

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH**

Company Application (CAA) No. 22/KB/2024

In the matter of:
The Companies Act, 2013
And

In the matter of:
An application made under Sections 230
and 232 of the said Act
And

In the Matter of:
VEDANT FASHIONS LIMITED, a
company incorporated under the
provisions of the Companies Act, 1956,
having its Registered Office at Paridhan
Garment Park, 19 Canal South Road,
SDF 1, 4th Floor, A501-A502, Kolkata-
700015, CIN
L51311WB2002PLC094677 within the
aforesaid jurisdiction.
And

In the matter of:
**MANYAVAR CREATIONS PRIVATE
LIMITED**, a company incorporated
under the provisions of the Companies
Act, 2013, having its Registered Office at
1st Floor, Unit No. 5, Part C, Block A,
Srijan Industrial Logistics Park, NH6,
Bombay Road, Howrah-711302, CIN
U17299WB2017PTC219874 within the
aforesaid jurisdiction.

1. VEDANT FASHIONS LIMITED -
Transferee Company/ Applicant
Company No. 1
2. MANYAVAR CREATIONS PRIVATE
LIMITED - Transferor Company/
Applicant Company No. 2
.... Applicants

STATEMENT UNDER SECTION 230 AND 232 OF THE COMPANIES ACT, 2013 AND APPLICABLE RULES OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

I. Details of the order of the Hon'ble Bench of NCLT, Kolkata directing dispensation of the meetings of the shareholders and creditors of the Applicant Companies

This is a Statement accompanying the notice to the regulatory authorities as per the directions given by the Hon'ble Bench of NCLT, Kolkata by an order dated 06th March, 2024 in relation to the scheme of amalgamation of Manyavar Creations Private Limited ("Transferor Company"/ "Applicant Company No. 2") into and with Vedant Fashions Limited ("Transferee Company"/ "Applicant Company No. 1"). The Hon'ble Bench of NCLT, Kolkata vide an order dated 06th March, 2024 dispensed with the requirement of convening and holding separate meetings of the Equity Shareholders and Unsecured Creditors of the Applicant Company No. 2 in view of the written consent by way of individual affidavits of Equity Shareholders & requisite affidavits of Unsecured Creditors of Applicant Company No. 2. There are no Secured Creditors in the Applicant Company No. 2 and hence requirement of convening meeting of Secured Creditors of the Applicant Company No. 2 does not arise.

Further, the rights of Equity Shareholders of the Applicant Company No. 1 are not affected as there will be no issue of shares pursuant to the Scheme and there would be absolutely no changes in the Issued, Subscribed and Paid-up equity share capital of the Applicant Company No. 1. Also, the rights of the creditors of the Applicant Company No. 1 are not affected as there will be no reduction in their claims and the assets of the Applicant Company No. 1, post Scheme, will be more than sufficient to discharge their claims and the net worth of the Applicant Company No. 1 is significantly positive. Accordingly, the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of Applicant Company No. 1 have been dispensed with by the Hon'ble Bench of NCLT, Kolkata by an order dated 06th March, 2024.

II. BACKGROUND OF THE COMPANIES

1. DESCRIPTION OF VEDANT FASHIONS LIMITED

- (i) The Transferee Company (having CIN L51311WB2002PLC094677 and PAN AABCV4646B) is a public company, incorporated on May 24, 2002 as a private company limited by shares under the provision of the Companies Act, 1956. Thereafter on August 25, 2021, the Transferee Company was converted into a public limited company. The erstwhile name of Transferee Company was Vedant Fashions Private Limited which was changed to the present name, i.e., Vedant Fashions Limited ("VFL"), upon conversion into public limited company under the provisions of the Companies Act, 2013 on August 25, 2021.
- (ii) The registered office of the Transferee Company is situated at Paridhan Garment Park, 19 Canal South Road, SDF 1, 4th

Floor, A501-A502, Kolkata- 700015, West Bengal, India.

- (iii) The Transferee Company is primarily engaged in manufacturing, trading and sale of readymade Indian wedding and celebration wear for men, women, and kids under the brand names Manyavar, Mohey, Mebaz, Twamev and Manthan.
- (iv) The equity shares of the Transferee Company are listed on National Stock Exchange of India Limited and BSE Limited.
- (v) The relevant email address for the Transferee Company is secretarial@manyavar.com.
- (vi) There has been no change in the registered office and objects of the Transferee Company in the last 5 (five) years.
- (vii) The objects of the Transferee Company as set out in its Memorandum of Association are, inter alia, as follows: -

“IIIA1. To acquire and takeover the whole or any part of Goodwill, Business, concern, Property, Rights, Assets and Liabilities of Proprietorship Business now carried on under name and style of Vedant Creation of Shyam Kunj, 12C Lord Sinha Road, Block AB, Flat 2A /2, 2nd Floor, Kolkata-700071, West Bengal, with all the assets and liabilities of that business in connection therewith and with a view thereto to enter into the agreement and to carry on all such business as done by the above said firm.

IIIA2. To carry on the business as manufacturers, designers, traders, dealers, wholesalers, agents, distributors, consigners, consignee, commission agent, retailers, combers, job work, scourers, spinners, weavers, finishers, dyers, tailors and drapers, cutters, Import and export of all garments including ethnic wears and related accessories of gentlemen, ladies and children and products like under-garments, handkerchiefs, scarfs, ribbons, gloves, socks, nylon, caps, headdresses, garters, towels, linens, sheets, bed covers, sportswear, sport gear, and accessories made of all fabrics viz. cotton, woolen, silk, terene, terry-cotton, linen and such fabrics which may come into market as an advent of scientific development and suitable for manufacture of garments, industrial and furnishing cloth and printing, knitting, dyeing and coloring of all kinds of fabrics and yarn, silk house and to carry on any business in any way connected therewith and in this connection to open and operate show rooms, departmental stores or any other retail outlets.

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B20. Subject to the provisions of the Companies Act, 2013, or any re-enactment thereof for the time being in force, to amalgamate with company, companies or to enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture or reciprocal concession with any person or persons, company or companies carrying on

or engaged in any business or transaction which the Company is authorized to carry on or engage in or which can be carried on in connection therewith or which is capable of being conducted so as directly or indirectly benefit the Company.”

- (viii) The capital structure of the Transferee Company as on the date of its Board of Directors approving the Scheme (i.e., January 25, 2024) is as under:

A. Authorised Share Capital	Amount (in INR)
30,10,00,000 equity shares of INR 1/- each	30,10,00,000
Total	30,10,00,000
B. Issued, subscribed and paid-up Share Capital	Amount (in INR)
24,28,55,167 equity shares of INR 1/- each fully paid-up	24,28,55,167
Total	24,28,55,167

However, after approval of the proposed Scheme by the Board of Directors, the Transferee Company has allotted in total 14,696 equity shares of face value of Re. 1/- each fully paid, pursuant to exercise of employee stock options under its existing employee stock option scheme. Consequently, the issued, subscribed and paid-up equity share capital of the Transferee Company has increased from INR 24,28,55,167 to INR 24,28,69,863. Accordingly, the Issued, Subscribed and Paid-up equity share Capital of the Transferee Company as on March 31, 2024 is as under:

Issued, subscribed and paid-up Share Capital	Amount (in INR)
24,28,69,863 equity shares of INR 1/- each fully paid-up	24,28,69,863
Total	24,28,69,863

It may be noted that Transferee Company has outstanding employee stock options under its existing employee stock option scheme, the exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company.

- (ix) **Details of the directors:** As on March 31, 2024, following are the directors of the Transferee Company:

Sl No.	Name of Director	DIN	Address
1	Mr. Ravi Modi	00361853	12C, Lord Sinha Road, Flat-2C, Block C+D, Kolkata - 700071
2	Mrs. Shilpi Modi	00361954	12C, Lord Sinha Road, Flat-2C, Block C+D, Kolkata - 700071
3	Mr. Sunish Sharma	00274432	1305, North Tower, The Imperial, BB Nakashe Marg, Tardeo, Mumbai

Sl No.	Name of Director	DIN	Address
			400034
4	Mr. Manish Mahendra Choksi	00026496	Flat No. 1801/1802, C Tower, Beaumonde, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025
5	Mr. Tarun Puri	02117623	6A, Crown Aura, Jakkur Plantation Road, Jakkuru, Bengaluru – 560064
6	Ms. Abanti Mitra	02305893	B-2505, Oberoi Woods, Mohan Gokhale Marg, Goregaon-East Mumbai – 400063

- (x) **Details of the promoters:** As on March 31, 2024, following are the promoters of the Transferee Company:

Sl No.	Promoter & Promoter Group	Address
1	Mr. Ravi Modi	12C, Lord Sinha Road, Flat-2C, Block C+D, Kolkata - 700071
2	Mrs. Shilpi Modi	12C, Lord Sinha Road, Flat-2C, Block C+D, Kolkata – 700071
3	Ms. Usha Devi Modi	12C, Lord Sinha Road, Flat-2C, Block C+D, Kolkata – 700071
4	Ravi Modi HUF	12C, Lord Sinha Road, Flat-2C, Block C+D, Kolkata – 700071
5	Ravi Modi Family Trust	19 Canal South Road, Paridhan Complex, Block A502, 4th Floor, Paridhan Garment Park, Kolkata, West Bengal – 700 015

2. DESCRIPTION OF MANYAVAR CREATIONS PRIVATE LIMITED

- (i) The Transferor Company (“MCPL”) (having CIN U17299WB2017PTC219874 and PAN AAKCM9020F) is a private limited company, incorporated on March 10, 2017 under the Companies Act, 2013.
- (ii) The registered office of the Transferor Company is situated at 1st Floor, Unit No. 5, Part C, Block A, Srijan Industrial Logistics Park, NH6, Bombay Road, Howrah-711302, West Bengal, India.
- (iii) The Transferor Company is engaged in the business of trading readymade Indian wedding and celebration wear garments and related accessories for men, women and kids.
- (iv) The Transferor Company is a wholly owned subsidiary of the Transferee Company.
- (v) The relevant email address for the Transferor Company is secretarial@manyavar.com.

(vi) There has been no change in the registered office and objects of the Transferor Company in the last 5 (five) years.

(vii) The objects of the Transferor Company as set out in its Memorandum of Association are, inter alia, as follows:-

“IIIA1. To carry on the business as manufacturers, designers, traders, dealers, wholesalers, agents, distributors, consigners, consignee, commission agent, retailers, combers, job work, scourers, spinners, weavers, finishers, dyers, tailors and drapers, cutters, Importers and exporters of all garments including ethnic wears and related accessories of gentlemen, ladies and children and products like under garments, handkerchiefs, scarfs, ribbons, gloves, socks, nylon, caps, headdresses, garters, towels, linens, sheets, bed covers, sportswear, sport gear, and accessories made of all fabrics viz. cotton, woolen, silk, terene, terry-cotton, linen and such fabrics which may come into market as an advent of scientific development and suitable for manufacture of garments, industrial and furnishing cloth and printing, knitting, dyeing and coloring of all kinds of fabrics and yarn, silk house and to carry on any business in any way connected therewith and in this connection to open and operate show rooms, departmental stores or any other retail outlets.

.....

IIIB20. Subject to the provisions of the Companies Act, 2013 or any re-enactment thereof for the time being in force, to amalgamate with company, companies or to enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture or reciprocal concession with any person or persons, company or companies carrying on or engaged in any business or transaction which the Company is authorized to carry on or engage in or which can be carried on in connection therewith or which is capable of being conducted so as directly or indirectly benefit the Company.”

(viii) The capital structure of the Transferor Company as on the date of its Board of Directors approving the Scheme (i.e., January 25, 2024) is as under:

A. Authorised Share Capital	Amount (in INR)
50,00,000 shares of INR 10/- each	5,00,00,000
Total	5,00,00,000
B. Issued, subscribed and fully paid-up Share Capital	Amount (in INR)
40,10,000 equity shares of INR 10/- each fully paid-up	4,01,00,000
Total	4,01,00,000

MCPL is a wholly owned subsidiary of VFL.

(ix) **Details of the directors:** As on March 31, 2024, following are the directors of the Transferor Company:

Sl No	Name of Director	DIN	Address
1.	Mr. Ravi Modi	00361853	12C, Lord Sinha Road, Flat-2C, Block C+D, Kolkata - 700071
2.	Mrs. Shilpi Modi	00361954	12C, Lord Sinha Road, Flat-2C, Block C+D, Kolkata - 700071

- (x) **Details of the promoters:** As on March 31, 2024, following are the promoters of the Transferor Company:

Sl No	Name of Promoter	Address
1.	Mr. Ravi Modi	12C, Lord Sinha Road, Flat-2C, Block C+D, Kolkata - 700071
2.	Vedant Fashions Limited	Paridhan Garment Park, 19 Canal South Road, SDF 1, 4th Floor, A501-A502, Kolkata- 700015

III. RELATIONSHIP BETWEEN COMPANIES

Transferor Company is a wholly owned subsidiary of the Transferee Company.

IV. RATIONALE OF THE SCHEME

This Scheme is expected to streamline and rationalize the group structure. The Scheme is proposed with a view, inter alia, to achieve the following benefits:

1. the consolidation of business would lead to synergies in operational process and logistics alignment, creating better synergy, better utilisation of human resources and further development and growth of business via a single entity, VFL;
2. the proposed Scheme would result in simplification of group structure under common management by consolidating the business of wholly owned subsidiary of VFL into a single entity, i.e. VFL;
3. the consolidation of business would lead to elimination of duplicative communication and coordination efforts across multiple entities and pooling of resources as well as optimum utilisation of resources;
4. 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 duplicative activities and rationalization of administrative expenses.

5. thus, this Scheme, as envisaged, is in the interest of the shareholders, creditors, employees, and other stakeholders of each of the Companies (defined in Part I of the Scheme) by pursuing a focused business approach under VFL, thereby resulting in overall maximization of value creation of all the stakeholders involved.
6. the amalgamation will result in streamlining the group structure, rationalization of multiplicity of entities, thereby reducing compliance cost of multiple entities viz., statutory filings, regulatory compliances, labour law/ establishment related compliances.

V. APPOINTED DATE AND EFFECTIVE DATE

- (a) Appointed Date, as referred in the Scheme, means April 1, 2024 or such other date as the Hon'ble NCLT may decide/ approve.
- (b) Effective Date, as referred in the Scheme, shall mean the last of the dates on which all the conditions and matters referred to in Clause 22 of the Scheme have been fulfilled, obtained or waived. References in the Scheme to date of 'this Scheme becoming effective' or 'this Scheme coming into effect' shall mean the Effective Date.
- (c) The Scheme shall be operative from the Effective Date, and effective from the Appointed Date.

VI. SALIENT FEATURES OF THE SCHEME: -

The authorities are requested to read the entire text of the Scheme to get fully acquainted with the provision thereof. The material provisions of the proposed Scheme of Amalgamation are as under:

“PART III – AMALGAMATION OF AMALGAMATING COMPANY WITH AMALGAMATED COMPANY

4. TRANSFER AND VESTING OF UNDERTAKING OF THE AMALGAMATING COMPANY INTO AMALGAMATED COMPANY

- 4.1. Upon the Scheme becoming effective and with effect from the Appointed Date, the Amalgamating Company shall stand amalgamated with the Amalgamated Company, as provided in this Scheme, pursuant to Sections 230 to 232 and other applicable provisions of the 2013 Act, and in accordance with Section 2(1B) of the Income Tax Act. Accordingly, the Undertaking of the Amalgamating Company, including all assets, Liabilities, contracts, arrangements, employees, permits, licences, records, approvals, etc., of the Amalgamating Company shall, subject to the terms and conditions of this Scheme and, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred and vested in the Amalgamated Company, so as to become as and from the Appointed Date, the undertaking of the Amalgamated Company pursuant to the provisions of Sections 230 to 232 of the 2013 Act as a going concern and on an “as-is-where-basis”, by virtue of

and in manner as provided in this part of the Scheme.

- 4.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme becoming effective with effect from the Appointed Date, and in accordance with the provisions of all Applicable Laws and the 2013 Act, all the consents, permissions, licenses, certificates, authorities (including for the operation of bank accounts), properties (including tenancy rights), claims, title, interest and authorities including accretions and appurtenances, powers of attorneys given by, issued to or executed in favour of Amalgamating Company, and the rights and benefits under the same shall, insofar as they relate to the Amalgamating Company and all quality certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the goods, services or any other assets being directly and exclusively dealt with by the Amalgamating Company shall, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, shall stand transferred to and vested in the Amalgamated Company. In respect of all the movable assets and the other assets of Amalgamating Company which are otherwise capable of transfer to the Amalgamated Company, the same shall be deemed to have been physically handed over by physical delivery or by endorsement and delivery or by constructive delivery, as the case may be, to the Amalgamated Company to the end and intent that the property and benefit therein passes to the Amalgamated Company with effect from the Appointed Date without requiring any deed or instrument of conveyance for transfer of the same. Upon the Scheme becoming effective, such delivery and transfer shall be made on a date mutually agreed upon between the respective Board of Directors of Amalgamating Company and the Amalgamated Company by way of delivery of possession of the respective documents, as a part of the transfer of the Amalgamating Company as a going concern. In respect of any intangible moveable assets of Amalgamating Company, other than those mentioned hereinabove, and actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with any Appropriate Authority and customers, the same shall on and from the Appointed Date stand transferred to and vested in the Amalgamated Company. The Amalgamated Company may, issue notices, if necessary, in such form as may deem fit and proper stating that pursuant to the Scheme becoming effective, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Amalgamated Company, as the person entitled thereto, to the end and intent that the right of Amalgamating Company to recover or realize the same stands transferred to the Amalgamated Company and that appropriate entries shall be passed in their respective books to record the aforesaid changes.
- 4.3. Upon coming into effect of this Scheme and with effect from the Appointed Date, all the incentives, exemptions, subsidies,

concessions, refunds, service tax benefits, goods and service tax benefits, deductions under the Income Tax Act, subsidies (including applications for subsidies), grants, special status and other benefits or privileges enjoyed, granted or to be granted by any Appropriate Authority, or availed of by Amalgamating Company shall, without any further act or deed, vest with and be available to the Amalgamated Company on the same terms and conditions. All intangible assets including various business or commercial rights, etc., if any, belonging to but not recorded in books of Amalgamating Company, shall be transferred to and vested with Amalgamated Company.

- 4.4. All immovable properties of Amalgamating Company, including land together with the buildings and structures standing thereon or under construction and rights and interests in the said immovable properties of Amalgamating Company, (whether freehold or leasehold, leave and licensed or otherwise) including any tenancies in relation to warehouses, office space, stores, guest houses and residential premises including those provided to/occupied by the employees of Amalgamating Company, all plant and machineries constructed on or embedded or attached to any such immovable properties, all rights, covenants, continuing rights, title and interest in connection with the said immovable properties, and all documents of title, rights and easements in relation thereto shall upon the Scheme becoming effective, stand vested in and be deemed to have been vested in Amalgamated Company, without any further act or deed done/executed or being required to be done/executed by Amalgamating Company / Amalgamated Company. Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation of the ownership or title, or interest in the immovable properties shall, upon the Scheme becoming effective, be made and duly recorded in the name of Amalgamated Company by the Appropriate Authority pursuant to the sanction of the Scheme by the Hon'ble NCLT in accordance with the terms hereof.
- 4.5. All lease and/or license or rent or tenancy agreements made or entered into by Amalgamating Company with various landlords, owners and lessors in connection with the use of the assets of Amalgamating Company, together with security deposits and advance/prepaid lease/license fee, etc., shall stand automatically vested in favour of Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. Amalgamated Company shall continue to pay rent or lease or license fee as provided for in such agreements, and Amalgamated Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants there-under. Without limiting the generality of the foregoing, Amalgamated Company shall also be entitled to refund of security deposits paid under such agreements by Amalgamating Company. All the rights, title, interest and claims of Amalgamating Company in any leasehold

properties of Amalgamating Company shall, pursuant to Sections 230 to 232 of the 2013 Act, without any further act or deed, be vested in or be deemed to have been vested in Amalgamated Company.

- 4.6. All the Liabilities of Amalgamating Company as on the Appointed Date shall also stand transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company on a going concern basis, without any further act or deed pursuant to Section 232(3) of the 2013 Act, so as to become the Liabilities of the Amalgamated Company on the same terms and conditions as were applicable to Amalgamating Company.
- 4.7. Where any of the Liabilities and obligations of Amalgamating Company as on the Appointed Date deemed to be transferred to the Amalgamated Company have been discharged by Amalgamating Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Amalgamated Company.
- 4.8. Loans, advances and other obligations (including any arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future immediately before the Effective Date become due or remain outstanding between the Amalgamating Company and the Amalgamated Company shall, under the provisions of Sections 230 and 232 of the 2013 Act, without any further act, instrument, deed, cost or charge, stand cancelled and be deemed to have been discharged by such cancellation and consequently, there shall remain no inter-se liability between them as of Effective Date and the corresponding appropriate effect shall be given in the books of accounts and records of the Amalgamated Company.
- 4.9. The transfer and vesting of the assets shall be subject to the Encumbrance, if any affecting the same as hereinafter provided:
 - (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all Encumbrance which are in the nature of the fixed charge and relate to specific fixed assets existing prior to the Effective Date over the fixed assets of the Amalgamating Company or the Amalgamated Company which secure or relate to the Liabilities shall, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, continue to relate and attach to such specific fixed assets or any part thereof to which they were related or attached prior to the Effective Date even where transferred under the Scheme to the Amalgamated Company. All Encumbrance which are in the nature of floating charge and relate generally over all current assets existing prior to the Effective Date over the current assets of the Amalgamating Company or the Amalgamated Company (as the case may be) shall, however, extend to and shared by all the working capital lenders of the Amalgamated Company on the Scheme becoming effective. The absence of any formal amendment which may be

required by a lender or trustee or third party shall not affect the operation of this Clause.

- (b) Any reference in any security documents or arrangements (to which the Amalgamating Company is a party) to the Amalgamating Company, as the case may be and its assets and properties, shall be construed as a reference to the Amalgamated Company and the assets and properties of the Amalgamating Company transferred to the Amalgamated Company pursuant to this Scheme.
 - (c) Without prejudice to the foregoing provisions, Amalgamated Company may execute any instruments or documents or do all such acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- 4.10. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of Amalgamating Company after the Effective Date shall be accepted by the bankers of the Amalgamated Company and credited to the account of the Amalgamated Company, if presented by the Amalgamated Company. Similarly, the banker of the Amalgamated Company shall honour all cheques issued by Amalgamating Company respectively, presented for payment after the Effective Date. If required, Amalgamating Company shall allow maintaining of bank accounts in its name by the Amalgamated Company for such time as may be determined to be necessary by Amalgamating Company and the Amalgamated Company for presentation and deposition of cheques and pay orders that have been issued in the name of Amalgamating Company.
- 4.11. All necessary records, files, papers, technical and process information, all product and service pricing, costing, commercial and business related information, computer program, drawings and designs, procedure and other manuals, training materials, prospect lists, data, catalogues, quotations, sales and advertising materials, financing and serving related forms, lists and all details of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form of the Amalgamating Company shall be transferred to and handed over to the Amalgamated Company.
- 4.12. All statutory rights and obligations pertaining to Amalgamating Company would vest in/accrue to Amalgamated Company. Hence, obligation pertaining to Amalgamating Company, prior to the Effective Date, to issue or receive any statutory declaration or any other forms by whatever name called, under Goods and Service Tax Acts, Income Tax Act or any other act for the time being in force, would be deemed to have been fulfilled if they are issued or received by Amalgamated Company and if any form relatable to the period prior to the said Effective Date is received

in the name of Amalgamating Company, it would be deemed to have been received by Amalgamated Company in fulfilment of their obligations.

5. LEGAL PROCEEDINGS

- 5.1. All Legal Proceedings of whatsoever nature (legal, taxation and others, including any suits, appeals, arbitrations, execution proceedings, revisions, writ petitions, if any) by or against the Amalgamating Company, as on the Appointed Date, shall not abate, be discontinued or be in any way prejudicially affected by reason of the Amalgamation or anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against the Amalgamating Company, as if this Scheme had not been made.
- 5.2. Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Amalgamating Company, whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against the Amalgamated Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Amalgamated Company.
- 5.3. The Amalgamated Company undertakes to have all suits, claims, actions and Legal Proceedings initiated by or against the Amalgamating Company transferred to its name and to have the same continued, prosecuted, enforced and defended by or against the Amalgamated Company.
- 5.4. On and from the Effective Date, the Amalgamated Company shall have a right, if required, to initiate any Legal Proceedings in relation to any transactions entered into by the Amalgamating Company in the same manner and to the same extent as would or might have been initiated by the Amalgamating Company.

6. CONTRACTS, LICENSES, APPROVALS AND PERMITS

- 6.1. Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, incentives, arrangements and other instruments of whatsoever nature to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue to be in full force and effect on or against or in favour, as the case may be, of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto or thereunder. All such property and rights shall stand vested in Amalgamated Company pursuant to Sections 230 to 232 of the 2013 Act and shall be deemed to have become the property and rights of Amalgamated Company whether the same

is implemented by endorsement or delivery and possession or in any other manner.

- 6.2. Any inter-se contracts between the Amalgamated Company and the Amalgamating Company respectively shall stand cancelled and cease to operate upon this part of the Scheme becoming effective.
- 6.3. All guarantees provided by any bank in relation to the Amalgamating Company outstanding as on the Effective Date, shall vest in the Amalgamated Company and shall enure to the benefit of the Amalgamated Company and all guarantees issued by the bankers of the Amalgamating Company at their request favouring any third party shall be deemed to have been issued at the request of the Amalgamated Company and continue in favour of such third party till its maturity or earlier termination.
- 6.4. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking of the Amalgamating Company occurs by virtue of this Scheme itself, the Amalgamated Company may, at any time after the coming into effect of the Scheme, in accordance with the provisions, if so required under Applicable Laws or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Amalgamating Company is a party, or any writings as may be necessary, in order to give formal effect to the provisions of this Scheme. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company to be carried out or performed.
- 6.5. Benefits of any and all corporate approvals as may have already been taken by the Amalgamating Company shall stand transferred to the Amalgamated Company and the said corporate approvals and compliances shall be deemed to have been taken/ complied with by the Amalgamated Company.
- 6.6. The Amalgamated Company shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer / obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences and certificates which were held or enjoyed by the Amalgamating Company. For the avoidance of doubts, it is clarified that if the consent of any third party or Appropriate Authority, if any, is required to give effect to the provisions of this clause, the said third party or Appropriate Authority shall make and duly record the necessary substitution / endorsement in the name of the Amalgamated Company pursuant to the Scheme becoming effective, and upon this Scheme becoming effective. The Amalgamated Company shall file

appropriate applications / documents with the relevant authorities concerned for information and record purposes and the Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

- 6.7. In relation to the above, any procedural requirements required to be fulfilled solely by Amalgamating Company (and not by its successors), shall be fulfilled by Amalgamated Company as if it is the duly constituted attorney of Amalgamating Company.

7. TREATMENT OF TAXES

- 7.1. All taxes (including income tax, advance tax, securities transaction tax, self-assessment tax, sales tax, service tax, goods and service tax, TDS, TCS, etc.) including interest, penalty, surcharge and cess, if any paid or payable by or refundable to Amalgamating Company, in respect of the operations and / or the profits of the Amalgamating Company before the Appointed Date, shall be on account of Amalgamating Company, and insofar as it relates to the tax payment (including, without limitation, sales tax, income tax, goods and services tax etc.), whether by way of deduction or collection at source, advance tax or otherwise howsoever, by Amalgamating Company after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Amalgamated Company, and shall, in all proceedings, be dealt with accordingly.
- 7.2. Without prejudice to the generality of the foregoing, on and from the Appointed Date, if any certificate for tax deducted or collected at source or any other tax credit certificate relating to the Amalgamating Company is received in the name of Amalgamating Company respectively, or tax credit relating to the Amalgamating Company is appearing in Form 26AS of the Amalgamating Company, it shall be deemed to have been received by and in the name of the Amalgamated Company which alone shall be entitled to claim credit for such tax deducted or paid.
- 7.3. Upon the Scheme becoming effective, the Amalgamated Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act and to claim refunds and/or credit for taxes paid (including, TDS, etc.) and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- 7.4. Any tax incentives, subsidies, special status, benefits, advantages, privileges, exemptions, credits, tax holidays, remissions, reductions, rebates, etc. which would have been available to the Amalgamating Company, shall be available to the Amalgamated Company, pursuant to this Scheme becoming effective and following the Effective Date, the Amalgamated Company shall be entitled to initiate, raise, add or modify any claims in relation to such taxes. The Amalgamated Company

shall be entitled to claim refunds or credits, input tax credits, including input tax credits under the provisions of the applicable goods and services act(s), CENVAT credit, etc., with respect to taxes paid by, for, or on behalf of, the Amalgamating Company under the tax laws whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed.

- 7.5. All inter-se transactions amongst the Amalgamating Company and the Amalgamated Company between the Appointed Date and the Effective Date shall be considered as transactions from the Amalgamated Company to itself subject to the other provisions of this Scheme. Any tax deducted at source by the Amalgamating Company/ Amalgamated Company on inter-se transactions between the Amalgamating Company and the Amalgamated Company between the Appointed Date and the Effective Date shall be deemed to be advance tax paid or tax deposited by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly in the hands of the Amalgamated Company. The Amalgamated Company shall be accordingly entitled to claim refund of tax paid, if any, on these inter-se transactions. Further, for the avoidance of doubt, input tax credits already availed of or utilized by the Amalgamating Company and the Amalgamated Company in respect of inter-se transactions of supply or receipt of goods and services between the Appointed Date and the Effective Date shall not be adversely impacted by this Scheme.
- 7.6. Upon the coming into effect of this Scheme and as per the provisions of the Income Tax Act, all accumulated losses and unabsorbed depreciation, if any, of the Amalgamating Company, as on & up to the Appointed Date, shall be transferred to the Amalgamated Company. It is expressly clarified that all the accumulated losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Amalgamated Company.

8. EMPLOYEES

- 8.1. Upon the coming into effect of this Scheme, all employees, as on the Effective Date, who are on the payrolls of the Amalgamating Company shall become employees of the Amalgamated Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Company, without any interruption of service as a result of this Amalgamation and transfer.
- 8.2. The Amalgamated Company undertakes that for the purpose of payment of any retrenchment compensation and other terminal benefits including gratuity to the employees of the Amalgamating Company, the past services of such employees with the Amalgamating Company or their predecessors shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable.

- 8.3. Upon the Scheme becoming effective, the Amalgamating Company will transfer/handover to Amalgamated Company, copies of employment information of all such transferred employees of Amalgamating Company, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.
- 8.4. The existing provident fund, employee state insurance contribution, superannuation and gratuity fund, staff welfare scheme, employee stock option plan, incentives, if any, of which the aforesaid employees of Amalgamating Company, are members or beneficiaries, along with all accumulated contributions therein till the Effective Date, shall, with the approval of the concerned authorities, be transferred to and continued without any break, to be administered by the Amalgamated Company for the benefit of such employees on the same terms and conditions. All benefits and schemes being provided to the transferred employees will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes. Accordingly, the provident fund, employee state insurance contribution, superannuation fund and gratuity fund, staff welfare scheme, employee stock option plan dues, if any, of the said employees of Amalgamating Company, would be continued to be deposited in the transferred provident fund, employee state insurance contribution, superannuation fund and gratuity fund, staff welfare scheme, employee stock option plan account by the Amalgamated Company.
- 8.5. The contributions made by Amalgamating Company in respect of their employees under Applicable Laws, to the provident fund, gratuity fund, leave encashment fund and any other special scheme or benefits created, for the period after the Appointed Date shall be deemed to be contributions made by Amalgamated Company.
- 8.6. The Amalgamated Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Amalgamating Company with any of their employees prior to Appointed Date and from Appointed Date till the Effective Date.

9. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of the Scheme, the transfer and vesting of the Undertaking of the Amalgamating Company as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Amalgamating Company on or after the Appointed Date until the Effective Date, to the end and intent that the Amalgamated Company accepts and

adopts all acts, deeds and things made, done and executed by the Amalgamating Company or their predecessors as acts, deeds and things made, done and executed by or on behalf of the Amalgamated Company.

10. CONDUCT OF BUSINESS

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

- (a) The Amalgamating Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions for and on account of, and in trust for, the Amalgamated Company;
- (b) All obligations, Liabilities, duties and commitments, shall be undertaken and shall be deemed to have been undertaken by Amalgamating Company for and on account of and in trust for Amalgamated Company.
- (c) All profits and income accruing or arising to or losses and expenses arising, incurred or accruing to the Amalgamating Company, for the period commencing from the Appointed Date and up to and including the Effective Date, shall for all purposes be treated as and deemed to be the profits, income, losses or expenses, as the case may be, of the Amalgamated Company.
- (d) All the benefits (including deduction, if any) availed or Liabilities accrued under the Income Tax Act to the Amalgamating Company, for the period commencing from the Appointed Date and up to and including the Effective Date, shall for all purposes be treated as and deemed to be the benefit availed or Liabilities accrued by the Amalgamating Company on the behalf of and in trust of the Amalgamated Company.
- (e) Any of the rights, powers, authorities or privileges exercised by Amalgamating Company, shall be deemed to have been exercised by Amalgamating Company for and on behalf of, and in trust for and as an agent of Amalgamated Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Amalgamating Company, shall be deemed to have been undertaken for and on behalf of and as an agent of Amalgamated Company;
- (f) Amalgamating Company shall not without the concurrence of Amalgamated Company alienate, charge or otherwise deal with any of its assets except in the ordinary course of its business.

11. CANCELLATION AND NO ISSUE OF SHARES

11.1. As the entire paid up share capital of Amalgamating Company is held by Amalgamated Company along with its nominee(s), it is expressly understood that, upon this Scheme becoming effective,

there will be no issue and allotment of any securities by Amalgamated Company in respect of Amalgamation. Consequently, the investment of Amalgamated Company in entire paid-up share capital of the Amalgamating Company shall stand cancelled in the books of Amalgamated Company, pursuant to Amalgamation.

- 11.2. The shares or the share certificates of Amalgamating Company, in relation to the shares held by its members, i.e., Amalgamated Company and its nominee(s), 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.

12. ACCOUNTING TREATMENT

- 12.1. Upon the Scheme becoming effective, the Amalgamated Company shall account for Amalgamation in its books of account in accordance with 'Pooling of Interest Method' mentioned in Appendix C to IND AS 103 - "Business Combination" and such other IND AS as may be applicable or prescribed under the 2013 Act, in the following manner:
- (a) Upon coming into effect of this Scheme and with effect from the Appointed Date, the Amalgamated Company shall record the assets, Liabilities and reserves of the Amalgamating Company, as on Appointed Date, at their respective carrying values. No adjustment shall be made to reflect the fair values or recognise any new assets or Liabilities.
 - (b) The identity of the reserves of Amalgamating Company shall be preserved and shall appear in the financial statements of the Amalgamated Company in the same form, in which they appeared in the financial statements of the Amalgamating Company.
 - (c) The carrying value of investments in the financial statements of the Amalgamated Company in the equity share capital of the Amalgamating Company shall stand cancelled pursuant to the Scheme becoming effective and there shall be no further obligation in that behalf.
 - (d) The amount of difference between, cancellation of the investments held by Amalgamated Company in equity share capital of the Amalgamating Company and the carrying value of net assets (including the reserves), would be adjusted against retained earnings available in the books of Amalgamated Company (if debit) or would be recorded as capital reserve (if credit) and should be presented separately from other capital reserves.
 - (e) Upon coming into effect of this Scheme, to the extent there are inter-corporate loans / advances, deposits balances or other obligations, if any, as between Amalgamated Company and the Amalgamating Company, the obligations in respect thereof shall

come to an end and corresponding effect shall be given in the books of accounts and records of the Amalgamated Company for the reduction of any assets or Liabilities, as the case may be.

- (f) In case of any difference in accounting policies between the Amalgamated Company and the Amalgamating Company, the impact of the same will be quantified and the same shall be appropriately adjusted in the reserves of the Amalgamated Company to reflect the true financial position on the basis of consistent accounting policies.
- (g) It is clarified that the separate financial statements of the Amalgamated Company shall be restated (including comparative period presented in the financial statements) from the beginning of the preceding period.

12.2. The costs and expenses relating to the Scheme shall be accounted for in the Profit & Loss Account of Amalgamated Company.

12.3. As the Amalgamating Company shall stand dissolved without being wound up upon the Scheme becoming effective, hence there is no accounting treatment prescribed under this Scheme in the books of the Amalgamating Company.

13. DISSOLUTION

Pursuant to the Scheme becoming effective, the Amalgamating Company, without any further act, instrument or deed, shall stand dissolved without being wound-up, with effect from Appointed Date.

14. COMPLIANCE WITH SECTION 2(1B) OF THE INCOME TAX ACT, 1961

The provision of Part III of this Scheme as they relate to the Amalgamation comply with the conditions relating to “amalgamation” as defined and specified under Section 2(1B) of the Income Tax Act. If any terms or provisions or part of Part III of this Scheme are found or interpreted to be inconsistent with the provisions of Section 2(1B) of the Income Tax Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of Section 2(1B) of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income Tax Act and such modifications shall not affect other parts of the Scheme.

15. COMPLIANCE WITH SEBI REGULATIONS

15.1. Since the present Scheme solely provides for amalgamation of the wholly owned subsidiary with its parent company, no formal approval, is required from the Stock Exchanges or Securities and Exchange Board of India (“SEBI”) for the Scheme, in terms of provisions of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015, as amended, and SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as prevailing and applicable provisions, if any.

- 15.2. In terms of the SEBI Regulations, the present Scheme of Amalgamation is only required to be filed with BSE and NSE (the Stock Exchanges where the Amalgamated Company is listed) for the purpose of disclosure and dissemination on its website.
- 15.3. The Amalgamated Company 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, SEBI Regulations, SEBI Circulars and other applicable provisions, if any, as prevailing, in connection with the Scheme and other connected matters.

16. REORGANIZATION AND COMBINATION OF THE AUTHORISED SHARE CAPITAL

- 16.1. Upon this Scheme becoming effective, in part or in whole, and as an integral part of the Scheme, the resultant authorised, issued, subscribed and paid up share capital of the Amalgamating Company shall be reclassified/ reorganized such that each equity share of Rs 10 each of the Amalgamating Company is reclassified/ reorganized as 10 equity shares of Rs 1 each.
- 16.2. It is clarified that the approval of the shareholders of the Amalgamating Company to this Scheme shall be deemed to be their consent/ approval to the reclassification/ reorganization of the authorised share capital envisaged under Clause 16.1 above as required under Sections 13, 61 and other applicable provisions of the 2013 Act.
- 16.3. Upon this Scheme becoming effective and pursuant to the reclassification/ reorganization of the resultant authorised share capital of the Amalgamating Company as set out in this Scheme, the resultant authorised share capital of the Amalgamating Company shall stand transferred and be added with the authorised share capital of Amalgamated Company without any further act, instrument or deed pursuant to the provisions of Sections 13, 14, 61, 64 and Section 232 of the 2013 Act and no separate resolutions or consents and approvals would be required to be passed by the Amalgamated Company. The authorised share capital of Amalgamated Company will accordingly stand increased as a result of such merger of the authorized share capital and Clause V of the Memorandum of Association of the Amalgamated Company shall stand altered accordingly, without any further act or deed, upon the Scheme becoming effective. For this purpose, the fee paid on the authorised share capital of the Amalgamating Company shall be utilised and applied to the increased authorised share capital of the Amalgamated Company and Amalgamated Company shall pay the differential amount, if any, after adjustment of such set off.

- 16.4. Further, upon effectiveness of this Scheme, Clause V of the Memorandum of Association of the Amalgamated Company would be substituted and be read as follows:

Clause V of the Memorandum of Association:

“ V. The Authorised Share Capital of the Company is ₹ 35,10,00,000 (Indian Rupees Thirty Five Crores Ten Lakhs only) divided into 35,10,00,000 (Thirty Five Crores Ten Lakhs only) equity shares of ₹ 1 (Indian Rupee One only) each with power to classify or reclassify, increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force.”

- 16.5. It is clarified that the authorised share capital of the Amalgamated Company shall stand increased and reorganised, as aforesaid, by operation of law, and without any further act or deed, consequent to transfer and vesting of all rights and powers of the Amalgamating Company in the Amalgamated Company and as an integral part of the Amalgamation herein under Sections 230 to 232 of the 2013 Act. In this regard, all other provisions of the 2013 Act, if and to the extent considered applicable, shall be deemed to have been complied with as an integral part of the amalgamation sanctioned herein under Sections 230 to 232 of the 2013 Act.”

VII. DETAILS OF APPROVALS AND INTIMATIONS IN RELATION TO THE SCHEME

1. **Audit Committee:** The Audit Committee of the Transferee Company at its meetings held on January 25, 2024, recommended the amalgamation of the Transferor Company into and with the Transferee Company in terms of the Scheme, to the Board of Directors of the Transferee Company.
2. **Board of Directors:** The Board of Directors of the Transferor Company and the Transferee Company have at their respective meetings held on January 25, 2024 unanimously approved the said Scheme of Amalgamation. All the directors of each of the Applicant Companies voted in favour of the resolution. None voted against the resolution and none abstained from the meeting.

Details of voting in relation to resolution passed at aforesaid Board meeting of Transferor Company and Transferee Company:

Sl	Name	Voted in	Voted	Did not vote/
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No		favour	against	participate
	Transferee Company			
1.	Mr. Ravi Modi	✓	-	-
2.	Mrs. Shilpi Modi	✓	-	-
3.	Mr. Sunish Sharma	✓	-	-
4.	Mr. Manish Mahendra Choksi	✓	-	-
5.	Mr. Tarun Puri	✓	-	-
6.	Ms. Abanti Mitra	✓	-	-
	Transferor Company			
1.	Mr. Ravi Modi	✓	-	-
2.	Mrs. Shilpi Modi	✓	-	-

3. **Stock Exchange:** Since the present Scheme solely provides for amalgamation of the wholly owned subsidiary with its parent company, no formal approval, is required from the Stock Exchanges or Securities and Exchange Board of India ("SEBI") for the Scheme, in terms of provisions of Regulation 37(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), as amended, and SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as prevailing and applicable provisions, if any.

In terms of the SEBI Regulations, the present Scheme of Amalgamation is only required to be filed with the Stock Exchanges where the Transferee Company is listed for the purpose of disclosure and dissemination on its website. Accordingly, the Transferee Company has filed the Scheme with stock exchange vide letter dated 9th February, 2024.

4. A copy of the Scheme has been filed by the Applicant Companies with the Registrar of Companies, Kolkata in Form No. GNL-1 on March 14, 2024.

VIII. AMOUNT DUE TO UNSECURED CREDITORS

As per the independent Chartered Accountant's certificate dated February 15, 2024, there are 18 (Eighteen) number of unsecured creditors amounting to INR 44,37,948/- (Rupees Forty Four Lakh Thirty Seven Thousand Nine Hundred and Forty Eight only) and no secured creditors in the Transferor Company as on February 12, 2024.

As per the independent Chartered Accountant's certificate dated February 14, 2024, there are 784 (Seven Hundred and Eighty Four) number of unsecured creditors amounting to INR 60,52,64,064/- (Rupees Sixty Crore Fifty Two Lakhs Sixty Four Thousand and Sixty Four only) and 98 (Ninety Eight) number of secured creditors amounting to INR 1,05,65,281/- (Rupees One Crore Five Lakhs Sixty Five Thousand Two Hundred and Eighty One only) in the Transferee Company as on February 12, 2024.

The aggregate assets of the Applicant Companies are more than sufficient to meet all their liabilities and the said Scheme will not adversely affect the rights of any of the creditors of the Applicant Companies in any manner whatsoever and due provisions have been made for payment of all liabilities as and when the same fall due in usual course.

IX. ACCOUNTING CERTIFICATE

The Transferee Company has obtained a certificate from its Auditor stating that the accounting treatment is in conformity with the accounting standard under Section 133.

X. DETAILS ABOUT INVESTIGATION PROCEEDINGS

There are no proceedings pending under Sections 206 to 213 of the Companies Act, 2013 against any of the Applicant Companies. There are also no proceedings pending under Sections 241 and 242 of the said Act or any other proceedings whatsoever. There are also no proceedings pending under the Companies Act, 1956 or Companies Act, 2013 against any of the Applicant Companies. The instant Scheme does not attract the provisions of Competition Commission of India. There is as at present no scheme of corporate debt restructuring ongoing or pending in relation to the Companies. The Scheme does not involve any reduction of capital.

XI. DISCLOSURE ABOUT THE EFFECT OF THE SCHEME ON NON-PROMOTERS, KEY MANAGERIAL PERSONNEL, DIRECTORS, ETC.

A. Disclosure about the effect of the Scheme of Amalgamation on:

- (i) **Equity Shareholders (promoter and non-promoter members):** Since total issued and paid-up capital of the Transferor Company is held by the Transferee Company, the same shall stand cancelled in its entirety, which shall be effected as a part of the Scheme. Since there will be no issue of shares by the Transferee Company pursuant to the Scheme, rights of Equity Shareholders of the Transferee Company are not affected and accordingly, there would not be any dilution in their respective shareholdings in the Transferee Company.
- (ii) **Creditors:** The Scheme would not be prejudicial to the interests of creditors of the Transferor Company. Further, the rights of the creditors of the Transferee Company are not affected since there will be no reduction in their claims and the assets of the Transferee Company, post Scheme, will be more than sufficient to discharge their claims and the net worth of the Transferee Company is significantly positive.
- (iii) **Employees:** Under the Scheme, no rights of the staff and employees of the Transferee Company are being affected. The services of the staff and employees of the Transferee Company shall continue on the same terms and conditions applicable prior to the proposed Scheme. Further, upon the Scheme becoming effective, the employees of the

Transferor Company will be deemed to have become employees of the Transferee Company pursuant to the Scheme with effect from the Effective Date. All such employees shall be deemed to have become employees of the Transferee Company, without any break 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 in the Transferor Company as on the Effective Date.

- (iv) **Directors:** Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. Consequently, the directors of the Transferor Company shall cease to hold such directorship position in the Transferor Company. The proposed amalgamation does not contemplate any change in the composition of the Board of Directors of the Transferee Company. Thus, upon the Scheme becoming effective, the directors of the Transferee Company shall continue at their respective positions with the Transferee Company on the same terms and conditions (and which are commercially not less favorable than those) on which they are engaged by the Transferee Company as on the Effective Date.
 - (v) **Key Managerial Personnel:** There is one Key Managerial Personnel (“KMPs”) in the Transferor Company. Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. Consequently, the KMP of the Transferor Company shall cease to hold such a position in the Transferor Company. Upon the Scheme becoming effective, the KMPs of the Transferee Company shall continue their respective services with the Transferee Company on the same terms and conditions (and which are commercially not less favorable than those) on which they are engaged by the Transferee Company as on the Effective Date.
 - (vi) **Depositors:** Not applicable as there are no depositors in the Transferor Company and the Transferee Company.
 - (vii) **Debenture holders:** Not applicable as there are no debenture holders in the Transferor Company and the Transferee Company.
 - (viii) **Deposit trustee and debenture trustee:** Not applicable as there are no deposit trustees or debenture trustees in the Transferor Company and the Transferee Company.
- B. Disclosure about the effect of the Scheme of Amalgamation on material interests of Key Managerial Personnel, Directors, Debenture Trustee:
- (i) None of the KMPs of the Transferor Company and the Transferee Company and their respective relatives have any material interest in the said Scheme except to the extent of their directorship, KMP position and shareholding, if any, in the Transferor Company and Transferee Company.
 - (ii) None of the Directors of the Transferor Company and the Transferee Company and their respective relatives have any material interest in the said Scheme except to the extent of their directorship and shareholding,

if any, in the Transferor Company and Transferee Company.

- (iii) Not applicable as there are no debenture holders in the Transferor Company and the Transferee Company.
- (iv) The details of the shareholding of directors and KMPs of the Transferee Company as on March 31, 2024 is as follows:

Sl No.	Name of Director and KMP	No. of shares held in Transferee Company	No. of shares held in Transferor Company
1	Mr. Ravi Modi	16,88,134	1 (as nominee of Transferee Company)
2	Mrs. Shilpi Modi	26,56,104	-
3	Mr. Sunish Sharma	-	-
4	Mr. Manish Mahendra Choksi	40	-
5	Mr. Tarun Puri	-	-
6	Ms. Abanti Mitra	-	-
7	Mr. Navin Pareek	7,668	-
8	Mr. Rahul Murarka	6,666	-

- (v) The details of the shareholding of directors and KMPs of the Transferor Company as on March 31, 2024 is as follows:

Sl No	Name of Director	No. of shares held in Transferee Company	No. of shares held in Transferor Company
1.	Mr. Ravi Modi	16,88,134	1 (as nominee of Transferee Company)
2.	Mrs. Shilpi Modi	26,56,104	-
3.	Mr. Navin Pareek	7,668	-

XII. DOCUMENTS FOR INSPECTION

Copies of the following documents are open for inspection at the Registered office of the Applicant Companies between 11:00 A.M. and 1:00 P.M. on working days from Monday to Friday. The documents shall also be available for obtaining extract from or making copies.

- Copy of Memorandum and Articles of Association of the Applicant Companies.
- Audited financial statements of the Applicant Companies for the period ended as on March 31, 2023.
- Copy of certificate from the Applicant Company No. 1's Auditors stating that the accounting treatment is in conformity with the accounting standard under Section 133.
- Copies of board resolutions approving the Scheme.
- Scheme of Amalgamation.
- Order dated 06.03.2024 passed by NCLT, Kolkata.
- Register of Directors' and KMPs and their shareholding in the

Applicant Companies.

- h. Copy of the report adopted by the Board of Directors of the Company, explaining effect of compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders.
- i. Copy of Form No. GNL-1 filed by the Applicant Companies, with the concerned Registrar of Companies along with challan, evidencing filing of the Scheme.

Dated this 2nd April, 2024
Place: Kolkata



.....
Navin Pareek
Company Secretary & Compliance Officer
For Vedant Fashions Limited
Paridhan Garment Park, 19 Canal South Road,
SDF 1, 4th Floor, A501-A502,
Kolkata- 700015