

ZUARI INDUSTRIES LIMITED

(formerly Zuari Global Limited)

5th Floor, Tower A, Global Business Park, M.G. Road, Sector 26, Gurugram - 122 002, India
Tel: +91 (124) 482 7800, Email: ig.zgl@adventz.com, www.zuariindustries.in

18 April 2024

To,

National Stock Exchange of India Ltd,
Exchange Plaza, C-1, Block-G
Bandra-Kurla Complex, Bandra (E)
Mumbai- 400 051

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

NSE Symbol: ZUARIIND

BSE Scrip Code: 500780

**Sub: Certified copy of the Order of Hon'ble National Company Law Tribunal ("NCLT"),
Mumbai Bench, sanctioning the Scheme**

**Ref: Certified Copy of Scheme of Amalgamation of Zuari Sugar & Power Limited
("Transferor Company") with Zuari Industries Limited ("Transferee Company") and their
respective shareholders and creditors under Sections 230 to 232 and other applicable
provisions of the Companies Act, 2013 ("Scheme")**

Dear Sir/ Ma'am,

In furtherance to our intimation dated 15 April 2024, we enclose herewith the certified copy of order of the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, sanctioning the Scheme, for your information and record.

The Scheme will come into effect once the above certified copy of the order from the NCLT is filed with the respective Registrar of Companies by the Transferor Company and Transferee Company.

The copy of the order is being made available on the Company's website at www.zuariindustries.in.

Kindly take the same on record.

Thanking You,

Yours faithfully,

For Zuari Industries Limited
(Formerly Zuari Global Limited)

Rakesh Kumar Singh
Company Secretary & Compliance Officer

Encl: as above

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

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023

In the matter of the Companies Act,
2013

And

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

And

In the matter of **Scheme of
Amalgamation** of Zuari Sugar &
Power Limited (Transferor Company or
First Petitioner Company) and Zuari
Industries Limited (Transferee
Company or Second Petitioner
Company) and their respective
shareholders and creditors ('Scheme').

ZUARI SUGAR & POWER LIMITED)
(CIN: U65100GA2008PLC007282))
a company incorporated under the)
Companies Act, 1956 having its)
registered office at Jai Kisaan) ... *First Petitioner Company/*
Bhawan, Zuarinagar, Goa-403726,) *Transferor Company/*
India.) *ZSPL*

ZUARI INDUSTRIES LIMITED)
(CIN: L65921GA1967PLC000157))
a company incorporated under the)
Companies Act, 1956 having its)
registered office at Jai Kisaan) ...*Second Petitioner Company/*
Bhawan, Zuarinagar, Goa-403726,) *Transferee Company/*
India.) *ZIL*

(hereinafter collectively referred to as "Petitioner Companies")



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023

Order pronounced on 12.04.2024

Coram:

Ms. Lakshmi Gurung : Member (Judicial)
Sh. Charanjeet Singh Gulati : Member (Technical)

Appearances:

For the Petitioners : Adv. Ahmed Chunawala
For the Regional Director : Ms. Aparna Mudiam, Deputy
Director of RD

Per: Ms. Lakshmi Gurung, Member (Judicial)

ORDER

1. Heard the Ld. Counsel/ Representative for Petitioner Companies and RD.
2. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed there under for the **Scheme of Amalgamation** of ZUARI SUGAR & POWER LIMITED ('Transferor Company' or 'First Petitioner Company' or 'ZSPL'), with ZUARI INDUSTRIES LIMITED ('Transferee Company' or 'Second Petitioner Company' or 'ZIL'), and their respective shareholders and creditors ('Scheme').
3. The Board of Directors of the Transferor Company and Transferee Company have approved the said Scheme of Amalgamation by passing the Board Resolutions on **31.01.2023** and **13.02.2023** respectively which are annexed to the Company Scheme Petition.



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



4. The Appointed Date is **1st April 2022**.

5. **Nature of Business:**

5.1. **First Petitioner Company** was incorporated to carry on the business of sugar manufacture and refinery and the manufacture of any other that may be decided upon by or on behalf of the Company and the business of buyers, sellers, importers, exporters, Commission Agents and dealers of any goods or merchandise whatsoever and to transact all manufacturing or treating and preparing processes and mercantile business that may be necessary or expedient and to purchase and vend the raw material and manufactured articles and ancillary matters.

5.2. **Second Petitioner Company** is primarily engaged in the following main businesses:

a. To carry on agri related businesses for the manufacture of sugar, refined sugar, artificial sweeteners, pharma sugar, sugar cubes/sachets, branded sugar, fortified sugar and all value added sugar products and related products, manufacture, extraction and production of bio-diesel, seeds production, distribution, developing various hybrid strains and patenting them, commercial nurseries for cultivation of sugar cane or any other crops used for production of sugar, entail agri research and development activities and collaborations with research and development activities and collaborations with research institutions and foreign partners for the said purpose and to generally carry out all activities and business as may be needed or incidental for the manufacture of sugar and related products as permitted by law.



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



- b. To manufacture, trade, buy, sell, exploit or deal in all by-products and products of whatever nature derived from the process of manufacture of sugar and those arising out of the objects specified above.
- c. To produce, import, export, stock or otherwise trade in Molasses, rectified spirit and alcohol (of all types and descriptions), ethanol and all other products arising out of the manufacturing process for sugar or which is germane to the said object, for sale, distribution, export and import for industrial, human or commercial use or for any other purpose.
- d. To carry on the business of distillery, generation of power for captive consumption and supply, sale or export of electric power, whether by the use of bio-mass, bagasse, any other feed stock or from any other substances and to establish, own, manage and maintain power plants, power generators, electricity generating works, factories and other works and conveniences in connection therewith and to generate, use, sell, supply and distribute electricity arising out of the carrying on of the objects specified above.
- e. To manufacture bio-fertilizers and bio-products of all types and descriptions which can be advantageously derived from the by products derived from the manufacture of sugar and to buy, sell, import, export or otherwise deal in the same.
- f. In addition to above, ZIL is also engaged in the business to manufacture, produce, refine, process, formulate, mix or prepare, mine or otherwise acquire, invest in, own, hold, use,



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023

lease, mortgage, pledge, buy, sell, exchange, distribute, assign, transfer or otherwise dispose of trade, deal in and with, import and export any and all classes and kinds agricultural chemicals, fertilizers, manures, their mixtures and formulations (including but not limiting). Carry on business of contractors, erectors, construction of buildings, houses, apartments, structures etc.

6. The registered offices of the Petitioner Companies are situated in Goa and hence the subject matter of the Petition is within the jurisdiction of this Bench.
7. Ld. Counsel submits that the Present Scheme Petition has been filed in consonance with the order of this Tribunal dated **11.05.2023** in CA (CAA) No. 82/(MB)/2023. He further submits that, the Petitioner Companies have complied with all requirements as per directions of the Tribunal and have filed necessary affidavits of compliance. Moreover, the Petitioner Companies undertake to comply with all statutory/regulatory requirements, if any, as required under the Act and the Rules made thereunder. The undertaking given by the Petitioner Companies is accepted.

Rationale of the Scheme:

8. The Learned Counsel submitted the **Rationale for the Scheme** as under:
 - a. *Greater integration, greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value and will improve the competitive position of the combined entity.*



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



- b. *Improved organizational capability and leadership, arising from the pooling of resources to compete successfully in an increasingly competitive industry.*
- c. *Strengthening of brand "Zuari" leading to a stronger market presence.*
- d. *Greater leverage in operations planning and process optimization and enhanced flexibility.*
- e. *Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, administration, finance, accounts, legal, and other related functions, leading to elimination of duplication and rationalization of administrative expenses.*
- f. *Simplification of group structure by eliminating duplication of work, multiple entities in similar business thus enabling focus on core competencies and achieve group synergies.*
- g. *Proposed business re-alignment will create enhanced value for the stakeholders of both the Companies. This Scheme is not expected to be in any manner prejudicial to the interest of the concerned shareholders, members, creditors, employees or general public at large".*

9. **Consideration:**

The consideration as mentioned in the scheme is as follows:

"As Transferor Company is a wholly owned subsidiary of Transferee Company, the entire issued, subscribed and paid up equity share capital of Transferor Company is held by Transferee Company through itself and its nominees. Accordingly, upon Scheme becoming effective, Transferee Company would not be required to issue and allot any shares in lieu or exchange of the holding of the wholly owned subsidiary and the stated issued



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



and paid up capital of Transferor Company shall stand cancelled."

10. Vide order dated 11.05.2023 convening of the meetings of Transferor Company was dispensed with on account of consent affidavits of all the Shareholders. Also, this Tribunal directed Transferor Company to obtain the consent affidavits of at least 90% Unsecured Creditors. Accordingly, Transferor Company obtain consent affidavits from the Unsecured Creditors of 99% in value. Further, there were no secured creditors in the Transferor Company, so question of convening the meeting did not arise.
11. This bench dispensed with the meetings of the shareholders and creditors of the Transferee Company on the ground that the Transferor Company is a wholly-owned subsidiary of the Transferee Company relying on the judgment of National Company Law Tribunal, Mumbai Bench in the matter of **Housing Development Finance Corporation Ltd. Company Scheme Application no. 243 of 2017** dated 04.09.2019.
12. The Regional Director, on behalf of the Central Government has filed its Report dated 08.08.2023 ('RD Report') with observations in paragraphs 2(a) to 2(i). In response to the said observations, the Petitioner Companies have given undertakings and clarifications vide affidavit dated 11.08.2023, which are reproduced under:



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Para	Observation by the Regional Director	Undertaking of the Petitioner Company/ Rejoinder
2(a)(i)	That the ROC Goa in his report dated 07.07.2023 has also stated that No Inquiry, Inspection, Investigations, Prosecutions and complaint under CA, 2013 have been pending against the Petitioner Companies.	So far as the observation in paragraph 2(a)(i) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.
2(a)(ii)	Applicant Company No. 2 is a listed company and its Shares are listed on the leading Stock Exchanges of India i.e. NSE and BSE and Applicant Company No. 1 is a wholly Owned subsidiary of the Applicant Company No.1.	So far as the observation in paragraph 2(a)(ii) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.
2(a)(iii)	As directed by the Hon'ble NCLT, at Point No. 10 of the order, Consent affidavit of atleast 90% of total in value of Unsecured Creditors of the Transferor Company are not been seen attached to the Company Application.	So far as the observation in paragraph 2(a)(iii) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that the consent affidavit by 90% in value of Unsecured Creditors of the Transferor Company



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Para	Observation by the Regional Director	Undertaking of the Petitioner Company/ Rejoinder
		was obtained and is annexed to the Company Petition as Exhibit J to the Petition and the same is served to RoC Goa on 17th July, 2023.
2(a)(iv)	As per Point No. 11 to 18 of NCLT order, Copies of the acknowledgement of the service of the Notice to the regulatory authorities are not found attached to the Company Application.	So far as the observation in paragraph 2(a)(iv) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that the affidavit of service was filed and the same is annexed to the company scheme Petition at Exhibit L and the same was served to RoC Goa on 17th July, 2023.
2(a)(v)	As per financial statements filed by the transferor company, it has incurred a loss of 2852.78 (in Lakhs) for the financial year ended 31.03.2021 and the loss has widened to INR 4377.72 (in Lakhs) for the financial year 31.03.2022.	So far as the observation in paragraph 2(a)(v) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Para	Observation by the Regional Director	Undertaking of the Petitioner Company/ Rejoinder
2(a)(vi)	Company to the previous financial year 2020-21, the profit of the transferee company has drastically reduced from INR 6944.20 (In Lakhs) to INR 1529.89 (In lakhs) in the current year 2021-22.	So far as the observation in paragraph 2(a)(vi) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.
2(a)(vii)	As per MCA records Transferee company shows Active Charges for the total amount of Rs. 3,11,84,00,000/-	So far as the observation in paragraph 2(a)(vii) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that as per MCA records Transferee company shows Active Charges for the total amount of Rs. 30,98,41,02,880/- and that it is the facts of the case and that the open charges are in the Transferee Company and that the same will continue post amalgamation and not get dissolved.



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Para	Observation by the Regional Director	Undertaking of the Petitioner Company/ Rejoinder
2(b)	Transferee company should undertake to comply with the provisions of section 232(3)(i) of the Companies Act, 2013 through appropriate affirmation in respect of fees payable by Transferee Company for increase of share capital on account of merger of transfer of companies.	The Transferee Company undertakes to comply with Section 232(3)(i) of the Companies Act, 2013 and upon implementation of the Scheme and clubbing of authorized share capital of the Transferor Company with the Transferee Company, the fees if any paid by the Transferor Company shall be set off against the fees payable by the Transferee Company on its authorized share capital subsequent to its amalgamation.
2(c)	In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the transferee company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including AS-5 or IND AS-8 etc.	The Transferee Company undertakes that in compliance with the said IND-AS 103, accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including IND AS-



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Para	Observation by the Regional Director	Undertaking of the Petitioner Company/ Rejoinder
		8 etc., if applicable, will be duly passed by it.
2(d)	The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.	The Petitioner Companies undertake that the Scheme enclosed to Company Applications and Company Petitions, are one and the same and there is no discrepancy/any change/changes made therein.
2(e)	The Petitioner Companies under provisions of section 230(5) of the Companies Act 2013 have to serve notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement. Further, the approval of the scheme by the Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such authorities shall be binding on the petitioner companies concerned.	The Petitioner Companies undertake that notices under provisions of Section 230(5) of the Companies Act, 2013 have been served upon the concerned Income tax Authorities, concerned Goods and Service Tax (GST) authority, the Central Government through the Regional Director, the Registrar of Companies, by all the Petitioner Companies, and the Official Liquidator by Petitioner Company No. 1,



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Para	Observation by the Regional Director	Undertaking of the Petitioner Company/ Rejoinder
		and to the Bombay Stock Exchange (BSE), National Stock Exchange (NSE) and Securities Exchange Board of India (SEBI) by Petitioner Company No. 2. The Petitioner Companies further undertake that the approval of the Scheme by this Tribunal will not deter any authorities to deal with any of the issues arising after giving effect to the scheme. The decision of the authorities will be binding on the Petitioner Companies.
2(f)	As per Definition of the Scheme, "Appointed Date" means 1st April 2022 or such other date as may be mutually agreed to by the Board of Directors (as defined hereinafter) of Transferor Company and Transferee Company or such other date as the National Company Law Tribunal may direct/fix.	The Petitioner Companies submit that the Appointed Date in present Scheme is in compliance with the requirements of circular no. F. No. 7/12/2019/CI-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs ("said Circular").



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Para	Observation by the Regional Director	Undertaking of the Petitioner Company/ Rejoinder
	<p>“Effective Date” means the last of the dates on which the certified copies of the Order of the National Company Law Tribunal sanctioning the Scheme is filed with the Registrar of Companies, by the Transferor Company and the Transferee Company. References in this scheme to the date of “upon this Scheme becoming effective” or “coming into effect of this Scheme” shall mean the Effective Date.</p> <p>“Record Date” means a date to be fixed by the Board of Directors of ZIL for the purpose of determining the shareholders of ZSPL to whom shares will be allotted or cancelled as per Act. The Petitioners may be asked to comply with the requirements and clarified vide circular no. F. No. 7/12/2019/CL-I dated</p>	<p>It is submitted that the Scheme was approved by the Board of Directors of the Petitioner Company No. 1 on 31st January, 2023 and by the Board of Directors of the Petitioner Company No. 2 on 13th February, 2023. Further, the Company Application was filed on 27th March, 2023, which is less than a year prior to the “Appointed Date” under the Scheme. Consequently, the present case is squarely covered by the said Circular.</p>



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Para	Observation by the Regional Director	Undertaking of the Petitioner Company/ Rejoinder
	21.08.2019 issued by the Ministry of Corporate Affairs	
2(g)	Petitioner Companies shall undertake to comply with the directions of Income tax department and GST Authorities, if so required.	The Petitioner Companies undertake to comply with the directions of Income tax department and GST Authorities, if so required.
2(h)	Petitioner Companies shall undertake to comply with the directions of the concerned sectoral Regulatory, if so required.	Petitioner Companies undertake to comply with the directions of the concerned sectoral Regulatory, if so required.
2(i)	As per Master Data, the Petitioner Transferee company is listed Company and equity shares of the company are listed on the National Stock Exchange of India Limited and the BSE Limited. Hence NCLT may kindly direct the Petitioner Companies to obtain NOC from NSE/BSE or comply with the observations of NSE/BSE if issued to the Transferee Company.	The shares of the Petitioner Company No. 1 are not listed on any of the Stock Exchanges. The equity shares of the Petitioner Company No. 2 are listed on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). In terms of Regulation 37(6) of the Securities and Exchange Board of India (Listing Obligations and



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Para	Observation by the Regional Director	Undertaking of the Petitioner Company/ Rejoinder
		<p>Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the provisions of Regulation 37 of SEBI Listing Regulations are not applicable to draft schemes which solely provide for merger of a wholly owned subsidiary with its holding company. Hence, 'No Objection Letter' on the Scheme is not required to be obtained from the Stock Exchanges on which equity shares of the Petitioner Company No. 2 are listed. However, in accordance with the provisions of Regulation 37(6) of the SEBI Listing Regulations read with the provisions of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023 such draft schemes were filed with the</p>



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Para	Observation by the Regional Director	Undertaking of the Petitioner Company/ Rejoinder
		Stock Exchanges on 9th March, 2023 for the purpose of disclosures.

13. The Petitioner Companies have also placed on record a separate Affidavit in Rejoinder dated 10.08.2023 to ROC Report dated 07.07.2023. Observations of ROC and reply by Petitioner Companies thereto are reproduced hereinbelow:

- i. *That the ROC Goa in his report dated 07.07.2023 has also stated that No Inquiry, Inspection, Investigations, Prosecutions and complaint under CA, 2013 have been pending against the Petitioner Companies.*

Reply by the Company:-

So far as the observation in paragraph 2(a)(i) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.

- ii. *Applicant Company No. 2 is a listed company and its Shares are listed on the leading Stock Exchanges of India i.e. NSE and BSE and Applicant Company No. 1 is a wholly Owned subsidiary of the Applicant Company No. 1.*

Reply by the Company:-

So far as the observation in paragraph 2(a)(ii) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.





THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023

- iii. *As directed by the Hon'ble NCLT, at Point No. 10 of the order, Consent affidavit of atleast 90% of total in value of Unsecured Creditors of the Transferor Company are not been seen attached to the Company Application.*

Reply by the Company:-

So far as the observation in paragraph 2(a)(iii) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that the consent affidavit by 90% in value of Unsecured Creditors of the Transferor Company was obtained and is annexed to the Company Petition as Exhibit J to the Petition and the same is served to RoC Goa on 17th July, 2023.

- iv. *As per Point No. 11 to 18 of NCLT order, Copies of the acknowledgement of the service of the Notice to the regulatory authorities are not found attached to the Company Application.*

Reply by the Company:-

So far as the observation in paragraph 2(a)(iv) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that the affidavit of service was filed and the same is annexed to the company scheme Petition at Exhibit L and the same was served to RoC Goa on 17th July, 2023.

- v. *As per financial statements filed by the transferor company, it has incurred a loss of 2852.78 (in Lakhs) for the financial year ended 31.03.2021 and the loss has widened to INR 4377.72 (in Lakhs) for the financial year 31.03.2022.*

Reply by the Company:-





THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023

So far as the observation in paragraph 2(a)(v) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.

- vi. *Company to the previous financial year 2020-21, the profit of the transferee company has drastically reduced from INR 6944.20 (In Lakhs) to INR 1529.89 (In lakhs) in the current year 2021-22.*

Reply by the Company:-

So far as the observation in paragraph 2(a)(vi) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.

- vii. *As per MCA records Transferee company shows Active Charges for the total amount of Rs. 3,11,84,00,000/-*

Reply by the Company:-

So far as the observation in paragraph 2(a)(vii) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that as per MCA records Transferee company shows Active Charges for the total amount of Rs. 3,098,41,02,880/- and it is the facts of the case and that the open charges are in the Transferee Company and that the same will continue post amalgamation and not get dissolved.

- viii. *As per MCA records Transferee company shows Active Charges as mentioned below:*

Charge ID	Date of Creation	Date of last Modification	Date of Satisfaction	Amount Secured (In Rs.)
10558250	31.03.2015	-	-	749,900,000.00



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



100374841	14.09.2020	-	-	140,000,000.00
100050422	20.09.2016	-	-	578,724,000.00
100051667	22.09.2016	-	-	578,724,000.00
100136878	29.11.2017	-	-	1,030,492,800.00
100237277	01.02.2019	-	-	800,000,000.00
100239232	08.02.2019	-	-	800,000,000.00
100259817	20.04.2019	-	-	1,189,431,000.00
100292356	30.09.2019	-	-	300,000,000.00
100271733	03.07.2019	-	-	630,000,000.00
100527242	19.01.2022	-	-	130,000,000.00
100383171	06.10.2020	-	-	1,275,000,000.00
100509592	03.12.2021	-	-	500,000,000.00
100391354	05.12.2020	-	-	448,431,080.00
100398437	10.11.2020	-	-	74,900,000.00
100398728	10.11.2020	-	-	74,900,000.00
100405935	28.12.2020	-	-	166,000,000.00
100412989	28.12.2020	-	-	166,000,000.00
100422439	03.03.2021	-	-	1,250,000,000.00
10102027	17.05.2017	27.12.2021	-	1,637,500,000.00
100477916	30.06.2021	28.03.2023	-	1,500,000,000.00
100477917	30.06.2021	28.03.2023	-	1,750,000,000.00
100519957	27.12.2021	-	-	1,250,000,000.00
10450203	23.08.2013	27.12.2021	-	3,193,600,000.00
100558034	16.03.2022	-	-	400,000,000.00
100606365	07.07.2022	-	-	150,000,000.00
100607826	27.06.2022	-	-	50,000,000.00
100608728	10.07.2022	-	-	40,000,000.00
100611899	07.09.2022	-	-	100,000,000.00
100480493	28.08.2021	06.10.2022	-	1,250,000,000.00
100659044	11.12.2022	-	-	700,000,000.00
100659049	07.12.2022	-	-	242,500,000.00
100669711	30.12.2022	-	-	180,000,000.00
100690274	23.03.2023	-	-	103,700,000.00
100690272	23.03.2023	-	-	255,900,000.00
100690275	23.03.2023	-	-	1,590,000,000.00
100702771	28.03.2023	-	-	1,000,000,000.00
100702759	01.11.2022	-	-	750,000,000.00



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



100702758	29.12.2022	-	-	140,000,000.00
100702754	01.11.2022	-	-	750,000,000.00
			Total	3118400000.00

Reply by the Company:-

So far as the observation in paragraph 2(a)(viii) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that as per MCA records Transferee company shows Active Charges for the total amount of Rs. 3,098,41,02,880/- and that it is the facts of the case and that the open charges are in the Transferee Company and that the same will continue post amalgamation and not get dissolved.

Qualifications as per Independent Auditor Report on Standalone financial Statements of Transferee Company: (Page No. 281-293)

1. Note No. 54 of the Standalone financial Statement which describes the uncertainties due to the outbreak of Covid-19 pandemic and the management's evaluation of the impact on the standalone financial statements as at Balance Sheet date. The impact of these uncertainties on the Group's operations is significantly dependent on future developments.

Reply by the Company:-

So far as the observation in paragraph 2(1) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is a statement and that no reply is required.

2. Note 47 regarding approval of the scheme of Amalgamation between the company and Gobind Sugar Mills Limited, its subsidiary received from National Company Law Tribunal, Mumbai Bench, vide their order dated 20.04.2022 and 28.03.2022 respectively with appointed date as 01.04.2020. The comparative figures for the year ended 31.03.2021 has



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



been restated in accordance with the aforesaid scheme and Indian Accounting Standards (Ind AS) 103-Business combination to include the result of the company and its subsidiary. We have audited the adjustments made by the management arising on account of amalgamation to arrive at restated figures for the year ended 31.03.2021.

Reply by the Company:-

So far as the observation in paragraph 2(2) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that is the facts of the case.

3. Annexure "B" to the Independent Auditor's Report at point i(d) it is stated that the Company has not revalued its property, Plant and Equipment (including right of use of assets) or intangible assets both during the year.

Reply by the Company:-

So far as the observation in paragraph 2(3) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that no revaluation of Property, Plant and Equipment has taken place in the past.

- ii(b) *The company has been sanctioned working capital limits in excess of Rs. Five Crore in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the company with such Banks are not in agreement with the books of accounts of the Company. The details of such differences along with reasons are provided in Note-51 (g) of the accompanying standalone financial statements and reproduced below:*



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



INR in Lacs.

Quarter ended	Particulars of Security provided	Amount as per books	Amount as per quarterly return/statement	Amount of difference	Reasons for material discrepancies
June, 2021	Hypothecation charge on entire current assets and charge on pledge of	21,216.57	21597.06	(380.49)	The stock valuation for the purpose of books is done at lower of cost or Net realizable value, whereas for the purpose of stock statement, it is taken as lower of previous month's sales or average selling price of previous 3 months.
Sept, 2021	finish goods, Raw Material, and additional charge on land	11890.18	10898.41	991.77	
Dec, 2021	Building & Plane and Machinery same as SBI against principal and interest thereon.	20884.83	18401.51	2483.32	
March, 2022		38245.29	37164.70	1080.59	

Reply by the Company:-

So far as the observation in paragraph 2(a)(iii) of the Report of the Registrar of Companies, Goa is concerned, the Learned



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Counsel for the Petitioner Companies submits that the observation is self explanatory as the reasons is already given.

iii(c) The schedule of repayment of principal and payment of interest of all the loans have been stipulated also refer iii (e) below the Company is irregular in repayment of loan in following cases.

Name of the Parties	Interest amount	Due date
Zuari Agro Chemicals Ltd	211.28	31.03.2022
	310.68	28.02.2022
	343.97	31.03.2022
Forté Furniture Products Ltd	8.13	31.03.2022

Reply by the Company:-

So far as the observation in paragraph 2(a)(iii) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that the Company has received payment of interest from the borrower in the financial year 2022-23._

iii(e) The Transferee company has renewed or extended or fresh loans granted to settle the overdues of existing loans:

Name of the Parties	Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Indian Furniture Products Private Limited	2294.34	6.31%
Zuari Infraworld India Limited	6814.13	18.75%
Zuari Investment Limited	2569.00	7.07%



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Zuari Sugar and Power Limited	8445.58	23.24%
Zuari Management Services Limited	5775.00	15.89%

Reply by the Company:-

So far as the observation in paragraph 2(3)(iii)(c) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that the Company has taken a loan from the other group companies appropriately and within an arms length.

- ix. In respect of statutory dues: detailed of disputed statutory dues referred to in sub clause (a) above which not been deposited as on 31.03.2022 on account of disputes are given below;

Nature of statute	Nature of dues	Amount in INR	Amt paid under protest (INR in lacs)	Period to which amt relate	Dispute pending authority
Income Tax Act, 1961	Income Tax	40.77	Nil	1994-95	Hon'ble Supreme Court
		40.77	Nil	1995-96	Hon'ble Supreme Court
		31.02	Nil	1997-98	Hon'ble Supreme Court
		346.62	Nil	1999-00	Commissioner of Income Tax (Appeal)
		40.34	Nil	2000-01	Hon'ble Supreme Court
		5156.14	Nil	2000-01	Hon'ble High Court of Bombay



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



		74.38	Nil	2001-02	Commissioner of Income Tax (Appeal)
		256.74	256.74	2006-07	Commissioner of Income Tax (Appeal)
		469.24	Nil	2007-08	Hon'ble High Court of Bombay
		331.79	Nil	2008-09	Hon'ble High Court of Bombay
		436.67	Nil	2009-10	Hon'ble High Court of Bombay
		360.00	Nil	2010-11	Hon'ble High Court of Bombay
		718.50	718.50	2011-12	Commissioner of Income Tax (Appeal)
		79.26	79.26	2012-13	Commissioner of Income Tax (Appeal)
		80.00	51.27	2013-14	Commissioner of Income Tax (Appeal)
		268.80	165.02	2015-16	Commissioner of Income Tax (Appeal)
		328.34	65.67	2016-17	Commissioner of Income Tax (Appeal)
		575.36	Nil	2017-18	Commissioner of Income Tax (Appeal)



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



		20.36	Nil	2017-18	Commissioner of Income Tax (Appeal)
Finance Act, 1994		3.29	0.12	FY 2011-12	Custom Excise & Service Tax Appellate Tribunal, Allahabad
		8.65	4.32	2007-08	
		7.66	3.62	2000-01, 2003-04, 2005-06	Hon'ble High Court, Lucknow
Wealth Tax, 1957	Wealth Tax	565.78	283.00	2005-06 to 2000-10	Commissioner of Income Tax (Appeal)

Reply by the Company:-

So far as the observation in paragraph 2(3)(iii)(e) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that this are the facts of the matter.

ix(f) The auditor states that the Company has raised loans during the year on the pledge of securities held in its Subsidiaries, Joint Ventures or Associates companies as per details as follows:



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Nature of the loan taken	Name of Lender	Amount of Loan	Name of the subsidiary, joint venture Associate	Relationship	Details of security
Short term loan	Anand Rathi Global Finance Ltd	4000.00	Simon India Ltd	Subsidiary	12,50,000 Equity Shares of Chambal Fertilizers and Chemicals Ltd

Reply by the Company:-

So far as the observation in paragraph 2(a)(iii)(f) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.

4. Qualifications as per Independent Auditor Report on Consolidated financial Statements of Transferee Company (Page No. 190-201 of the Company Application)

Matter of emphasis:

c) Note 58, of the consolidated financial statements and the following emphasis of matter paragraph included in audit report of the financial statements of Zuari Investments Limited, a subsidiary of the Holding Company, audited by an independent firm of Chartered Accountants, vide its audit dated 6th May 2022 which is reproduced as under;

“We draw your attention to the note XX of the accompanying consolidated financial statements which describe that the company applied for registration with the Reserve Bank of



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



India (RBI) as "Non-Deposit taking Systematically important Core Investment company on 25th March 2019. The application was rejected. However, RBI asked to re-submit the application with clarifications of queries, company is in process of re-submitting the application. Management of the company is in process of corresponding with RBI for obtaining such registration. However, the impact of non-registration is currently not ascertainable but would not be material to the accompanying financial statements."

Reply by the Company:-

So far as the observation in paragraph 2(4) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that this is in respect of another subsidiary viz., Zuari Investments Limited and does not bear any impact on the scheme and the Petitioner Company further submits that the Company has started wholesale trading business of Sugar and related products during the financial year 2022-23. Therefore, the requirements to obtain registration u/s 45-IA is not required from FY 2022-23.

d) Note 59 (a), 6 (ii) and 7 (i) (c) to the consolidated financial statements and the following emphasis of matter paragraphs included in audit report of the consolidated financial statements of the Zuari Infracore India Limited, a subsidiary of holding company, audited by an independent firm of Chartered Accountants, vide its audit report dated 27th May, 2022 which are reproduced as under:

i) draw your attention to the note XX of the accompanying considered financial statements for the year ended 31.03.2022 regarding consolidated report of foreign wholly owned subsidiary in Dubai, UAE, with accumulated losses which exceeds its net worth as at the end of the year. However, as per consolidated financial statements for the year ended 31.03.2022 of Zuari Infra Middle East Limited, the said subsidiary, the management has considered that company as





THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023

going concern for the reasons listed in the specific note given.

Reply by the Company:-

So far as the observation in paragraph 2(4) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that this is in respect of another subsidiary viz., Zuari Infra Middle East Limited and does not bear any impact on the scheme.

- ii) *Consolidated financial statements for the year ended 31.03.2022 regarding advance payment aggregating to INR 639.61 lakhs made by the company under the Development Management agreement to agencies against which the said agent initiated insolvency resolution proceedings.*

Reply by the Company:-

So far as the observation in paragraph 2(4) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that the management does not expect any significant effect of the Insolvency Proceedings on its carrying balance and expects to adjust/recover the same in full and accordingly no adjustment is considered necessary at this stage and these balances are subject to confirmation from that party.

- iii) *Recoverable advance payments paid to a sub-contractor aggregating to INR 2246.49 lakhs including interest accrued to INR 33.72 Lakhs. The management is in negotiation with that party for its recovery and is confident that this advance will be fully recovered.*

Reply by the Company:-

So far as the observation in paragraph 2(4) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



for the Petitioner Companies submits that the Management is of the view that no provision is considered necessary at this stage as it is likely that the such advance shall be recovered from the party.

iv) Attention is drawn consolidated financial statements of wholly owned subsidiary Zuari Infra Middle East Limited, issued by the Auditor of that subsidiary that "Without qualifying our audit opinion, we draw attention to the management reasoning regarding impairment testing of development work in progress as at 31.03.2022 under prevailing market situation. The consequent adjustments if any, in the carrying value of the assets and equity deficit will be made upon valuation of development work in progress by an independent valuer."

Reply by the Company:-

So far as the observation in paragraph 2(4) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that the management has reviewed the carrying value of its development work-in-progress by assessing the net realizable value of the project which is determined by sales made by the company, forecasting sales for unsold inventory, and expected realisable sale prices for unsold inventory, and estimated costs to complete (including escalations and cost overrun). The Company would like to state that ~ 85% of sales have already been made, at prices higher than budgeted rates. The detailed review made by the management did not result in any loss and thus no adjustments/ impairment to the carrying value of development work-in-progress is required. Consequently, the management has decided to carry out professional independent valuation of development work in progress during current financial year.

e) Note 61 (a) to the consolidated financial statements and following paragraph on material uncertainty related to going concern including in audit report of the accompanying



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



consolidated financial statements of Zuari Agro Chemicals Limited (ZACL) which states in addition to net current liability position as at 31.03.2022, there are events or conditions which indicate that a material uncertainty exists that may cast significant doubt on the holding company ability to continue as a going concern. It also describes the mitigating factors considered by the management in its assessment, in view of which the accompanied consolidated financial statements have been prepared under the going concern assumption.

Reply by the Company:-

So far as the observation in paragraph 2(4) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that Zuari Agro Chemicals Limited is a different company and the same would not impact the Scheme.

f) Note 61(b) 61(c) and 61(d) to the consolidated financial statements wherein the holding, company is carrying a receivable of INR 1949.03 Lakhs in relation to the subsidiary income accrued the year ended 31.03.2023. Based on the legal opinion obtained by the Holding Company, the management believes that the amount is recoverable from the department of fertilizers. Pending settlement of the differential subsidy amount, the Holding Company has not made any provision in this regarding the accompanying consolidated financial results.

Reply by the Company:-

So far as the observation in paragraph 2(4) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that based on the legal assessment done by the Company on this issue, it is hopeful to realize the receivable amount. Hence, no provision has been made in the accounts.



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023

ii) Attention is also drawn to GST credit on input services recognized by the Holding Company, which the management has assessed to recover based on the legal opinion obtained by the Holding Company. The Holding Company has also filed a written petition in the High Court of Bombay at Goa.

Reply by the Company:-

So far as the observation in paragraph 2(4) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is facts of the case.

iii) One of the subsidiaries, MCFL, has recognized urea subsidy income of INR 2914 Lakhs considering that benchmarking of its cost of production of urea using Naptha with that of gas-based urea-manufacturing units is arbitrary and for which the MCFL has filed a writ petition against the Department of Fertilisers before the Hon'ble High Court of Delhi. Based on legal opinion obtained, the management of MCFL believes the criteria for recognition of subsidy revenue is met.

Reply by the Company:-

So far as the observation in paragraph 2(4) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.

g) With regard to the consolidated financial statement of Texmaco Infrastructure and Holdings Limited, the three step down subsidiary companies namely showblue Conclave Private Limited, Startree Enclave Private Limited and Topflow Buildcon Private Limited are showing Work in Progress (CWIP) amounting to Rs. 1221 Lakhs which includes Rs. 903 Lakhs paid to the Developer vide sub lease agreement dated 30.03.2014 and Rs. 318 Lakhs towards interest incurred and capitalized on ICD taken for the same for construction of the flats. This IWIP and expected completion on flat is subject to





THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023

confirmation from the contractors as on the balance sheet date.

Reply by the Company:-

So far as the observation in paragraph 2(4) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the fact of the case.

5. Other matters:

- a) *Auditor stated that they have not audited financial statements of 5 Subsidiaries included in the consolidated financial statements, whose financial statements reflects total assets of INR 101710.87 Lakhs as at 31.03.2022, total revenues of INR 6296.36 lakhs total net loss after tax of INR (2358.22) Lakhs, total comprehensive loss of INR (2426.11) and cash flows (net) of INR 2808.36 Lakhs for the year ended on that date.*

Reply by the Company:-

So far as the observation in paragraph 2(5) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.

- b) *The consolidated financial statements also includes Group's share of net profit after tax of INR 489.83 Lakhs and total comprehensive income of INR 6481.44 Lakhs for the year ended 31.03.2022, in respect of 39 associates and 3 joint ventures whose financial statements have not been audited by us. The opinion related to the amounts and disclosures included in respect of these subsidiaries/branches/associates/joint Ventures is based solely on audit reports of such other auditors.*



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Reply by the Company:-

So far as the observation in paragraph 2(5) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.

6. Report of Key audit matters:

1. Impairment assessment of non-current investment in subsidiaries and joint ventures: Note 7A and note 38 (ii) of the Standalone financial statements of the company for the year ended 31.03.2022, the Company has aggregate investment in subsidiaries and joint ventures of Rs. 22,312.66 Lakhs. Impairment assessment of these investments is inherently subjective due to reliance on net worth in investee, valuation assets held and cash flow projection of these investee companies. Due to materiality, assessment of impairment losses on the carrying value of the investment in the subsidiaries and joint ventures has been considered as key audit matter.

Reply by the Company:-

So far as the observation in paragraph 2(4) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.

7. Qualifications as per Independent Auditor Report on Notes to statement of Unaudited Standalone and Consolidated financial results for the Quarter and nine months period ended 31.12.2022 of Transferee Company (Page No. 363-364).

a) The Transferee company has investment (equity shares) amounting to INR 5103.34 lakhs in Indian Furniture Products Limited (IFPL) a subsidiary company which in the business of distribution and retailing of furniture and related items. The holding company has assessed the future



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023

prospects of furniture business an impairment loss on investments have been recognized in the unaudited standalone financial results for the quarter and nine month period ended 31.12.2022 amounting to INR 221.00 lakhs and INR 591.64 lakhs respectively.

b) During the Quarter ended 31.12.2022 the transferee company has subscribed 34,50,000 Equity Shares of face value of INR 10 in its wholly owned subsidiary company Zuari Infra India Limited for a consideration of INR 2,001.00 Lakhs.

Reply by the Company:-

So far as the observation in paragraph 2(7) of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that these are the facts of the case.

8. Section 134/203 of the Companies Act, 2013 complied by the Applicant Companies.

Reply by the Company:-

So far as the observation in paragraph 8 of the Report of the Registrar of Companies, Goa is concerned, the Learned Counsel for the Petitioner Companies submits that it is the facts of the case.

9. Section 135 of the Companies Act, 2013 complied by the applicant company No. 2. However, the same is not applicable to Applicant No. 1 as it's having losses during three consecutive financial years.

Reply by the Company:-

So far as the observation in paragraph 2(9) of the Report of the Registrar of Companies, Goa is concerned, the Learned



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



Counsel for the Petitioner Companies submits that it is the fact of the case.

14. Ms. Aparna Mudiam, Deputy Director, is present and submits that Regional Director has no further observation/ objection to the scheme. However, it is made clear that mere sanctioning of this Scheme will not prevent the Registrar of Companies from taking any action against the Transferee Company, in accordance with applicable law.
15. It is noted that the Equity Shares of the Transferee Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Therefore, the Transferee Company shall comply with not only Companies Act, 2013 but also the rules and guidelines of SEBI Listing Regulations and Master Circulars. Moreover, the Petitioner Companies are also directed to comply with all other requirements, as applicable and stated in the Regional Director's report to which the Petitioner Companies have given necessary undertakings.
16. The Official Liquidator, Goa has filed his report dated 06.07.2023. The said report has taken on record.
17. No objections have been received by the Tribunal opposing the Company Scheme Petition and nor has any party controverted any averments made in the Company Scheme Petition.
18. The Statutory Auditors of the Transferee Company have examined the Scheme in terms of provisions of Sections 230-232 and certified that the accounting treatment contained in the Scheme is in compliance with Section 133 of the Companies Act, 2013.



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023

19. The Income Tax Department will be at liberty to examine the aspect of any tax payable because of this scheme and it shall be open to the income tax authorities to take necessary action as permissible under the Income Tax Law.
20. The Authorities like Income Tax Department and GST etc shall be at liberty to examine the difference in the stock as on 31.03.2022 shown as per books of accounts and as per quarterly return and take action, in accordance with law.
21. Further, effectiveness of this Scheme shall not deter any regulatory authorities to initiate action, proceedings, prosecution, investigation or any regulatory action against the Petitioner Companies and the Second Petitioner Company. The Second Petitioner Company has undertaken that all such proceedings shall continue in its own name.
22. The shareholders and Creditors of the Petitioner Companies are the best judges of their interest. Their decision should not be ordinarily interfered with by the Tribunal as per the decision of Hon'ble Supreme Court in **Miheer H. Mafatlal vs. Mafatlal Industries Ltd [JT 1996 (8) 205]** wherein it was held as follows:

"It is the commercial wisdom of the parties to the scheme who have taken an informed decision about the usefulness and propriety of the scheme by supporting it by the usefulness and propriety of the scheme by supporting it by the requisite majority vote."



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



23. From the material on record, the Scheme to the Company Scheme Petition appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.

ORDER

24. The Company Scheme Petition is hereby **sanctioned**, and the Appointed date of the scheme is **1st April 2022**. Following directions are issued:

- a) The Transferor Company shall be dissolved without winding up.
- b) The Petitioner Companies are directed to file a certified copy of this Order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically in e-Form INC-28 within 30 days from the date of receipt of the Certified copy of the Order from the Registry.
- c) The Petitioner Companies to lodge a copy of this Order and the Scheme duly authenticated by the Registrar with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of receipt of the Certified copy of the Order from the Registry.
- d) Petitioner Companies are directed to serve copy of this order to Tax Authorities like Income Tax Department, Nodal Officer and GST.

25. While approving the Scheme, we clarify that this Order should not, in any way, be construed as an Order granting exemption from payment of stamp duty, taxes or other charges, if any, and payment in accordance with law or in respect of any permission or



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023



compliance with other requirements which may be specifically required under any law.

26. The Petitioner Companies shall comply with all the undertakings given by them.
27. The Petitioner Companies shall take all consequential and statutory steps required under the provisions of the Act in pursuance of the Scheme.
28. All the employees of the Transferor Companies in service, on the date immediately preceding the date on which the Scheme takes effect i.e. the Effective Date, shall become the employees of the Transferee Company on such date, without any break or interruption in service and upon terms and conditions not less favourable than those subsisting in the concerned Transferor Companies on the said date.
29. Any proceedings now pending by or against the Transferor Companies be continued by or against the Transferee Company.
30. All the properties, rights, liabilities, duties and powers of the Transferor Companies, be transferred without further act or deed, to the Transferee Company and accordingly the same shall, pursuant to Section 232 of the Companies Act, 2013, be transferred to and vest in the Transferee Company.
31. The Registrar of Companies is entitled to proceed against the Transferee Company for violation/offences committed by Transferor Companies, if any.



THE NATIONAL COMPANY LAW TRIBUNAL,
COURT- III, MUMBAI BENCH

C.P. (CAA) No. 171/MB/C-III/2023

CONNECTED WITH

C.A. (CAA) No. 82/MB/C-III/2023

32. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai.
33. Any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.
34. Any concerned authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.
35. Ordered Accordingly. Thus, the Company Scheme Petition with C.P. (CAA) /171/ MB/C-III/2023 in CA (CAA)/82/MB/C-III/2023 shall stand to be **disposed of**.

"Files To be Consigned to Records"

Sd/-

CHARANJEET SINGH GULATI
MEMBER (TECHNICAL)

(Saayli, LRA)



Sd/-

LAKSHMI GURUNG
MEMBER (JUDICIAL)

Certified True Copy _____
Date of Application 16/04/2024
Number of Pages 41
Fee Paid Rs. 205/-
Applicant called for collection copy on 17/4/24
Copy prepared on 17/4/2024
Copy issued on 17/4/2024

[Signature]
Deputy Registrar 17/4/2024
National Company Law Tribunal, Mumbai Bench

SCHEME OF AMALGAMATION
OF
ZUARI SUGAR & POWER LIMITED
(TRANSFEROR COMPANY)
WITH
ZUARI INDUSTRIES LIMITED
(FORMERLY KNOWN AS ZUARI GLOBAL LIMITED)
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS AND
CREDITORS
(UNDER SECTIONS 230-232 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES
ACT, 2013)



For ZUARI INDUSTRIES LIMITED
(formerly Zuari Global Limited)


Authorised Signatory

For Zuari Sugar & Power Limited


Authorised Signatory

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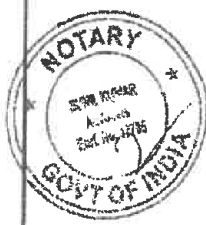
GENERAL

I. Preamble and Overview of the Scheme

1. This Scheme of Amalgamation (hereinafter referred to as "the Scheme" or "this Scheme") provides for the amalgamation of **M/S. ZUARI SUGAR & POWER LIMITED** (hereinafter referred to as "the Transferor Company" or "ZSPL") with **M/S. ZUARI INDUSTRIES LIMITED (FORMERLY KNOWN AS ZUARI GLOBAL LIMITED)** (hereinafter referred to as "the Transferee Company" or "ZIL") and their respective shareholders and creditors with effect from the Appointed Date (as defined hereinafter), pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013.
2. In addition, this Scheme also provide for various other matters consequential, supplemental and/or otherwise integrally connected therewith.

II. Description of Companies

1. **ZSPL**, the Transferor Company, is a public limited company incorporated on 27 June 2008 under the name and style of "**M/S. ZUARI FINANCIAL SERVICES LIMITED**" under the provisions of the Companies Act, 1956. The CIN of the company is **U65100GA2008PLC007282** and its registered office is at Jai Kisaan Bhawan, Zuarinagar, Goa-403726, India. Further, the name of the company was changed to "**M/S. ZUARI SUGAR & POWER LIMITED**" and a fresh certificate of incorporation consequent upon change of name was issued on **06.08.2015**.



For **ZUARI INDUSTRIES LIMITED**
(formerly Zuari Global Limited)

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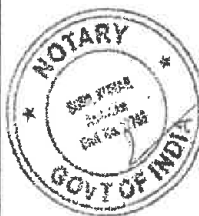
For **Zuari Sugar & Power Limited**

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was incorporated to carry on the business of sugar manufacture and refinery and the manufacture of any other that may be decided upon by or on behalf of the Company and the business of buyers, sellers, importers, exporters, Commission Agents and dealers of any goods or merchandise whatsoever and to transact all manufacturing or treating and preparing processes and mercantile business that may be necessary or expedient and to purchase and vend the raw material and manufactured articles and ancillary matters.

2. **ZIL**, the Transferee Company, was incorporated on 12 May 1967 under the provisions of the Companies Act, 1956. The equity shares of ZIL are listed on the National Stock Exchange of India Limited (hereinafter called 'NSE') and the BSE Limited (hereinafter called 'BSE'). The CIN of the company is **L65921GA1967PLC000157** and its registered office is at Jai Kisaan Bhawan, Zuarinagar, Goa-403726, India. ZSPL is wholly owned subsidiary of ZIL. ZIL is primarily engaged in the following main businesses:

(a) To carry on agri related businesses for the manufacture of sugar, refined sugar, artificial sweeteners, pharma sugar, sugar cubes/sachets, branded sugar, fortified sugar and all value added sugar products and related products, manufacture, extraction and production of bio-diesel, seeds production, distribution, developing various hybrid strains and patenting them, commercial nurseries for cultivation of sugar cane or any other crops used for production of sugar, entail agri research and development activities and collaborations with research and development activities and collaborations with research institutions and foreign partners for the said purpose and to generally carry out all activities and business as may be needed or incidental for the manufacture of sugar and related products as permitted by law.



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For Zuari Sugar & Power Limited

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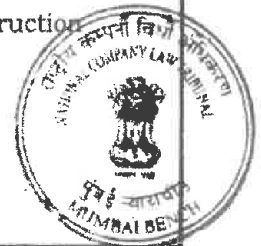
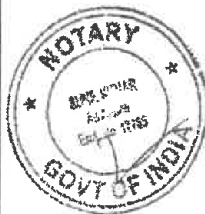
(b) To manufacture, trade, buy, sell, exploit or deal in all by-products and products of whatever nature derived from the process of manufacture of sugar and those arising out of the objects specified above.

(c) To produce, import, export, stock or otherwise trade in Molasses, rectified spirit and alcohol (of all types and descriptions), ethanol and all other products arising out of the manufacturing process for sugar or which is germane to the said object, for sale, distribution, export and import for industrial, human or commercial use or for any other purpose.

(d) To carry on the business of distillery, generation of power for captive consumption and supply, sale or export of electric power, whether by the use of bio-mass, bagasse, any other feed stock or from any other substances and to establish, own, manage and maintain power plants, power generators, electricity generating works, factories and other works and conveniences in connection therewith and to generate, use, sell, supply and distribute electricity arising out of the carrying on of the objects specified above.

(e) To manufacture bio-fertilizers and bio-products of all types and descriptions which can be advantageously derived from the by-products derived from the manufacture of sugar and to buy, sell, import, export or otherwise deal in the same.

In addition to above, ZIL is also engaged in the business to manufacture, produce, refine, process, formulate, mix or prepare, mine or otherwise acquire, invest in, own, hold, use, lease, mortgage, pledge, buy, sell, exchange, distribute, assign, transfer or otherwise dispose of trade, deal in and with, import and export any and all classes and kinds agricultural chemicals, fertilizers, manures, their mixtures and formulations (including but not limiting). Carry on business of contractors, erectors, construction of buildings, houses, apartments, structures etc.



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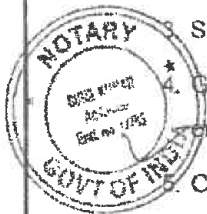
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II. Rationale for the Scheme

ZSPL, the Transferor Company and ZIL, the Transferee Company are under the same management and ZIL is the holding company of ZSPL. With a view to streamline and rationalize group structure and eliminate duplicate corporate procedures, it is desirable to amalgamate ZSPL (Transferor Company) with ZIL (Transferee Company). Combining of all the activities of ZSPL with that of ZIL would be in the interest of ZSPL being its wholly owned subsidiary. By this amalgamation, duplicating facilities in accounting, purchasing, marketing, etc. will be eliminated and it would create economies in administrative and managerial costs by consolidating operations and reduce duplication of administrative responsibilities, multiplicity of records and legal and regulatory compliances. Operating inefficiencies of small concerns will be controlled by the superior management emerging from the amalgamation. The amalgamated company will be in a better position to operate than the amalgamating company individually. Both the companies have resolved to effectuate the amalgamation.

The amalgamation of the Transferor Company with the Transferee Company would *inter alia* have the following benefits:

1. Greater integration, greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value and will improve the competitive position of the combined entity.
2. Improved organizational capability and leadership, arising from the pooling of resources to compete successfully in an increasingly competitive industry.
3. Strengthening of brand "Zuari" leading to a stronger market presence.
4. Greater leverage in operations planning and process optimization and enhanced flexibility.
5. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, administration, finance, accounts, legal, and other related



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functions, leading to elimination of duplication and rationalization of administrative expenses.

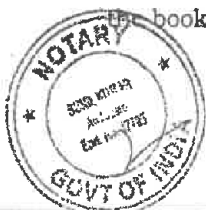
6. Simplification of group structure by eliminating duplication of work, multiple entities in similar business thus enabling focus on core competencies and achieve group synergies.
7. Proposed business re-alignment will create enhanced value for the stakeholders of both the Companies. This Scheme is not expected to be in any manner prejudicial to the interest of the concerned shareholders, members, creditors, employees or general public at large.

In view of the aforesaid, the Board of Directors of both Transferor Company as well as the Transferee Company have considered and proposed the amalgamation of the entire business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of the Transferor Company and the Transferee Company. Accordingly, the Board of Directors of both Transferor Company and the Transferee Company have formulated this Scheme for the transfer and vesting of the entire business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013.

III. Parts of the Scheme:

The Scheme is divided into following parts:

- (i) **Part A** – dealing with definitions of the terms used in this Scheme and the share capital of both Transferor Company and the Transferee Company;
- (ii) **Part B** – dealing with amalgamation of Transferor Company with the Transferee Company;
- (iii) **Part C** – dealing with the accounting treatment of the amalgamation in books of the Transferee Company; and



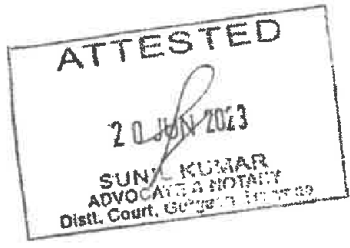
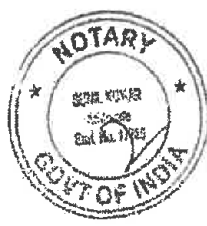
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(iv) **Part D** – dealing with the dissolution of Transferor Company and the general terms and conditions applicable to this Scheme and other matters consequential and integrally connected thereto.



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PART A
DEFINITIONS AND SHARE CAPITAL

(i) **DEFINITIONS**

1. In this Scheme, unless repugnant to the context, the following expressions shall have the following meaning:

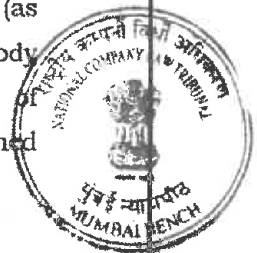
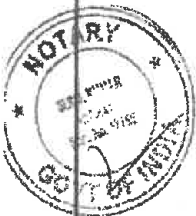
1.1 **"Act"** or **"the Act"** means the Companies Act, 2013, ordinances, rules and regulations and/or other guidelines or notifications made thereunder and shall include any statutory modifications, reenactments or amendments thereof.

1.2 **"Amalgamation"** or **"amalgamation"** means amalgamation of the Transferor Company with the Transferee Company, on a going concern basis in accordance with section 2(1B) of the Income-Tax Act, 1961, in terms of Part B of the Scheme.

1.3 **"Applicable Law(s)"** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions, law enacted or issued or sanctioned by any Appropriate Authority (as defined hereinafter) including any modification or re-enactment thereof for the time being in force.

1.4 **"Appointed Date"** means **April 1, 2022** or such other date as may be mutually agreed to by the Board of Directors (as defined hereinafter) of Transferor Company and Transferee Company or such other date as the National Company Law Tribunal may direct/ fix.

1.5 **"Appropriate Authority"** means any Governmental Authority (as defined hereinafter), statutory, regulatory, departmental or public body or authority of the relevant jurisdiction, including Registrar of Companies (as defined hereinafter), Regional Director (as defined



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hereinafter), Official Liquidator, High Court of Bombay at Goa, NCLT (as defined hereinafter), Stock Exchanges (as defined hereinafter), SEBI (as defined hereinafter), any relevant tax authority and any other relevant competent authorities.

1.6 **"Board of Directors"** or **"Board"** means the Board of Directors of both the Transferor Company and the Transferee Company, as the case may be, and shall include a duly constituted committee of directors or any person authorized by the Board of Directors or such committee of directors thereof.

1.7 **"Companies"** shall collectively mean the Transferor Company and the Transferee Company.

1.8 **"Effective Date"** means the last of the dates on which the certified copies of the Order of the National Company Law Tribunal sanctioning the Scheme is filed with the respective Registrar of Companies, by the Transferor Company and the Transferee Company. References in this Scheme to the date of "upon this Scheme becoming effective" or "coming into effect of this Scheme" shall mean the Effective Date.

1.9 **"Governmental Authority"** means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction.

1.10 **"National Company Law Tribunal" or "NCLT" or "Tribunal"** means the National Company Law Tribunal, Mumbai Bench having jurisdiction in relation to the Transferor Company and Transferee Company.

1.11 **"Official Liquidator"** means the Official Liquidator, High Court of Bombay at Goa having jurisdiction over the Transferor Company.

1.12 **"Record Date"** means date to be fixed by the Board of Directors of ZIL for the purpose of determining the shareholders of ZSPL to whom shares will be allotted or cancelled as per Act.



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1.13 **“Regional Director”** means the Regional Director, Western Region having jurisdiction in relation to the Transferor Company and the Transferee Company.

1.14 **“Registrar of Companies”** means Registrar of Companies, Goa having jurisdiction over the Transferee Company and Transferor Company, as the case may be.

1.15 **“Scheme”** or **“the Scheme”** or **“this Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) made under the Scheme, as approved or directed by the NCLT.

1.10 **“SEBI”** means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.

1.11 **“SEBI Master Circular”** or **“SEBI Circular”** means Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 issued by SEBI or any other circular issued by SEBI applicable to scheme of amalgamation from time to time.

1.12 **“Stock Exchanges”** means BSE and NSE.

1.13 **“Transferee Company”** means **“ZUARI INDUSTRIES LIMITED”** a company incorporated under the Companies Act, 1956, and having its registered office at Jai Kisaan Bhawan, Zuarinagar, Goa-403726, India.

1.14 **“Transferor Company”** shall mean **“ZUARI SUGAR & POWER LIMITED”**, a company incorporated under the Companies Act, 1956, and having its registered office at Jai Kisaan Bhawan, Zuarinagar, Goa-403726, India.

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



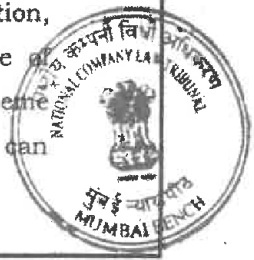
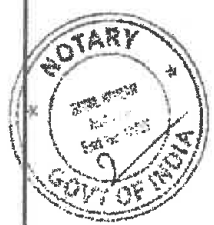
For ZUARI INDUSTRIES LIMITED
(formerly Zuari Global Limited)

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3. In this Scheme, unless the context otherwise requires:
- a. references to "persons" includes individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
 - b. the headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are inserted for ease of reference only and do not form part of the operative provisions of this Scheme and shall not affect the construction or interpretation of this Scheme;
 - c. references to one gender includes all genders;
 - d. words in the singular shall include the plural and vice versa;
 - e. words "include" and "including" are to be construed without limitation;
 - f. terms "hereof", "herein", "hereby", "hereto" and derivative or similar words refer to this entire Scheme or specified clauses of this Scheme, as the case may be;
 - g. a reference to "writing" or "written" includes printing, typing, electronic mailing, and other means of reproducing words in a visible form excluding a text or an instant message;
 - h. reference to any agreement, contract, document or arrangement or to any provision thereof shall include references to any such agreement, contract, document or arrangement as it may, after the date hereof, from time to time, be amended, supplemented or novated;
 - i. reference to the recital or clause are references to the recital or clause of this Scheme; and
 - j. references to any provision of law or legislation or regulation include:
 - i. 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 thereunder may exist or can



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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;

- ii. all subordinate legislations (including circulars, notifications, clarifications, guidelines or supplement(s) to, or replacement or amendment of, that law or legislation or regulation) 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 thereto.

(ii) SHARE CAPITAL

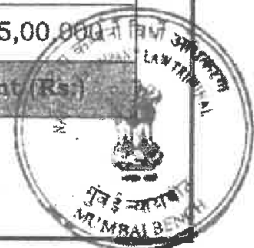
a. The share capital of the ZSPL as on December 31, 2022 was as under:

Authorized Capital	Amount (Rs.)
3,00,00,000 shares of Rs.10/- each	30,00,00,000
Issued, Subscribed and Paid-Up Capital	Amount (Rs.)
2,99,00,000 equity shares of Rs.10/- each fully paid-up	29,90,00,000

Subsequent to December 31, 2022 there has been no change in the share capital of ZSPL. ZSPL is a wholly owned subsidiary of the ZIL.

b. The share capital of ZIL as on December 31, 2022 was as under:

Authorized Capital	Amount (Rs.)
15,50,00,000 Equity shares of Rs.10/- each	1,55,00,00,000
20,75,000 Cumulative Redeemable Preference Shares of Rs. 100/- each	20,75,00,000
16,00,00,000 Preference Shares of Rs. 10/- each	1,60,00,00,000
TOTAL	3,35,75,00,000
Issued Capital	Amount (Rs.)



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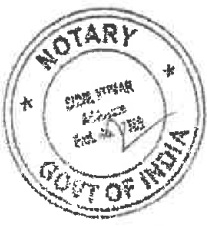
2,97,89,235 Equity shares of Rs.10/- each fully paid-up	29,78,92,350
1,17,74,114 Preference Shares of Rs. 10/- each fully paid up	11,77,41,140
Subscribed and Paid-up Capital	Amount (Rs.)
2,97,81,184 Equity shares of Rs.10/- each fully paid-up	29,78,11,840
1,17,74,114 Preference Shares of Rs. 10/- each fully paid up	11,77,41,140

The equity shares of ZIL are listed on NSE and BSE.

Subsequent to December 31, 2022 there has been no change in the share capital of ZIL.

(iii) DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT shall be effective from the Appointed Date but shall be operative from the Effective Date.



For ZUARI INDUSTRIES LIMITED
(formerly Zuari Global Limited)

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359

PART B

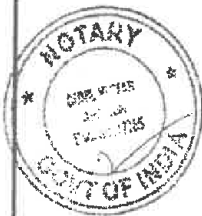
AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

2. TRANSFER AND VESTING OF TRANSFEROR COMPANY

2.1 With effect from the opening business hours of Appointed Date and on the Scheme becoming effective, the entire business of the Transferor Company shall, pursuant to the provisions of Sections 230-232 and all other applicable provisions of the Act and Section 2(1B) of the Income Tax Act,1961, and without any further act, instrument, deed, matter or thing, stand transferred to and vested, as a going concern, into the Transferee Company by virtue of and in the manner provided in this Scheme.

This Scheme has been drawn up complying with the conditions relating to amalgamation as specified under section 2(1B) of the Income Tax Act,1961. Further, if any terms or provisions of the Scheme are found or interpreted to be inconsistent with the said provisions at a later date, resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act,1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act,1961. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Companies, which power shall be exercised reasonably in the best interests of the Companies and their stakeholders.

2.2 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date or such other date as may



For ZUARI INDUSTRIES LIMITED (formerly Zuari Global Limited)

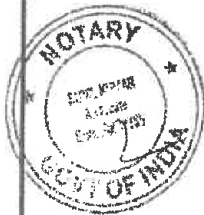
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For Zuari Sugar & Power Limited

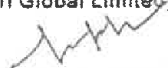
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be fixed or approved by NCLT and upon the Scheme becoming effective, the entire business and undertaking(s) of the Transferor Company including all properties, assets, rights, the secured and unsecured debts, liabilities, benefits and interest therein, duties and obligations, including those arising on account of taxation laws and other allied laws, of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets (whether tangible or intangible) of the Transferor Company comprising, amongst others, all furniture and fixtures, computers/data processing, office equipment, testing equipment, electrical installations, telephones, telex, facsimile and other communication facilities and business licenses, permits, authorizations, approvals, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret or other intellectual property rights, proprietary right, title, interest, contracts, consent, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, under the provisions of Sections 230-232 of the Act, and pursuant to the orders of the Tribunal sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, without any act, deed, matter or thing, be transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the debts, liabilities, duties, obligations, properties, assets, rights, business and undertaking(s) of the Transferee Company.

2.3 Upon Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of account of the Transferor Company 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 Appointed Date shall be the debts, liabilities, duties and



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obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.

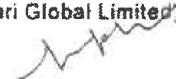
2.4 Upon Scheme becoming effective and with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company will be considered as intra-party transactions and inter-party balances shall stand cancelled.

2.5 Upon Scheme becoming effective and with effect from the Appointed Date, all the loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any intercompany loans, advances and other obligations with effect from the Appointed Date.

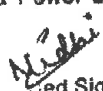
2.6 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, encumbrances or liens secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferor Company, and such securities, mortgages, charges, encumbrances or liens shall not relate or attach to any of the other



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assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company.

- 2.7 All the existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.
- 2.8 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 2.9 Upon Scheme becoming effective and with effect from the Appointed Date, all statutory licenses, registrations, incentives, tax deferrals and benefits, carry-forward of tax losses, tax credits, cenvat credit, tax / duty refunds, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, permissions, approvals or consents to carry on the operations of the Transferor Company, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date shall stand vested in or transferred to the Transferee Company, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favor of the Transferee Company upon the vesting and transfer of the Transferor Company



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pursuant to this Scheme. The benefit of all statutory and regulatory permissions and approvals, factory licenses, environmental approvals and consents, sales tax registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant to this Scheme.

2.10 From the Effective Date and till such time as the name of the Transferee Company would get entered as the account holder in respect of all the bank accounts and demat accounts of Transferor Company in the relevant bank's/DP's books and records, the Transferee Company shall be entitled to operate the bank/demat accounts of Transferor Company in their existing names.

2.11 All cheques and other negotiable instruments, payment orders received in the name of Transferor Company after the Effective Date shall be accepted by the bankers of ZIL and credited to the account of Transferee Company. Similarly, the banker of ZIL shall honour cheques issued by ZSPL and presented for payment after the Effective Date.

2.12 Upon the coming into effect of this Scheme, the resolutions, if any, of Transferor Company, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in Transferee Company.

2.13 Any question that may arise as to whether a particular asset or liability pertains or does not pertain to the Transferor Company or whether it arises out of the activities or operations of the Transferor Company shall be decided by mutual agreement between the Board of Directors of the Transferor Company and the Transferee Company.



3. CONSIDERATION

- 3.1 As Transferor Company is a wholly owned subsidiary of Transferee Company, the entire issued, subscribed and paid up equity share capital of Transferor Company is held by Transferee Company through itself and its nominees. Accordingly, upon Scheme becoming effective, Transferee Company would not be required to issue and allot any shares in lieu or exchange of the holding of the wholly owned subsidiary and the stated issued and paid up capital of Transferor Company shall stand cancelled. The said cancellation of existing share capital of ZSPL shall be affected as an integral part of this Scheme without requirement of any further act or deed or instrument by ZIL.
- 3.2 The investments in the shares of ZSPL, appearing in the books of account of ZIL shall, without any further act or deed, stands cancelled.
- 3.3 The shares or the share certificates of ZSPL, in relation to the shares held by its members, i.e., ZIL and its nominees, shall without any further application, act, instrument or deed be deemed to have been automatically cancelled and be of no effect on and from the Effective Date.

4 LEGAL PROCEEDINGS

- 4.1 Any suit, appeal or other proceedings of whatever nature by or against the Transferor Company is pending as on the Appointed Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.
- 4.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company after the



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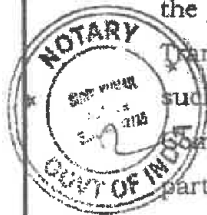
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Appointed Date, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.

5. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

5.1 With effect from the Appointed Date and upon Scheme becoming effective, all contracts, deeds, bonds, insurance, Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to the Transferor Company and to which the Transferor Company is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favor of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

5.2 The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novation, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.



6. STAFF AND EMPLOYEES OF THE TRANSFEROR COMPANY

6.1 On the Scheme becoming effective, all staff and employees of the Transferor Company in service on the Effective Date shall be deemed to



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have become staff, workmen and employees of the Transferee Company with effect from the Appointed Date or date of joining of respective workmen and employees, whichever is later, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.

6.2 It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff, workmen and employees of the Transferor Company shall become trusts / funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become those of the Transferee Company. It is clarified that, for the purpose of the said fund or funds, the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous with the Transferee Company from the date of employment as reflected in the records of the Transferor Company.



TAXATION MATTERS

7.1 All taxes paid or payable by the Transferor Company in respect of the operations and/or the profits before the Effective Date under Applicable Law, shall be on account of the Transferee Company and, in so far it relates to the tax payment (whether by way of deduction at source, advance tax or otherwise howsoever) by the Transferor Company in respect of the profits made from and after the Appointed Date, the same



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shall be deemed to be the tax paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

7.2 All the deductions otherwise admissible to the Transferor Company including payment admissible on actual payment or on deduction of appropriate taxes or on payment of Tax Deducted at Source ("TDS") (such as section 43B, section 40, section 40A etc. of the Income Tax Act, 1961) will be eligible for deduction to the Transferee Company, upon fulfillment of conditions, if any, required under the Income Tax Act, 1961. All benefits, entitlements, incentives, issues, refund, under the Income Tax Act, 1961, Goods and Service Tax ("GST") laws, custom duty law or other Applicable Laws, regulations dealing with taxes, duties, land levies, levies due to the Transferor Company consequent to the assessment made on the Transferor Company (including any refund for which no credit is taken in the books of accounts of the Transferor Company on the Appointed Date) shall belong to and be received by the Transferee Company without any further act, instrument, deed, matter or thing being made, done or executed, become the property of the Transferee Company.

7.3 On the Scheme becoming effective, the Transferee Company is also expressly permitted to revise its income tax returns, withholding tax returns, GST returns, TDS returns, TDS certificates, and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax and withholding tax credits, etc., pursuant to the provisions of this Scheme. The Transferee Company is expressly permitted to amend tax deduction at source certificate and other statutory certificates, and shall have the right to claim refunds, advance tax credits, set offs and adjustments relating to its incomes/ transactions from the Appointed Date.

7.4 On and from the Appointed Date, if any certificate for TDS or any other tax credit certificate relating to the Transferor Company is received in the name of the Transferor Company, it shall be deemed to have been received in the name of the Transferee Company, which alone shall be entitled to claim credit for such tax deducted amount.



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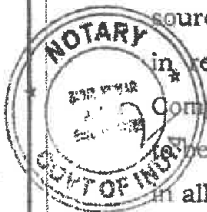
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7.5 It is expressly clarified that with effect from the Appointed Date, all taxes payable by Transferor Company including all or any refunds of the claims/ TDS certificates shall be treated as the tax liability or refunds/ claims/ TDS certificates as the case may be of Transferee Company.

Without prejudice to the generality of the foregoing, with effect from the Appointed Date, in accordance with the CENVAT Credit Rules 2004 framed under the Central Excise Act, 1944 as are prevalent at the time of sanction of the Scheme, the CENVAT Credit, including the service tax credits lying un-utilized in the Transferor Company shall stand transferred to the Transferee Company as if the same were the CENVAT credits utilized in the Transferee Company's accounts. It is declared that the transfer of the CENVAT Credit, including service tax credits, stands allowed as stock of inputs as such or in process, including capital goods and service tax paid for the Input services, are also transferred by the Transferor Company to the Transferee Company.

7.6 Without prejudice to the generality of the foregoing, all taxes (including, without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax., VAT, etc.) paid or payable by the Transferor Company, in respect of the operations and/or the profits and /or forming part of/ relating to the undertaking of the Transferor Company, before the Appointed Date shall be on account of the Transferor Company, and in so far as it relates to the tax payment whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company, in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and, shall, in all proceedings, be dealt with accordingly.

7.7 The accumulated losses and the allowances for unabsorbed depreciation of the Transferor Company shall be deemed to be the loss and allowance for unabsorbed depreciation of the Transferee Company in accordance with Section 72A of the Income Tax Act, 1961 and all other applicable provisions of the Income Tax Act, 1961 and amendments thereof.



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7.8 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 until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce the proceedings/appeal, the same may be continued 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 continued or enforced by the Transferor Company.



ATTESTED
20 JUN 2023
SUNIL KUMAR
ADVOCATE & NOTARY
Distt. Court, Gurgaon, Haryana



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370

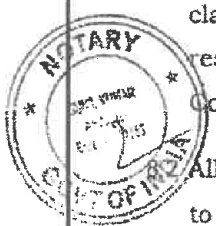
PART C

ACCOUNTING TREATMENT FOR THE AMALGAMATION IN THE BOOKS OF THE TRANSFEREE COMPANY

8. ACCOUNTING TREATMENT

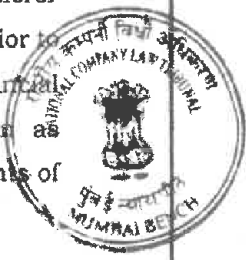
On the Scheme becoming effective, the accounting for the amalgamation would be done in accordance with the "Pooling of Interest Method" referred in Indian Accounting Standard 103 "Business Combinations" as applicable and mentioned under Section 133 of Companies Act, 2013 read with the rules issued thereunder and other generally accepted accounting principles. Accordingly, the Transferee Company shall account for the Scheme in its books of account with effect from the Appointed Date as under:

8.1 All the assets recorded in the books of the Transferor Company subject to clauses 8.4 and 8.5 shall be recorded by Transferee Company at their respective book values as appearing in the books of the Transferor Company.



All the liabilities recorded in the books of the Transferor Company subject to clauses 8.4 and 8.5 shall be recorded by Transferee Company at their respective book values as appearing in the books of the Transferor Company.

8.3 The identity of the reserves of the Transferor Company, if any, to the extent possible shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of the Transferor Company available for distribution as dividend, the same would also be available in the financial statements of



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371

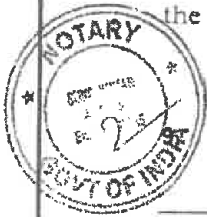
the Transferee Company for distribution as dividend on and after the Effective Date.

8.4 In case of any differences in accounting policies between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position on the basis of consistent accounting policies.

8.5 The amount of any inter-company balances and loans or advances between the Transferor Company and Transferee Company, if any, investments in the shares of Transferor Company appearing in the books of Transferee Company, shall stand cancelled without any further act or deed, upon the Scheme coming into effect, and the amounts so cancelled shall not be recorded in the books of account of the Transferee Company.

8.6 The surplus/deficit, if any arising after taking effect of above clause 8.1, 8.2, 8.3 and 8.5 shall be transferred to Capital Reserve in the financial statements of the Transferee Company and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

8.7 The balance of the retained earnings appearing in the financial statements of the ZSPL is aggregated with the retained earnings balance appearing in the financial statements of ZIL.



TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

9.1 The Transferor Company shall carry on and be deemed to have carried on their business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of their entire



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372

businesses and undertakings for and on account of and in trust for the Transferee Company;

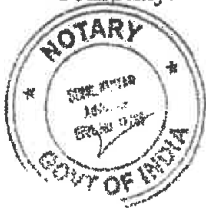
9.2 The Transferor Company shall not do or cause to do any act or deed whatsoever which may be detrimental or adversely affect the business interests of Transferee Company pre and post amalgamation;

9.3 The Transferor Company shall carry on its business and activities in the ordinary course of business with reasonable diligence and business prudence;

9.4 All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company;

9.5 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 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; and

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



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10. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets, properties and liabilities of the Transferor Company into the Transferee Company, transfer of all employees of Transferor Company, continuation of legal proceedings, and the effectiveness of contracts and deeds, under above mentioned clauses shall not affect any transaction or proceedings already concluded by Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that Transferee Company accepts and adopts all acts, deeds and things done and executed by Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

11. RE-ORGANISATION & RE-CLASSIFICATION OF THE SHARE CAPITAL OF THE TRANSFEREE COMPANY

11.1 Upon the Scheme becoming effective, the authorized share capital of the Transferor Company shall stand combined with the authorized share capital of the Transferee Company and Clause V of the Memorandum 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, reclassified and amended pursuant to Sections 13, 14, 61, 64 of the Companies Act, 2013, and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:



Clause V of the Memorandum of Association of the Transferee Company

"The Authorized Share Capital of the Company is Rs. 3,65,75,00,000/- (Rupees Three Hundred Sixty Five Crores Seventy Five Lakhs only) divided into

- a). Rs. 1,85,00,00,000 (Rupees One Hundred Eighty Five Crores) consisting of 18,50,00,000 (Eighteen Crores Fifty Lakhs) equity shares of Rs. 10/- each.



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374

b). Rs. 20,75,00,000 (Rupees Twenty Crore Seventy-Five Lacs) consisting of 20,75,000 (Twenty Lacs Seventy-Five Thousand) Cumulative Redeemable Preference Shares of Rs. 100/- each.

c). Rs.1,60,00,00,000 (Rupees One Hundred Sixty Crores) consisting of 16,00,00,000 (Sixteen Crores) Preference Shares of Rs. 10/- each

11.2 The alteration of authorized capital as aforesaid in Clause 11.1 above, shall be effected as a part of the Scheme only and approval / consent to the Scheme by the shareholders of the Transferee Company shall not be required separately under the relevant provisions of the Act for alteration of the share capital clause in the Memorandum of Association and Articles of Association of the Transferee Company.

11.3 The filing fee, particularly stamp duty and fees payable to Registrar of Companies already paid by the Transferor Company on its authorized share capital, shall be deemed to have been so paid by the Transferee Company and the Transferee Company shall not be required to pay any additional fees already paid by the Transferor Company on its authorized share capital.



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375

PART D

DISSOLUTION OF THE TRANSFEROR COMPANY AND THE GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME

12. DISSOLUTION OF TRANSFEROR COMPANY WITHOUT WINDING UP

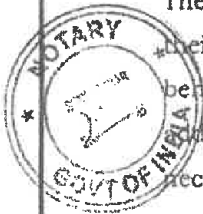
On the Scheme coming into effect, the Transferor Company shall, without any further act or deed, stand dissolved without winding up in accordance with the provisions of Sections 230-232 of the Act and the rules made there under.

13. APPLICATION TO NATIONAL COMPANY LAW TRIBUNAL

The Transferor Company and the Transferee Company shall, with all reasonable steps, make applications to the NCLT, Mumbai within whose jurisdiction the registered offices of the Transferor Company and the Transferee Company are situated, for sanctioning the Scheme under Sections 230-232 and other provisions of the Act, and for dissolution of the Transferor Company without being wound up.

14. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferor Company and the Transferee Company, with approval of their respective Board of Directors may consent, from time to time, on behalf of all persons concerned, to any modifications/amendments or additions/deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Board of Directors to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds matters, and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that the NCLT or any other Appropriate Authorities under law may deem fit to approve, direct and/or impose. The aforesaid powers of the Transferor Company and the Transferee Company



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to give effect to the modification/amendments to the Scheme may be exercised by their respective Board of Directors or any person authorized in that behalf by the concerned Board of Directors subject to approval of the NCLT or any other Appropriate Authorities under Applicable Law.

15. DIVIDEND

15.1 With effect from the Appointed Date and up to and including the Effective Date, ZIL and ZSPL shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period(s) prior to Effective Date.

15.2 Until this Scheme becomes effective, shareholders of ZIL and ZSPL shall continue to enjoy their existing rights under respective articles of association of such companies including their right to receive dividend.

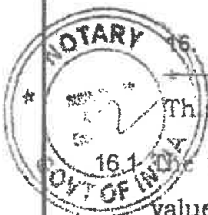
15.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Companies, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders of the respective Companies.

16. CONDITIONALITY OF THE SCHEME

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

16.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and the Transferee Company as may be directed by the NCLT.

16.2 The sanction of the NCLT under Sections 230-232 of the said Act in favor of the Transferor Company and the Transferee Company under the said provisions and the necessary order under the said Act being obtained.



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For Zuari Sugar & Power Limited

[Signature]
Authorised Signatory

377

16.3 Copies of the Order of NCLT, Mumbai sanctioning the Scheme being filed with the Registrar of Companies by the respective Transferor Company and the Transferee Company.

16.4 The requisite consent, approval or permission of any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

17. EFFECT OF NON-RECEIPT OF APPROVALS

17.1 In the event any of the approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Transferee Company and the Transferor Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme is not sanctioned by the NCLT, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

17.2 Further, in case of the non- receipt of approvals to the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter se by the Transferor Company or the Transferee Company or their shareholders or creditors or employees or any other person.

18. COSTS, CHARGES AND EXPENSES



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

19. SEVERABILITY

If any provision of this Scheme is found to be unworkable for any reason whatsoever or unenforceable under the present or future laws, then subject



For ZUARI INDUSTRIES LIMITED
(formerly Zuari Global Limited)

Authorised Signatory

For Zuari Sugar & Power Limited

Authorised Signatory

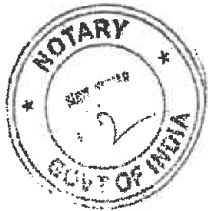
to the decision of the ZIL and ZSPL, such part shall be severable from the remainder of this Scheme and shall not affect the validity or implementation of the other parts and / or provisions of this Scheme.

20. COMPLIANCE WITH SEBI REGULATIONS

ZIL will comply with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listing Agreement, SEBI Regulations, SEBI Circulars and other applicable provisions, if any, in connection with this Scheme and other connected matters.

21. SETTLEMENT OF DIFFERENCE OR ISSUE THROUGH ARBITRATION

If any doubt or difference or issue arise between the parties hereto or any of their shareholders, creditors, employees and any other person as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability vested under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to arbitration of a sole arbitrator appointed by the consent of all the parties and law of arbitration, as in force shall apply.



ATTESTED
20 JUN 2023
SUNIL KUMAR
ADVOCATE & NOTARY
Distt. Court, Gurgaon, Haryana




For ZUARI INDUSTRIES LIMITED
(formerly Zuari Global Limited)

Authorised Signatory

For Zuari Sugar & Power Limited

Authorised Signatory

Certified True Copy _____
Date of Application 16/4/2024
Number of Pages 33
Fee Paid Rs. 165/-
Applicant called for collection copy on 17/4/2024
Copy prepared on 17/4/2024
Copy issued on 17/4/2024


Deputy Registrar 17.4.2024
National Company Law Tribunal, Mumbai Bench

