

**SCHEME OF AMALGAMATION
OF
GOLDEN CHEM-TECH LIMITED**

WITH

STYLAM INDUSTRIES LIMITED

**UNDER SECTION 230 READ WITH SECTION 232 OF COMPANIES ACT 2013 IN RESPECT OF
AMALGAMATION OF GOLDEN CHEM-TECH LIMITED WITH STYLAM INDUSTRIES LIMITED**

PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- 1) Part I deals with Preamble & Definition**
- 2) Part II deals with Rationale & Share Capital**
- 3) Part III deals with Transfer and Vesting**
- 4) Part IV deals with the General Terms and Conditions.**
- 5) Part V deals with Issue of Shares and Accounting Treatment.**

PART-I

PREAMBLE & DEFINITIONS:

1. PREAMBLE

This Scheme of Amalgamation ("the Scheme") is presented under Sections 230 and 232 and other relevant provisions of the Companies Act, 2013, for the Amalgamation of **Golden Chem-Tech Limited (hereinafter referred to as "GCL" or the "Transferor Company")**, with **Stylam Industries Limited (hereinafter referred to as "SIL" or the "Transferee Company")** and for matters consequential, supplemental and/or otherwise integrally connected therewith.

This Scheme of Amalgamation has been envisaged to consolidate operations under SIL. The purpose of the proposed merger is to create a single robust entity which would carry on businesses that are integrated and complimentary in nature. Amalgamation of GCL with SIL would result in strengthened balance sheet and help the management to achieve greater integration and better financial strength. It would have greater efficiency in cash management, unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities.

Introduction of Companies

GCL is a company incorporated on October 04, 1995 under the Companies Act, 1956 under the name of Golden Mechtronics Private Limited. The name of company was changed to Golden Chem-Tech Limited on September 28, 2000. The registered office of GCL is situated at SCO 14, Sector- 7-C, Madhya Marg, Chandigarh- 160 019. GCL is a manufacturer of Chemicals & Adhesives and has diversified for the manufacturing of Acrylic Solid Surface in 2016. The manufacturing of the Acrylic Solid Surface will commence from 2018.

SIL is a company incorporated on October 28, 1991 under the Companies Act, 1956 under the name of Golden Laminates Private Limited. The name of the company was changed to Golden Laminated Limited on October 22, 1992. The name of company was again changed to its present name that is Stylam Industries Limited on January 12, 2010. The registered office of SIL is situated at SCO 14, Sector- 7-C, Madhya Marg, Chandigarh- 160 019. SIL is one of the largest manufacturers of Laminates. The Equity shares of SIL are listed on the Bombay Stock Exchange Limited ('BSE').

2. DEFINITIONS:

In this scheme unless repugnant to the meaning or context thereof, the following expression shall have the meaning as under:

"Act" or "The Act" means the Companies Act, 2013 and shall include any and all statutory amendments; modifications or re-enactment thereof from time to time and the rules applicable thereto.

"Amalgamation" means the merger / combination of the GCL into SIL in such a manner that all the Assets and Liabilities of GCL become the Assets and Liabilities of SIL and GCL ceases to exist forthwith without the process of winding up.

"Appointed Date" for the purposes of the Companies Act, 2013 and the Income-tax Act, 1961, means closing hours of business on 30th September, 2017 or such other date as may be approved by National Company Law Tribunal or such other competent authority.

"Appropriate Authority" means any government, statutory, regulatory, departmental or public body, or authority within the territories of State of Haryana, including Registrar of Companies of Chandigarh, National Company Law Tribunal (NCLT), Securities and Exchange Board of India (SEBI) and Stock Exchange(s) where the shares of SIL are listed.

"Audit Committee" in relation to GCL & SIL, as the case may be, means an audit committee of such company as constituted from time to time.

"Board of Directors" or "Board" of GCL and SIL, shall include any committee or any person authorized by Board of Directors or such committee of Directors.

"BSE" means the Bombay Stock Exchange Limited, the designated stock exchange of SIL.

"Effective Date" means the date or last of the dates on which the certified copy of the order of the NCLT sanctioning/ this Scheme has been obtained and filed with the Registrar of Companies, Chandigarh. References in this Scheme to the date of "coming into effect of this Scheme" or "upon the Scheme being effective" shall mean the Effective Date.

"GCL" means Golden Chem-Tech Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at SCO 14, Sector-7-C, Chandigarh.

"Income Tax" means the Income Tax Act, 1961 and shall include any statutory modifications, re-enactment or amendment thereof.

"Law" or "Applicable Law" shall mean any statute, notification, bye-laws, regulations guidelines, rule of common law, policy, code, directives, ordinances, orders or instructions having the force of law enacted or issued by the any Appropriate Authority including any statutory modification or re-enactment thereof for the time being in force.

"NCLT" means the National Company Law Tribunal, Chandigarh ("NCLT") as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under section 230 read with section 232 of the Companies Act, 2013

"Proceedings" include any list, approval or any legal proceeding or whatever matter in any Court of Law or Tribunal or any judicial or quasi-judicial body or any arbitration proceeding.

"Record Date" means the date as fixed by the Board of Directors or a Committee, as appointed by the Board of Directors of the Transferee Company for the purposes of issue of shares in Transferee Company to the shareholders of Transferor Companies as the case may be, upon coming into effect of this Scheme. The Board of Directors of the Transferee Company shall determine the record date, being a date post filing of the sanction Order of this Scheme with the Registrar of Companies. Shareholders of the Transferor Company, as on the record date will be issued shares in the Transferee Company under this Scheme pursuant to the Amalgamation.

"ROC" or "Registrar of Companies" means Registrar of Companies, NCT of Chandigarh.

"Scheme of Amalgamation" or 'this Scheme' or the "Scheme" means this Scheme of Amalgamation in its present form or with any modifications, as approved or directed, by the NCLT at Chandigarh or any other appropriate authority.

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

"SEBI Circular" means the circular no. CIR/CFD/CMD/16i/2015 dated November 30, 2015 and as issued by SEBI from time to time in respect of Scheme.

"SEBI Regulations" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by SEBI and any amendments made thereof.

"SIL" means Stylam Industries Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at SCO 14, Sector-7-C, Chandigarh.

"THE TRANSFEROR COMPANY" means GOLDEN CHEM-TECH LIMITED or GCL

"THE TRANSFEE COMPANY" means STYLAM INDUSTRIES LIMITED or SIL

"Undertakings" in relation to the Transferor Company, shall mean all the undertakings and business of the Transferor Company on going concern basis & comprising of:

- a. all the businesses, properties, assets and liabilities of whatsoever kind and where-so-ever situated as on Appointed Date;
- b. without prejudice to the generality of the foregoing clause, the Undertakings shall include all rights, powers, authorities, privileges, liberties and all properties and assets whether movable or immovable, freehold or leasehold, real or personal, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and where-so-ever situated including plants & machinery, office equipments, inventories, investment in shares & other securities, sundry debtors, cash and bank balances, loans and advances, telephones, facsimile, email, internet, leased line connections and other communication facilities and equipments, rights and benefits of all agreements and insurance policies, all records, files, papers, computer programmes, manuals, data and all other interests and rights in or arising out of such property together with all licences, trademarks, patents, copyrights, entitlements and other quotas, if any, held, applied for or as may be obtained hereafter by Transferor Company or to which the Transferor Company is entitled to and all debts, liabilities (contingent or otherwise), responsibilities, duties and obligations of Transferor Company of whatsoever nature.

The expressions which are used in this Scheme and not defined in this Scheme, shall unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations bye-taws, as the case may be or any statutory modification or re-enactment thereof from time to time, in particular, whenever reference is made to National Company Law Tribunal or such other forum or authority as may be vested with the powers under the Act.

DATE OF TAKING EFFECT AND OPERATIVE DATE

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

PART-II

RATIONALE & SHARE CAPITAL:

1. RATIONALE OF THE SCHEME

This Scheme of Amalgamation is presented under Section 230 to 232 and other relevant provisions of the Companies Act, 2013; where the Amalgamation of GCL with SIL is envisaged.

GCL has recently diversified into the manufacture of Solid Acrylic Surface Panels, and is a well-recognized part of the Building Material Industry. The products it manufactures are complementary to the products and other building material i.e., Laminates which are manufactured by SIL. Benefit of the operational synergies to the combined entity in various operational areas can be put to the best advantage of all the stakeholders. Also significant cost savings are expected to flow from more focused operational efforts, rationalization and standardization and simplification of the business processes, productivity and improvements, improved procurement, elimination of duplication and rationalization of administrative expenses.

In consideration of the above mentioned rationale and related benefits, this Scheme between GCL and SIL is being proposed in accordance with the terms set out hereunder.

2. SHARE CAPITAL

The Authorized, Issued, Subscribed and Paid-up Share Capital of the Transferor Company and the Transferee Company as on 30.09.2017 is as under:

GCL / The Transferor Company:

Authorised Share Capital:	
1,154,000 Nos of Equity Shares of Rs.10/- each	Rs.11,540,000/-
Issued Share Capital:	
1,142,050 Nos of Equity Shares of Rs.10/- each	Rs.11,420,500/-
Subscribed and Paid up Share Capital:	
1,142,050 Nos of Equity Shares of Rs.10/- each	Rs.11,420,500/-

SIL / The Transferee Company

Pre-Merger Capital Structure

Authorised Share Capital:	
8,550,000 Nos of Equity Shares of Rs.10/- each	Rs.85,500,000/-
Issued Share Capital:	
8,166,200 Nos of Equity Shares of Rs.10/- each	Rs.81,662,000/-
Subscribed and Paid up Share Capital:	
8,166,200 Nos of Equity Shares of Rs.10/- each	Rs.81,662,000/-

Post Merger Capital structure (Subject to necessary approvals)

Authorised Share Capital: 9,704,000 Nos of Equity Shares of Rs.10/- each Rs. 97,040,000/-
Issued Share Capital: 8,474,030 Nos of Equity Shares of Rs.10/- each Rs. 84,740,300/-
Subscribed and Paid up Share Capital: 8,474,030 Nos of Equity Shares of Rs.10/- each Rs. 84,740,300/-

Intercompany shareholding between Transferee Company and Transferor Company as on 30.09.2017 is Nil.

Summary of Un-Audited (Reviewed) Balance Sheet and Profit & Loss Accounts of GCL

Balance Sheet as at 30th September 2017

		Amount in Rs.	
A.	Equity & Liabilities		
	Share-holder's Fund		
	(i) Equity Share Capital	11,420,500	
	(ii) Reserve & Surplus	62,254,487	
	(iii) Total (i)+(ii)		73,674,987
B.	Long Term Liabilities		
	(iv) Long Term Borrowings	270,875,745	
	(v) Deferred Tax Liabilities	6,635,836	
	(vi) Other Long Term Liabilities & Provisions		
	(vii) Total – (iv)+(v)+(vi)		277,511,581
	Total (iii)+(vii)		351,186,568
C.	Non –Current Assets		
	Fixed Assets		
	(viii) Tangible Assets	78,003,088	
	(ix) Intangible Assets	11,113,446	
	(x) Capital work in Progress	226,074,704	
	(xi) Total – (viii)+(ix)+(x)		315,191,238
D.	Net Current Assets		
	Current Assets	73,174,307	
	Current Liabilities	(37,178,977)	
	(xii) Total		35,995,330
	Total (xi)+(xii)		351,186,568

Profit & Loss for the period ended 30th September 2017

		Amount in Rs.	
	Income from operations		
(i)	Net Sales	50,484,551	
(ii)	Other Income	6,523,322	
(iii)	Total – (i)+(ii)		57,007,873
	Expenses		
(iv)	Cost of material consumed	22,265,167	
(v)	Purchase of Stock-in-trade	-	
(vi)	Changes in inventories	303,824	
(vii)	Employee Benefit expenses	4,402,630	
(viii)	Finance Cost	2,953,393	
(ix)	Depreciation	2,944,208	
(x)	Other Expenses	23,247,477	
(xi)	Total Expenses		56,116,699
	Profit from operations before exceptional item – (iii)-(xi)		891,174
(xii)	Exceptional items adj		-
(xv)	Profit before tax and after Exceptional item		891,174
(xvi)	Tax		
	-Current Tax		357,605
	-Deferred Tax		(1,856,270)
	Net Profit for the Period – (xv)-(xvi)		2,389,839

Summary of Un-Audited (Reviewed) Balance Sheet and Profit & Loss Accounts of SIL

Balance Sheet as at 30th September 2017

		Amount in Rs.	
	Assets		
(i)	Property, Plant & Equipment	997,392,108	
(ii)	Capital work in progress	900,622,690	
(iii)	Intangibles assets	3725,034	
	Total (i) to (iii)		1,901,739,832
	Financial Assets		
(iv)	Loans and advances	12,152,048	
(v)	Other Non Current Assets	24,253,536	
	Total (iv) + (v)		36,405,584
	Current Assets		
(vi)	Inventories	507,266,667	
	Financial Assets		
(vii)	Trade Receivables	532,540,970	
(viii)	Cash & cash equivalents	3,167,973	

Stylam Industries Limited

	(ix)	Other Bank balances	9,243,243	
	(x)	Other Current Assets	168,978,868	1,221,197,722
		Total (vi) to (x)		
		Total Assets		3,159,343,138
B.		Equity & Liabilities		
		Equity		
	(i)	Equity Share Capital	81,662,000	
	(ii)	Other Equity	1,266,254,420	
	(iii)	Total (i)+(ii)		1,347,916,420
		Liabilities		
		Non Current Liabilities		
		Financial Liabilities		
	(iv)	Borrowings	554,326,197	
	(v)	Other Financial Liabilities	11,687,929	
		Total (iv) + (v)		566,014,126
	(vi)	Deferred Tax Liabilities	26,940,916	
	(vii)	Provisions	9,798,205	
		Total (viii) to (xiii)		36,739,121
		Current Liabilities		
	(viii)	Borrowings	740,582,352	
	(ix)	Trade Payables	242,572,396	
	(x)	Other Financial Liabilities	72,886,638	
	(xi)	Other Current Liabilities	83,750,800	
	(xii)	Provisions	3,120,317	
	(xiii)	Current Tax Liabilities (Net)	65,760,970	
		Total (viii) to (xiii)		1,208,673,472
		Total Liabilities		3,159,343,139

Profit & Loss for the period ended 30th September 2017

		Amount in Rs.	
	Income from operations		
(i)	Revenue from Operation	1,549,769,601	
(ii)	Other Income	1,849,518	
(iii)	Total – (i)+(ii)		1,551,619,119
	Expenses		
(iv)	Cost of material consumed	872,904,668	
(v)	Purchase of Stock-in-trade	34,573,656	
(vi)	Changes in inventories	(90,636,267)	

(vii)	Excise Duty	14,208,054	
(viii)	Employee Benefit expenses	138,539,385	
(ix)	Finance Cost	43,016,644	
(x)	Depreciation	39,678,144	
(xi)	Other Expenses	350,957,487	
(xii)	Total Expenses		1,403,241,771
(xiii)	Profit from operations before exceptional item – (iii)-(xiii)		148,377,348
(xiv)	Exceptional items adj		-
(xv)	Profit before tax and after Exceptional item		148,377,348
(xvi)	Tax -Current Tax -Deferred Tax		49,900,214 6,321,968
	Net Profit for the Period – (xv)-(xvi)		92,155,166
(xvii)	Other Comprehensive Income		(491,000)
	Total Comprehensive Income for the year		91,664,166

PART-III

TRANSFER AND VESTING OF TRNASFEROR COMPANY INTO TRANSFEREE COMPANY:

1. TRANSFER OF UNDERTAKING

1.1 With effect from the 'Appointed Date' and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the entire undertakings and the entire business and all the movable and immovable properties, real or personal, corporeal or incorporeal of whatsoever nature and where-so-ever situated belonging to or in the ownership, power and possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company including but without being limited to fixed assets, capital, work-in-progress, current assets, debts, receivables, investments, interest, benefits and advantages of whatsoever nature and where-so-ever situated, belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company right to use and avail of tenancies, telephones, interne, facsimile connections and installations, utilities, electricity, power lines, communication lines and other services, reserves, deposits, provisions, funds, benefits of all agreements, subsidies, grants and all other interests arising to the Transferor Company and any accretions or additions thereto after the Appointed Date (hereinafter collectively referred to as 'the Said Assets') shall without any further act, instrument or deed be transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company pursuant to the provisions of Section 232 of the said Act for all the estate, right, title and interest of the Transferor Company therein, so as to become the properties of the Transferee Company.

1.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings, as may be necessary, in order to give formal effect to the above provisions.

The Transferee Company shall under provisions of the Scheme be deemed to be authorized to execute any such writing on behalf of the Transferor Company and implement or carry out all such formalities or compliance's referred to above on the part of the Transferor Company to be carried out or performed.

1.3 Save as specifically provided in this Scheme, the Transferor Company shall not make any change in their capital structure (Paid-up Capital) either by any increase (by a fresh issue of rights shares, equity or preference shares, bonus shares, convertible debentures or otherwise), by decrease, reduction, reclassification, sub-division or consolidation, re-organization, or in any other manner which may in any way effect the share exchange ratio prescribed in Clause 7

hereunder, except by mutual consent of the Board of Directors of both the Companies. The Transferee Company may however be and is hereby permitted to take steps for increase of its Authorized Capital, as needs to be enhanced by the provisions of this Scheme or any other proposal as may be undertaken after consent of the Board of Directors of the Transferor Company.

2. TRANSFER OF ASSETS

Upon the sanction of the Scheme by the NCLT, and without prejudice to the generality of the preceding Clause, upon the coming into effect of this Scheme and with effect from the Appointed Date:

2.1 All the assets and properties of GCL, of whatsoever nature and wheresoever's situated, including all rights, titles, interest and privileges, powers and authorities in the movable and immovable properties, tangible and intangible assets, including- capital-work-in-progress, bank balances, all -advances recoverable in cash or kind or value to be received, and all deposits/ balances whether with Government or Semi-Government, local authorities or any other Institution and bodies. including but not limited to amounts receivables from insurance companies, advance tax(es) paid, if any, all benefits accruing as on the Appointed Date under the Income tax Act or under any other fiscal laws like GST credit, sales tax credit, input service tax credit, cenvat credit and deferred tax asset etc., deposits, margin money, cash in hand, loans to any other body corporate, investments-of-all-kinds, inventories, lease, and hire purchase contracts, licensing arrangements, license fees, lending contracts, benefit of any security arrangements, reversions, powers. authorities, allotments, approvals including but not limited to approvals, consents and/or certificates obtained under the provisions of income Tax Act, -1961 all consents, -licenses, registrations in the name of GCL, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, and-privileges, if any of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by GCL (hereinafter referred to as 'Assets'), shall, under the provisions of sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in SIL or be deemed to be transferred to and vested in SIL as a going concern so as to become, as and from the Appointed Date, the assets and properties of SIL.

2.2 Without prejudice to the provisions of Clause 2.1 above, in respect of such of the assets and properties of GCL as are movable in nature or incorporeal property and are capable of transfer by manual delivery or by endorsement and/or delivery, the: same shall be so transferred by GCL and shall, upon such transfer, become the assets and properties of SIL without requiring any separate deed or instrument or conveyance for the same.

2.3 In respect of movables other-than those dealt with in Clause 2.1 above including sundry debts receivables, bills, credits, loans and advances, if any, whether recoverable in Cash or in kind or for the value to be received, bank balances, investments, earnest money and deposits with any Government, quasi Government, local or other authority or body or with any company or other person, the shall on and from the Appointed Date stand transferred to and vested in SIL without any notice or other intimation to the debtors (although SIL may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, or any class of them, as the case may be), that the said debt, loan, advance, balance or deposit stands transferred and vested in SIL. In addition, GCL shall, if so required by SIL, issue notices in such form as SIL, may deem fit and proper stating that pursuant to the NCLT having sanctioned this Scheme, the relevant debt, loan, advance or other asset, be paid or made peed or held or account of SIL, as the person entitled thereto, to the end: and intent that the right of GCL to recover or realize the same stands transferred to SIL and that appropriate entries should he passed in their respective books to record the aforesaid changes.

2.4 Upon coming into effect of the Scheme all motor vehicles, if any, of any nature whatsoever comprised in or relatable to GCL, shall vest in SIL and appropriate Governmental and Registration Authorities shall mutate and register the said vehicles in the name of SIL as if the vehicles had originally been registered in the name of SIL.

2.5 With effect from the Effective Date and until such time the names of the bank accounts of GCL are replaced with that of SIL, SIL shall be entitled to operate the bank accounts of GCL, it so far as may be necessary.

2.6 All cheques and other negotiable Instruments, payment orders received in the name of GCL after the Effective Date shall be accepted by the bankers of SIL and *credited* to the account of SIL. Similarly, the banker of SIL shall honour cheques issued by GCL for payment after the Effective Date.

2.7 SIL, at any time after the coming into effect of this Scheme, may execute deeds of confirmation in favor of any party to any contract or arrangement or memorandum of understanding, to which GCL is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. SIL shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of GCL to carry out or perform all such formalities or compliance, referred to above on the part of GCL, to be carried out or performed.

2.8 All the statutory licenses, consents, permits, quotas approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status, no objection certificates and other benefits or privileges enjoyed or conferred upon or held or availed of by GCL, and all rights and benefits that have accrued or which may accrue to GCL, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, it any, without any further act, instrument or deed; cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to SIL so as to become, as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties and other benefits or privileges of SIL and shall remain valid, effective and enforceable on the same terms and conditions if the terms of the licenses, permits, quotas approvals, permissions are such that they cannot be transferred/assigned/endorsed in the name of SIL and/or any of the concerned authorities specifically direct SIL, to make a fresh application in such scenarios, SIL shall comply with the necessary directions including but not limited to making a fresh application or such other application as may be directed by the concerned authority for the desired transfer of the licenses, permits, quotas, approvals, permissions in the name of SIL and pending the requisite fresh permissions, approvals, consents etc. SIL shall, to the extent permissible under the Law, be allowed to continue to use the existing approvals, consents, permissions etc issued in the name of GCL. All brands, copyrights, trademarks, or any other kind of intellectual property, if any, registered with the authorities concerned or pending applications submitted at any time on or before the Effective Date or being used by GCL shall stand vested in or transferred to SIL without any further act or deed and shall be appropriately mutated by the. Statutory Authorities concerned in favour of GCL. The benefit of alt brands, copyrights, trademarks, any other intellectual property, statutory and regulatory permissions, environmental approvals and consents, GST registration, sales tax registrations, excise registrations, service tax registrations or other licenses and consents shall vest in and become available to SIL.

2.9 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of GCL shall stand transferred by the order of the NCLT to SIL, SIL shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning authorities.

2.10 With effect from the Appointed Date and upon the Scheme becoming effective, immovable property, if any: including but not limited to land and buildings with plants and equipment or any other immovable property of GCL, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto shall stand-transferred' to and be vested in SIL, without any further instrument, deed or act.

2.11. With effect from the Appointed Date and upon the Scheme becoming effective, SIL shall be entitled to exercise all rights and privileges and be liable to pay ground rent, taxes and fulfill obligations, in relation to or applicable to such immovable properties, if any. The mutation / substitution of the title to the immovable properties shall be made and duly recorded in the name of SIL by the appropriate authorities pursuant to the sanction of the Scheme.

2.12 All assets and properties of GCL as on the Appointed Date, whether or not included in the books of GCL, and all assets and properties which are acquired by GCL on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of SIL, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any of the Act, without any further act, instrument or deed, be and stand transferred and vested in SIL upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 or the Act. Similarly, all the assets and properties, which are sold, transferred/ alienated by GCL on or after the Appointed Date but prior to the Effective Date, shall be deemed to be transferred/ alienated by and on behalf of SIL and shall be recognized by SIL in the same manner as would have been recognized had such sale, transfer taken place after this Scheme had become effective

under the provisions of Sections 230 to 232 and all other applicable provisions and upon the Scheme becoming effective, SIL shall record the entries in its books of accounts appropriately.

2.13 All the insurance policies registered in the name of GCL shall, pursuant to the provisions of Section 232 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the benefit of SIL and accordingly, the insurance companies shall record the name of SIL in all the Insurance policies registered in the name of GCL.

3. TRANSFER OF DEBTS AND LIABILITIES

3.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all of GCL including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, current maturity of secured long term borrowings from institution/ corporate, advance received, liabilities (including contingent liabilities), duties and obligations of GCL of every kind, nature and description whatsoever and howsoever (herein referred to as the "Liabilities"), shall pursuant to the sanction of this Scheme and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in SIL, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by SIL to the extent they are outstanding on the Effective Date so as to become, as on and from the Appointed Date the Liabilities of SIL on the same terms and conditions as were applicable to GCL and SIL shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause.

3.2 All debts, liabilities, duties and obligations of GCL as on the Appointed Date, whether or not provided in the books of GCL and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to GCL on or after Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by SIL, by virtue of this Scheme.

3.3 Where any debts, loans raised, liabilities, duties and obligations (including contingent liabilities) of GCL as on the Appointed Date have been discharged or satisfied by GCL after the Appointed Date and prior to the Effective Date, such discharge or satisfactions shall be deemed to be for and on account of SIL.

3.4 All loans raised and utilized and all liabilities, duties and obligations incurred or undertaken by the GCL, after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or undertaken for and on behalf of SIL and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been transferred to and vested in SIL and shall become the loans and liabilities, duties and obligations of SIL, which shall meet, discharge and satisfy the same.

3.5 Loans, duties 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 GCL inter-se and/or SIL 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 SIL. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.

3.6 Upon the Scheme becoming effective, all taxes payable by GCL under the Income Tax Act 1961, GST Act, Customs Act 1982, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956 or other applicable laws regulations dealing with taxes/ duties/ levies (hereinafter in this Clause referred to as "Tax Laws") shall be transferred to the account of SIL. Similarly, all credits for taxes including Minimum Alternate Tax, Tax of deduction at Source on income of GCL or obligation for deduction of tax at source on any payment made by or to be made by GCL shall be made or deemed to have been made and duly complied with by SIL if so made by GCL Similarly any advance tax payment required to be made for by the specified due dates in the tax laws shall also be deemed to have been made by SIL if so made by GCL. Any refunds under the Tax Laws due to SIL, consequent to the assessments made on GCL and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by SIL.

3.7 All taxes of any nature, duties, cess or any other like payment or deductions made by GCL to any statutory authorities such as Income Tax, GST, Sales Tax, Service Tax etc. or any tax deduction / collection at source, tax credits under Tax laws relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been paid by or on account of SIL and the relevant authorities shall be bound to transfer to the account of and give credit for the same to SIL upon the passing of the orders on this Scheme upon relevant proof and documents being provided to the said authorities.

3.8 The income tax, if any paid by GCL on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of SIL Further, SIL shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by GCL for any year, if so necessitated or consequent to this Scheme.

4. ENCUMBRANCES

4.1 The transfer and vesting of the Assets of GCL to and in SIL shall be subject to the mortgages and charges, if any, affecting the same, *as* and to the extent hereinafter provided.

4.2 All the existing Securities, Mortgages, guarantees, charges, encumbrances or liens (the Encumbrances'), if any, as on the Appointed Date and/or created by GCL, after the Appointed Date, over the assets or any part thereof transferred to SIL by virtue of this Scheme and in so far as such Encumbrances secure or relate to Liabilities of GCL or otherwise, 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 SIL, and such Encumbrance shall not relate or attach to the other assets of SIL.

4.3 The existing Encumbrances over the assets and properties of SIL or any part thereof which relate to the liabilities and obligations of SIL prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attaché to any other of the assets and properties of GCL transferred to and vested in SIL by virtue of this Scheme.

4.4 Any reference any security documents or arrangements (to which GCL is a party) to GCL and its assets and properties, shall be constructed as a reference to SIL, and the assets and properties of GCL, transferred to SIL by virtue of this Scheme. Without prejudice to the foregoing provisions, GCL and SIL may execute any instruments or documents or do all the acts or deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with Registrar of Companies to give formal effect to the above provisions, if required.

4.5 Upon the coming into effect of this Scheme, SIL, alone shall be liable to perform all obligations in respect of the liabilities; which have been transferred to it in terms of the Scheme.

4.6 It is expressly provided that, save as herein provided, no other terms or conditions of the Liabilities transferred to SIL is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implications.

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

PART- IV GENERAL TERMS AND CONDITIONS

BUSINESS AND PROPERTY IN TRUST

1.1 Upon the coming into effect of the Scheme, as and from. the Appointed Date and upto and including the Effective Date

(i) GCL shall carry on and be deemed to have carried on the business and activities and shall stand possessed of all the assets and properties, in trust for SIL and shall account for the same to SIL.

(ii) Any income or profit accruing or arising to GCL, as the case may be, and all costs, charges, expenses, losses or taxes incurred by GCL shall for all purposes be treated as the income, profits, costs, charges, expenses, losses or taxes, as the case may be of SIL and shall be available to SIL for being disposed of in any manner as it thinks fit.

(iii) With effect from the Appointed Date, all debts, liabilities, duties and obligations of the GCL as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the GCL, and all liabilities, debts, duties, obligations which arise or accrue on or after the Appointed Date shall be deemed to be debts, liabilities, duties and obligations of the SIL.

(iv) The transfer and vesting of the Undertakings of the Transferor Company under this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by the Transferee Company.

2. CONDUCT OF BUSINESS TILL EFFECTIVE DATE:

With effect from the Appointed Date & upto and including the Effective Date

2.1 GCL shall carry on its business activities with reasonable diligence, business prudence and shall not alienate charge, mortgage, and otherwise deal with the said Assets or any part thereof, except in the ordinary course of business, or pursuant to any pre-existing obligation undertaken by the GCL prior to the Appointed Date.

2.2 Any of the rights, powers, privileges attached, attached related or pertaining to or exercised by GCL shall be deemed to have been exercised by GCL for and on behalf of, and in trust for and as agent of SIL.

2.3 GCL shall be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, as are necessary for such consents, approvals and sanctions, which SIL may require.

3. LEGAL PROCEEDINGS:

3.1 All suits, action, legal or other proceedings, if any, by or against the GCL pending and/or arising at the Appointed Date and relating to GCL or its properties, rights, powers, liabilities, debts, obligations and duties shall be continued and or enforced until the Effective Date as desired by SIL and as and from Effective Date shall continue and enforced by or against SIL in the same manner and to the same extent as would or might have been continued and enforced by or against GCL.

3.2 On and from the Effective Date, SIL may, if required, initiate any legal proceedings in its name in relation to GCL in the same manner and to the same extent as would or might have been initiated by GCL.

4. DIVIDEND AND UTILISATION OF THE AVAILABLE CASH:

4.1 With effect from filing of this Scheme with the respective authorities and upto and including the Effective Date, both the GCL and the SIL shall be entitled to declare and pay dividends, whether interim or final, to their respective equity shareholders as on the Effective Date for the purpose of dividend. Provided that GCL shall declare a dividend only after obtaining the prior permission of the SIL and the shareholders of the GCL shall not be entitled to dividends, if any, declared by the SIL prior to the "Effective Date".

4.2 GCL shall have right to utilize its income or available cash for the purpose of meeting the expenses in the ordinary course of business or for the purpose(s) specified in the Scheme.

5. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS:

5.1. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments, if any, of whatsoever nature to which GCL is a party and subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of SIL as the case may be, and may be enforced by or against SIL as fully and effectually, as if instead of GCL, SIL had been a party thereto.

5.2. Since each and every and all of the statutory permissions, approvals, consents, sanctions, emissions, special reservations, incentives, no-objection certificates, permits, entitlements, concessions licenses, registrations, certificates, and other authorizations, howsoever described and in whatever form, of the GCL shall stand transferred to the SIL. SIL shall file the relevant intimations, if required, for the record of all of the statutory and regulatory authorities, who shall take them on file, pursuant to the approval of authorities.

6. STAFF & EMPLOYEES:

6.1 All the staff & employees of the GCL, in service on the 'Effective Date' shall be deemed to have become the staff & employees of the SIL, without any break or interruption in service and the basis of continuity of service and the terms and conditions of their employment shall not be less favourable than those subsisting with reference to the SIL. The position, rank and designation of the employees of the GCL will be decided by the SIL.

6.2 Upon the Scheme into effect, the existing ESI, Provident Fund, Gratuity, Welfare Fund, and/or Superannuation schemes, if any, of GCL for its employees shall be transferred to SIL. GCL shall take all steps necessary for the transfer, where applicable, of ESI, Provident Fund, Gratuity, Welfare Fund, and/or Superannuation schemes, pursuant to the Scheme to SIL. All obligations of GCL with regard to the said fund(s) or schemes shall be taken over by SIL from the Effective Date to the end and intent that all rights, duties, powers and obligations of GCL, in relation to such Fund(s) or schemes shall become those of SIL and all the rights, duties and benefits of the employees employed in GCL, under such Fund(s) or scheme shall be fully protected, subject to the provisions of law for the time being in force it is clarified that the services of the staff, workmen and employees of GCL will be treated as having been continuous for the purpose of the said Fund(s) or scheme.

7. CONSEQUENTIAL MATTERS RELATING TO TAX

7.1 This Scheme, has been drawn up to comply with the conditions relating to "Amalgamation" as specified under the tax laws, specifically section 2(1B) of the Income Tax Act, 1961, and other relevant sections of the Income Tax Act, 1961 which includes the following:-

- all the property of the amalgamating company immediately before the Amalgamation becomes the property of the amalgamated company by virtue of the Amalgamation;
- all the liabilities of the amalgamating company immediately before the Amalgamation become the liabilities of the amalgamated company by virtue of the Amalgamation;
- shareholders holding shares in the amalgamating company before the Amalgamation, become shareholders of the amalgamated company by virtue of the Amalgamation,

If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of Law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail.

The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions, such modification will however not affect other parts of the Scheme. Notwithstanding the other provisions of this Scheme; the power to make such amendments as may become necessary shall vest with the Board of Directors of SIL, which power shall be exercised reasonably in the best interests of the companies and their stakeholders, and which power can be exercised at any time, whether before or after the Effective Date.

Further any tax holiday/deduction/exemption enjoyed by the Transferor Companies under Income-tax Act, 1961 would be transferred to the Transferee Company.

7.2 Any tax liabilities under the Income-Tax Act, 1961, GST Act, 2017, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956 or other applicable laws/ regulations dealing with taxes/duties/levies (hereinafter in this Clause referred to as 'Tax laws') allocable or related to GCL to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date, shall be transferred to SIL. Any surplus in the provision for taxation/ duties/levies account including advance tax and withholding tax, MAT credit entitlement, if any, as on the date immediately preceding the Appointed Date shall also be transferred to the account of the SIL. Any refund under the Tax Laws due to GCL consequent to the assessments made on GCL and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by SIL.

7.3 All taxes (including income tax, GST, sales tax, excise duty, customs duty, service tax, VAT, etc) paid or payable by GCL, in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of GCL, and, insofar as it relates to the tax payment (including, without limitation, GST, sales tax, excise duty, custom duty, income tax, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by GCL in respect of

the profits or activities or operation of the business after the Appointed. Date, the same shall be deemed to be the corresponding item paid by SIL and shall, in all proceedings be dealt with accordingly.

7.4 Upon the Scheme becoming effective, SIL also expressly permitted to revise its income tax returns and other returns filed under the tax laws and to claim MAT credits entitlements, refunds, advance tax and withholding tax credits etc, pursuant to the provisions of this Scheme.

PART- V ISSUE OF SHARES AND ACCOUNTING TREATMENT

1. CONSIDERATION / ISSUE OF SHARES

1.1 Upon this Scheme becoming effective and in consideration for the Amalgamation of GCL into SIL, in terms of this Scheme, SIL shall, without any further application, actor deed, issue and allot equity shares to the Equity Shareholders of GCL or such of their respective heirs, executors, administrators, or other legal representatives or other successors in title, as may be recognized by the Board of SIL and approved by them, and. whose names appear in the Register of Members of GCL on the Record Date, equity shares in its share capital at par (hereinafter also referred to as the "Equity Shares on Amalgamation"), in the following proportion:

“100 (One Hundred) No. of Equity Shares of Rs.10/- each fully paid up of SIL to be issued and allotted to the shareholders of GCL in proportion of their respective shareholding in GCL for every 371 (Three Hundred and Seventy-one) No. of Equity Shares of Rs.10/-each”.

Therefore 307,830 (Three Lakh Seven thousand Eight Hundred and Thirty) No. of Equity Shares) fully paid up equity shares of face value of Rs.10/- (Rupees Ten only each of SIL to be issued and allotted to shareholders of GCL in proportion of their respective holding in GCL."

1.2 The fractional entitlement, if any, to which the shareholders of GCL may become entitled to upon issue of Equity Shares on Amalgamation pursuant to Clause 1.1 above, would be rounded off by SIL to the nearest integer.

1.3 The Equity Shares on Amalgamation to be issued and allotted pursuant to Clause 1.1 shall in all respects, rank pari-passu with the existing equity shares of SIL, if any, for dividend and all other benefits and on all respects with effect from the date of their allotment except that, in respect of dividend that may be declared, such shares will be entitled for such dividend from the Appointed Date.

1.4 The Equity Shares on Amalgamation to be issued and allotted in terms hereof will be, subject to the relevant Memorandum and-Articles of Association of SIL and shall rank pari-passu, in all respects with the existing equity shares of the Transferee Company.

1.5 The Equity shares on Amalgamation issued pursuant to Clause 1.1 above shall be issued in the dematerialized form by SIL unless otherwise noted in writing by the shareholders of GCL to SIL or on before such date as may be determined by the Board of Directors of SIL, in the event such notice has not been received by SIL in respect of any of the member of GCL, the equity shares on Amalgamation shall be issued to such shareholder in dematerialized form provided that members of GCL shall be required to have an account with a depository participant and shall provide details thereof and such other confirmation as may be required. It is only thereupon that SIL shall issue and directly credit the dematerialized securities account of such members of GCL.

In the event that SIL receives the notice from any of the member of GCL that the equity shares on Amalgamation are to be issued in certificate form or if any member has not provided the requisite details regarding the account with a depository participant or other confirmations as may be required, then SIL shall issue equity shares on Amalgamation in certificate form in such manner.

Such physical share certificates (if any) shall be sent by SIL to such equity shareholder of GCL at their respective registered address, as appearing in the Register of Members maintained by GCL as on the Record Date with respect to their respective shareholder.

1.6 SIL shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities for the issue and allotment of equity Shares on Amalgamation to the shareholders of GCL.

1.7 Equity shares on Amalgamation issued in terms of Clause 1.1 above shall be listed on the relevant stock exchange, where the existing equity shares at SIL are listed and for admitted to trading in accordance with the applicable laws

including without limitation the SEBI Circulars & SEBI Regulations. SIL shall enter into such agreements and give such Confirmations and/or undertakings as may be necessary in accordance with the Applicable Laws or regulations for complying with the formalities of the relevant Stock exchange.

1.8 Upon coming into effect of this Scheme and subject to the above provisions, the shareholders of GCL shall receive new share certificates (in dematerialized form or physical form) reflecting the shares held by each member in SIL and the shares or the share certificates of GCL in relation to the shares held by its shareholders shall, without any further application, act, instrument, deed, be deemed to have been automatically cancelled and be of no effect on and from the Record Date.

ACCOUNTING TREATMENT

Upon the Scheme becoming effective and with effect from the Appointed Date, the Amalgamation of the Transferor Company with Transferee Company shall be accounted as per 'The Pooling of Interests Method' as specified as per in accordance with Appendix C 'Business combinations of entities under common control' of Indian Accounting Standard (Ind AS 103), issued by the Institute of Chartered Accountants of India, as under:

2.1 SIL shall upon the coming into effect of this Scheme, record the assets and liabilities of GCL vested in it pursuant to this Scheme, at the respective book values thereof, at the close of business of the day immediately preceding the Appointed Date.

2.2 SIL shall credit to its share capital account in its books of account the aggregate face value of Equity Shares on Amalgamation, issued by it to the shareholders of GCL, pursuant to this Scheme.

2.3 The excess/ deficit of the value of the assets over the value of the liabilities of GCL vested in SIL pursuant to this Scheme, and as recorded in the books of account of SIL shall, after adjusting the amount recorded in Clause 2.2 above and 'Expenses of Scheme' be treated in the balance sheet of the SIL in accordance with 'The Pooling of Interests' method as per in accordance with Appendix C 'Business combinations of entities under common control' of Indian Accounting Standard (Ind AS 103) for Business Combination prescribed under Section 133 of the Companies Act, 2013.

2.4 Intercompany balances, if any, shall be cancelled.

2.5 In case of any differences in accounting policy GCL and SIL, the impact of the same till the Appointed Date will be quantified and directly adjusted in profit and loss account appearing in the balance sheet of SIL, to ensure that upon the coming into effect of this Scheme, the financial statements of SIL, reflect the financial position on the basis of consistent accounting policy.

2.6 It is hereby clarified that pursuant to the provisions of Clause 2 of Part III, all transactions during the period between the Appointed Date and Effective Date relating to GCL would duly reflected in the financial statements of SIL, upon the coming into the effect of this Scheme.

3. MERGER OF AUTHORISED SHARE CAPITAL

3.1 The Authorised Share Capital of the Transferor Company shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company and shall be re-classified without any further act or deed. The filing fees and stamp duty already paid by the Transferor Company on its Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase and re-classification in the Authorised Share Capital of the Transferee Company under Section 27 and other applicable provisions of the Companies Act, 2013.

Accordingly, 'Authorised Share Capital' clause in the Articles of Association and Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 4 and other applicable provisions of the Companies Act, 2013, as the case may be, in the manner set out below and be replaced by the following clause:

"The Authorised Share Capital of the Company is Rs. 97,040,000 /- (Rupees Nine Crores Seventy Lakh and Forty Thousand Only) divided into 9,704,000 (Ninety Seven Lakh and Four Thousand) No. of Equity Shares of Rs.10/- (Rupees Ten) each, with power to increase, reduce, subdivide, or consolidate the same"

3.2 If required, SIL shall take necessary steps to increase its Authorized Share Capital before the effective date so as to make it sufficient for allotment of shares to the shareholders of GCL, in consideration of the Amalgamation after considering the clubbed authorized capital of SIL.

3.3 It is clarified that the approval of the members of SIL to the Scheme shall be deemed to be their consent/approval under Section 61 read with Section 14 and Section 64, and any other provisions of the Act, for alteration of the Clause V of Memorandum of Association and Articles of Association of SIL as may be required under the Act.

3.4 Clause V of the Memorandum of Association of SIL shall be suitably amended to take effect of Clause 3.1 to 3.3 as mentioned above.

4. ALTERATION OF OBJECT CLAUSE

4.1 With effect from the Appointed Date and upon the Scheme becoming effective, the object clause of Memorandum of Association of SIL be altered and amended by inserting the following new sub-clauses 7 to 12 immediately after the existing sub-clause 6 under Clause III(A) of the Memorandum of Association of SIL as below:

7. To carry on the business of chemical manufacturers and wholesale and retail chemists and druggists, analytical chemists, drysalters, oil and colour men and chemical engineers.

8. To act as importers, exporters and manufacturers of and dealers in heavy chemicals, essences, acids, alkalis, nitrates, medicinal, chemical- industrial and other preparations and articles of any kind whatsoever, mineral and other water, cements, oils, paints pigments and varnishes, drug, paint and colour grinders.

9. Makers of and dealers in proprietary articles of all kinds of electrical, chemical- photographic, surgical and scientific apparatus and materials.

10. To manufacture and develop new products to carry out research and development activities and to hold seminars and other promotional activities in the field of above said chemicals and chemical engineering.

11. To enter unto technical arrangements, collaborations and joint ventures at national and international levels for the development of above said chemical products.

12. To carry on the business of trading, manufacturing, import, export, distributors of building material i.e. acrylic solid surface and any other ancillary activity related to this.

4.2 The above shall be effected as an integral part of the Scheme and shall be deemed to be in due compliance of the applicable provisions of the Act.

4.3 The approval of the Scheme under Section 230 and 232 of the Companies Act, 2013 shall be deemed to have approval under Sections 4, 13 and other applicable provisions of the Act and any other consents or approvals required in this regard.

5. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 1 of Part II and the continuance of proceedings by or against SIL under Clause 3 of Part III shall not affect any transaction or proceedings already concluded by GCL on or before the date when GCL adopts the Scheme in its Board meeting, and after the date of such adoption till the Effective Date, to the end and intent that SIL accepts and adopts all acts, deeds and things done and executed by GCL, in respect thereto as done and executed on behalf of itself.

6. DISSOLUTION OF TRANSFEROR COMPANIES

Upon the Scheme being effective, the Transferor Company shall be dissolved without winding up pursuant to the provisions of Section 232 of the Act.

7. APPLICATION

GCL and SIL shall, with all reasonable dispatch, make necessary applications under Sections 230 to 232 of the Act, to the NCLT at Chandigarh for seeking shareholders' approvals in accordance with law and sanction and carrying out of the Scheme and for consequent dissolution of the GCL without winding up.

8. CONDITIONALITY OF THE SCHEME

The Scheme is conditional upon and subject to:

- (i) The Scheme being approved by the requisite majorities in number and value of such class of persons including the respective members and /or creditors of SIL and GCL, as prescribed under the Act and as may be directed by the Appropriate Authority.
- (ii) As Para (1)(A)(9) of Annexure I of the SEBI Circular is applicable to this Scheme, therefore it is provided with the Scheme that SIL will provide voting by the public shareholders through postal ballot and e-voting and will disclose all material facts in the explanatory statements, to be sent to the shareholders in relation to said resolution., Further, the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of this Scheme are more than the number of votes cast by the public shareholders against it. The term "Public" shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957.
- (iii) The sanction of the Scheme by the Appropriate Authority, National Company Law Tribunal, Chandigarh.
- (iv) The requisite consent, approval or permission of the Central Government or any other statutory regulatory authority, if any, which by law may be necessary for the implementation of the Scheme.

9. MODIFICATIONS/AMENDMENTS TO THE SCHEME:

- (i) GCL (by its Board) and SIL (by its board) may assent to any modification or amendment to the Scheme which the authorities under law may deem fit to direct or impose, and/or may assent to any terms and/or conditions which the authorities under law may deem fit to direct or impose, and/or give such directions and/or may assent to any modification or amendment which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme, and/or may do all acts, deeds and things as may be necessary, desirable or expedient for giving effect to the Scheme, and the aforesaid modifications, amendments and terms and conditions.
- (ii) After dissolution of the GCL, SIL by its Board of Directors may assent to any modification or amendment to the Scheme which the authorities under law may deem fit to direct or impose, and/or may assent to any terms and/or conditions which the Court and/or any other authorities under law may deem fit to direct or impose, and/or
 - (i) give such directions and/or may assent to any modification or amendment which may otherwise be considered necessary or desirable for setting any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme, and/or
 - (ii) may do all acts, deeds and things as may be necessary, desirable or expedient for giving effect to the Scheme and the aforesaid modifications, amendments and terms and conditions.

10. EXPENSES CONNECTED WITH THE SCHEME:

All costs, charges and expenses of the GCL and SIL respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme in relation to or in connection with the Scheme and incidental to the completion of the Amalgamation of the GCL in pursuance of this Scheme shall be borne and paid by the SIL.

11. REVOCATION OF THE SCHEME

In the event of any of the said sanctions and approvals referred to in above Clause not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the respective Jurisdictional Sanctioning Authority, this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between the GCL and the SIL or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be

preserved or worked out in accordance with the applicable law and in such case, each party shall bear its own cost unless otherwise mutually agreed.

12. BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Company and all concerned parties without any further act, deed, matter or thing.