

SCHEME OF AMALGAMATION
of
SHIKHARJI ROLLING MILLS PRIVATE LIMITED
AND
SHIKHARJI STEEL & AGRO PRODUCTS PRIVATE LIMITED
AND
BHAVIKA STEEL AGENCIES PRIVATE LIMITED
AND
SHRINU AGRO PRIVATE LIMITED
AND
SHRINU STEEL WORKS PRIVATE LIMITED
AND
GYANIKA FLOUR MILLS PRIVATE LIMITED
AND
SATLAJ ISPAT PRIVATE LIMITED
AND
SATLAJ FLOUR MILLS PRIVATE LIMITED
- WITH -
GALLANTT ISPAT LIMITED;

PART - I

DEFINITION: For the purpose of this Scheme :

1. **“SHIKHARJI ROLLING”** means **SHIKHARJI ROLLING MILLS PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN:U28100WB2010PTC143585) and having its Registered Office at 12, HEMANTA BASU SARANI (EAST), FIRST FLOOR (MEZZANINE), ROOM NO. 1 MC KOLKATA - 700069 in the state of West Bengal;
2. **“SHIKHARJI STEEL”** means **SHIKHARJI STEEL & AGRO PRODUCTS PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN:U28100WB2010PTC143499) and having its Registered Office at 12, HEMANTA BASU SARANI (EAST), FIRST FLOOR (MEZZANINE), ROOM NO. 1 MC KOLKATA - 700069 in the state of West Bengal;
3. **“BHAVIKA”** means **BHAVIKA STEEL AGENCIES PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN:U28100WB2010PTC143406) and having its Registered Office at 12, HEMANTA BASU SARANI (EAST), FIRST FLOOR (MEZZANINE), ROOM NO. 1 MC KOLKATA - 700069 in the state of West Bengal;
4. **“SHRINU AGRO ”** means **SHRINU AGRO PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN:U15100WB2009PTC138524) and having its Registered Office at 12, HEMANTA BASU SARANI (EAST), FIRST FLOOR (MEZZANINE), ROOM NO. 1 MC KOLKATA - 700069 in the state of West Bengal;
5. **“SHRINU STEEL”** means **SHRINU STEEL WORKS PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN:U28100WB2010PTC141268) and having its Registered Office at 12, HEMANTA BASU SARANI (EAST), FIRST FLOOR (MEZZANINE), ROOM NO. 1 MC KOLKATA - 700069 in the state of West Bengal;

6. **“GYANIKA”** means **GYANIKA FLOUR MILLS PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN:U15100WB2010PTC143809) and having its Registered Office at 12, HEMANTA BASU SARANI (EAST), FIRST FLOOR (MEZZANINE), ROOM NO. 1 MC KOLKATA - 700069 in the state of West Bengal;
7. **“SATLAJ ISPAT”** means **SATLAJ ISPAT PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN:U28100WB2010PTC143811) and having its Registered Office at 12, HEMANTA BASU SARANI (EAST), FIRST FLOOR (MEZZANINE), ROOM NO. 1 MC KOLKATA - 700069 in the state of West Bengal;
8. **“SATLAJ FLOUR”** means **SATLAJ FLOUR MILLS PRIVATE LIMITED** , a company incorporated under the provisions of the Companies Act, 1956 (CIN: U15100WB2010PTC143610) and having its Registered Office at 12, HEMANTA BASU SARANI (EAST), FIRST FLOOR (MEZZANINE), ROOM NO. 1 MC KOLKATA - 700069 in the state of West Bengal;
9. **THE TRANSFEREE COMPANY”** means **GALLANTT ISPAT LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 (CIN: L27109WB2005PLC101650) and having its Registered Office at 1, CROOKED LANE, SECOND FLOOR, ROOM NO. 222 & 223, KOLKATA - 700069 in the state of West Bengal;
10. **“THE TRANSFEROR COMPANIES”** means **"SHIKHARJI ROLLING", "SHIKHARJI STEEL", “BHAVIKA ”, “SHRINU AGRO”, “SHRINU STEEL”, “GYANIKA”, "SATLAJ ISPAT", and "SATLAJ FLOUR"** as the context may mean and require.
11. **“TRANSFER DATE” OR “APPOINTED DATE”** means the **1st day of April, 2016**.

12. **"EFFECTIVE DATE"** means the date when the certified copy of the order sanctioning the Scheme of Amalgamation is filed with the Registrar of Companies, Kolkata, by the **TRANSFEROR COMPANIES** and the **TRANSFeree COMPANY** respectively.
13. **"SCHEME"** or **"THE SCHEME"** or **"THIS SCHEME"** means this Scheme of Amalgamation in its present form submitted to the Central Government (Regional Director, Eastern Region, Ministry of Corporate Affairs) at Kolkata having jurisdiction in the said matter with any modification(s) made under Part-IV of this Scheme.
14. **"THE ACT"** means the Companies Act, 2013 including any statutory modifications, re-enactments or amendments thereof.
15. **"THE CENTRAL GOVERNMENT"** mean the Authority as prescribed in Sec. 233 of the Companies Act, 2013 or Rules therein.
16. **"THE TRIBUNAL"** or **"THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL"** shall mean the Hon'ble National Company Law Tribunal, Kolkata Bench.
17. **"UNDERTAKINGS OF THE TRANSFEROR COMPANIES"** means and includes:-
 - (a) All the properties, assets and liabilities of the **TRANSFEROR COMPANIES** immediately before the **TRANSFER DATE**.
 - (b) Without prejudice to the generality of the foregoing clause, the said undertaking shall include all rights, powers, interests, authorities, privileges, liberties and all properties and assets, moveable or immovable, real or personal, corporeal or incorporeal, in possession or reversion, present or contingent or of whatsoever nature and wherever situate including land, buildings, office equipments, vehicles, inventories, sundry debtors, cash and bank balances, loans and advances, leases, tenancy and agency rights and all other interests and rights in or arising out of such properties together with all licences, trade marks, import entitlements and other quotas, if any,

held/applied for or as may be obtained hereafter by the **TRANSFEROR COMPANIES** or which the **TRANSFEROR COMPANIES** are entitled to and all debts, liabilities, duties and obligations of the **TRANSFEROR COMPANIES** of whatsoever kind.

18. Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed.

W H E R E A S:

1. **SHIKHARJI ROLLING, SHIKHARJI STEEL, BHAVIKA, SATLAJ ISPAT and SHRINU STEEL** are engaged in the business of manufacturing of iron and steel, **SHRINU AGRO, SATLAJ FLOUR and GYANIKA** is engaged in the business of manufacturing of agro products, the **TRANSFEREE COMPANY** is engaged in the business of manufacturing of iron and steel and agro products.
2. The **TRANSFEROR COMPANIES** are wholly owned subsidiaries of the **TRANSFEREE COMPANY**. The Scheme of Amalgamation has been drawn pursuant to Sec 233 of the Act which governs wholly owned subsidiary company.
3. The business carried on by the **TRANSFEROR COMPANIES** is similar to and can be combined with the business carried on by the **TRANSFEREE COMPANY**.
4. For the purposes of better, efficient and economical management, control and running of the business of the undertakings concerned and for administrative convenience and to obtain advantage of economy of large scale and to broad base the present business, the present Scheme is proposed to amalgamate the **TRANSFEROR COMPANIES** with the **TRANSFEREE COMPANY**.

PART - II

PRESENT CAPITAL STRUCTURE:

- A. The Authorised Share Capital of **“SHIKHARJI ROLLING”** is Rs. 3,00,000/- divided into 30,000 Equity Shares of Rs.10/- each. The Issued, Subscribed & Paid-up Share Capital is Rs. 2,80,000/- divided into 28,000 Equity Shares of Rs.10/- each fully paid-up .The entire paid up share capital of **“SHIKHARJI ROLLING”** is held by the **TRANSFEE COMPANY** .
- B. The Authorised Share Capital of **“SHIKHARJI STEEL”** is Rs.3,00,000/- divided into 30,000 Equity Shares of Rs.10/- each. The Issued, Subscribed & Paid-up Share Capital is Rs. 2,80,000/- divided into 28,000 Equity Shares of Rs.10/- each fully paid-up .The entire paid up share capital of **“SHIKHARJI STEEL”** is held by the **TRANSFEE COMPANY** .
- C. The Authorised Share Capital of **“BHAVIKA”** is Rs.3,00,000/- divided into 30,000 Equity Shares of Rs.10/- each. The Issued, Subscribed & Paid-up Share Capital is Rs. 2,80,000/- divided into 28,000 Equity Shares of Rs.10/- each fully paid-up .The entire paid up share capital of the **“BHAVIKA”** is held by the **TRANSFEE COMPANY** .
- D. The Authorised Share Capital of **“SHRINU AGRO”** is Rs.1,00,000/- divided into 10,000 Equity Shares of Rs.10/- each. The Issued, Subscribed & Paid-up Share Capital is Rs. 1,00,000/- divided into 10,000 Equity Shares of Rs.10/- each fully paid-up .The entire paid up share capital of **“SHRINU AGRO”** is held by the **TRANSFEE COMPANY** .
- E. The Authorised Share Capital of **“SHRINU STEEL”** is Rs.1,00,000/- divided into 10,000 Equity Shares of Rs.10/- each. The Issued, Subscribed & Paid-up Share

Capital is Rs. 1,00,000/- divided into 10,000 Equity Shares of Rs.10/- each fully paid-up .The entire paid up share capital of “**SHRINU STEEL**” is held by the **TRANSFEREE COMPANY** .

- F. The Authorised Share Capital of “**GYANIKA**” is Rs. 2,50,000/- divided into 25,000 Equity Shares of Rs.10/- each. The Issued, Subscribed & Paid-up Share Capital is Rs. 2,48,000/- divided into 24,800 Equity Shares of Rs.10/- each fully paid-up .The entire paid up share capital of “**GYANIKA**” is held by the **TRANSFEREE COMPANY** .
- G. The Authorised Share Capital of “**SATLAJ ISPAT**” is Rs. 2,50,000/- divided into 25,000 Equity Shares of Rs.10/- each. The Issued, Subscribed & Paid-up Share Capital is Rs. 2,50,000/- divided into 25,000 Equity Shares of Rs.10/- each fully paid-up .The entire paid up share capital of “**SATLAJ ISPAT**” is held by the **TRANSFEREE COMPANY** .
- H. The Authorised Share Capital of “**SATLAJ FLOUR**” is Rs. 2,50,000/- divided into 25,000 Equity Shares of Rs.10/- each. The Issued, Subscribed & Paid-up Share Capital is Rs. 2,50,000/- divided into 25,000 Equity Shares of Rs.10/- each fully paid-up .The entire paid up share capital of “**SATLAJ FLOUR**” is held by the **TRANSFEREE COMPANY** .
- I. The Authorised Share Capital of The **TRANSFEREE COMPANY** is Rs. 46,50,00,000/- divided into 4,65,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed & Paid-up Share Capital is Rs. 28,23,60,720/- divided into 2,82,36,072 Equity Shares of Rs.10/- each fully paid-up.

PART – III

TRANSFER OF UNDERTAKINGS

1. With effect from the **TRANSFER DATE**, the undertakings of the **TRANSFEROR COMPANIES** together with its assets and liabilities shall without further act or deed be transferred to and be vested in or deemed to have been transferred to and vested in the **TRANSFeree COMPANY** pursuant to Section 233 of the Companies Act, 2013 (hereinafter called “the Act”) subject however, to all charges, lien, mortgages, if any, then affecting the same or any part thereof as per the orders of the Central Government (Regional Director, Eastern Region Ministry Of Corporate Affairs) at Kolkata provided, however that such charges, lien, mortgages, encumbrances shall be confined only to the related assets or part thereof as may be encumbered by the **TRANSFEROR COMPANIES** and transferred to and vested in the **TRANSFeree COMPANY** on and from the **TRANSFER DATE** and no such encumbrances shall extend over or apply to any other asset(s) or property(ies) of the **TRANSFeree COMPANY**. Any reference in any security documents or arrangements (to which the **TRANSFEROR COMPANIES** is a party) to any asset(s) property(ies) of that **TRANSFEROR COMPANIES** it shall be so construed to the end and intent that such security shall not extend or be deemed to extend to any of the other asset(s) or property(ies) of the **TRANSFeree COMPANY**.

2. The benefit of all statutory and regulatory permissions, licences from Government & Semi-Government or Autonomous Bodies etc. including all statutory licences, permissions or approvals or consents to carry on the operations in the **TRANSFEROR COMPANIES** shall vest in and become available to **TRANSFeree COMPANY** pursuant to the Scheme and shall always be deemed to have been issued to the **TRANSFeree COMPANY** and the concerned statutory authorities and licensors shall endorse and/or mutate and/or record the same,

upon the filing of this Scheme as sanctioned with such authorities and licensors, so as to empower and facilitate the transfer and vesting of the undertakings of the **TRANSFEROR COMPANIES** in the **TRANSFeree COMPANY**.

3. It is expressly provided that in respect of such assets as are movable in nature including investments or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred without requiring any deed or instrument for the same and shall become the property of the **TRANSFeree COMPANY** accordingly.
4. Upon the coming into effect of the Scheme, all motor vehicles and land & buildings, if any, of any nature whatsoever comprised in or relatable to the **TRANSFEROR COMPANIES** shall vest in the **TRANSFeree COMPANY** and the appropriate Governmental and Registration Authorities shall mutate and register the vehicles and land & buildings in the name of the **TRANSFeree COMPANY** as if the vehicles, land & buildings had originally been registered in the name of the **TRANSFeree COMPANY**, subject to compliance of provisions of Indian Stamp Act, 1899 as applicable to the State of West Bengal.
5. All taxes paid or payable by the **TRANSFEROR COMPANIES** in respect of the operations and/or the profits of the business before the Transfer Date shall be on account of the **TRANSFEROR COMPANIES** 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 COMPANIES** in respect of the profits or activities or operation of the business after the **TRANSFER DATE**, the same shall be deemed to be the corresponding item paid by **TRANSFeree COMPANY**, and, shall, in all proceedings, be dealt with accordingly.

LEGAL PROCEEDINGS

6. If any suit, appeal or any other proceedings of whatsoever nature (hereinafter called "The Proceedings") by or against the **TRANSFEROR COMPANIES** is pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertakings of the **TRANSFEROR COMPANIES** or anything contained in this scheme but the proceedings may be continued, prosecuted and enforced by or against the **TRANSFeree COMPANY** in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the **TRANSFEROR COMPANIES** if this Scheme had not been made.

7. The Transfer and vesting of assets and liabilities under Clause No.1 to 5 hereof and the continuance of the proceedings by or against the **TRANSFeree COMPANY** under Clause No.6 hereof shall not affect any transactions or proceedings already concluded by the **TRANSFEROR COMPANIES** on and after the Transfer Date to the end and intent that the **TRANSFeree COMPANY** accepts and adopts all acts, deeds and things done and executed by or on behalf of the **TRANSFEROR COMPANIES** as acts, deeds and things done and executed by or on behalf of the **TRANSFeree COMPANY**.

CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

8. Subject to the provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other documents and instruments of whatsoever nature to which the **TRANSFEROR COMPANIES** is party subsisting or having effect immediately before the amalgamation shall remain in full force and effect against or in favour of the **TRANSFeree COMPANY** and may be enforced as fully and effectively, as if instead of the **TRANSFEROR COMPANIES**, the **TRANSFeree COMPANY** had been a party thereto.

TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES

9. The **TRANSFeree COMPANY** shall takeover all the employees in service on the effective date of the **TRANSFEROR COMPANIES** without interruption and on terms no less favorable to them as then applicable to them. The service of the said employees with the **TRANSFEROR COMPANIES** prior to such taking over will not be treated as having been broken for the purpose of Provident fund, gratuity and other benefits but will be reckoned for all purposes from the date of their respective appointment with the **TRANSFEROR COMPANIES**.

ISSUE OF SHARES BY THE TRANSFeree COMPANY

10. Upon the Scheme being sanctioned by the Central Government (Regional Director, Eastern Region Ministry Of Corporate Affairs) at Kolkata and upon transfer being taken place as stipulated under different Clauses hereof :-

- (a) The **TRANSFeree COMPANY** will not issue and allot shares to the Shareholders of the **TRANSFEROR COMPANIES** as the entire shares of the **TRANSFEROR COMPANIES** are held by the **TRANSFeree COMPANY** and the same shall stand cancelled upon coming into effect of the Scheme .

ACCOUNTING TREATMENT

11. The account shall be taken of the Assets and Liabilities of the **TRANSFEROR COMPANIES** as on the date immediately preceding the Transfer Date and all the Assets and Liabilities of the respective **TRANSFEROR COMPANIES** shall be incorporated in the Books of Account of the **TRANSFeree COMPANY** at the respective Book Values thereof as appearing in the Books of Account of the respective **TRANSFEROR COMPANIES**. All the entries in the Books of the **TRANSFeree COMPANY** shall be made in accordance with the Accounting Standard-14 issued by the Institute of Chartered Accountants of India and other normally accepted accounting principles.

TAX TREATMENT

12. Any tax liabilities under the Income tax Act, 1961, or other applicable laws/regulations dealing with taxes/duties/levies (hereinafter in this clause referred to as "Tax Laws") allocable or related to the **TRANSFEROR COMPANIES** to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Transfer Date shall be transferred to the **TRANSFeree COMPANY**. Any surplus in the provision for taxation/duties/levies account including advance tax and TDS as on the date immediately preceding the **TRANSFER DATE** will also be transferred to the account of the **TRANSFeree COMPANY**.
13. Any refund under the Tax Laws due to the **TRANSFEROR COMPANIES** consequent to the assessments made on the **TRANSFEROR COMPANIES** shall also belong to and be received by the **TRANSFeree COMPANY**.

PART – IV

1. APPLICATIONS TO THE CENTRAL GOVERNMENT

The **TRANSFEROR COMPANIES** and the **TRANSFeree COMPANY** shall, with all reasonable dispatch, make necessary application before the Registrar of Companies, Kolkata, Regional Director, other competent authorities and Tribunal, (if required) pursuant to Sections 233 of the Act for obtaining sanction of this Scheme and shall apply for and obtain such other approvals, as required by law.

2. MODIFICATIONS / AMMENDMENTS TO THE SCHEME

The Board of Directors of the **TRANSFEROR COMPANIES** and the **TRANSFeree COMPANY** or any person authorised by them may assent on behalf of all concerned to any modification to this Scheme of Amalgamation or to any condition which the "THE CENTRAL GOVERNMENT" or any other authorities may impose.

3. **SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS**

This Scheme is conditional upon and subject to:

- i. Approval of this Scheme by the requisite majority of the members and creditors, as may be required, of the Transferee and the Transferor companies.
- ii. Sanction of the Scheme by the Regional Director and/or Tribunal (if required) under Section 233 and other applicable provisions of the Act.
- iii. Such other sanctions and approvals, including sanctions of any governmental or regulatory authority, as may be required; and
- iv. The Certified copies of the order of the Regional Director or Tribunal sanctioning this Scheme being filed with the Registrar of Companies, West Bengal.

Accordingly, this Scheme although operative from the Appointed Date shall become effective on the Effective Date, being the last of the dates on which the conditions referred to above have been fulfilled.

4. **CONDUCT OF BUSINESS**

- (a) Until the Scheme is sanctioned and transfer is effected as aforesaid, the **TRANSFEROR COMPANIES** shall carry on their business in the usual course and shall be deemed to be carrying on the said businesses for and on behalf of the **TRANSFEE COMPANY** with effect from the Transfer Date.
- (b) Any profit or income accruing or arising to the **TRANSFEROR COMPANIES** and all costs, charges and expenses incurred and/or all accrued losses and also all losses arising or suffered by them since the Transfer Date shall for all purposes be treated as the income, profits, costs, charges expenses or losses as the case may be of the **TRANSFEE COMPANY**.

5. **EFFECT ON NON RECEIPT OF APPROVALS / SANCTIONS**

In the event of any of the said sanctions/ approvals not being obtained and or the Scheme not being sanctioned by the Central Government and/or the order or orders not being passed as aforesaid, the Scheme shall become null and void and each party shall bear and pay its respective costs, charges and expenses for and in connection with the Scheme.

6. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the **TRANSFEROR COMPANIES** and the **TRANSFEE COMPANY** respectively in relation to or in connection with the Scheme and of carrying out and implementing / completing the terms and provisions of the Scheme and or incidental to the completion of amalgamation of the said Undertakings of the **TRANSFEROR COMPANIES** shall be to the account of the **TRANSFEE COMPANY**.

7. MISCELLANEOUS :

1. Upon sanction of the Scheme, the Authorized Share Capital of **TRANSFEE COMPANY** shall stand enhanced by an amount of Rs. 18,50,000/- being the Authorized Share Capital of the **TRANSFEROR COMPANIES**. The revised /enhanced Authorised Share Capital of the **TRANSFEE COMPANY** shall be Rs. 46,68,50,000/- (Rupees Forty Six Crores Sixty Eight Lacs Fifty Thousand only) and its Memorandum of Association shall automatically stand amended accordingly. It is hereby clarified that the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purpose of effecting this amendment and no further resolution under Section 13, Section 61 and Section 64 or any other applicable provisions of The Companies Act, 2013 would be required to be separately passed, nor any registration fees/stamp duty etc shall be payable by the **TRANSFEE COMPANY**.

2. The **TRANSFEROR COMPANIES** and the **TRANSFeree COMPANY** shall have liberty to apply to the Central Government (Regional Director, Eastern Region Ministry Of Corporate Affairs) at Kolkata for necessary direction to remove all difficulties, if any, in implementing the Scheme.

3. The **TRANSFEROR COMPANIES** and the **TRANSFeree COMPANY** shall also take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.