitioner Companies have filed affidavit dated 03.11.2021, in response to the observations made by the Regional Director, South East Region, Ministry of Corporate Affairs, Hyderabad where under the Petitioner Companies gave undertaking to appropriately comply with the observations made by R.D. The details are given below.

Observation of Regional Director	Reply of the Petitioner Companies by way of affidavit dated 03.11.2021
PARA 3 (d)(e) (f) Hon'ble Tribunal may please to direct the Petitioner Companies to preserve the books, comply with statutory laws, file Inc-28 with the Registrar of Companies..	The Petitioner Companies undertakes to comply with all the Applicable provisions and rules under the Companies Act, 2013.
PARA 4 Hon'ble Tribunal may please to direct the petitioner companies comply the observations pointed out by the Official liquidator.	It is submitted that the an affidavit to that effect is filed by furnishing all the requisite undertakings as stated by the Official Liquidator.
Para.5 With reference to this Directorate's letter dated 07.10.2021, issued to Principal Commissioner of Income Tax, Hyderabad, however, the said letter has been returned back undelivered with the postal remarks" refused".	
Para.6 With reference to this Directorate's letter dated 07.10.2021, issued to Securities Exchange Board of India, Hyderabad. However, till date no report in the matter has been received.	



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<p><u>Para.7</u></p> <p>Hon'ble Tribunal may please to direct the petitioner Companies to furnish an undertaking that they will comply with all the conditions as stated by SEBI vide Circular No.CFD/DIL3/CIR/2017/21 dated 10.03.2017.</p>	<p>It is submitted that transferee Company shall comply with all the conditions as stated by SEBI vide Circular No.CFD/DIL3/CIR/2017/21 dated 10.03.2017.</p>
<p><u>Para.8</u></p> <p>Hon'ble Tribunal may please to direct the petitioner Companies to furnish an affidavit duly notarized, stating that they will comply with all the conditions as stated by BSE vide Circular No.DCS/AMAL/SV/R37/191 9/2020-21 e-letter dated 10.03.2017.</p>	<p>It is submitted that transferee Company shall comply with all the conditions as stated by BSE vide Circular No.DCS/AMAL/SV/R37/191 9/2020-21 e-letter dated 10.03.2017.</p>
<p><u>Para.9</u></p> <p>Hon'ble Tribunal may please to direct the petitioner Companies to file an undertaking, confirming that the exchange, which had issued no adverse observation letter has not withdrawn till date and also to state that there are no further observations received from the petitioner transferor Company from the Stock Exchange till date.</p>	<p>It is submitted that the exchange which has issued no adverse observation letter has not withdrawn the same till date and there are no further observation/objections received from the stock exchange till date.</p>
<p><u>Para.10</u></p> <p>Hon'ble Tribunal may please to direct the petitioner Companies to furnish an</p>	<p>It is submitted that listing of shares of transferee company would be obtained within specified time frame as</p>



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<p>undertaking that the listing of its shares would be obtained as applicable under the SEBI Rules/regulations, failing which the scheme be rendered null and void without any further deed or action on the part of any of the petitioners.</p>	<p>applicable under the SEBI Rules/regulations.</p>
<p>Para.11 Hon'ble Tribunal may please to direct the petitioner Companies comply the provisions of Section 13 of the Companies Act, 2013 read with Companies (Incorporation) Rules,2014</p>	<p>It is submitted that petitioner companies will undertake to comply the same.</p>
<p>Para.12 It is submitted that petitioner transferor company has not incorporated the observations in the petition filed before Hon'ble NCLT as directed by the BSE. Hon'ble Tribunal may please to direct the petitioner Companies to comply the observations made by the BSE vide letter dated 10.03.2021.</p>	<p>It is submitted that petitioner Company had attached the observation letter dated 10.03.2021 issued by BSE Limited with the Joint Company Petition No.CP(AA)Merger& Amalgamation/35/2021 as Annexure.10 at Page No.207 to 208 of the petition.</p>
<p>Para.13 Hon'ble Tribunal may please to direct the petitioner Companies to state whether they had complied with the provisions of the FEMA/RBI.</p>	<p>It is submitted that the transferor Company is a listed Company and the equity shares of the Transferor Company are listed and traded on the BSE Limited and the 4 NRI shareholders holding 156 shares in the transferor Company as on 30.09.2021 have purchased the said shares from the open market which is permissible</p>



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	under the RBI/FEMA Regulation and no specific compliance is required to be made under the RBI/FEMA Regulation by the transferor company in this regard.
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9. **OFFICIAL LIQUIDATOR'S REPORT:**

1. The Official Liquidator has filed his report, vide OLR NO.55/2021 dated 26.10.2021 stating some observations in point no.23 of the report. The observations pointed out and the comments offered by the Petitioner Company on the report of Official Liquidator vide affidavit dated 03.11.2021 are mentioned against each.

OBSERVATIONS - OL REPORT 26.10.2021	REPLY OF THE PETTIONER COMPANIES BY WAY OF AFFIDAVIT DATED 03.11.2021
Point 23(1) Hon'ble Tribunal may please to direct the transferee Company to submit an undertaking to the effect that Record date would be decided and fixed mutually by the Board of Directors of the transferor company and transferee company immediately after sanction of the Scheme and before dissolution of the Transferor Company on effective date.	It is submitted that upon sanction of the Scheme by the Hon'ble Tribunal, the Record date would be decided and fixed mutually by the Board of Directors of Transferor and transferee companies immediately after sanction of the scheme and before dissolution of the transferor company on effective date.
Point 23(2) Hon'ble Tribunal may please to direct the petitioner Companies to	Petitioner Companies complied the same and filed amended scheme. A copy of the Amended



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<p>correct the clause 8.1 and 8.2 of Part II of the Scheme accordingly submit the modified scheme to the Hon'ble Tribunal</p>	<p>Scheme is attached as Annexure-1 to the reply affidavit of Official liquidator.</p>
<p>Point 23(3)</p> <p>Transferee Company shall comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 and pay the difference fee after setting off the fee already paid by the Transferor Company on its respective capital.</p>	<p>It is submitted that upon sanction of the Scheme by the Hon'ble Tribunal, the Transferee Company shall comply with the provisions of Section 232(3)(i) of the Companies Act, 2013.</p>
<p>Point 23(4)</p> <p>Hon'ble Tribunal may please to direct the transferee Company to comply with the provisions of Section 14 of the Companies Act, 2013.</p>	<p>It is submitted that upon sanction of the Scheme by the Hon'ble Tribunal, the Transferee Company shall comply with the provisions of Section 14 of the Companies Act, 2013.</p>
<p>Point 23(1)</p> <p>The Transferor Company is a listed Company. Hence NOC of SEBI, on which equity shares of the Company are listed to be submitted.</p>	<p>It is submitted that transferor Company is a listed entity, having equity share listed on the BSE and Transferor Company has obtained NOC from the Stock Exchange. A copy of NOC letter dated 10.03.2021 issued by BSE Limited is attached to the reply affidavit as Annexure-2.</p>
<p>Point 23(7)</p> <p>Hon'ble Tribunal may please to direct the petitioner companies to</p>	<p>It is submitted that the transferee company shall not retrench employees (if any) who were in</p>



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submit an undertaking that there would be no retrenchment of any employee who were in service as on appointed date.	service of the Transferor Company as on appointed date i.e 01.04.2020.
Point 23(10) It is stated that transferor Company is a loss making company getting merged in profit making transferee company. Hence the Income tax implication due to merger needs to be examined by the Income tax department.	It is submitted that transferor Company is a loss making Company getting merged in profit making transferee company and the Income tax implication due to merger shall be as per the provisions of the Income Tax Act.

10. **DECLARATION:** The following declarations have been made by the Petitioner Companies:



- (i). No petition under Sections 241 or 242 of the Companies Act, 2013 has been filed against any of the Petitioner Companies and there has been no material change in the affairs of any of the Petitioner Companies, except for what was done in the normal course of business.
- (ii). There are no proceedings pending under Sections 210 to 227 of Companies Act, 2013, against any of the Petitioner Companies.
- (iii). The Scheme of Amalgamation between Grandeur Products Limited (Transferor Company) and Tierra Agrotech Private Limited (Transferee Company) and their respective Shareholders and Creditors does not have an adverse effect on any of the shareholders or creditors or other stakeholders of the respective Petitioner Companies in any manner whatsoever.

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11. **OBSERVATION**

We have heard the Learned Counsel appearing for the Petitioner Companies and perused the material papers on record. As regards the observations pointed out by the Regional Director and compliance filed by the petitioner company, it appears that necessary compliance undertakings have been submitted. The Regional Director has mentioned in his report that a letter dated 07.10.2021 issued to the Principal Commissioner of Income Tax, Hyderabad was returned back as refused. However, the petitioner Companies have filed a memo of compliance dated 26.10.2021 enclosing the notice dated 21.09.2021 issued to Deputy Commissioner of Income Tax, Range-2, Hyderabad- Telangana, which is received and stamped by the office of Additional Commissioner of Income Tax, Range-2, Hyderabad on 23.09.2021. But there has been no representation on behalf of Income tax Department, before this Tribunal. The Official liquidator had also raised certain observations for which the Petitioner Companies filed their reply by way of an Affidavit. After hearing the Counsel for the Petitioner Companies and considering the material on record, we are of the view the scheme is not opposed to public interest and the proposed Scheme is in the interests of the Transferor Company, the Transferee Company and their respective shareholders, employees, creditors and all persons concerned. Hence the scheme can be approved. Since the Petitioner Companies have filed the amended Scheme with appointed date as 01.04.2020 the same is taken on record.

All the statutory compliances have been made under Section 230 to 232 of the Companies Act, 2013. Hence ordered.



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12.

ORDER

After hearing the Counsel for the Petitioner Companies and after considering the material on record, this Tribunal passed the following order:

- A. The Amended Scheme of Amalgamation filed vide memo dated 03.11.2021 (Annexure -1) is hereby sanctioned with appointed date as 01.04.2020 and shall be binding on all the members, employees, creditors and all other stakeholders of the Petitioner Companies.
- B. While Approving the Scheme, we made it clear that this order should not be construed as an order in anyway granting exemption from payment of Stamp Duty, taxes or any other charges, if any, payable in accordance with any law or in respect of any permission/compliance with any other requirement which may be specially required under any law.
- C. The whole of the assets, property, rights and Liabilities of the Transferor Company shall be transferred without the requirement of any further act or deed to the Petitioner/Transferee Company.
- D. We Direct the Petitioner companies to comply with all the observations pointed out by the Regional Director and Official Liquidator in their respective reports.
- E. The Petitioner Companies are directed to preserve its books of accounts and papers and records and the same shall not be disposed of without the prior permission of the Central Government in terms of provisions of Section 239 of the Companies Act, 2013.
- F. The Petitioner Companies are directed to ensure statutory compliance of all applicable laws and also on sanctioning of



the present Scheme the Petitioner Companies shall not be absolved for any of their statutory liability in any manner.

- G. Since the transferor Company is a listed entity, Petitioner Companies are directed to comply all the observations pointed out by the SEBI.
- H. Directed the Petitioner Companies involved in the Scheme to comply with Rule 17 (2) of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2013. The Petitioner Companies within 30 days after the date of receipt of certified copy of the order, shall cause certified copy to be delivered in Form INC-28 to the Registrar of Companies concerned for registration and on such certified copy being delivered, Registrar of Companies concerned shall take all necessary consequential action in respect of the Petitioner Companies.
- I. All the legal proceedings pending by or against the Transferor Company shall be continued by or against the Transferee Company.
- J. Though no representation has been received from the Income Tax Authorities despite service of notice by the Petitioner Companies, the tax implications, if any, arising out of the scheme is subject to final decision of Concerned Tax Authorities and the decision of the Concerned Tax Authorities shall be binding on the Transferee Company.
- K. The Petitioner Companies are directed to strictly comply with the Accounting Treatment Standards prescribed under Section 133 of the Companies Act,2013.
- L. The sanction of the Scheme by this Tribunal shall not forbid the Revenue authorities from taking appropriate recourse for recovering the existing and previous tax liabilities of the Transferor and Transferee Companies.
- M. Directed the Transferee Company to comply with the provisions of Section 2 (41) of the Companies Act, 2013.
- N. The Transferor Company shall be dissolved without going through the process of winding up.



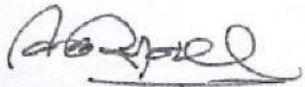
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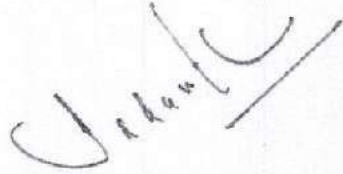
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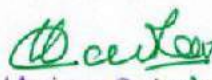
- O. The Petitioner Companies shall until the completion of the Scheme of Amalgamation, file a statement in such form and within such time as prescribed with the Registrar every year duly certified by a Chartered Accountant or a Cost Accountant or a Company Secretary to the effect that the Scheme of Amalgamation is being complied with in accordance with the orders of the Tribunal as required under Section 232 (7) of the Companies Act, 2013.
- P. Any person shall be at the liberty to apply to the Tribunal in the above matter for any directions that may be necessary.
- Q. With the above directions, the CP(CAA)No.35/230/HDB/2021 is disposed of.




DR. BINOD KUMAR SINHA
MEMBER (TECHNICAL)


DR.N.V.RAMAKRISHNA BADRINATH
MEMBER (JUDICIAL)

Pavani


Deputy Registrar / Assistant Registrar / Court Officer
National Company Law Tribunal, Hyderabad Bench

प्रमाणित प्रति
CERTIFIED TRUE COPY
केस संख्या
CASE NUMBER (P.(CAA)No.35/230/HDB/2021
निर्णय का तारीख
DATE OF JUDGEMENT...12/11/2021
प्रति तैयार किया गया तारीख
COPY MADE READY ON...17/11/2021

SCHEME OF AMALGAMATION BETWEEN
GRANDEUR PRODUCTS LIMITED (TRANSFEROR COMPANY)
AND
TIERRA AGROTECH PRIVATE LIMITED (TRANSFEEE COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 OF THE
COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013

1. PREAMBLE

1.1 This Scheme of Amalgamation ("Scheme") is presented pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013 ("Act"), as may be applicable, and in compliance with the applicable section(s) of the Income-Tax Act, 1961 for the following:

- 1.1.1 The Scheme of Amalgamation is presented under Section 232 of the Companies Act, 2013 and provides for merger of Grandeur Products Limited (the Transferor Company) with its 100% subsidiary company, Tierra Agrotech Private Limited (the Transferee Company), and consequent dissolution of the Transferor Company without going through winding up;
- 1.1.2 The Transferee Company is a wholly owned subsidiary of the Transferor Company. As on March 31, 2020, the entire issued, subscribed, paid up share capital of the Transferee Company is held by the Transferor Company.
- 1.1.3 The Transferor Company is a listed public limited company.
- 1.1.4 The Board of Directors of the Transferor Company and the Transferee Company, at their respective meetings held on November 12, 2020, decided to merge the Transferor Company with its subsidiary company i.e. the Transferee Company.
- 1.1.5 The merger of the Transferor Company with the Transferee Company will result in, optimal utilisation of assets and resources of the Transferor Company by the Transferee Company and organizational efficiency and reduction in administrative and overhead expenditure.
- 1.1.6 The creditors of the Transferor Company are not adversely affected by the proposed arrangement as their loans and dues will be maintained and the liabilities will be transferred to the Transferee Company. The increased assets of the Transferee Company will have better financial viability which would be in the interest of all the creditors, including



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the creditors of the Transferor Company, if any.

117. In view of the above, it is desirable to merge the Transferor Company with the Transferee Company by effecting an arrangement under Section 232 of the Companies Act, 2013 with effect from the Appointed Date.
118. The Scheme is divided into the following parts: (a) Part I, which deals with the definitions, share capital and date of taking effect; (b) Part II, which deals with the scheme of Amalgamation; and (c) Part III, which deals with the general provisions that would be applicable to Part II of the Scheme.

PART - I (Definitions, Share Capital, Date of Taking Effect)

2. DEFINITIONS

- 2.1. In the Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:
- 2.11. "Act" or "the Act" means the Companies Act, 2013 (to the extent notified) and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force and includes any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall include the Companies Act, 1956 (to the extent still in force);
- 2.12. "Appointed Date" means April 01, 2020 or such other date as may be fixed or approved by the Appropriate Authority;
- 2.13. "Appropriate Authority" means any government, statutory, regulatory, departmental or public body or authority having jurisdiction over the Transferor Company and the Transferee Company, including the Central Government, Regional Director, Registrar of Companies and the National Company Law Tribunal;
- 2.14. "Assets" in relation to Transferor Company means Fixed Assets, Loans and Advances, Investments, Current Assets, debit balance in Profit and Loss account and any other assets as per the books of the Transferor Company as at March 31, 2020;
- 2.15. "Board" or "Board of Directors" in relation to the Transferor Company and the Transferee Company means the respective board of directors of such companies, including any committee of directors constituted or appointed and authorised to take any decision for implementation of this Scheme on behalf of the Board of Directors;
- 2.16. "BSE" means BSE Limited, where the equity shares of the Transferor Company are listed;
- 2.17. "Companies" means collectively, the Transferor Company and the Transferee Company;
- 2.18. "Effective Date" means the date on which the final order of NCLT has been passed approving the Scheme either on the terms as



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originally approved by the Parties to the Scheme, or subject to such modifications approved by NCLT, as shall in the form and substance be acceptable to the Transferee and Transferor Companies and also read with conditions set out in Clause 17.2. References in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "Coming into Effect of this Scheme" shall mean the Effective Date;

- 21.9. "**Liabilities**" in relation to the Transferor Company means Loan Funds, Current Liabilities, Reserves and Surpluses (including balance in Profit and Loss Account), provisions and all other liabilities of the Transferor Company as per the books of the Transferor Company as at March 31, 2020;
- 21.10. "**Listing Regulations**" mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments or modifications thereto or any other re-enactment thereof as in force at present.
- 21.11. "**NCLT**" means the National Company Law Tribunal, Hyderabad Bench
- 21.12. "**Official Liquidator**" means the Office of the Official Liquidator, High Court, Telangana who has jurisdiction over the Transferee Company and the Office of the Official Liquidator, High Court, Telangana who has jurisdiction over the Transferor Company.
- 21.13. "**Proceedings**" include any suit, appeal or any legal proceeding of whatsoever nature in any Court of law or tribunal or any judicial or quasi-judicial body or any assessment proceeding before any authority under any law and also arbitration proceeding;
- 21.14. "**Record Date**" means the date to be fixed by the Board of the Transferee Company for the purpose of issuance of shares to the members of the Transferor Company pursuant to the Clause 7 of the Scheme.
- 21.15. "**Registrar of Companies**" or "**ROC**" means the relevant Registrar of Companies having territorial jurisdiction in the state(s) in which the respective registered offices of the Companies are located;
- 21.16. "**Scheme**" or "**this Scheme**" or "**the Scheme of Amalgamation**" means this Scheme of Amalgamation in its present form as submitted to the NCLT or this Scheme with any amendment(s) or modification(s), if any, made by the shareholders of the respective Companies and accepted by the Boards of the respective Companies or such modification(s) as may be imposed by any appropriate authority and / or directed to be made by the NCLT while sanctioning the Scheme and accepted by the Boards of the respective Companies;
- 21.17. "**SEBI**" means the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992;
- 21.18. "**SEBI Circulars**" means (i) Circular No. CFD/DIL3/CIR/2017/21 dated March 10 2017, (ii) Circular No.



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originally approved by the Parties to the Scheme, or subject to such modifications approved by NCLT, as shall in the form and substance be acceptable to the Transferee and Transferor Companies and also read with conditions set out in Clause 17.2. References in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "Coming into Effect of this Scheme" shall mean the Effective Date;

- 21.9. "**Liabilities**" in relation to the Transferor Company means Loan Funds, Current Liabilities, Reserves and Surpluses (including balance in Profit and Loss Account), provisions and all other liabilities of the Transferor Company as per the books of the Transferor Company as at March 31, 2020;
- 21.10. "**Listing Regulations**" mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments or modifications thereto or any other re-enactment thereof as in force at present.
- 21.11. "**NCLT**" means the National Company Law Tribunal, Hyderabad Bench
- 21.12. "**Official Liquidator**" means the Office of the Official Liquidator, High Court, Telangana who has jurisdiction over the Transferee Company and the Office of the Official Liquidator, High Court, Telangana who has jurisdiction over the Transferor Company.
- 21.13. "**Proceedings**" include any suit, appeal or any legal proceeding of whatsoever nature in any Court of law or tribunal or any judicial or quasi-judicial body or any assessment proceeding before any authority under any law and also arbitration proceeding;
- 21.14. "**Record Date**" means the date to be fixed by the Board of the Transferee Company for the purpose of issuance of shares to the members of the Transferor Company pursuant to the Clause 7 of the Scheme.
- 21.15. "**Registrar of Companies**" or "**ROC**" means the relevant Registrar of Companies having territorial jurisdiction in the state(s) in which the respective registered offices of the Companies are located;
- 21.16. "**Scheme**" or "**this Scheme**" or "**the Scheme of Amalgamation**" means this Scheme of Amalgamation in its present form as submitted to the NCLT or this Scheme with any amendment(s) or modification(s), if any, made by the shareholders of the respective Companies and accepted by the Boards of the respective Companies or such modification(s) as may be imposed by any appropriate authority and / or directed to be made by the NCLT while sanctioning the Scheme and accepted by the Boards of the respective Companies;
- 21.17. "**SEBI**" means the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992;
- 21.18. "**SEBI Circulars**" means (i) Circular No. CFD/DIL3/CIR/2017/21 dated March 10 2017, (ii) Circular No.



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CFD/DIL3/CIR/2017/26 dated March 23, 2017, (iii) SEBI Circular No. CFD/DIL3/CIR/2017/105 dated September 21, 2017, (iv) SEBI Circular No. CFD/DIL3/CIR/2018/2 dated January 03, 2018, (v) SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated September 12, 2019 and (vi) SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated November 03, 2020 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;

2.119. "Stock Exchange" means BSE Limited whereat the Transferor Company is listed;

2.120. "Transferor Company" means Grandeur Products Limited, a company incorporated under the provisions of the Companies Act, 1956 and an existing company within the meaning of the Act, having its registered office at H. No. 1-62-192, 3rd Floor, Dwaraka Avenue Kavuri Hills, Madhapur, Hyderabad, Telangana- 500033, India;

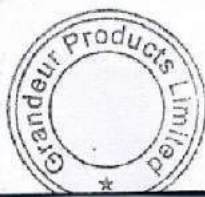
2.121. "Transferee Company" means Tierra Agrotech Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and an existing company within the meaning of the Act, having its registered office at H. No. 1-62-192, 3rd Floor, Dwaraka Avenue Kavuri Hills, Madhapur, Hyderabad, Telangana- 500033, India;

2.122. "Undertaking" or "Undertaking of the Transferor Company" means and includes the entirety of the assets and liabilities of the Transferor Company including all its rights, interests, privileges, licences, powers, permits, approvals, contracts, liabilities, duties, obligations, debts, outstanding and includes without limitation, the following:

2.122.1 all the assets and properties (whether movable or immovable, if any, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent of whatsoever nature and wherever situated) of the Transferor Company, including, without being limited to office equipment, furniture and fixtures, deposits, assets, current assets, premises, investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units), cash balances including with banks, loans (including working capital loan), advances, contingent rights or benefits, receivables, refunds, claims, earnest moneys, advances or deposits paid by the Transferor Company, its goodwill, financial assets, lease and hire purchase contracts, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantee, reversions, powers, municipal permissions, authorities, allotments, approvals, consents, licences, registrations, contracts, engagements, arrangements, customer contracts, customer approvals, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of, or enjoyed by the Transferor Company including licenses, fixed and other assets, trade and service names, liberties, patents, brand, trademarks, logo,



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designs, copyrights and other intellectual property rights of any nature whatsoever, import licences, quotas, permits, concessions, subsidies, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections, LAN installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets and properties and all agreements and all other interests held in trust, registrations, contracts, engagements, arrangements of all kinds, privileges and all other rights, benefits of all agreements, subsidies, grants, incentives, tax and other credits [including but not limited to credits in respect of Tax, income-tax, minimum alternate tax i.e. tax on book profits, (whether recorded or not in the financial statements), tax deducted at source, tax collected at source, advance tax, goods and service tax, value added tax, central sales tax, sales tax, CENVAT, MODVAT, excise duty, service tax, custom duty, octroy, entry tax, etc.), tax losses (including unabsorbed depreciation), brought forward tax losses, book losses for minimum alternate tax purposes, tax benefits and other claims and powers, all books of accounts, documents and records of whatsoever nature and wheresoever situated, easements, arrangements of all kind, privileges, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to that of the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;



21222 all intellectual property rights including patents designs, copyrights, trademarks (including Trademark bearing Reg. No. 4223002 pertaining to the logo of the Transferor Company-Grandeur Products Limited), brands (whether registered or otherwise), logo, advertisement banner, goodwill, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business, activities and operations of the Transferor Company;

21223 all letters of intent, request for proposal, prequalification, bid acceptances (including benefit arising out of or in relation to any bank guarantees submitted to any authority in respect thereof by the Transferor Company), tenders, contracts, deeds, memorandum of understanding, bonds, agreements, arrangements, track-record, technical know-how, technical experience (including experience in executing projects), goodwill and all other rights, claims and powers and any other instrument of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company for all intents and purposes and specifically including but not limited to the turnover, the profitability, performance, and market share, prequalification, net worth and reserves of the Transferor Company;

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2.1.224. right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or Scheme made by the Government, and in respect of set-off, carry forward of unabsorbed losses and/or unabsorbed depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said statute(s) or under and in accordance with any law or statute, whether in India or anywhere outside India;

2.1.225. all debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoever kind, nature and description. Provided that, any reference in the security documents or arrangements entered into by the Transferor Company and under which, the assets of the Transferor Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to only those undertakings of the Transferor Company as are vested in Transferee Company by virtue of the Scheme and the Scheme shall not operate to enlarge security for any loan, deposit or facility created by the Transferor Companies which shall vest in Transferee Company by virtue of the amalgamation and Transferee Company shall not be obliged to create any further or additional security thereof after the amalgamation has become effective;

2.1.226. all other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment;

2.1.227. all staff, workmen, and employees engaged in or relating to the business activities and operations of the Transferor Company;

2.1.228. all balances with government, quasi-government, municipal, local and other authorities and bodies, customers and any other persons, earnest moneys and/or security deposits paid or received by the Transferor Company; and

2.1.229. all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and backup copies, drawings, other manuals, data catalogues, emails, presentation, correspondences/ communications with third parties/ authorities, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form.

It is intended that the definition of Undertakings of the Transferor Company under this Clause will enable the transfer



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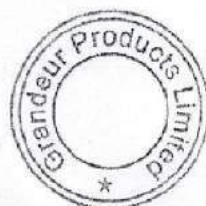


of all property, assets, rights, duties, obligations, entitlements, benefits, employees and liabilities of the Transferor Company to the Transferee Company pursuant to this Scheme becoming effective.

22. 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, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.
23. References to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to or replacement or amendment of that law or legislation or regulation.
24. References to any of the terms 'taxes', 'duty', 'levy', 'cess' in the Scheme shall be construed as reference to all of them whether jointly or severally.
25. Any reference to any statute or statutory provision shall include (a) all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and (b) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.
26. Headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the schedules hereto and shall be ignored in construing the same.
27. The words "include" and "including" are to be construed without limitation.
28. The terms "hereof", "herein", "hereunder", "hereby", "hereto" and derivative or similar words shall refer to this entire Scheme or specified Clauses of this Scheme, as the case may be.
29. Any reference to the Preamble, Recital, Clause or Schedule shall be a reference to the preamble, or recital, clause or schedule of this Scheme.
210. The Schedules hereto shall form an integral part of this Scheme.



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3. SHARE CAPITAL

- 3.1. The Equity Share Capital of the Transferor Company i.e. the holding company as on November 12, 2020 was as under:

Authorised Equity Share Capital: 3,00,00,000 equity shares of Rs. 10/- each; Amount: Rs. 30,00,00,000/-.

Issued, Subscribed and Paid Up Equity Share Capital: 2,51,55,165 equity shares of Rs. 10/- each fully paid up; Amount: Rs. 25,15,51,650/-.

- 3.2. The Equity Share Capital of the Transferee Company i.e. the wholly-owned subsidiary company as on the November 12, 2020 was as under:

Authorised Equity Share Capital: 79,50,000 equity shares of Rs. 10/- each; Amount: Rs. 7,95,00,000/-

Issued, Subscribed and Paid Up Equity Share Capital: 25,10,000 equity shares of Rs. 10/- each fully paid up; Amount: Rs. 2,51,00,000/-.

The entire Paid-up Equity Share Capital of the Transferee Company is held by the Transferor Company along with its nominee. Accordingly, the Transferee Company is a wholly owned (100%) subsidiary of the Transferor Company.

[Neither the Transferor Company i.e. the holding company nor the Transferee Company i.e. the wholly-owned subsidiary company has issued any preference shares.]

4. RATIONALE FOR THE SCHEME:

- 4.1. The Transferor Company is a Listed Company incorporated in the year 1983 and currently its main objects include seed research and development, production, sales and marketing. The Transferor Company, through two of its subsidiaries, has also forayed into developing innovative seeds stacked with proprietary traits that not only provide significant yields and cost advantage to farmers but also have a positive impact on the environment.
- 4.2. The Transferee Company is engaged in developing innovative seeds and agribusiness. Recognising the potential in such business, the Transferor Company acquired the entire Share Capital of the Transferee Company from its promoters and the Transferee Company is accordingly a wholly owned (100%) subsidiary of the Transferor Company.
- 4.3. The undertakings and business of the Transferor Company and the Transferee Company can be combined, held and pursued in one entity more conveniently and advantageously with better capacity for fund raising, growth and expansion.
- 4.4. In the circumstances, it is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company resulting in benefits of economies of scales, reduction in multiplicity of legal and regulatory compliances, rationalisation,



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standardisation and simplification of business processes leading to increase in operational feasibility in future, reduction of multi-company inefficiencies and optimal utilisation of resources.

45. The amalgamation will enable appropriate consolidation and integration of the operations and activities of the Transferor Company and the Transferee Company and result in the formation of a larger and more broad-based company having greater capacity to raise and access funds for growth and expansion of its business, marketing and selling its products and services and conducting trade on more favourable terms.
46. The business of the amalgamated entity will be carried on more efficiently and economically as a result, inter alia, of pooling and more effective utilisation of the combined resources of the said companies and substantial reduction in costs and expenses. As such the amalgamation of the Transferor Company with the Transferee Company will enable greater realisation of the potential of the business of the Transferor Company and the Transferee Company in the merged entity and have beneficial results for the said Companies, their shareholders and all concerned.

5. DATE OF TAKING EFFECT

- 5.1. The Scheme set out herein in its present form or with any modification(s) shall be operative from the Appointed Date but shall be effective from the Effective Date.

PART - II (The Scheme of Amalgamation)

6. TRANSFER AND VESTING OF UNDERTAKING

- 6.1. With effect from the Appointed Date, the Transferor Company shall stand amalgamated with the Transferee Company, as provided in the Scheme. Accordingly, the Undertaking of the Transferor Company shall, pursuant to the provisions contained in Section 232 and other applicable provisions of the Act and subject to the provisions of the Scheme in relation to the mode and manner of vesting, stand transferred to and vest in or be deemed to be transferred to and vested in the Transferee Company, as a going concern without any further act, deed, matter or thing (save as provided in Clause 6.2 below) so as to become on and from the Appointed Date, the Undertaking of the Transferee Company.
- 6.2. It is expressly provided that in respect of the assets of the Transferor Company as are movable in nature or otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee Company accordingly without requiring any deed or instrument of conveyance for the same.
- 6.3. In respect of the assets of the Transferor Company other than those referred to in Clause 6.2 above, the same shall be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company pursuant to an order passed under the provisions of Section 232 of the Act.



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64. Upon coming into effect of the Scheme and with effect from the Appointed Date, all liabilities, debts, duties and obligations of the Transferor Company, as on or after the Appointed Date and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall, pursuant to the Scheme, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Appointed Date the liabilities, debts, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company. It is clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause.
65. The transfer and vesting of the Transferor Company, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof of the Transferor Company.
66. All loans granted by the Transferor Company shall be deemed to be loans granted by the Transferee Company with effect from the Appointed Date and shall continue to be operative in relation to the Transferee Company.
67. Subject to the other provisions of the Scheme, all licenses, permissions, approvals, notifications, consents, registrations and no-objection certificates obtained by the Transferor Company for the business of the Transferor Company and/or to which the Transferor Company is entitled to in terms of the various Statutes and / or Schemes of Union and State Governments which are valid and subsisting and which have not yet been cancelled as on the Appointed Date shall be available to and vest in the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company.
68. All benefits, including, under Income Tax, Advance Tax, Excise, Foreign Trade Policy, Customs (including benefits under Export Promotion Guarantee Scheme), VAT, Sales Tax, Service Tax, Goods & Services Tax, Incentive Schemes, Direct and Indirect Tax Credits etc. if any, to which the Transferor Company was entitled to in relation to its business in terms of the various Statutes and/or Schemes of Union and State Governments as on the Appointed Date shall be available to and vest in the Transferee Company upon the Scheme becoming effective.
69. With effect from the Appointed Date, all inter party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.
- 6.10. Upon the coming into effect of the Scheme and subject to the provisions of this Scheme, the resolutions passed by the Transferor Company and other actions undertaken by the Transferor Company based on approvals obtained by the Transferor



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Company, which are valid and subsisting as on the Effective Date, shall continue to be valid and subsisting and shall be deemed and considered as resolutions passed by the Transferee Company and other actions undertaken by the Transferee Company based on approvals obtained by the Transferee Company. If any such resolutions passed by the Transferor Company have any monetary limits approved subject to the provisions of the Act or of any other applicable laws, then the said limits, as are considered necessary by the Board of Directors of Transferee Company, shall be added to the limits, if any, under the like resolutions passed by Transferee Company.

7. CONSIDERATION / ISSUANCE OF SHARES

- 7.1. Upon the Scheme coming into effect, and without any further application, act or deed, the Transferee Company shall, in consideration of the amalgamation, issue and allot to the members of the Transferor Company holding fully paid-up Equity Shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on the Record Date to be determined by the Board of Directors of the Transferee Company ("Eligible Shareholders"), Equity Shares of the face value of Rs.10/- each in the Transferee Company, credited as fully paid up with rights attached thereto as hereinafter mentioned (hereinafter referred to as the "New Equity Shares") in the following ratio:

1 (One) New Equity Share of Rs.10/- each in the Transferee Company credited as fully paid up for every 1 (One) Equity Share of Rs.10/- each fully paid-up held in the capital of the Transferor Company.

- 7.2. The New Equity Shares of the Transferee Company to be issued and allotted in lieu of the Equity Shares of the Transferor Company shall rank pari passu in all respects with the existing Equity Shares of the Transferee Company. Further such new Equity Shares shall pursuant to the Securities Exchange Board of India ("SEBI") Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular") and such other subsequent notifications/circulars/ clarifications, if any, issued in respect thereof and subject to compliance with requisite formalities, be listed and/or admitted to trading on the relevant stock exchange(s) where the existing Shares of the Transferor Company are listed and/or admitted to trading.
- 7.3. Subject to the applicable laws, the equity shares of the Transferee Company to be issued in terms of this Scheme shall be issued in dematerialized form.
- 7.4. In respect of the shareholding of the Eligible Shareholders of the Transferor Company held in dematerialised form, the Equity Shares in the Transferee Company shall, subject to applicable regulations, also be issued to them in the dematerialised form pursuant to Clause 7.1 above with such shares being credited to the existing depository accounts of the members of the Transferor Company entitled thereto, as per records maintained by the



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National Securities Depository Limited and / or Central Depository Services (India) Limited on the Record Date.

75. In the event of the Eligible Shareholders of the Transferor Company holding shares in physical form, the Transferee Company shall issue the corresponding equity shares in dematerialized form to a Trustee nominated by the Board of Directors of the Transferee Company ("the Trustee") who shall hold here equity shares in trust for the benefit of such Eligible Shareholders. The equity shares of the Transferee Company held by the Trustee shall be transferred to the respective Eligible Shareholders once such shareholders make a claim for their shares by providing details of their demat account to the Trustee along with such other necessary documents as may be required in this regard. The Eligible Shareholders shall enjoy the rights associated with the equity shares of the Transferee Company, including the right to receive dividend and other corporate benefits but excluding the right to vote, pending transfer of shares of the Transferee Company by the Trustee.

76. The New Equity Shares of the Transferee Company allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.

77. Apart from cancellation of existing shares of the Transferee Company held by the Transferor Company as provided in Clause 9 herein, there shall be no change in the shareholding pattern or control in the Transferee Company between the Record Date and the listing which may affect the status of the approval of the Stock Exchanges to this Scheme.

8. **AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEREE COMPANY**

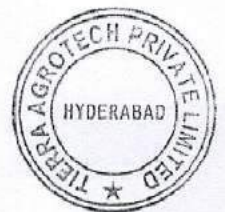
8.1. The entire equity share capital of the Transferee Company is held by the Transferor Company. In other words, the Transferor Company is a Holding Company of the Transferee Company. Upon the Scheme becoming effective, the authorized share capital of the Transferor Company, amounting to Rs. 30,00,00,000/-, shall be combined with the authorized share capital of the Transferee Company, amounting Rs. 7,95,00,000/-, and the same shall be reclassified accordingly. The fee & stamp duty paid by the Transferor Company and Transferee Company in aggregate, amounting to Rs. 36,33,662/-, towards increase of their respective authorized share capital from time to time, will enable the combined entity after amalgamation to have an Authorised Share Capital of Rs. 47,15,00,000/-. Therefore, pursuant to this Scheme, it is proposed that the authorized share capital of the Transferee Company be increased to Rs. 47,15,00,000/- since the amount of fee and stamp duty which has been already paid by the Transferor and Transferee prior to giving effect of this Scheme, is sufficient to accommodate an increased authorized share capital of Rs. 47,15,00,000/-.



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82. The filing fees and stamp duty already paid by the Transferor Company on its authorized share capital shall be deemed to have been paid by the Transferee Company upon coming into effect of this Scheme, on the combined share capital of Rs. 37,95,00,000/- and on additional capital of Rs. 9,20,00,000/- being increased as part of this Scheme, and the Transferee Company shall not be required to pay any fee or stamp duty for such increased authorized share capital.
83. The share certificates held by the Transferor Company and the investments in the shares of the Transferee Company as appearing in the books of accounts of the Transferor Company, shall stand cancelled without any further act or deed required for that purpose.
84. Since the Transferee Company is a wholly-owned subsidiary of the Transferor Company, there are no dissenting shareholders in terms of Section 235 of the Act.
85. Consequent to and as part of the amalgamation of the Transferor Company with the Transferee Company herein, it is further expressly clarified that the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended by the clause as set out below, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under sections 13, 61, 64 of the Act or any other applicable provisions of the Act, would be required to be separately passed. Accordingly, the Authorized Share Capital of the Transferee Company resulting from the amalgamation of the Transferor Company with the Transferee Company shall be a sum of Rs. 47,15,00,000/- divided into 4,71,50,000 Equity Shares of Rs.10/- each. Clause V of the Memorandum of Association of the Transferee Company shall stand altered accordingly and substituted by the following Clause:



"The Authorised Share Capital of the Company is Rs 47,15,00,000/- (Rupees Forty-Seven Crores Fifteen lakhs) divided into 4,71,50,000 (Four Crore Seventy One Lakh and Fifty Thousand Only/-) Equity Shares of Rs.10/- (Rupees Ten) each"

9. **CANCELLATION OF EXISTING EQUITY SHARES AND INTER CORPORATE DEPOSITS OF THE TRANSFEE COMPANY:**

- 9.1 Upon the Scheme becoming effective, all Equity Shares held by the Transferor Company in the share capital of the Transferee Company, shall stand cancelled, without any further act or deed as an integral part of this Scheme and in lieu thereof no allotment of any new shares in the Transferee Company shall be made to any person whatsoever.
- 9.2 Upon the Scheme becoming effective, the inter corporate loans granted / or to be granted by the Transferor Company to the Transferee Company shall stand cancelled and the total

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outstanding loans of the Transferee Company shall stand reduced to that extent.

10. CONVERSION AND CHANGE OF NAME:

- 10.1. Consequent to the amalgamation and upon the Scheme becoming effective, the Transferee Company shall, without any further act, deed or thing be converted from a private limited company to a public limited company and consequently, the name of the Transferee Company shall be changed from Tierra Agrotech Private Limited to "Tierra Agrotech Limited". Clause I of the Memorandum of Association shall stand altered accordingly and substituted by the following Clause:

"The Name of the Company is Tierra Agrotech Limited."

- 10.2. The conversion of the Transferee Company into a public limited company and the resultant change in its name shall be done as an integral part of the Scheme and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the conversion and the resultant change in the name of the Transferee Company and no further resolution(s) under Section 13 or any other applicable provisions of the Act would be required to be separately passed. The Transferee Company shall file the requisite forms and take necessary steps to give effect to such change of name.

11. ACCOUNTING

- 11.1. The amalgamation shall be accounted for in the books of account of the Transferee Company according to the pooling of interests method under Indian Accounting Standard (Ind AS) 103, Appendix C, applicable to business combinations of entities under common control notified under the Companies (Indian Accounting Standards) Rules, 2015 or other Accounting Standards as applicable and notified by the Ministry of Corporate Affairs of the Government of India from time to time.

- 11.2. Accordingly on and from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required and except to the extent required otherwise by law, all assets and liabilities of the Transferor Company transferred to the Transferee Company under the Scheme shall be recorded in the books of accounts of the Transferee Company at the book value as recorded in the Transferor Company' books of accounts. Further, all reserves of the Transferor Company shall be incorporated in the books of account of the Transferee Company in the same form in which they appear in the books of account of the Transferor Company.

- 11.3. The difference between the carrying amount in the books of the Transferor Company of its investment in the Equity Share Capital of the Transferee Company which shall stand cancelled consequent to this Scheme and the aggregate face value of such Equity Share Capital shall, subject to the other provisions



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contained herein, be adjusted against the Securities Premium Account of the Transferee Company. The Securities Premium Account of the Transferee Company shall stand reduced accordingly.

11.4. In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

12. **APPLICATIONS:**

The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make necessary applications pursuant to Sections 230 and 232 of the Act, to the Hon'ble National Company Law Tribunal for sanction and carrying out of the Scheme and for consequent dissolution of the Transferor Company without winding up. The said companies shall also apply for and obtain such other approvals, as may be necessary in law, if any, for bringing the Scheme into effect and be entitled to take such other steps and proceedings as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

13. **LEGAL PROCEEDINGS, PROCEEDINGS BEFORE JUDICIAL, QUASI-JUDICIAL, REGULATORY AND TAX AUTHORITIES**

13.1. Any legal, Judicial or quasi-judicial, Regulatory and Tax proceedings by or against the Transferor Company pending as on the Appointed Date shall not abate or be discontinued or in any way be prejudicially affected by reasons of the arrangement and shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as it would have been continued or enforced by or against the Transferor Company had the Scheme not been made.

13.2. All proceedings by or against the Transferor Company will be prosecuted or defended at the costs of the Transferee Company at its own liability.

14. **CONTRACTS AND DEEDS**

14.1. Subject to the other provisions contained in the Scheme, any agreements, contracts, deeds, work orders, job orders, bonds, insurance, letters of intent, guarantees, undertakings, memoranda, arrangements, policies agreements and other instruments of whatsoever nature relating to the Transferor Company to which the Transferor Company is a party and is subsisting or having effect immediately before the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if instead of the Transferor Company, the Transferee Company had been a party thereto.

14.2. Similarly, any rights, services, obligations, liabilities, responsibilities undertaken by or in favour of the Transferor



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Company under any contractual arrangements if any outstanding as on the Effective Date shall automatically stand transferred to and vested in and/ or shall be deemed to have been transferred to and vested in the Transferee Company and all benefits to which the Transferor Company is entitled to shall be available to and vested in and/ or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-interest and the Transferee Company shall be entitled to deal with the same in place and instead of the Transferor Company, as if the same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its obligation in respect of the services to be performed/ provided or in respect of payment of service charges under any contractual arrangements instead of the Transferor Company.

- 14.3. The Transferee Company may enter into and/or issue and/or execute deeds or confirmations or enter into any arrangement or novation in order to give effect to the provisions of the Scheme if it becomes necessary. The Transferee Company shall be authorised to execute any such deeds or confirmations on behalf of the Transferor Company and to implement and carry out all the formalities required for implementing the Scheme.

15. EMPLOYEES

- 15.1. The employees of the Transferor Company shall stand assigned to the Transferee Company on the same terms and conditions of their service on which they were engaged with the Transferor Company and shall become employees of the Transferee Company without any interruption of service.
- 15.2. The terms and conditions of service applicable to the employees of the Transferor Company shall be the same on which they are engaged by the Transferor Company or at least shall not be less favourable than those applicable to them as on the Appointed Date.
- 15.3. The services of all the employees of the Transferor Company shall be taken into account from their date of appointment with the Transferor Company for the purposes of all benefits to which the employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.
- 15.4. The Transferee Company shall abide by any agreement or settlement as entered into by the Transferor Company with any of its employees which is in force as on the Effective Date.
- 15.5. Consequent upon the sanction of the Scheme, the "Employee Stock Purchase Scheme 2017" ("ESPS Scheme") which was approved by the shareholders of the Transferor Company in its Extraordinary General Meeting held on March 25, 2017 shall continue with same terms and conditions, without any



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modification, addition and abatement, in the Transferee Company and all the eligible employees of the Transferor Company who were entitled to shares in the Transferor Company pursuant to the ESPS Scheme shall be entitled to the shares of the Transferee Company as per the ESPS Scheme. In other words, the ESPS Scheme shall be continued and enforced by the Transferee Company in the same manner and to the same extent and on the same terms and conditions as would or might have been continued and enforced by the Transferor Company if it were not amalgamated. Further, the employees of the Transferee Company shall also be covered under the ESPS Scheme.

15.6. Consequent upon the sanction of the Scheme, the "Employee Stock Option Scheme- II 2016" ("ESOPS Scheme") which was approved by the shareholders of Transferor Company in its Extraordinary General Meeting held on November 08, 2016 shall continue with same terms and conditions, without any modification, addition and abatement, in the Transferee Company and all the eligible employees of the Transferor Company who were entitled to shares in the Transferor Company pursuant to the ESOPS Scheme shall be entitled to the shares of the Transferee Company as per the ESOPS Scheme, in other words, the ESOPS Scheme shall be continued and enforced by the Transferee Company in the same manner and to the same extent and on the same terms and conditions as would or might have been continued and enforced by the Transferor Company if it were not amalgamated. Further, the employees of the Transferee Company shall also be covered under the ESOPS Scheme. However, it is pertinent to note that currently no options have been granted under the said ESOPS Scheme.

15.7. The accumulated balances, if any, standing to the credit of the employees of the Transferor Company in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds of which they are members will be transferred to such Provident Fund, Gratuity Fund, Superannuation Fund and other funds nominated by the Transferee Company and/or such new Provident Fund, Gratuity Fund, Superannuation Fund and other funds to be established and caused to be recognised by the concerned authorities by the Transferee Company. Pending the transfer as aforesaid, the dues of the employees of the Transferor Company relating to the said funds would be continued to be deposited in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds respectively.



16. PAYMENT OF TAX

16.1 All tax liabilities or taxes paid or payable by the Transferor Company in respect of its operations and/or profits before the Effective Date shall be on account of the Transferee Company and in so far as it relates to the tax payment, whether by deduction at source or advance tax or any other indirect taxes otherwise, by the Transferor Company in respect of profits made after the Appointed Date, the same shall be deemed to be the tax payable by the Transferee Company and shall be dealt accordingly. Any surplus in the provision for taxation / duties or levies account including advance tax, foreign tax credit and tax deducted at

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source as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.

- 16.2. This Scheme has been drawn up to comply with the conditions as specified under Section 2(1B) and other relevant provisions 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 and other related provisions at a later date including resulting from a retrospective amendment of the Income Tax Act, 1961 or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) and other relevant provisions of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.
- 16.3. All the expenses incurred by the Transferor Company and the Transferee Company in relation to the merger of the Transferor Company with the Transferee Company as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the Income Tax Act, 1961 over a period of 5 years beginning with the previous year in which the Scheme becomes effective.
- 16.4. Upon the Scheme becoming effective, the Transferor Company (if required) and the Transferee Company are expressly permitted to revise, its financial statements and returns (including Tax Deducted at Source returns) along with prescribed forms, filings and annexure (including but not limited to Tax deducted at source certificates) under the direct and indirect tax laws and any other laws prevalent in India, if required to give effect to the provisions of the Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired. The Transferee Company is also expressly permitted to claim refunds / credits in respect of any transaction between or amongst the Transferor Company and the Transferee Company. With respect to the tax deducted at source certificates issued in the name of Transferor Company after the Appointed Date, the same will be deemed to be issued in the name of the Transferee Company for the tax purposes.
- 16.5. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to claim any deduction/ exemption, refunds and/or credit for taxes paid (including minimum alternate tax, tax deducted at source, advance tax, carry forward of accumulated losses, unabsorbed depreciation, foreign tax credit etc.) and for matters incidental thereto under the direct and indirect tax laws and any other laws prevalent in India. All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced 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 would or might have been



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continued and enforced by or against the Transferor Company. The aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the merger of the Transferor Company with the Transferee Company or anything contained in the Scheme.

- 16.5. Any refund under the direct and indirect tax laws and any other laws prevalent in India dealing with taxes/ duties or levies due to Transferor Company consequent to the assessment made of the Transferor Company 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 upon this Scheme becoming effective.
- 16.7. The tax payments whether by way of tax deducted at source, foreign tax credit, advance tax, all earnest monies, security deposits provisional payments, payment under protest, or otherwise howsoever, by the Transferor Company after the Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Credit for such taxes shall be allowed to the Transferee Company notwithstanding that the certificates or challans for taxes paid are in the name of the Transferor Company and not in the name of the Transferee Company.
- 16.8. Further, any tax deducted at source by the Transferor Company / Transferee Company on transactions with the Transferee Company/ Transferor Company, if any shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 16.9. Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company. Without prejudice to the generality of the above, all benefits, entitlements, incentives, losses, credits, registrations (including, without limitation income tax, minimum alternate tax, tax deducted at source, wealth tax, service tax, excise duty, central sales tax, value added tax, customs duty, goods and services tax, registrations, etc.) to which the Transferor Company is entitled to under the direct and indirect tax laws and any other laws prevalent in India, shall be available to and vest in the Transferee Company, upon this Scheme coming into effect.
- 16.10. Upon coming into effect of this Scheme, all tax compliances under any tax laws by the Transferor Company on or after Appointed Date shall be deemed to be made by the Transferee Company.

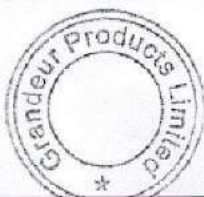
PART - III (General Provisions)

17. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

- 17.1. The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for, the Transferee Company. All the profits



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or income accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company. Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

17.2. With effect from the date of filing of this Scheme with the Hon'ble National Company Law Tribunal and up to and including the Effective Date, the Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group Companies or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances: (i) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the Hon'ble NCLT or (ii) if the same is permitted by this Scheme; or (iii) if consent of the Board of Directors of the Transferee Company has been obtained.

17.3. The Transferor Company shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations (ii) any agreement or transaction; and (iii) such other matters as the Transferee Company may notify from time to time save and except in each case in the following circumstances: i) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the Hon'ble NCLT or ii) if the same is permitted by this Scheme; or iii) if consent of the Board of Directors of the Transferee Company has been obtained. d) Without prejudice to the generality of Clause (c) above, the Transferor Company shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares) decrease, reduction, reclassification, subdivision or consolidation, re-organization, or in any other manner except under any of the following circumstances: i) by mutual consent of the Board of Directors of the Transferor Company and of the Transferee Company; or ii) as may be permitted under this Scheme.

17.4. All profits accruing to the Transferor Company or losses arising or incurred by it for the period falling on and after the Appointed Date shall for all purposes, be treated as the profits or losses, as the case may be of the Transferee Company.



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- 17.5. The Transferor Company shall be deemed to have held and stood possessed of the properties to be transferred to the Transferee Company for and on account of and in trust for the Transferee Company and, accordingly, the Transferor Company shall not (without the prior written consent of the Transferee Company) transfer, alienate, charge or otherwise deal with or dispose of or any part of the Undertaking.
- 17.6. All further investments made and loans and advances given by the Transferor Company and/or other assets acquired by the Transferor Company prior to the Effective Date shall be deemed to have been acquired on behalf of the Transferee Company and shall also stand transferred to and vested in the Transferee Company at their book values, upon the coming into effect of the Scheme.
- 17.7. Where any of the liabilities and obligations of the Transferor Company deemed to be transferred to the Transferee Company in terms of the Scheme have been discharged by the Transferor Company 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 Company 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.
- 17.8. The Transferor Company shall not utilise its income to declare or pay dividends, whether interim or final, to its shareholder without the written consent of the Transferee Company.

18. SAVING OF CONCLUDED TRANSACTIONS

- 18.1. The transfer and vesting of the Undertaking of the Transferor Company and the continuance of the proceedings by or against the Transferee Company as per the provisions hereof shall not affect any transaction or proceeding relating to the business of the Transferor Company already completed and concluded by the Transferor Company on or before the Effective Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as if the acts, deeds and things have been done and executed by and on behalf of the Transferee Company.

19. LISTING AGREEMENT AND SEBI COMPLIANCES

- 19.1. Since the Transferor Company is a listed company, this Scheme is subject to the compliances of all the requirements under the Listing Regulations and all statutory directives of SEBI insofar as they relate to sanction and implementation of the Scheme.



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20. SCHEME CONDITIONAL UPON

20.1. The Scheme is conditional upon and subject to:

20.1.1 The requisite consent, approval or permission from the Stock Exchange under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relaxation of SEBI under sub-rule (7) of Rule 9 of the Securities Contracts (Regulations) Rules, 1957, which by law or otherwise may be necessary for implementation of the Scheme in compliance with the provisions of SEBI Circulars;

20.1.2 Approval of the Scheme by the requisite majority of the shareholders of both, the Transferor Company and the Transferee Company, and their respective creditors;

20.1.3 Further, the Scheme is conditional upon it being approved by the PUBLIC shareholders of the Transferor Company through e-voting in terms of para 9 (a) of Part I of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and the Scheme shall be acted upon only if votes cast by the Public shareholders in favour of the proposal are more than the number of votes cast by the Public shareholders against it.

20.1.4 Sanction of the Scheme by the Hon'ble National Company Law Tribunal pursuant to Sections 230 and 232 and other applicable provisions of the Act;

20.1.5 Sanctions and approvals of all authorities concerned including the Registrar of Companies, the Official Liquidator, the Regional Director in respect of any matter relating to or arising out of the Scheme for which such sanction or approval is required under Section 232 of the Act;

20.1.6 All other sanctions and approvals, as may be required by law, in respect of this Scheme being obtained.

20.1.7 Accordingly, it is provided that the Scheme although operative from the Appointed Date, shall become effective on the Effective Date upon filing of certified copies of the order sanctioning the same with the Registrar of Companies by the Transferor Company and the Transferee Company on such date

21. MODIFICATION AND IMPLEMENTATION

21.1. The Transferor Company and the Transferee Company, by their respective Board of Directors or Committee authorized/appointed by them, may assent to or carry out:

21.1.1 from time to time any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble NCLT and / or any authorities under law may deem fit to approve or direct or as may be deemed expedient or necessary; or which may otherwise be considered necessary, desirable or appropriate by the Board of Directors of the Transferor or Transferee Company at any point in time, prior to the approval of the Scheme by the Hon'ble NCLT.



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21.12. to settle all doubts or difficulties that may arise in carrying out the Scheme whether by reason of any order (s) of the Hon'ble NCLT or of any directive or order(s) of any other authority or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith;

21.13. to do and execute all acts, deeds, matters and things necessary, desirable or proper for putting the Scheme into effect.

21.2. Without prejudice to the generality of the foregoing, the Transferor Company and the Transferee Company (by their respective Board of Directors) shall each be at liberty to withdraw from the Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

21.3. In the event of any of the said sanctions/approvals/conditions referred hereinabove not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the Hon'ble NCLT and/or order or orders not being passed as aforesaid and/or the Scheme failing to be made effective, this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Transferor Company 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 company shall bear its own costs unless otherwise mutually agreed.



22. RESIDUAL PROVISIONS

22.1. On the approval of the Scheme by the members of the Transferor Company and the Transferee Company pursuant to Sections 230 of the Act, it shall be deemed that the said members have also accorded all relevant consents under the Act or including Sections 13, 61, 62(1)(c) and 66 of the Act, to the extent the same may be considered applicable or any other provisions of the Act to the extent the same may be considered applicable.

22.2. Without prejudice to the generality of the foregoing, it is clarified and provided that cancellation of Share Capital of the Transferee Company in terms of Clause 9.1 of this Scheme, including consequent reduction of Securities Premium Account of the Transferee Company in terms of Clause 11.3 of this Scheme, shall be effected as an integral part of this Scheme. Such cancellation of Share Capital and reduction of Securities Premium Account of the Transferee Company, does not involve either diminution of liability in respect of unpaid share capital or payment of paid-up share capital. Further, since such cancellation and reduction is an integral part of the Scheme, the provisions of Section 66 of the Act are not applicable. It is further clarified and provided that

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notwithstanding such cancellation of Share Capital and reduction of Securities Premium Account of the Transferee Company, it shall not be required to add "And Reduced" as suffix to its name.

- 22.3. The approval of the Scheme by the shareholders of the Transferor and Transferee Companies under Sections 230 and 232 of the Act, whether at a meeting or otherwise howsoever, shall be deemed to have the approval under all other applicable provisions of the Act.
- 22.4. Upon the coming into effect of this Scheme, the resolutions, and other actions undertaken by the Transferor Company, including approvals that may have been obtained by Transferor Company from its shareholders, if required, under the provisions the Companies Act, 2013 and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the said Acts or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute a part of the aggregate of the said limits in the Transferee Company.
- 22.5. Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all Bank Accounts of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.
- 22.6. If any part of the Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the respective Boards of Directors of the Transferor Company and the Transferee Company, affect the adoption or validity or interpretation of the other parts and/or provisions of the Scheme. The Boards of Directors of the Transferor Company and the Transferee Company may in their absolute discretion, adopt any part of the Scheme or withdraw the entire Scheme and in that event no rights and 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 respect of the whole or part of Scheme so withdrawn or not adopted, as the case may be.
- 22.7. The amalgamation of the Transferor Company with the Transferee Company and transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company has been proposed in compliance with the provisions of Section 2(1B) 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 an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the said Section. Such modification will however not affect the other parts of the Scheme.



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22.8. If any part of the Scheme hereof is ruled invalid or illegal or unenforceable by any court of competent jurisdiction, then such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected by such severability unless deletion of the part shall render the Scheme ineffective or materially adverse to either party, in which case the parties shall cooperate to bring about such modification to the Scheme so as to preserve the nature and essence and benefits of the Scheme.

22.9. In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case 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.

23. COSTS

23.1. All costs, charges, fees, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses in connection with the Scheme shall be borne and paid by the Transferee Company. All such costs, charges, fees, taxes, stamp duty including duties (excluding the stamp duty, if any, paid on this scheme which shall be pro rata added to the value of the immovable properties), levies and all other expenses, shall be debited to the Profit and Loss Account of Transferee Company.



24. NO CAUSE OF ACTION

24.1. No third party claiming to have acted or changed his position in anticipation of this Scheme taking effect, shall get any cause of action against the Transferor Company or the Transferee Company or their Board of Directors or officers or key managerial personnel, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever.

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