



Dated: 28.08.2021

The Manager,
Corporate Relationship Department,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400001

SCRIP CODE: 526407

Sub: Intimation for approved Scheme of Amalgamation passed by Honb'le Judges of National Company Law Tribunal (NCLT), New Delhi Bench

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and earlier intimations to BSE, we inform you that the Hon'ble Judges of National Company Law Tribunal (NCLT), New Delhi bench (Court-II) vide its order dated August 25, 2021 received today i.e. August 28, 2021 in the matter of Scheme of Amalgamation with Ritesh Properties and Industries Limited (Transferee Company) amongst Ritesh Spinning Mills Limited (Transferor Company,1), Ritesh Impex Private Limited (Transferor Company,2), H B Fibres Limited (Transferor Company,3).

Copy of the NCLT approved Scheme is attached herewith for your reference.

Thanking You,
For Ritesh Properties and Industries Limited

Tarandeep Kaur
Company Secretary

Encl.: as above

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SCHEME OF AMALGAMATION

AMONGST

RITESH SPINNING MILLS LIMITED

AND

RITESH IMPEX PRIVATE LIMITED

AND

H B FIBRES LIMITED

AND

RITESH PROPERTIES AND INDUSTRIES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
 (UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)

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 Date of Presentation of application for Copy 23/08/2021
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 DD/DR/AR/Court Officer
 Company Law Tribunal
 New Delhi

PREAMBLE

This scheme of amalgamation (hereinafter referred to as "Scheme" as more particularly defined hereinafter in this Scheme) is presented under the provisions of Section 230 to 232 and other relevant provisions of the Act (more particularly defined hereinafter in this Scheme) as may be applicable and applicable rules of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 for amalgamation of Ritesh Spinning Mills Limited ("Transferor Company 1"), Ritesh Impex Private Limited ("Transferor Company 2") and H B Fibres Limited ("Transferor Company 3") with and into Ritesh Properties and Industries Limited ("Transferee

For Ritesh Properties and Industries Ltd.
 Chairman cum Managing Director

For Ritesh Spinning Mills Limited

Director

For RITESH IMPEX PVT. LTD.

For H. B. Fibres Limited

Director



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Company") with effect from the Appointed Date (as defined hereinafter). In addition, this Scheme also provides for various other matter consequential or otherwise integrally connected herewith.

1. BACKGROUND AND DESCRIPTION OF COMPANIES

1.1 Ritesh Properties and Industries Limited ('RPIL' or the 'Transferee Company'), is a listed public limited company, incorporated under the provisions of Companies Act, 1956 ("1956 Act") on February 19, 1987 bearing Corporate Identification Number ("CIN") L74899DL1987PLC027050. The Transferee Company was incorporated as a private company in the name of 'Ritesh Industries Private Limited' and pursuant to change in its constitution, the name of the Transferee Company was changed to 'Ritesh Industries Limited' and fresh certificate of incorporation was issued by the RoC (as defined hereafter) dated February 13, 1992. Thereafter, the name of the Transferee Company was again changed to its present name 'Ritesh Properties and Industries Limited' and fresh certificate of incorporation was issued by the RoC (as defined hereinafter) dated April 4, 2007.

The registered office of the Transferee Company is situated in the State of Delhi at 11/5B, Pusa Road, New Delhi-110060, India. The correspondence e-mail address of the Transferee Company is ludhiana@catalinabay.com. The equity shares of the Transferee Company are listed on Bombay Stock Exchange-BSE Limited

For Ritesh Properties and Industries Ltd.
Chairman Cum Managing Director

For Ritesh Spinning Mills Limited

Director

For RITESH IMPEX PVT. LTD.

Director

For M. B. Fibres Limited

Director

("BSE"). The Transferee Company is widely engaged in the business of real estate and development of business parks. The Transferee Company is, presently developing an Industrial Park in the name and style of 'Hampton Business Park' located in the State of Punjab at Ludhiana.

1.2 Ritesh Spinning Mills Limited ('RSML' or the 'Transferor Company 1') is an unlisted public limited company duly incorporated under the provisions of 1956 Act on May 31, 1994 bearing CIN-U74899DL1994PLC146637. The registered office of RSML is situated in the State of Delhi at 11/5B, First Floor, Pusa Road, New Delhi-110 060, India. RSML is engaged in the business of spinning, weaving and finishing of textiles. Apart from the aforesaid business, RSML is also engaged in the business of real estate.

1.3 Ritesh Impex Private Limited ('RIPL' or the 'Transferor Company 2') is a private limited company duly incorporated under the provisions of 1956 Act on April 27, 1994 bearing CIN U51311DL1994PTC269851. The registered office of RIPL is situated in the State of Delhi at 11/5B, Pusa Road, New Delhi-110 060, India. RIPL is engaged in the business of buying, selling, import, export and acting as a trader of all kinds of readymade garments, cloth, linen, etc. Apart from the aforesaid business, RIPL is also engaged in the business of real estate.

For Ritesh Spinning Mills Limited
Director

For Ritesh Spinning Mills Limited
Director

For RITEH IMPEX PVT. LTD.
Director

For H.B. Fibres Limited
Director



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1.4 H B Fibres Limited ('HBFL' or the 'Transferor Company 3'), is an unlisted public limited company incorporated under the provisions of 1956 Act on September 17, 1986 bearing CINU51497DL1986PLC269074. The Transferor Company 3 was incorporated as a private limited company in the name and style of 'Delta Credits Private Limited'. Thereafter, the name of the Transferor Company 3 was changed to its present name 'H B Fibres Limited' and fresh certificate of incorporation was issued by the RoC dated July 19, 2014. The registered office of HBFL is situated in the State of Delhi at 11/5B, Pusa Road, New Delhi-110 060, India. HBFL is engaged in the business of buying, selling, import, export, acting as agents and dealers and suppliers of agricultural and non-agricultural intermediate products, metal products, handicraft, all types of textile and garment related products including silk, jute, hosiery and mixed fabrics etc. Apart from the aforesaid business, HBFL is also engaged in the business of real estate.

(For the sake of brevity, the Transferor Company 1, Transferor Company 2 and Transferor Company 3 are herein after collectively referred as 'Transferor Companies'. Further, the Transferor Company 1, Transferor Company 2, Transferor Company 3 and Transferee Company are herein after collectively referred as 'Companies'.)

For Ritesh Properties and Industries Ltd.
Chairman Cum Managing Director

For Ritesh Spinning Mills Limited

Director

For RITESH INDUSTRIES

Director

For H B Fibres Limited

Director



2. RATIONALE FOR THE SCHEME OF AMALGAMATION

2.1 This Scheme envisages amalgamation of the Transferor Companies with and into the Transferee Company, resulting in consolidation of the businesses of the Transferor Companies in one entity, simplifying its holding structure and strengthening position of amalgamated entity (i.e. Transferee Company) thereby enabling it to harness and optimize synergies of the Transferor Companies. It is intended that the Transferee Company shall have a sharper focus on underlying businesses with an aim of achieving operational efficiencies. Accordingly, consolidation of businesses of Companies would be in the best interests of Companies as well as their respective shareholders and other stakeholders. The proposed amalgamation of Transferor Companies with and into Transferee Company is in line with the current global industry practice to achieve size, scalability, integration, greater financial strength and flexibility thereby maximizing shareholder value and to achieve higher long-term financial returns.

2.2 In addition to the foregoing advantages as mentioned above, the amalgamation would also result in intermediary benefits as stated hereunder:

- I. Optimum and efficient utilization of resources either in form of assets and sharing of ancillary facilities;
- II. Collaboration and enhancement of competitive strengths of Companies including their financial, human and technological resources;

For Ritesh Spinning Mills Limited

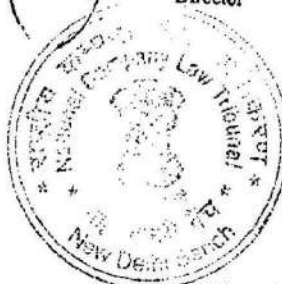
Director

For RITESH SPINTEX PVT. LTD.

Director

For Ritesh Spinning Mills Limited

Director



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- III. Benefit of obtaining synchronisation of synergies ;
- IV. Structured and better management focussing on holistic growth of the businesses.
- V. Cost saving by way of reduction of overheads, administrative, managerial and other expenditure and to bring about operational rationalization, efficiency and optimum utilization of various resources.

Further, there is no adverse effect of this Scheme on the directors, key management personnel, promoters, non-promoter members, creditors and employees of the Companies and the same would be in the best interest of all stakeholders.

Parts of the Scheme:

1. Part A deals with definition and share capital of the Companies.
2. Part B, *inter-alia*, deals with transfer and vesting of the assets, liabilities, profits or losses, legal proceedings, employees constituting business of Transferor Companies and consideration, accounting treatment etc. for Amalgamation (as defined hereinafter).
3. Part C deals with the miscellaneous provisions i.e. application/petition before the Tribunal and conditionality of scheme.

For Ritesh Properties and Industries Ltd.

PART A

3. DEFINITIONS

In this Scheme, unless inconsistent with the subject, the following expressions shall have the meanings respectively assigned against them:

For Ritesh Spinning Mills Limited

For RITESH MP EXPT. LTD

For H.B. Fibres Limited

Director

Director

Director



3.1 "Act" means the Companies Act, 2013, and applicable rules thereunder and includes any amendments, statutory re-enactments and modifications thereof for the time being in force.

3.2 "Amalgamation" means amalgamation of Transferor Companies with and into Transferee Company in terms of the Scheme (as defined hereinafter) in its present form or with any modification(s) as approved by the Tribunal (as defined hereinafter).

3.3 "Applicable Laws" means any relevant statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinances, schemes, notices, treaties, judgement, decree, approvals, orders or instructions enacted or issued or sanctioned by any Governmental and Registration Authority (as defined hereinafter), having the force of law and as applicable to the Companies.

3.4 "Appointed Date" for purposes of this Scheme means 1st April, 2018.

3.5 "Board of Directors" or "Board" means and includes the respective Boards of Directors of the Transferor Companies and the Transferee Company or any committee constituted by such Board of Directors for the purposes of the Scheme.

3.6 "Effective Date" shall be last of the dates on which certified copies of the order of the Tribunal, under section 232 of the Act, sanctioning this Scheme, is filed by Companies with Registrar of Companies (as defined hereinafter).

For Ritesh Properties and Industries Ltd.
Chairman and Managing Director

For Ritesh Spinning Mills Limited
Director

For RATESH IMPEX PVT. LTD.
Director

For M. E. Fibres Limited
Director



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Provided that references in this Scheme to the date of "upon coming into effect of the Scheme" or "upon the scheme becoming effective" or "effectiveness of the Scheme" shall mean Effective Date.

3.7 "Governmental and Registration Authority" means any relevant Central, State or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, quasi-judicial body, bureau or instrumentality thereof or arbitral body having jurisdiction over the companies.

3.8 "Intellectual Property Rights" or "IPR" means, whether registered or not, in the name of or recognized under Applicable Laws as being intellectual property of Transferor Companies, or in the nature of common law rights of Transferor Companies, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web portals, trade names, logos, trade dress and all applications and registration for the foregoing, and all goodwill associated with the foregoing and symbolized by the foregoing; (b) confidential and proprietary information and trade secrets; (c) published and unpublished works of authorship, and copyrights therein, and registrations and applications therefore, and all renewals, extensions, restorations and reversions thereof; (d) computer software, programs (including source code, object code, firmware, operating systems and specifications) and processes; (e) designs, drawings, sketches; (f) tools, databases, frameworks, customer data, proprietary information, knowledge, any other

For Rituch Properties and Industries Ltd.
Chakrapan Cunn Managing Director

For Rituch Spinning Mills Limited

Director

For RITUCH INDUSTRIES LTD.

Director

For R.B. Hones Ltd.

Director



technology or know-how, licenses, software licenses and formulas;

(g) ideas and all other intellectual property or proprietary rights; and

(h) all rights in all of the foregoing provided by Applicable Laws.

3.9 "IT Act" means the Income Tax Act, 1961 and the rules made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.

3.10 "Listing Regulations" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.

3.11 "National Company Law Tribunal" or "NCLT" or "Tribunal" means the National Company Law Tribunal, Bench at New Delhi or such other court/tribunal having jurisdiction over Companies involved in the Scheme, depending on the context and applicability.

3.12 "Record Date" means the date fixed by the Board of Directors of the Transferee Company or any committee thereof in consultation with the Board of Directors of each of the Transferor Company, for the purpose of determining names of the equity shareholders of the Transferor Companies and the names of compulsorily convertible debenture holders of the Transferor Company 1, who shall be eligible to receive the equity shares in the Transferee Company upon coming into effect of this Scheme.

For Ritesh Properties and Industries Ltd.
Chairman Cam Management

3.13 "Registrar of Companies" or "RoC" means the Registrar of

For Ritesh Spinning Mills Limited

Director

For RITESH TEXTILES LTD.

Director

For H. B. Fibres Limited

Director



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Companies, National Capital Territory of Delhi and Haryana at New Delhi.

3.14 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation among the Transferor Companies, and the Transferee Company and their respective shareholders and creditors pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act in its present form or with any modification(s) made pursuant to the provisions of this Scheme by the Board of Directors of the Transferor Companies and Transferee Company, and/ or as approved or directed by the Tribunal, as the case may be.

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

3.16 "SEBI Circulars" means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Circular No. CFD/DIL3/CIR/2017/105 dated September 21, 2017 and CFD/DIL3/CIR/2018/2 dated January 3, 2018 each issued by the SEBI, and shall include any amendment/ substitution from time to time.

3.17 "Transferee Company" or "RPIL" shall have the meaning as ascribed to it in Clause 1.1 of this Scheme.

3.18 "Transferor Company 1" or "RSML" shall have the meaning as

For Ritesh Spinning Mills Limited

For RITESH IMPLEX PVT. LTD.

For R. B. Fibres Limited

Director

Director

Director



ascribed to it in Clause 1.2 of this Scheme.

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3.19 "Transferor Company 2" or "RIPL" shall have the meaning as ascribed to it in Clause 1.3 of this Scheme.

3.20 "Transferor Company 3" or "HBFL" shall have the meaning as ascribed to it in Clause 1.4 of this Scheme.

4. INTERPRETATION

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, and if not defined therein then under the relevant Applicable Laws. In this Scheme, unless the context otherwise requires:

- i. references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- ii. heading, sub-heading and bold typeface are only for convenience and shall not affect the construction or interpretation of this Scheme;
- iii. the term "Clause" refers to the specified clause of this Scheme;
- iv. references to one gender includes all genders;
- v. any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;

For Ritesh Properties and Industries Ltd.
Chairman, Joint Managing Director

For Ritesh Spinning Mills Limited

Director

For RITESH INTTEX PVT. LTD.

Director

For H. B. Flores Limited

Director



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- vi. words in the singular shall include the plural and vice versa; and
- vii. reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision.

5. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) and amendments(s) made pursuant to this Scheme, approved or imposed or directed by the Tribunal as the case may be, as applicable, shall be effective from the Appointed Date, as the case may be, but shall be made operative from the Effective Date.

6. CAPITAL STRUCTURE OF THE COMPANIES

6.1 The share capital of the Companies as at March 31, 2018 is as under:

Company	Authorized Share Capital	Issued Share Capital	Subscribed and Paid up Share Capital
Transferee Company	15,00,00,000/- (1,50,00,000 Equity Shares of Rs.10/- each)	11,75,85,080/- (1,17,58,508 Equity Shares of Rs.10/- each)	11,59,09,580/- (1,15,90,958 Equity Shares of Rs.10/- each fully paid up)
Transferor Company-1	2,10,00,000/- (21,00,000 Equity Shares of Rs.10/- each)	50,00,000/- (5,00,000 Equity Shares of Rs.10/- each fully paid up)	50,00,000/- (5,00,000 Equity Shares of Rs.10/- each fully paid up)

For Ritesh Spinning Mills Limited

Director

For RITES MPX PVT. LTD.

Director

For B. Fibres Ltd.

Director



Transferor Company-2	5,00,00,000/- (5,000 Equity Shares of Rs.100/-each)	1,08,000/- (1,080 Equity Shares of Rs.100/-each fully paid up)	1,08,000/- (1,080 Equity Shares of Rs.100/-each fully paid up)
Transferor Company-3	5,00,00,000/- (50,00,000 Equity Shares of Rs.10/-each)	10,00,000/- (1,00,000 Equity Shares of Rs.10/-each fully paid up)	10,00,000/- (1,00,000 Equity Shares of Rs.10/-each fully paid up)

Subsequent to March 31, 2018 and till the date of approval of this Scheme by the respective Board of the Companies, there has been no change in the position of authorized, issued subscribed and paid up share capital of any of the Companies.

- 6.2 It is expressly clarified that until this Scheme becomes effective, Companies are free to alter their authorized, issued, subscribed or paid up share capital as may be required for their respective business requirements, subject to the necessary approvals from their respective Boards and shareholders, if required.

PART B

TRANSFER & VESTING OF ASSETS

- 7.1 Upon coming into effect of this Scheme and with effect from Appointed Date and subject to provisions of this Scheme including in relation to mode of transfer or vesting, the entire business and whole of the undertaking(s), all property(ies), being movable or immovable, tangible or intangible, belonging to Transferor Companies including but not limited to property, plant and equipment, furniture, land and

For Ritesh Spinning Mills Limited

Director

For RUTESH IMPEX PVT. LTD.

Director

For H. J. Fibres Limited

Director



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building, (whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise), bank balances, bank deposits against bank guarantees, any cheques deposited interest accrued but not due on bank deposits, interest accrued on deposits, security deposits, cash and cash equivalents, cash imprest, sundry debtors, outstanding loans and advances (short-term and long-term), if any, recoverable in cash or in kind or for value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, prepaid expenses (current and non-current), fixed assets, inventories, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, Goods and Service Tax (GST) credits and refunds including refunds from Governmental and Registration Authorities, capital advances, trade receivables, accrued interest, other current and non-current assets, deferred tax assets, contribution to gratuity fund, permits, approvals, authorizations, telephone connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the applicable tax laws, all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of any corporate, mutual funds etc., other assets such as

Chairman & Managing Director

For Ritesh Properties & Industries Ltd.

For Ritesh Spinning Mills Limited

Director

For RITESH MEX PVT. LTD.

Director

For Ritesh B. L. S. Limited

Director



computer software and hardware including all types of furniture and fixtures, vehicles (whether freehold or encumbered), office equipment including all types of lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by Transferor Companies (hereinafter referred to as "Said Assets") and all documents of titles, receipts and easements in relation thereto or improvement, all rights, covenants, continuing rights, titles and interest in connection with Said Assets shall, unless otherwise agreed between Transferor Companies and Transferee Company specifically, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Transferee Company in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of the Act and pursuant to the orders of the Tribunal or any other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets of Transferee Company.

7.2 Without prejudice to the above, in respect of Said Assets of Transferor Companies as are movable in nature or incorporeal

For Ritesh Signage & Gifts Limited

Director

For RITESH INFRA LTD.

For H. B. Films Limited

Director



property or are otherwise capable of being transferred by delivery or possession or by endorsement and/or delivery, the same shall stand transferred to Transferee Company upon coming into effect of this Scheme and shall upon such transfer become Said Assets of Transferee Company with effect from Appointed Date. In respect of any such assets, rights, titles and interests other than Said Assets referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Transferee Company pursuant to an order being made thereof by the Tribunal under section 232 of the Act.

7.3 Without prejudice to the above, in respect of IPR and Said Assets of Transferor Companies, if any, belonging to the Transferor Companies shall stand transferred to and vested and be deemed to be transferred to and vested in the name of Transferee Company without any further act, instrument or deed. Transferee Company, however, shall after the effectiveness of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Amalgamation, if required, who shall take them on record pursuant to the order of Tribunal.

7.4 Upon the coming into effect of this Scheme and with effect from the Appointed Date all statutory licenses including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consolidated consent and authorization order and all other business certifications and all other registration certificates issued to

For Ritesh Spinning Mills Limited

Director

For RITESH IMPLY PVT. LTD.

Director

For H.B. Pores Limited

Director



Transferor Companies under Applicable Laws including without limitation, Contract Labour Act, 1970, Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident Fund and Miscellaneous Provisions Act, 1952 and/or Gratuity Act, 1972 and pension and/or superannuation fund, retirement fund or benefits and any other funds or benefits created by the Transferor Companies for the Employees, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the IT Act, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (hereinafter referred to as "Said Rights and Interests"), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Transferor Companies, shall, pursuant to provisions of section 232(4) of the Act and other applicable provisions of Applicable Laws, for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to Transferee Company so as to become on and from Appointed Date, Said Rights and Interests, effective and enforceable on the same terms and conditions to the extent permissible under Applicable Laws for the time being in force and shall be duly and

For Ritesh Spinning Mills and Industries Ltd.
Managing Director

For Ritesh Spinning Mills Limited

Director

For RITESH TEX I. LTD.

Director

For H. B. Fibres Limited



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appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favour of Transferee Company.

- 7.5 Upon coming into effect of this Scheme, all vehicles (*whether freehold or encumbered*), if any, of any nature whatsoever, of Transferor Companies, shall stand transferred to and vested in and/or be deemed to be transferred and vested in Transferee Company without any further act, instrument or deed or any further payment of fees, charge or securities and upon application being made by Transferee Company, the relevant Governmental and Registration Authorities shall mutate and register the said vehicles in the name of Transferee Company as if the vehicles had originally been registered in the name of Transferee Company.

8. TRANSFER & VESTING OF LIABILITIES

- 8.1 Upon coming into effect of this Scheme and with effect from Appointed Date, all secured and unsecured liabilities, borrowings (long-term and short-term), including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees, (long-term and short term), security deposits received, loans, contingent liabilities, deferred tax liabilities, non-trade payables, creditors of fixed assets, letters of credit, etc., if any, statutory liabilities/dues (whether disputed or undisputed), any kind of commitment or any other

For Ritesh Properties and Industries Ltd.
Chairman Cum Managing Director

For Ritesh Spinning Mills Limited

Director

For RITESH INDUSTRIES PVT. LTD.

Director

For H. B. Fibres Limited

Director



advances received (whether disclosed or undisclosed), duties, term loans from banks and financial institutions, bank overdraft, long term loan and advances from customers, statutory dues payable, government dues for taxes, contribution to provident fund, labour welfare funds, trade payables due to dues of micro and small enterprises, staff and other creditors, employee benefit payable, long term or short term provisions, advance from customers, provisions including provisions for tax, expenses payable, taxes and obligations of Transferor Companies, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature (hereinafter referred to as "Said Liabilities") shall also be transferred to and vested in or be deemed to be transferred to and stand vested, without any further act, instrument or deed in Transferee Company pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Laws so as to become Said Liabilities of Transferee Company and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such Said Liabilities may have arisen and are to be transferred to Transferee Company.

For Ritesh Paper Mills and Industries Ltd
Chairman/Managing Director

- a) All loans raised and utilized or incurred as part of Said Liabilities, if any, by the Transferor Companies anytime after the Appointed Date,

For Ritesh Paper Mills Limited
Director

For RITESH PAPER MILLS PVT. LTD.
Director

For H. B. Fibres Limited
Director



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but prior to the Effective Date, shall be deemed to be transferred to and vested with Transferee Company without any further act or deed.

b) The borrowing limits, if any, of Transferee Company shall, without any further act or deed, stand enhanced by an amount being the aggregate of Said Liabilities of Transferor Companies which are being transferred to Transferee Company pursuant to this Scheme and Transferee Company shall not be required to pass any separate resolutions or comply with any provisions of the Act, in this regard.

c) It is clarified that insofar Said Assets of Transferor Companies are concerned which have the security or charge, encumbrance or lien, if any, relating to securing the Said Liabilities or any other obligations of Transferor Companies, shall, without any further act or deed continue to relate to such Said Assets after Effective Date in the name of the Transferee Company and shall not extend to any other assets of Transferee Company. However, it is expressly clarified that any such security or charge or encumbrance or lien shall not be entered to as security in relation to any assets of the Transferee Company, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which Transferor Companies are party and consistent with the joint obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of Transferee Company.

For Ritesh Property and Industries Ltd
Chairman, Management Committee

For Ritesh Spinning Mills Limited

Director

For Ritesh Textiles Pvt. Ltd.

Director

For H. B. Fibres Limited

Director



d) Transferee Company, at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that Transferee Company shall assume sole responsibility for repayment of borrowings.

8.2 With effect from Effective Date and until such time names of the bank accounts of Transferor Companies are replaced with that of Transferee Company, Transferee Company shall be entitled to operate the existing bank accounts of Transferor Companies, in so far, as may be necessary. The banks shall also allow and honour cheques or other bills issued in the name of Transferor Companies on and from Effective Date.

8.3 Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of movable and immovable properties of Transferor Companies with Transferee Company occurs by virtue of this Scheme itself, Transferee Company, at any time upon coming into effect of this Scheme, may execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement or memorandum of understanding to which Transferor Companies are parties, on Effective Date, as may be necessary to be executed in order to give formal effect to the above provisions.

Transferee Company shall under the provisions of this Scheme and/or subject to necessary approvals required under Applicable

For Ritesh Properties and Industries Ltd
Chairman/Managing Director

For Ritesh Properties and Industries Ltd

Director

For RITES INDEX LTD

Director

For H.B. Flares Limited

Director



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Laws be deemed to be authorized to execute any such writings on behalf of Transferor Companies to carry out or perform all such formalities or compliance, referred to above.

9. TRANSFER OF PROFITS, INCOMES AND EXPENDITURE

9.1 All profits or incomes including interest on deposits with banks, interest income etc., accruing or arising to Transferor Companies or expenditure (including the effect of taxes, if any) to Transferor Companies on and any time after the Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure as the case may be of Transferee Company.

10. COMPLIANCE WITH IT ACT

10.1 This Scheme complies with the conditions relating to "amalgamation" as specified under Section 2(1B) of the IT Act. If any terms and provisions of this Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of Applicable Laws or for any other reason whatsoever, then the provisions of such amended section(s) of the IT Act or any other Applicable Laws shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(1B) of the IT Act or any other Applicable Law, as may be amended from time to time. Such modification shall however not affect other parts of this Scheme.

Chairman Cum Managing Director

For Ritesh Properties and Industries Ltd.

For Ritesh Spinning Mills Limited

Director

For RITESH COMPLEX PVT. LTD.

Director

For B. Flores Limited

Director



11. LEGAL PROCEEDINGS

11.1 Upon coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings (*before any statutory or quasi-judicial authority or tribunal or any court*), if any, by or against Transferor Companies pending and/or arising on or before Effective Date shall be continued and/or be enforced by or against Transferee Company as effectually and in the same manner and extent as if the same has been instituted and/or pending and/or arising by or against Transferee Company.

11.2 It is expressly specified that Transferee Company undertakes to have all legal or other proceedings initiated by or against Transferor Companies as referred above, be transferred to its name and shall have the same continued, prosecuted and enforced in its name.

12. INTER COMPANY TRANSACTIONS

Without prejudice to the above provisions, upon the Scheme becoming effective and with effect from Appointed Date, all inter-company transactions, inter-se amongst the Transferor Companies or inter-se between Transferor Companies and Transferee Company, including but not limited to:

a) any loans, advances, and other obligations (*including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever*

For Pooja Spinning Mills Limited

Director

For RUPAK IMPEX PVT. L.

Director

For H. B. Fibres Limited

Director



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form), which are due or outstanding or which may at any time in future; or

- b) any agreement/memorandum of understanding, executed amongst the aforesaid Companies shall stand cancelled as on Effective Date and shall be of no effect and the Transferor Companies and the Transferee Companies shall have no further obligation outstanding in that behalf.

13. TREATMENT OF TAXES

13.1 Upon this Scheme becoming effective and with effect from Appointed Date, all taxes, duties, cess payable by Transferor Companies (including under the IT Act, Customs Act, 1962 or any other Applicable Laws), accruing and relating to Transferor Companies from Appointed Date onwards, including but not limited to advance tax payments, tax deducted at source ("TDS"), minimum alternate tax ("MAT"), any refund and interest due thereon on any credits, claims and exemptions shall, for all purposes be treated as advance tax payments, TDS, MAT, refund and interest due on any such credits, claims and exemptions or refunds, as the case may be, of Transferee Company.

13.2 Upon the Scheme becoming effective, the Transferee Company is permitted to file or revise the returns of the Transferor Companies including but not limiting to TDS return, sales tax/value added tax returns, service tax returns, GST returns and all other

For Ritani Spinning Mills Limited

For H. B. Fibres Limited

Director

Director

Director



relevant returns filed with the Governmental and Registration Authorities for the period either prior to the Appointed date and/ or period commencing on and from the Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.

13.3 Upon this Scheme becoming effective, all unavailed credits, claims and exemptions, any refunds, interest due there on, benefit of carried forward losses and other statutory benefits, if any, in respect of income tax (including but not limited to TDS, tax collected at source, advance tax, MAT credit, book and tax losses etc.), cenvat, customs, value added tax, sales tax, service tax, GST etc. to which Transferor Companies is entitled to, prior to the period of Appointed Date, shall be available to and vest in Transferee Company, without any further act or deed.

13.4 TDS, service tax, GST, if any, deducted by and/or charged to Transferee Company under the IT Act or any other statute for the time being in force, in respect of the payments made by Transferee Company to Transferor Companies on account of inter-company transactions, assessable for the period commencing from Appointed Date shall be deemed to be the advance tax/ service tax/ GST etc. paid by Transferee Company and credit for such advance tax/ service tax/ GST etc. shall be allowed to Transferee Company

For Ritesh Spinning Mills Limited

Director

For RITES INDUSTRIES LTD.

For H. S. Mills Limited

Director



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notwithstanding that certificates or challans for advance tax/ service tax/ GST etc. being in the name of Transferor Companies and not in the name of Transferee Company. Upon this Scheme becoming effective, Transferee Company is permitted to file and/ or revise tax returns of the Transferor Companies (including but not limited to income tax returns, withholding tax returns, TDS certificates, sales tax returns, value added tax returns, service tax returns, GST returns and other tax returns) for the period commencing on and from Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.

13.5 Without prejudice to generality of aforesaid, any concessional or statutory forms under applicable tax laws, or local levies issued or received by Transferor Companies, if any, in respect of period commencing from Appointed Date shall be deemed to be issued or received in the name of Transferee Company and benefit of such forms shall be allowable to Transferee Company in the same manner and to the same extent as would have been available to Transferor Companies.

For Ritesh Properties and Industries Ltd.
Managing Director

13.6 Transferee Company shall file the relevant intimations, if required under Applicable Laws, at its own cost, for the record of concerned Governmental and Registration Authorities who shall take them on

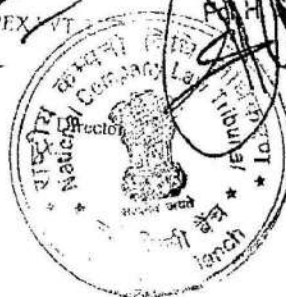
For Ritesh Spinning Mills Limited

Director

For RITESH IMPEX PVT

For Ritesh Fibres Limited

Director



file. Transferee Company shall be deemed to be authorized to execute any such writings on behalf of Transferor Companies in order to carry out or perform all such formalities or compliances referred to above on part of Transferor Companies.

13.7 All the expenses incurred by Companies in relation to Amalgamation as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Transferee Company in accordance with section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

13.8 Any refund under the tax laws due to Transferor Companies consequent to the assessments made on Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by Transferee Company. The concerned Governmental and Registration Authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the orders on this Scheme by the Tribunal upon relevant proof and documents being provided to the said authorities.

14. TREATMENT OF EMPLOYEES

14.1 Upon coming into effect of this Scheme:

For Rishabh Spinning Mills Limited
Director

For K. S. IMPEX PVT. LTD.
Director

For B. Fibres Limited
Director



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- a) All staff, workmen and employees who are in employment of Transferor Companies on Effective Date shall become staff, workmen and employees of Transferee Company with effect from Appointed Date on the basis that:
- (i) their employment shall be deemed to have been continuous and not interrupted by reasons of the said transfer; and
 - (ii) terms and conditions of their employment after such transfer shall not in any way be less favorable to them than those applicable to them immediately preceding the said transfer.
- b) It is expressly provided that as far as provident fund, employee state insurance plan scheme, gratuity scheme/trusts, leave encashment, superannuation scheme, compensated absences, unavailed leave scheme or any other special scheme(s) or fund(s) or trust(s), provisions for benefits created or existing, if any, for benefit of staff/workmen/employees of Transferor Companies are concerned, upon coming into effect of the Scheme, Transferee Company shall stand substituted for Transferor Companies for all purposes whatsoever, related to administration or operation of such scheme(s) or fund(s) or trust(s) and intent that all rights, duties, powers and obligation(s) of Transferor Companies in relation to such scheme(s) or fund(s) or trust(s) shall become those of Transferee Company. It is clarified that employment of employees of Transferor Companies will be treated as having been continuous for the purpose of the aforesaid scheme(s) or fund(s) or trust(s) including for the purposes

For Ritesh Spinning Mills Limited

Director

For Ritesh Apex Pvt. Ltd.

Director



Director

of payment of any retrenchment compensation and other terminal benefits. Transferee Company shall file relevant intimations with the concerned Governmental and Registration Authorities who shall take the same on record and endorse the name of Transferee Company for Transferor Companies. Upon this Scheme becoming effective, all contributions to such scheme(s) or fund(s) or trust(s) created or existing for the benefit of such employees of Transferor Companies shall be made by Transferee Company in accordance with the provisions of such scheme(s) or fund(s) or trust(s) and Applicable Laws.

15. CONTRACTS, DEEDS, RESOLUTIONS, ETC.

15.1 Subject to other provisions contained in this Scheme, all contracts, deeds, understandings, bonds, guarantees, agreements, instruments and writings and benefits of whatsoever nature, if any, to which any of Transferor Companies are a party and are subsisting or having effect on Effective Date, shall remain in full force and effect against or in favour of Transferee Company and may be enforced by or against Transferee Company as fully and effectually as if, instead of Transferor Companies, Transferee Company had been a party thereto or beneficiary or obligee thereto or thereunder.

15.2 Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from Appointed Date, all consents, agreements, permissions, all statutory

For Ritesh Properties and Industries Ltd

For Ritesh Properties and Industries Ltd

For B. Flores Limited

Director



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or regulatory licences, certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favour of Transferor Companies or any instrument of whatsoever nature including various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed or availed by any Transferor Companies, granted by any Governmental or Registration Authorities, or by any other person, shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

15.3 All resolutions of Transferor Companies which are valid and subsisting on Effective Date, shall continue to be valid and subsisting and be considered as resolutions of Transferee Company and if any such resolutions have any upper monetary or any other limits imposed under provisions of the Act, then the said limits shall apply mutatis mutandis to such resolutions and shall constitute the aggregate of the said limits in Transferee Company.

Chairman Corp. Managing Director

For Fresh Properties and Industries Ltd.

16. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

16.1 With effect from Appointed Date and upto and including Effective Date, the Transferor Companies shall be deemed to carry on all their businesses and other incidental matters for and on account of and in

For Ritesh Spinning Mills Limited

For RITESH SPINTEX PVT. LTD.

For B. B. Fibres Limited

Director



trust for the Transferee Company with reasonable diligence and due business prudence in the same manner as carried before and shall not without the prior written consent of Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of such Said Assets or such Said Rights and Interests or IPR and their business undertaking(s) or any part thereof, save and except in each case:

- a) If it is in the ordinary course of business of Transferor Companies; or
- b) If the same is expressly permitted by this Scheme.

17. SAVING OF CONCLUDED TRANSACTION

17.1 Where any of the Said Liabilities of Transferor Companies, as on Appointed Date, transferred to the Transferee Company have been discharged by the Transferor Companies after Appointed Date and prior to Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

17.2 Without prejudice to anything mentioned above or anything contained in this Scheme, transfer and vesting of all business undertakings of the Transferor Companies as per this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Companies on or before Appointed Date or after Appointed Date till Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things made, done and executed by the Transferor Companies as acts,

For Ritesh Shipping Mills Limited

Director

For RITESH MPX PVT. LTD.

For B. Flores Limited

Director



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deeds, matters and things made, done and executed by or on behalf of the Transferee Company.

17.3 All the Said Liabilities, incurred or undertaken by Transferor Companies after Appointed Date and prior to Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of Transferee Company to the extent they are outstanding on Effective Date, shall, upon the coming into effect of this Scheme and pursuant to provisions of section 232 and any other applicable provisions of the Act, shall without any further act, instrument or deed be and stand transferred to and/or vested in and/ or be deemed to have been transferred to and vested in Transferee Company and shall become Said Liabilities of Transferee Company.

18. CONSIDERATION

18.1 Upon this Scheme coming into effect and upon transfer and vesting of the business and undertaking of the Transferor Companies in the Transferee Company, the consideration in respect of such transfer shall, subject to the provisions of the Scheme, be paid and satisfied by Transferee Company as follows, without further application, act or deed, shall issue and allot to each of:

- a. the shareholders of Transferor Company 1 (other than the shares already held therein immediately before the amalgamation by Transferee Company, its nominee or subsidiary company), shares in proportion of 4(Four) Equi

For Ritesh Spinning Mills Limited

Director

For RITESH IMPER PVT. LTD.

Director

For H. B. Fibres Limited

Director



shares of face value of Rs. 10(Rupees Ten) each} in
Transferee Company for every 1(One) Equity share of face
value of Rs.10/- (Rupees Ten) each held by them in Transferor
Company 1 pursuant to this Scheme of Amalgamation.

b. the holders of compulsorily convertible debentures of
Transferor Company 1 (other than the shares already held
therein immediately before the amalgamation by Transferee
Company, its nominee or subsidiary company), shares in
proportion of 4(Four) Equity shares of face value of Rs.
10(Rupees Ten) each in Transferee Company for every 1
(one) equity share of Rs. 10/- (Rupees Ten) to be issued as
per terms and conditions of conversion of compulsorily
convertible debentures of face value of Rs.5,000/- (Rupees
Five Thousand) bearing interest of 4% (Four) per annum
each held by them in Transferor Company 1 pursuant to this
Scheme of Amalgamation. Terms and conditions of conversion
of compulsorily convertible debentures into equity shares of
the Transferor Company 1 along with necessary computations
are set forth in Schedule I hereto. Basis the calculations, the
Transferee Company will issue 63,33,332 (Sixty Three lakh
Thirty Three Thousand three Hundred and Thirty Two) equity
shares of face value of Rs. 10/-(Rupees Ten) each to the
holders of compulsorily convertible debentures.

For Ritesh Properties and Industries Ltd.
Chairman of the Amalgamation Committee

For Ritesh Properties and Industries Limited

Director

For Ritesh Impex Pvt. Ltd.

Director

For H. B. Fibres Limited

Director



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c. the shareholders of Transferor Company 2 (other than the shares already held therein immediately before the amalgamation by Transferee Company, its nominee or subsidiary company), shares in proportion of 1,756(One Thousand Seven Hundred and Fifty Six) Equity shares of face value of Rs. 10(Rupees Ten) each in Transferee Company for every 1 (One) Equity share of face value of Rs.100/- (Rupees Hundred) each held by them in Transferor Company 2 pursuant to this Scheme of Amalgamation.

d. the shareholders of Transferor Company 3 (other than the shares already held therein immediately before the amalgamation by Transferee Company, its nominee or subsidiary company), shares in proportion of 14(Fourteen) Equity shares of face value of Rs. 10(Rupees Ten) each in Transferee Company for every 1 (One) Equity shares of face value of Rs.10/- (Rupees Ten) each held by them in Transferor Company 3 pursuant to this Scheme of Amalgamation.

18.2 For arriving at the share exchange ratio as outlined above, the Companies have considered the Valuation Report submitted by Santosh K Singh & Co., Chartered Accountants, New Delhi (Firm Registration No. 019877N) along with fair opinion of M/s 3Dimension Capital Services Limited, SEBI registered Merchant Banker (Registration No. INM000012528) on such valuation.

For Ritesh Spinning Mills and Industries Ltd.
Managing Director

For Ritesh Spinning Mills Limited

For Ritesh Spinning Mills Limited

For H. B. Pores Limited



18.3 Any fraction arising out of allotment of equity shares pursuant to the Scheme shall be rounded off to the nearest whole integer.

18.4 The ratio in which equity shares of the Transferee Company is to be issued and allotted to the equity shareholders of the Transferor Companies is herein referred to as the "Share Exchange Ratio". In the event that the Transferee Company restructures its share capital by way of share split/consolidation/issue of bonus shares/conversion of preference shares etc. during the pendency of the Scheme, the Share Exchange Ratio shall be adjusted accordingly to take into account the effect of such corporate actions.

18.5 The issue and allotment of shares to shareholders of Transferor Companies, as provided in this Scheme, shall be deemed to be made in compliance with the procedure laid down under Section 42 and Section 62 of the Companies Act, 2013 and that the consent of shareholders of Transferee Company to the Scheme shall be sufficient for purposes of issuance and allotment of equity shares to the shareholders of Transferor Companies.

18.6 The said Equity Shares in the capital of Transferee Company be issued to the shareholders of Transferor Companies including the holders of Compulsory Convertible Debentures in the Transferor Company 1, shall rank *pari passu* in all respects, with the existing

For Ritesh Spinning Mills and Industries Ltd
Chairman Cum Managing Director

For Ritesh Spinning Mills Limited

Director

For RITESH IMPEX PVT. LTD.

For H.B. Fibres Limited

Director



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Equity shares in Transferee Company from the Appointed Date.

18.7 Upon the Scheme becoming effective and subject to the above provisions, the shareholders of Transferor Companies including the holders of compulsory convertible Debentures in the Transferor Company 1 (other than the shares already held therein immediately before the amalgamation by Transferee Company) as on the record date shall receive new share in their demat accounts.

18.8 Upon the issue and allotment of new shares in the capital of Transferee Company to the shareholders of Transferor Companies including the holders of compulsory convertible debentures in the Transferor Company 1, the shares in relation to the shares held by them in Transferor Companies shall be deemed to have been cancelled.

18.9 Subject to provisions of the Securities Contracts (Regulations) Act, 1956, Securities and Exchange Board of India Act, 1992 and Listing Regulations, the Transferee Company shall take steps for listing of New Equity Shares on the Stock Exchange. The New Equity Shares shall remain frozen in the depositories system till relevant directions in relation to listing/ trading are given by the Stock Exchange.

For Ritesh Properties and Industries Ltd.

For Ritesh Spinning Mills Limited

Director

For RITESH IMPEX PVT. LTD.

Director

For M. B. Fibres Limited

Director



19. CLUBBING OF AUTHORIZED SHARE CAPITAL

19.1 The authorized share capital of the Transferor Companies as on March 31, 2018 is as follows:

Authorized Share Capital	Amount in Rs.
Transferor Company 1	2,10,00,000/-
Transferor Company 2	5,00,000/-
Transferor Company 3	5,00,00,000/-
Total	7,15,00,000/-

19.2 Upon the Scheme coming into effect and with effect from Appointed Date, the authorized share capital of Transferor Companies amounting to Rs. 7,15,00,000/- (Rupees Seven Crore and Fifteen Lakhs only) as on Effective Date shall stand transferred to and be added with the authorized share capital of Transferee Company. The Transferee Company shall file necessary application with the ROC along with the Scheme as sanctioned by the Tribunal, indicating the revised authorized share capital and pay the prescribed fee due on such increase in authorized share capital of Rs. 7,15,00,000/- (Rupees Seven Crore and Fifteen Lakhs only) after claiming set off of fee already paid by the Transferor Companies on their authorized share capital. It is further clarified that the Transferee Company shall not be required to pay any other additional fees (including fee payable to ROC, except as may be required as per the applicable provisions of the Act) or stamp duty or any other charges under any Applicable Laws for time being in force.

For Ritesh Properties and Industries Ltd.
Director

For Ritesh Spinning Mills Limited

Director

For RITEX IMPEX PVT. LTD.

Director

For R.B. Fibres Limited

Direct



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19.3 Consequent to transfer of the existing authorized share capital of Transferor Companies on Effective Date in accordance with the aforementioned; Clause V of the memorandum of association of Transferee Company shall be substituted as necessary.

19.4 It is hereby clarified that the consent of shareholders of Transferee Company to the Scheme shall be sufficient for purposes of effecting the amendment in the Memorandum of Association and Articles of Association of Transferee Company and that no further resolution under sections 13, 14 and 61 of the Act and any other applicable provisions of the Act would be required to be separately passed, nor any additional registration fee etc. be payable by Transferee Company. However, Transferee Company shall file the amended copy of its Memorandum of Association and Articles of Association with the Registrar of Companies within a period of 30 (Thirty) days from Effective Date and the Registrar of Companies shall take the same on record.

19.5 If required, the Transferee Company shall take necessary steps to increase its authorized share capital on or before the Effective Date so as to make it sufficient for allotment of shares, to the shareholders of transferor companies, in consideration of amalgamation after considering the combined authorized share capital of Transferee Company.

For Ritesh Property and Industries Ltd.
Managing Director

For Ritesh Property and Industries Ltd.

Director

For RITESH INDEX PVT. LTD.

Director

For R.B. Fibres Limited

Director



20 ACCOUNTING TREATMENT FOR AMALGAMATION

Upon the coming into effect of this Scheme, the amalgamation of the Transferor Company with the Transferee Company shall be accounted for as per the "Indian Accounting Standard (Ind AS) 103 for Business Combination" prescribed under section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time such that:

20.1 Transferee Company shall, record all the assets and liabilities, including reserves of the Transferor Company vested in it pursuant to this Scheme, at their respective book values as appearing in the books of Transferor Company on the Appointed Date.

20.2 Inter-se-investment, if any, in the share capital between the Companies as appearing in the books of accounts of Transferee Company shall stand cancelled and there shall be no further obligation / outstanding in that behalf.

20.3 The loans and advance or payables or receivables of any kind, held inter-se, if any between Transferor Companies and Transferee Company, as appearing in their respective books of accounts shall stand discharged.

20.4 Transferee Company shall record in its books of accounts, all transactions of Transferor Companies in respect of Said Assets and Said Liabilities, income and expenses, from Appointed Date to Effective Date.



For Ritesh Spinning Mills Limited

Director

For LIFESURE PEX TV

Director

For H. B. Fibres Limited

Director

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20.5 The difference between the share capital issued by the Transferee Company and the net assets of the Transferor Company acquired would be adjusted in the capital reserves of the Transferee Company. Also, the difference, if any arising from the cancellation of cross-holdings (if any) shall also be adjusted in the capital reserves of the Transferee Company.

20.6 If at the time of amalgamation, Transferor Company and Transferee Company have conflicting accounting policies, a uniform accounting policy shall be adopted by Transferee Company following the amalgamation. The effects on the financial statements of any changes in accounting policies should be reported in accordance with the applicable accounting standards.

21 DISSOLUTION OF TRANSFEROR COMPANIES

Upon approval of this Scheme, Transferor Companies shall, without any further act or deed, shall stand dissolved without winding up.

For Ritesh Spinning Mills and Industries Ltd.

For Ritesh Spinning Mills Limited

Director

For RITESH MIXED PVT LTD

Director

For M. B. Fines Limited

Director



PART C

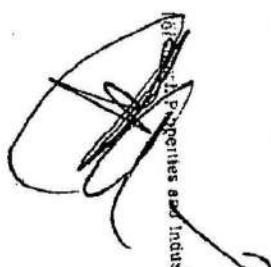
GENERAL TERMS & CONDITIONS

22 APPLICATION TO TRIBUNAL

The Companies shall, with all reasonable dispatch, make necessary applications/petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the Tribunal for seeking sanction of this Scheme.

23 MODIFICATION OR AMENDMENTS TO THE SCHEME

23.1 Subject to approval by the Tribunal, Board of each of Companies may assent to any modifications/ amendments including withdrawal/ termination of the Scheme or to any other conditions or limitations that the Tribunal or any Governmental and Registration Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by their respective Boards. Each of Companies shall authorize their respective Boards to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or order of the Tribunal or any Governmental and Registration Authority of any other competent authority or otherwise howsoever arising out of or by virtue of the Scheme and/or to give effect to and to implement the Scheme, in part or in whole, and/or any matter concerned or connected therewith.


Ritesh Spinning Mills Ltd.

For Ritesh Spinning Mills Limited

Director

For RITESH INDUSTRIES LTD.

Director

For H. B. Fibres Limited

Director



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23.2 Further, it is clarified that the initial consent of the shareholders and creditors (both secured and unsecured) of Companies to this Scheme shall in itself be deemed to be sufficient to authorize the operation of the abovementioned clause of this Scheme and any subsequent alteration would not require a fresh note of consent from such shareholders and creditors.

24 CONDITIONALITY OF THE SCHEME

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

24.1 The requisite consent, approval or permission from BSE and/or SEBI pursuant to Regulation 37 of the Listing Regulations read with SEBI Circulars and Regulation 11 and 94 of the Listing Regulations which by law or otherwise may be necessary for the implementation of this Scheme in compliance with the provisions of SEBI Circulars;

24.2 The approval of the Scheme by the respective requisite majorities in number and value of the shareholders and/or creditors (where applicable) of the Companies in accordance with Section 230 to 232 of the Act;

24.3 As clause (a) of Para (1)(A)(9) of Annexure I of SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 is applicable to the Scheme, therefore, the Transferee Company shall provide voting by the public shareholders through e-voting and shall disclose all material facts in the explanatory statement to be sent to the shareholders in relation to the resolution for approving the Scheme.

For Ritesh Spinners and Industries Ltd.

Director

For Ritesh Spinners and Industries Ltd.

For H. B. Jores Limited

Director



24.4 As clause (b) of Para (1)(A)(9) of Annexure I of SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 is applicable to this Scheme, this Scheme shall be acted only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by the public shareholders against it.

24.5 The Scheme being sanctioned by the Tribunal in terms of Sections 230 to 232 and other relevant provisions of the Act and the requisite orders of the Tribunal;

24.6 Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the relevant Registrar of Companies by Transferor Companies and Transferee Company as per the provisions of the Act.

25 EFFECT OF NON-RECEIPT OF APPROVALS

25.1 In the event of any of the said sanctions and approvals referred in the Scheme not being obtained and/ or complied with and/or satisfied, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

For Ritesh Enterprises Ltd.

For Ritesh Enterprises Ltd.

Director

For RITESH ENTERPRISES PVT. LTD.

Director

For H. B. Pures Limited



25.2 In the event of revocation of the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter se to Transferor Companies and Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the applicable laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.

25.3 The Board of Directors of the Transferor Companies and Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.

26 COSTS, CHARGES AND EXPENSES

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

Certified True Copy

Legal Consultants of the Scheme:

Vaish Associates, Advocates,

11th Floor, Mohan Dev Building,

13, Tolstoy Marg, New Delhi-110001



For Fresh Springs Ltd. Limited

Director

For MTECH IMPEX PVT. LTD.

Director

For H.B. Fibres Limited

Director

Schedule I

(Refer clause 18.1(b) of the Scheme)

Terms and conditions of conversion of compulsorily convertible debentures ("CCDs") of Transferor Company 1 along with necessary computations

- (i) Transferor Company 1 issued following CCDs:
- 50,000 CCDs of Rs. 5,000/- (Rupees Five Thousand only) each bearing interest @ 4% per annum on March 5, 2007; and
 - 9,976 CCDs of Rs. 5,000/- (Rupees Five Thousand only) each bearing interest @ 4% per annum on April 17, 2009.

The aggregate amount of CCDs issued by Transferor Company 1 was Rs. 29,98,80,000/- ("Subscription Consideration").

- (ii) Transferor Company 1 and the CCD holders entered into Restated Debenture Subscription Agreement dated 27.08.2010 ("Debenture Agreement") wherein the terms and conditions for conversion of CCDs into equity shares were reaffirmed. The CCDs are referred as 'FCDs' in the Debenture Agreement.
- (iii) Important clauses of the Debenture Agreement providing terms and conditions for conversion of CCDs into equity shares are as under:

"Clause 5.3: Parties acknowledge and agree that the FCDs of the Company issued to the Investor against the Subscription Consideration shall upon conversion constitute Seventy-Six (76%) of the fully paid up equity share capital of the Company based on the Conversion Ratio and in terms of the guidelines issued by the Reserve Bank of India in this regard."

For:


For:   
For:   
Director

Director

For:   
For:   
Director

Director

For:   
For:   
Director

Director



Clause 8: Conversion price

The Conversion price for converting the outstanding FCDs shall be arrived at as per the Conversion mechanism as set forth in Annexure II annexed herewith.

Annexure II- Conversion Mechanism

1.1 The authorized equity share capital of the Company being INR 21.0 million divided into 2.1 million equity shares of Rs. 10/- each, 76% of the authorized equity share capital equals to INR 1,59,60,000/- [i.e. 15,96,000 shares of INR 10].

1.2 The Subscription Consideration is divided by 1.1 above which shall give the Conversion Ratio/Conversion Price.

Note: For part conversion, the above would need to be pro-rated.

The aforesaid Conversion Price and Conversion Ratio shall be subject to the relevant guidelines issued by the Reserve Bank of India.

Clause 9: Covenants

The Company undertakes that it will:

9.1.7 ensure that the issued and paid up equity share capital of the Company held by the Promoter Group shall not exceed 24% of the authorized equity share capital of the Company."

Managing Director

For Ramesh Spinning Mills Limited

Director

For H.B. Pures Limited

For H. B. Pures Limited



- (iv) As per the above terms and conditions of the Debenture Agreement, following equity shares of Transferor Company 1 were to be issued upon conversion of CCDs:

A.	No. of CCDs	59,976
B.	Face value of CCDs	Rs. 5,000
C.	Total value of CCDs or Subscription Consideration (A*B)	Rs. 29,98,80,000
D.	Authorized equity share capital in terms of Annexure II of the Debenture Agreement*	Rs. 2,10,00,000
E.	76% of authorized equity share capital in terms of clause 1.1 of Annexure II to Debenture Agreement (76% of D)	Rs. 1,59,60,000
F.	Conversion Ratio (C/E)	18.79
	In terms of clause 1.2 of Annexure II of the Debenture Agreement, Transferor Company 1 was required to issue 18.79 equity shares of Rs. 10/- each for every 1 CCD held by the CCD holders.	
G.	No. of equity shares to be issued (A*F)	11,26,949
H.	Face value per equity share of RSML	Rs. 10
I.	Pre-conversion paid up equity share capital as on date	Rs. 5,00,000
J.	Post-conversion paid up equity share capital (G*H+I)	Rs. 1,17,69,490
K.	% of equity share capital to be issued to the CCD holders as per the conversion ratio/price (G*H/J)	95.75%

[Signature]
Managing Director

For R. H. S. Mills Limited

Director

For R. H. S. Mills Limited



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* There is no change in authorized equity share capital of Transferor Company 1 since 27.08.2010.

Since the shareholding of the CCD holders in Transferor Company 1 should constitute 76% of the paid equity share capital on fully diluted basis in terms of clause 5.3 of the Debenture Agreement, 11,26,949 equity shares of Transferor Company 1 could not be issued to the CCD holders. Therefore, number of shares to be issued to the CCD holders has to be computed on the basis of shareholding of the other shareholders in the paid equity share capital on fully diluted basis as under:

No. of equity shares of = [Total no. of existing equity shares of Transferor Company 1 to be allotted upon conversion of CCDs into equity shares

= [5,00,000/ 24%] - 5,00,000
= 20,83,333 - 5,00,000
= 15,83,333

No. 639
Date of Presentation of application for Copy 23/08/2021
No. of Pages 48
Copying Fee 5/-
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Total ₹. 350/-
Date of Receipt & Record of Copy
Date of Preparation of Copy 25/08/2021
Date of Delivery of Copy 26/08/2021

The fully diluted share capital of Transferor Company 1 upon conversion of CCDs will be Rs. 2,08,33,330/- divided into 20,83,333 equity shares of Rs. 10/- each. **Deputy Registrar National Company Law Tribunal New Delhi**

- (v) In terms of clause 18.1(b) of the Scheme, the Transferee Company shall issue 4 equity shares of face value of Rs. 10/- each to the CCD holders for every 1 equity share of face value of Rs. 10/- each of the Transferor Company 1 to be issued as per terms and conditions of conversion of CCDs. Accordingly, the Transferee Company shall issue 63,33,332 equity shares (i.e., 4*15,83,333) to the CCD holders.

For Nizak Engineering Works Limited
Director

For Nizak Engineering Works Limited

Director

For RITESH INDUSTRIES LIMITED

For M. B. Fibres Limited



Deputy Registrar
National Company Law Tribunal
CGO Complex, New Delhi-110003.

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH (COURT - II)

Item No.2
(CAA)-62/ND/2021

IN THE MATTER OF:

M/s.Ritesh Spinning Mills And M/s.Ritesh Properties and Industries ... Applicant/Petitioner

Under Section: 230-232 of the Companies Act, 2013

Order delivered on 16.08.2021

CORAM:

**SHRI. ABNI RANJAN KUMAR SINHA,
HON'BLE MEMBER (J)**

**SHRI. L. N. GUPTA,
HON'BLE MEMBER (T)**

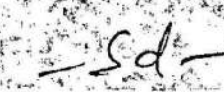
PRESENT:

Order

Order is pronounced in the Open Court today.



**(L.N. GUPTA)
MEMBER (T)**



**(ABNI RANJAN KUMAR SINHA)
MEMBER (J)**

No. 639

Date of Presentation
of application for Copy 23/08/2021

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Record of Copy 26/08/2021


Date of Preparation 26/08/2021

Date of Delivery 25.8.2021



**DD/DR/AR/CA Officer
National Company Law Tribunal
New Delhi**



 25.8.2021

**Deputy Registrar
National Company Law Tribunal
CGO Complex, New Delhi-110003**

No. 639

Date of Presentation
of application for Copy 23/08/2021

No. of Pages 13

NATIONAL COMPANY LAW TRIBUNAL 51-

NEW DELHI BENCH (COURT II)

Total ₹ 350/-

(CAA)-62/ND/2021 Date of Receipt

Record of Copy

Date of Page 25/08/2021

IN THE MATTER OF SCHEME OF AMALGAMATION

AMONGST

Ritesh Spinning Mills Limited

...Petitioner No. 1/Transferor Company 1

AND

Ritesh Impex Private Limited

...Petitioner No. 2/ Transferor Company 2

AND

H B Fibres Limited

...Petitioner No. 3/ Transferor Company 3

WITH

Ritesh Properties and Industries Limited

...Petitioner No. 4/Transferee Company

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Order Delivered on: 16.08.2021

Section: 230 to 232 of the Companies Act, 2013

CORAM

SH. ABNI RANJAN KUMAR SINHA, HON'BLE MEMBER (JUDICIAL)

SH. L. N. GUPTA, HON'BLE MEMBER (TECHNICAL)

PRESENT

For the Petitioners : Mr. Satwinder Singh, Advocate



ORDER

PER SHRI L. N. GUPTA, MEMBER (T)

This Petition is preferred jointly by the Transferor Companies and the Transferee Company under Section 230 to 232 of Companies Act, 2013 read with the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 for the purpose of the approval of the Scheme of Amalgamation (hereinafter referred to as '**Scheme**' for brevity), as contemplated between the Companies, its Shareholders and Creditors. The copy of the Scheme has been placed on record. The details of the Companies proposed to be amalgamated, as placed on record, are given in the following paragraphs.

2. That Ritesh Spinning Mills Limited, (hereinafter referred to as "Petitioner-1/Transferor Company-1") was incorporated on the 31.05.1994 under the provisions of the erstwhile Companies Act, 1956 as a public company having its registered office at 11/5B, First Floor, Pusa Road, New Delhi-110 060 with CIN number U74899DL1994 PLC146637.

3. That Ritesh Impex Private Limited, (hereinafter referred to as "Petitioner-2"/"Transferor Company-2") was incorporated on the 27.04.1994 under the provisions of the erstwhile Companies Act, 1956 as a private company having its registered office at 11/5B, Pusa Road, New Delhi-110 060 with CIN number U51311DL1994PTC269851.



4. That H B Fibres Limited, (hereinafter referred to as "Petitioner-3"/"Transferor Company-3") was incorporated on the 17.09.1986 under the provisions of the erstwhile Companies Act, 1956 as Public company having its registered office at 11/5B, Pusa Road, New Delhi-110060 with CIN number U51497DL1986PLC269074.

5. That Ritesh Properties and Industries Limited, (hereinafter referred to as "Petitioner-4"/"Transferee Company") was incorporated on the 19.02.1987 under the provisions of the erstwhile Companies Act, 1956 as a Public company, which is listed on Bombay Stock Exchange, having its registered office at 11/5B, Pusa Road, New Delhi-110060 with CIN number L74899DL1987PLC027050.

6. That the present Petition has been filed jointly by all the Transferor Companies and Transferee Company. **All the 'Transferor' and 'Transferee' Companies together are called 'Petitioner Companies' hereinafter.** That the Registered offices of all the Companies being in Delhi, the jurisdiction lies with this Bench.

7. From the records, it is seen that the First Motion Petition was filed by the Petitioner Companies for- (i) seeking directions for dispensing with the requirement of convening the meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferor Companies along with dispensation from convening meeting of Debenture Holders of Transferor Company-I; and (ii) convening the meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company. This Tribunal, in the First Motion



Application bearing No. CA (CAA)-17/ND/2021, vide order dated 24.02.2021 dispensed with the requirement of convening meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferor Companies. Further the order was passed in relation to dispensation from convening the meeting of Debenture Holder of the Transferor Company-1. Furthermore, in pursuance of the order dated 24.02.2021, directions with respect to convening meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company on 03.04.2021 were passed by this Tribunal.

8. The Appointed date as fixed for the Proposed Scheme of Amalgamation is 01st April, 2018.

9. Subsequent to the order of dispensation of meetings in relation to the Transferor Companies and holding of meetings of Equity Shareholders, Secured and Unsecured Creditors of the Transferee Company on 03.04.2021, the Second Motion petition was moved by the Petitioner Companies in connection with the scheme of Amalgamation for issuance of notices to the Central Government, Registrar of Companies NCT of Delhi & Haryana, Regional Director (Northern Region) MCA, Income Tax Authorities, Official Liquidator, Real Estate Regulation Authority, Punjab at Chandigarh and to such other Objector(s), if any, and also for publication of the said Scheme. The said petition was admitted and directions were issued, vide Order dated 11.06.2021 of this Tribunal, requiring the Petitioner Companies to serve notices to the Central Government through Registrar of



Companies NCT of Delhi & Haryana, Regional Director (Northern Region) MCA, Income Tax Authorities, Official Liquidator, Bombay Stock exchange Limited, Real Estate Regulation Authority, Punjab at Chandigarh and also to carry out necessary publication in English and Hindi newspapers with respect to the said Scheme.

10. It is submitted by the Petitioners that in compliance of the above stated directions, the Petitioners have filed the Affidavit of Service dated 20.07.2021 confirming that the aforesaid Notices of the present Company Petition were published on 17.06.2021 in Business Standard (English) and Jansatta (Hindi) newspapers. It is further submitted that the Petitioner Companies have served the Notices of the present Company Petition to all the Statutory Authorities by e-mails.

11. That further the Petitioner Companies in the Affidavit of Service have also averred that :

“5. That the Petitioner Companies have neither received any objection from any person as contemplated under Section 230(4) of the Act nor any person who has desired to make their representation before this Hon'ble Tribunal. Therefore, the question of service of notice of Company Petition to the Objector(s) or their representative (s) or to any other person does not arise in the instant case.”

12. It is submitted by the Petitioner Companies that the Official Liquidator has filed its report dated 27.07.2021, in which it has stated that it has not received any complaint against the proposed Scheme of Amalgamation from any person/party interested in the Scheme in any



manner and that the affairs of the Transferor Companies do not appear to have been conducted in a manner prejudicial to the interest of its members, creditors or public.

13. The Regional Director has filed its Affidavit on 04.08.2021 stating that it has no objection if the Scheme of Amalgamation is approved by this Tribunal. The scanned copy of the RD's Report is reproduced below :

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL

NEW DELHI BENCH-II, AT NEW DELHI

COMPANY PETITION NO. CP(CAA)-62/ND/2021

CONNECTED WITH

COMPANY APPLICATION NO. CA(CAA)-17/ND/2021

IN THE MATTER OF SECTIONS 230 TO 232 OF

THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF AMALAGAMATION

BETWEEN

RITESH SPINNING PRIVATE LIMITED

11/5B, FIRST FLOOR, PUSA ROAD, NEW DELHI-110060

.....TRANSFEROR COMPANY 1/

PETITIONER COMPANY NO. 1

AND

RITESH IMPEX PRIVATE LIMITED

11/5B, FIRST FLOOR, PUSA ROAD, NEW DELHI-110060

.....TRANSFEROR COMPANY 2/

PETITIONER COMPANY NO. 2

AND

HB FIBRES LIMITED

11/5B, FIRST FLOOR, PUSA ROAD, NEW DELHI-110060

.....TRANSFEROR COMPANY 3/

PETITIONER COMPANY NO. 3



AND

RITESH PROPERTIES AND INDUSTRIES LIMITED

11/SB, FIRST FLOOR, PUSA ROAD, NEW DELHI-110060

.....TRANSFEREE COMPANY/

PETITIONER COMPANY NO. 4

ADDITIONAL AFFIDAVIT OF REGIONAL DIRECTOR
NORTHERN REGION, MINISTRY OF CORPORATE AFFAIRS,
NEW DELHI.

I, Dr. Raj Singh, Regional Director (NR) having my office at B-2 Wing, 2nd Floor, Pt. Deendayal Antyodaya Bhawan, CGO Complex, New Delhi-110003, do hereby solemnly affirm and sincerely state as follows:-

1. I am the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi and in pursuance of the notification of the Ministry of Corporate Affairs dated 19.12.2016 in S.O. 4090 (E), I am authorized to swear this Affidavit on behalf of the Central Government.

2. That after examining the Scheme of amalgamation and related documents, the deponent filed an affidavit dated 27.07.2021 before the Hon'ble Tribunal stating the following at para 11 and 12 of the abovementioned affidavit:

"11. That as per Clause 33 of the ROC Report dated 07.06.2021, following observation was raised:



1. /

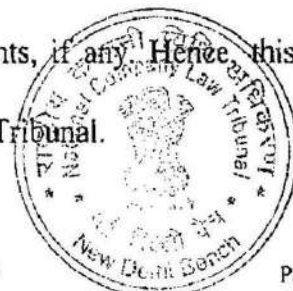
- Refer to Clause 26 of the scheme, the Transferee Company shall comply with section 232 (3)(i) of the Companies Act, 2013 and pay the difference fee on consolidated authorized share capital of Transferee company, after setting off the fee already paid by the Transferor Companies on their respective capital.

- As per record, the inquiry u/s 234 (3A) of the Companies Act, 1956 of Transferee Company was initiated and report was sent to RD(NR) on 25.02.2016 in the matter.

12. That report of ROC, Delhi and Haryana dated 25.02.2016 pointed out the violation u/s 211 (3A) r/w AS-1 & AS-13 and u/s 217(3) of the Companies Act, 1956 noticed in B/S as at 31.03.2010 against the transferee company i.e. Ritesh Properties & Industries Limited. However, no prosecution has been filed against the transferee company. The violation as pointed, out is against the transferee company, which shall remain in existence post-amalgamation and has no bearing under proposed scheme of amalgamation.

The above submissions are made in para 1 to 12 above after having examined the scheme, reply of Petitioner companies and Registrar of Companies for kind consideration of Hon'ble NCLT for approval of the scheme or for passing of orders as may be deemed fit and proper in the facts and circumstances of the case."

3. That this Hon'ble Tribunal vide order dated 28.07.2021 directed the office of deponent to file a clear NOC or comments, if any. Hence, this additional affidavit is been filed before this Hon'ble Tribunal.



4. That the office of deponent examined the point raised by ROC, Delhi in its report regarding status of inquiry u/s 235(3A) of the Companies Act, 1956 of the Transferee Company. It was observed from the report obtained from Inquiry section that no sanction of prosecution has been issued so far on the transferee company on the basis of Inquiry Report and hence the inquiry report has no bearing on the status of transferee company as on the date of filing of this affidavit. Besides, the violations in the inquiry report are against the Transferee company, which shall remain in existence even after approval of the present scheme of amalgamation. Hence, the deponent has no objection, if the scheme of amalgamation is approved by this Hon'ble Tribunal.

The above submissions are made in para 1 to 4 above after having examined the Scheme, reply of the Petitioner Companies and Registrar of Companies for kind consideration of the Hon'ble Tribunal for passing of necessary orders in the facts and circumstances of the case.

14. That the Income Tax Department has filed its report dated 20.07.2021 and has given following remarks :

Remarks	about
Objection to the scheme	The Hon'ble Tribunal shall be apprised of the fact that the proposal of scheme of arrangement may be accepted only after protecting the rights of the revenue to examine the tax implication of all the companies with regard to scheme of amalgamation at the time of their respective assessment.
of any representation to	
AOIT to protect the	
interest of Revenue.	



15. In view of the foregoing facts and discussion and upon considering the approval accorded by the Members and Creditors of all Companies to the proposed Scheme of Amalgamation and no sustainable objections having been raised by the Office of the Regional Director, Income Tax Department or any other interested party, there does not appear to be any impediment in granting sanction to the Scheme. **Accordingly, in sequel to the above, sanction is hereby granted to the Scheme of Amalgamation proposed by the Petitioner Companies under Section 230 to 232 of the Companies Act, 2013.** The sanctioned Scheme of Amalgamation shall be binding on the Transferor Companies and Transferee Company (the Petitioner Companies) and their Shareholders and Creditors. The Petitioner Companies shall remain bound to comply with the statutory requirements in accordance with law.

16. Notwithstanding the above, if there is any deficiency found or violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Authority to the Scheme will not come in the way of action to be taken, albeit, in accordance with law, against the concerned persons, Directors and Officials of the Petitioner Companies.

17. While approving the Scheme as above, it is clarified that this Order should not be construed as an order in any way granting exemption from payment of Stamp Duty, Taxes or other statutory dues, if any, and payment in accordance with law or in respect to any permission/compliance with any other requirement, which may be specifically required under any law.



Further the approval of the Scheme would in no manner affect the tax treatment of the transactions under the Income Tax Act, 1961 or serve as any exemption or defense for the Petitioner Companies against tax treatment in accordance with the provisions of Income Tax Act, 1961.

18. **THIS TRIBUNAL FURTHER DIRECTS** with respect to Transferor Companies and Transferee Company, that:

- (i) Upon the sanction becoming effective from the appointed date of amalgamation i.e., 1st April, 2018, the Transferor Companies No.1 to 3 shall stand dissolved without undergoing the process of winding up.
- (ii) All benefits, entitlements, incentives and concessions under incentive schemes and policies that the Transferor Companies are entitled to including under Customs, Excise, Service Tax, VAT, Sales Tax, GST and Entry Tax and Income Tax laws, subsidy receivables from Government, grant from any governmental authorities, direct tax benefit/exemptions/deductions, shall, to the extent statutorily available and along with associated obligations, stand transferred to and be available to the Transferee Company as if the Transferee Company was originally entitled to all such benefits, entitlements, incentives and concessions;
- (iii) All contracts of the Transferor Companies, which are subsisting or having effect immediately before the Effective



Date, shall stand transferred to and vested in the Transferee Company and be in full force and effect in favor of the Transferee Company and may be enforced by or against it as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obliged thereto;

- (iv) All the employees of the Transferor Companies shall be deemed to have become the employees and the staff of the Transferee Company with effect from the Appointed Date, and shall stand transferred to the Transferee Company without any interruption of service and on the terms and conditions no less favorable than those on which they are engaged by the Transferor Companies, as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans and any other retirement benefits;
- (v) All liabilities of the Transferor Companies, shall, pursuant to the provisions of section 232(4) and other applicable provisions of the Companies Act, 2013, to the extent they are outstanding as on the Effective Date, without any further act, instrument or deed stand transferred to and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations etc. as the case may be, of the Transferee



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Date of Receipt. 23/08/2021

Company and shall be exercised by or against the Transferee

Company, as if it had incurred such liabilities.

(vi) All proceedings now pending by or against the Transferor 25/08/2021

Companies be continued by or against the Transferee
company.

(vii) That any person interested shall be at liberty to apply to this

Tribunal in the above matter for any directions that may be
necessary

19. That the Petitioner Companies shall within thirty days of the date of the receipt of this Order cause a Certified Copy of this Order to be delivered to the Registrar of Companies for registration and on such Certified Copy being so delivered, the Transferor Companies shall be dissolved and the Registrar of Companies shall place all documents relating to the Transferor Companies on the file kept by him in relation to the Transferee Company and the files relating to all the Petitioner Companies shall be consolidated accordingly.

20. The Company Petition is **ALLOWED** in the above terms.

—Sd—
(L.N. GUPTA)
MEMBER (T)



—Sd—
(ABNI RANJAN KUMAR SINHA)
MEMBER (J)

—Sd— 25.8.2021
Deputy Registrar
National Company Law Tribunal
CGO Complex, New Delhi-110003