

SCHEME OF MERGER
BY
ABSORPTION
OF
GUJJUBHAI FOODS PRIVATE LIMITED
("TRANSFEROR COMPANY")
WITH
SUMUKA AGRO INDUSTRIES LIMITED
("TRANSFeree COMPANY")
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
[Under Section 230 To 232 read with Section 66 of the Companies Act, 2013 read with
Rules made thereunder]

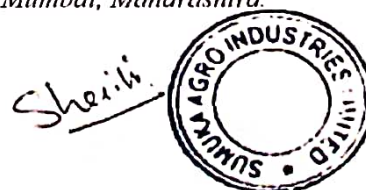
A. PREAMBLE

The Scheme provides for the merger by absorption of Gujjubhai Foods Private Limited ("Gujjubhai" or the "Transferor Company") with Sumuka Agro Industries Limited ("Sumuka" or the "Transferee Company") pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof) for the time being in force.

B. DESCRIPTION OF COMPANIES

- (i) Gujjubhai Foods Private Limited is presently a private limited company incorporated on 29th June, 2017 under the Companies Act, 2013 under the name Gujjubhai Foods Private Limited. There has been no change in the name of the Company since incorporation. Gujjubhai is presently having its Registered Office* at No. 11, 2nd Floor, RV Road, South End Circle, Metro Basavanagudi, Bengaluru, Karnataka – 560 004.

**The registered office of the company has been changed from the state of Karnataka to State of Maharashtra as per vide company application no. 24/RD(SER)/SEC-13(4)/KA TO MH/2023/2597, dated July 18, 2023 issued by Learned Regional Director, SER, Hyderabad. The company is in the process of filing the requisite form with RoC, Mumbai, Maharashtra.*



- (ii) Sumuka Agro Industries Limited is presently a Public Limited Company incorporated on 26th June, 1989 under the Companies Act, 1956 under the name of Superb Paper and Boards Products Private Limited. Subsequently, the name was changed to Superb Papers Private Limited. The name was further changed to Superb Papers Limited with effect from 27th October, 1995. The name was further changed to Sumuka Agro Industries Limited with effect from 15th September, 2016. Equity shares of Sumuka are listed on BSE Limited. Sumuka is presently having its Registered Office at Shop No.1 & 7, Empress Chambers, Ground Floor, Plot No. 89 A & B, Sector No. 1, Opp. NKGSB Bank, Kandivali (W), Mumbai, Maharashtra – 400 067.

C. OVERVIEW OF THE SCHEME

- (a) The Scheme of Merger by Absorption (“the Scheme”) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Section 2(1B) and applicable provisions of the Income Tax Act for:
- (b) Merger by Absorption of Gujjubhai Foods Private Limited with Sumuka Agro Industries Limited;
- (c) The Transferee Company proposes to change its name and approval will be obtained for the change of name of the company from Sumuka Agro Industries Limited to Gujjubhai Industries Limited from the shareholders. The Transferee Company shall make an application to the relevant Government authority seeking approval for alternation of Memorandum and article of association of the Transferee Company.

D. RATIONALE FOR THE SCHEME

- (i) Gujjubhai and Sumuka both are engaged in the business of manufacturing, buying and selling of packaged snacks food items. Gujjubhai is engaged in business of manufacturing and sale of packaged snacks foods items . Sumuka is mainly engaged in business of



manufacturing and marketing of different types of ready to cook items, nankeen and snacks, sweet and spices, selling of packaged foods online, etc.

- (ii) This Scheme will lead to consolidation of business and assets, synergy of operations and networks of both the Companies. This will help achieve better and more efficient utilization of available resources, benefits of internal economies, diversification to mitigate risks and improving organizational efficiencies.

E. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- (i) **PART I** deals with the definitions and share capital;
- (ii) **PART II** deals with merger by absorption of Gujjubhai with Sumuka;
- (iii) **PART III** deals with issue of shares by the Transferee Company;
- (iv) **PART IV** deals with accounting treatment;
- (v) **PART V** deals with general terms and conditions applicable to this Scheme.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the expressions shall have the following meaning:

- (a) **"Act"** means the Companies Act, 2013 (including any statutory modifications, amendments or re-enactments thereof for the time being in force) as are applicable from time to time;
- (b) **"Appointed Date"** means 1st April, 2023 or such other date as may be agreed by Sumuka and Gujjubha and approved by the NCLT or such other competent authority as may be applicable;
- (c) **"NCLT"** means Mumbai Bench of the National Company Law Tribunal constituted under section 408 of the Companies Act 2013;



- (d) **"Employees"** means all the employees of the Transferor Company employed on the Effective Date;
- (e) **"Effective Date"** means on which the certified or authenticated copies of the Order(s) sanctioning this Scheme, passed by the NCLT, Mumbai Bench are filed with the Registrar of Companies.
- Reference in the Scheme to the date of **"coming into effect of this Scheme"** or **"upon the Scheme becoming effective"** shall mean the Effective Date;
- (f) **"The Record Date"** means a date to be fixed by the Board of Directors or duly authorised Director or Committee of the Board of Directors of Sumuka for the purpose of determining the members of Gujjubhai to whom new shares shall be allotted pursuant to the Scheme;
- (g) **"Scheme" or "the Scheme" or "this Scheme"** means this scheme of merger in its present form or with any modification(s) / amendment(s), if any, as may be approved, imposed or directed by NCLT or any other appropriate authority sanctioning this Scheme;
- (h) **"Transferee Company" or "Sumuka"** means Sumuka Agro Industries Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered Office at Shop No.1 & 7, Empress Chambers, Ground Floor, Plot No. 89 A & B, Sector No. 1, Opp. NKGSB Bank, Kandivali (W), Mumbai, Maharashtra – 400 067.
- (i) **"Transferor Company" or "Gujjubhai"** means Gujjubhai Foods Private Limited, a private limited company incorporated under the Companies Act, 2013 and having its Registered Office at No 11, 2nd Floor, RV Road, South End Circle, Metro Basavanagudi, Bengaluru, Karnataka – 560 004.
- (j) **"Undertakings"** means and shall include:
- (i) all the undertakings, the entire business, all the assets and properties (whether movable or immovable and tangible or intangible) of the Transferor Company as on the Appointed Date;
- (ii) all the debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date;

Sheela



(iii) Without prejudice to the generality of sub-clauses(i) & (ii) above, the Undertakings of the Transferor Company shall include all the Transferor Company's reserves, movable and immovable assets and properties, real, corporeal and incorporeal, in possession or reversion, present and contingent, including but not limited to land and buildings, lease-hold rights, all fixed and movable plant and machinery, vehicles, fixed assets, capital work-in-progress, current assets, investments, if any, provisions, and all other assets (whether tangible or intangible) of whatsoever nature, authorized capital, investments, lease and hire purchase contracts, rights, powers, authorities, allotments, approvals, consents, letters of intent, industrial and other licenses, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits, and advantages of any nature whatsoever and where so ever situate of, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but not limited to all patents, trademarks, trade names, copyrights and other industrial rights and intellectual properties, technology, know-how, applications for copyrights, patents, trade names, trademarks or like and rights of any nature whatsoever, and licenses, registrations, assignments, grants in respect thereof, privileges, liberties, easements, contracts, advantages, benefits, goodwill, all quota rights, permits, approvals, authorisations, right to use and avail of telephones, telexes, facsimile and other communication facilities, connections, equipments and installations, utilities, water, electricity and electronic and all other services connections, of every kind, nature and descriptions whatsoever, reserves, provisions, funds, benefit of all agreements, arrangements, deposits, advances, recoverable and receivables and all other rights, interests, credits, claims and powers of every kind, nature and description of and belonging to or in ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by and arising to the Transferor Company whether in India or abroad.



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

2. DATE WHEN THE SCHEME COMES INTO OPERATION

Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

3. SHARE CAPITAL

- (a) The share capital structure of **Sumuka** as on 30th June, 2023 is as under:

Share Capital	Rupees
Authorized Share Capital	
75,00,000 Equity Shares of face value of Re. 10/- each	7,50,00,000
Issued, subscribed and paid-up Share Capital	
71,07,170 Equity Shares of face value of Rs. 10/- each, fully paid up	7,10,71,700

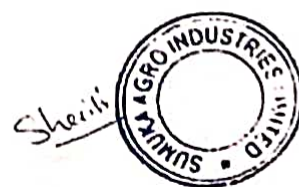
Subsequent to 30th June, 2023, there has been no change in its issued, subscribed and paid-up share capital.

- (b) The share capital structure of **Gujjubhai** as on 30th June, 2023 is as under:

Share Capital	Rupees
Authorized Share Capital	
79,25,000 Equity Shares of face value of Rs. 10/- each	7,92,50,000
Issued, subscribed and paid-up Share Capital	
78,93,523 Equity shares of Rs. 10/- each fully paid up	7,89,35,230

Subsequent to 30th June, 2023, there has been no change in its issued, subscribed and paid-up share capital.

- (c) The shares and/or other securities of the Transferor Company are not listed on any stock exchange. The shares of the Transferee Company are listed on BSE Limited.

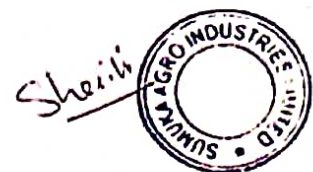


PART II

MERGER OF GUJJUBHAI WITH SUMUKA

4. MERGER OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

- (a) With effect from the Appointed Date and in accordance with the provisions of the this scheme and pursuant to Sections 230 to 232 and other applicable provisions, the entire business and undertakings of Gujjubhai shall, without any further act or deed, but subject to the existing charges, if any, affecting the same be transferred to and vested in and managed by and/or deemed to have been transferred to and vested in and managed by Sumuka as a going concern pursuant to Sections 230 to 232 and other applicable/corresponding provisions of the Act for all the estate, rights, titles and interests of Gujjubhai therein and on the Appointed Date Gujjubhai shall be deemed to have been amalgamated with Sumuka.
- (b) With effect from the Appointed Date, in respect of such of the assets of the Undertakings as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and record all pursuant to this Scheme shall stand transferred and vested by Gujjubhai to Sumuka and shall become the property and an integral part of Sumuka. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred and vested accordingly. No stamp duty shall be payable on the transfer of such movable properties (including shares and other investments) upon its transfer and vesting in the Sumuka.
- (c) Any and all movable properties of Gujjubhai relating to the Undertakings, other than those referred to in sub-clause (b) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and



bodies, customers and other persons, shall without any further act, instrument or deed, be transferred and vested as the property of the Sumuka.

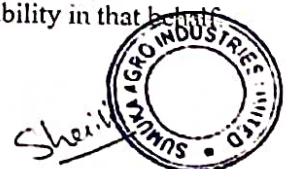
(d) In respect of such of the assets of the undertakings other than those referred to in sub-clause (b) above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in Sumuka on the Appointed Date pursuant to the provisions of Sections 230 to 232 and other applicable/corresponding provisions of the Act. The mutation of the title to the immovable properties in favour of Sumuka shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and the Scheme becoming effective in accordance with the terms hereof.

(e) With effect from the Appointed Date, all debts, all liabilities, duties and obligations of Gujjubhai along with any charge, mortgages encumbrance, lien or security, if any, thereon (hereinafter also referred to as **"the Liabilities"**) shall stand transferred or be deemed to be transferred, without further act, instrument or deed, to the Transferee Company, pursuant to the provisions of Sections 230 to 232 and other applicable/corresponding provisions of the Act so as to become the debts, liabilities, duties and obligations of Sumuka and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause;

(f) The transfer and vesting as aforesaid shall be subject to subsisting charges, if any, in respect of any Undertaking of the Transferor Company.

PROVIDED always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Transferor Company and the Transferee Company shall not be obliged to create any further or additional security thereof after the Effective Date or otherwise.

(g) Upon the coming into effect of this Scheme, any loans or other obligations due between Gujjubhai and Sumuka shall stand discharged and there shall be no liability in that behalf



- (h) Sumuka may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which Gujjubhai may be party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Sumuka shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Gujjubhai and to implement or carry out all such formalities or compliances referred to above on the part of Gujjubhai to be carried out or performed.
- (i) The transfer and vesting of the Undertakings and the liabilities of Gujjubhai to Sumuka under this Clause 4 and the continuance of the contracts or proceedings by or against Sumuka/ the Transferee Company under Clauses 5 and 6 hereof shall not affect any transactions contracts or proceedings relating to the Undertakings and the liabilities already concluded or discharged by Gujjubhai in the ordinary course of business on and after the Appointed date to the end and intent all such transactions, contracts or proceedings already concluded or discharged by Gujjubhai are deemed to have been for and on account of Sumuka.
- (j) All estates, assets, rights, registrations, title, interests and authorities accrued to and/or acquired by Gujjubhai in relation to or in connection with the Undertakings after the Appointed Date and prior to the Effective Date shall have been/ deemed to have been accrued to and/or acquired for and on behalf of Sumuka and shall, upon the coming into effect of this Scheme, pursuant to Sections 230 to 232 and other applicable/ corresponding provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in Sumuka to that extent and shall become the estates, assets, right, title, interests and authorities of Sumuka.
- (k) Upon the coming into effect of this Scheme, all the benefits including under the Income Tax, Excise (including Modvat/Cenvat), Sales Tax (including deferment of Sales Tax), Service tax input credits, if any, Goods and Service Tax (including input credits) or like etc. to which Gujjubhai is entitled to in terms of the various statutes and/or Schemes and/or



awards by judicial /quasi judicial bodies (such as Arbitration, Tribunal awards and the like) of Union and State Governments and Statutory authorities, shall be available to and vest in Sumuka.

- (l) This Scheme has been drawn up inter alia to comply with the conditions relating to "amalgamation" as specified under Section 2(1B) of the Income Tax Act, 1961. If any term or provision of the Scheme is found or interpreted to be inconsistent with the said provisions at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(1B) of the Income Tax Act, 1961. Such modification shall however not affect other parts of the Scheme.

5. CONTRACT, DEEDS, BONDS AND OTHER INSTRUMENTS

- (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements, insurance policies and other instruments of whatsoever nature to which Gujjubhai is party or to the benefit of which Gujjubhai may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of Sumuka as the case may be and may be enforced as fully and effectually as if, instead of Gujjubhai, Sumuka had been a party or beneficiary thereto.
- (b) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertakings occurs by virtue of this Scheme itself, Sumuka may, at any time, after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Gujjubhai is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme.
- Sumuka shall be deemed to be authorised to execute any such deeds, writings or

Sheela



confirmations on behalf of the Gujjubhai and to implement or carry out all formalities required on the part of the Gujjubhai to give effect to the provisions of this Scheme.

- (c) With effect from the Appointed Date, any statutory licenses, permissions or approvals or consents held by Gujjubhai required to carry on operations of Gujjubhai shall stand vested in or transferred to Sumuka without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Sumuka. The benefit of all statutory and regulatory permissions, approvals and consents, registration or other licenses, and consents shall vest in and become available to Sumuka pursuant to the Scheme. Provided that any statutory licenses, permissions, approvals, registration and/or consents held by Gujjubhai that are not required by Sumuka will be surrendered for cancellation, if required by the applicable laws, by Gujjubhai or Sumuka.

6. LEGAL PROCEEDINGS

All legal proceedings including suits, writ petitions, actions and proceedings of whatsoever nature by or against the Gujjubhai pending and/or arising on or before the Effective Date shall be continued and be enforced by or against Sumuka in the manner and to the same extent as it would or might have been continued and enforced by or against the Gujjubhai as if the Scheme had not been made. On and from the Effective Date, Sumuka shall and may initiate any legal proceedings for and on behalf of Gujjubhai.

7. INTER-PARTY TRANSACTIONS

Without prejudice to the provisions of Clauses 4 to 6, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.

8. CONDUCT OF BUSINESS

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

- (a) Gujjubhai shall carry on and be deemed to have carried on the business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the said undertakings, for and on account of and in trust for Sumuka;

- (b) All profits or incomes accruing or arising to Gujjubhai or expenditure or losses arising or incurred by Gujjubhai shall for all purposes be treated as the profits or incomes or expenditure or losses of Sumuka, as the case may be;
- (c) Gujjubhai shall carry on their business activities with reasonable diligence, business prudence and shall not alienate charge, mortgage, encumber or otherwise deal with the undertaking or any part thereof, except in the ordinary course of business or without the prior consent of Sumuka or pursuant to any pre-existing obligation undertaken by the Gujjubhai prior to the Appointed Date.
- Provided however that Gujjubhai shall be entitled in the ordinary course of business in relation to its borrowings required in connection with its business and operations to borrow in the form of loans and further consent of Sumuka shall not be required in this behalf;
- (d) Sumuka shall be entitled, pending the sanction of the Scheme, to apply to any Government, Registrars and all other agencies, departments and authorities concerned as may be necessary under any law for such consents, approvals, sanctions and registration which Sumuka may require to carry on the business of Gujjubhai;
- (e) Gujjubhai shall not vary the existing terms and conditions of employment of its employees except in the ordinary course of business;
- (f) Save as specifically provided in the Scheme, Gujjubhai and Sumuka shall not make any change in their capital structure in any manner, which may in any way affect the share exchange ratio prescribed hereunder, except by mutual consent of the respective Board of Directors of Gujjubhai and Sumuka;
- (g) Gujjubhai shall not declare any dividend after the Appointed Date without the prior written consent of Sumuka.

9. DIVIDENDS

- a. Transferor Company and Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date but only consistent with the past practice, or in the ordinary course.

Shashi



- b. It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of Transferor Company and/or Transferee Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors of Transferee Company, subject to such approval of the shareholders, as may be required.

10. EMPLOYEES

- (a) All the Employees of Gujjubhai in service on the date immediately preceding the Effective Date as are willing to join Sumuka, shall be deemed to be employed in Sumuka on such date without any break or interruption in service for the purpose of calculating retirement benefits and on the terms and conditions not less favourable than those subsisting with reference to Gujjubhai as on the said date. The position, rank and designation of the Employees of Gujjubhai would be decided by Sumuka;
- (b) In so far as the Provident Fund, Gratuity Fund and, if applicable, Superannuation Fund or any other Special Funds or Trusts created or existing for the benefit of the Employees of Gujjubhai are concerned, upon coming into effect of this Scheme, Sumuka shall, stand substituted for Gujjubhai for all purposes whatsoever related to the administration or operation of such Funds or Trusts or in relation to the obligation to make contributions to the said Funds or Trusts in accordance with provisions of such Funds or Trusts as per the terms provided in the respective Trust Deeds, to the end and intent that all the rights, duties, powers and obligations of Gujjubhai in relation to such Funds or Trusts shall become those of Sumuka. It is clarified that the services of the Employees of Gujjubhai will be treated as having been continuous for the purpose of the aforesaid Funds or provisions.

11. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferor Company under Clause 6 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that Transferee Company

accepts and adopts all acts, deeds, and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

12. APPROVALS UNDER THE PROVISIONS OF THE ACT

- (a) Approval of this Scheme by the shareholders of Sumuka shall be deemed to be due compliance of the provisions of Section 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares issued by Sumuka, as provided in this Scheme;
- (b) The approval of this Scheme by the shareholders of Gujjubhai and Sumuka under Sections 230 to 232 and other applicable/corresponding provisions of the Act shall be deemed to have the approval under sections 13, 14 and other applicable provisions, if any, of the Act and any other consents and approvals required in this regard.
- (c) Upon coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and, if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

PART III

ISSUE OF SHARES BY THE TRANSFeree COMPANY

13. COMBINATION OF AUTHORISED SHARE CAPITAL

- i. Upon the effectiveness of this Scheme, the aggregate authorised share capital of the Transferor Company as on the Effective Date will be reclassified, altered and combined with the authorised equity share capital of the Transferee Company as on the Effective Date and accordingly the authorized share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and fees to RoC.



- ii. The memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company.
- iii. Consequentially, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per Clause 12(i) above, pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act.
- iv. It is clarified that the approval of the shareholders to the Scheme shall be deemed to be consent/ approval of the shareholders of the Transferee Company also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.

13.1 ISSUE OF SHARES BY THE TRANSFEE COMPANY

- (a) Upon Scheme becoming effective and in consideration for the merger of the Transferor Company in Sumuka, Sumuka shall without any further application or deed, issue and allot Equity shares, credited as fully paid up, to the extent indicated below, to the members of the Transferor Company whose names appear in the Register of Members of the Transferor Company as on the Record Date as may be fixed by the Board of Directors of Sumuka or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title as may be recognized by the Board of Directors of Gujjubhai and/or Sumuka, as the case may be, in the following manner:



'7 (Seven) fully paid Equity Shares of Rs. 10/- each of Sumuka fully paid up shall be issued and allotted for every 4 (Four) Equity Shares of Rs. 10/- each held in Gujjubhai.'; (New Equity Shares to be issued as above are hereinafter referred to as "New Shares").

Provided that Equity Shares of Gujjubhai, if any, held by Sumuka on the Record Date shall be cancelled and shall be deemed to have been cancelled without any further act or deed, and no shares of Sumuka are required to be issued in lieu thereof.

(b) For the purpose of allotment of Equity Shares to the members of the Transferor Company as per Clause 13(a), fractional entitlements, if any, shall be rounded off to the nearest integer and there shall be no further obligation in that behalf.

(c) The Transferee Company, New Equity Shares to be issued and allotted pursuant to this Scheme shall be subject to the provisions of the memorandum of association and articles of association of Transferee Company and shall rank pari-passu in all respects with the existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Transferee Company. The Transferee Company, New Equity Shares issued to the shareholders of the Transferor Company shall be fully-paid up and free of all liens, charges and Encumbrances, and shall be freely transferable in accordance with the articles of association of the Transferee Company. The issue and allotment of the Transferee Company New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the shareholders of the Transferee Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of the Transferee Company's New Equity Shares.



(d) In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors or any Committee thereof of Sumuka shall be empowered even subsequent to the effective date to effectuate such transfer as if such changes in the Registered holders were operative from the effective date, in order to remove any difficulties arising to the transfer of shares after the Scheme becomes effective.

(e) The New Shares to be issued by Sumuka to the members of the Transferor Company pursuant to Clause 13.1(a) of the Scheme in respect of any shares in the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise pending allotment or settlement of dispute, by order of court or otherwise, be held in abeyance by Sumuka.

(f) Upon the Scheme becoming effective and on allotment of New Shares by Sumuka, the share certificates representing shares held in the Transferor Company shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled.

(g) Subject to the Applicable Laws, the Transferee Company New Equity Shares shall be issued in dematerialized form. The register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of the Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of the Transferee Company, New Equity Shares in terms of this Scheme. The shareholders of the Transferor Company who hold equity shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to the Transferee Company, prior to the Record Date to enable it to issue the Transferee Company New Equity Shares.

However, if no such details have been provided to the Transferee Company by the equity shareholders holding equity shares in physical share certificates on or before the



Record Date, the Transferee Company shall deal with the relevant equity shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding equity shares in dematerialised form to a trustee nominated by the Board of the Transferee Company ("Trustee of the Transferee Company") who shall hold these equity shares in trust for the benefit of such shareholder. The equity shares of the Transferee Company held by the Trustee of the Transferee Company for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trustee of the Transferee Company, along with such other documents as may be required by the Trustee of the Transferee Company. The respective shareholders shall have all the rights of the shareholders of the Transferee Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of equity shares from the Trustee of the Transferee Company. All costs and expenses incurred in this respect shall be borne by the Transferee Company.

(h) For the purpose of the allotment of the Transferee Company New Equity Shares, pursuant to this Scheme, in case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated Transferee Company New Equity Shares to a trustee (nominated by the Board of the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at any time within a period of 90 days from the date of allotment of the Transferee Company New Equity Shares as the trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of

their fractional entitlements. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements.

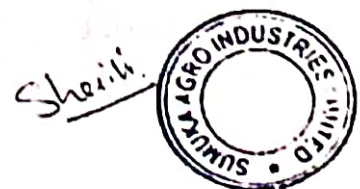
- (i) The New Shares of Sumuka shall be listed and/ or admitted to trading on the platform of BSE Limited ("BSE"). Sumuka shall enter into such arrangements and give such confirmations and/or undertakings as may be, necessary in accordance with the applicable laws or regulations for complying with the formalities of BSE. On such formalities being fulfilled BSE shall list and/or admit the New Shares for purpose of trading.
- (j) Sumuka shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment by Sumuka of New Shares to the members of Gujjubhai in terms of and under the Scheme.
- (k) The issue and allotment of New Shares to the members of the Transferor Company pursuant to the sub-clause 13(a) above is an integral part of this Scheme.
- (l) The approval of this Scheme by the members of Sumuka shall be deemed to be due compliance with the applicable provisions of the Act including Section 62 and Section 55 of the Companies Act, 2013, if applicable, for the issue and allotment of new shares by Sumuka to the members of Gujjubhai, as provided in the Scheme and, for this purpose, no separate resolution under applicable provisions of the Act shall be required to be passed by the shareholders of Sumuka.

PART IV

ACCOUNTING TREATMENT

14. ACCOUNTING TREATMENT

Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for the merger as per the "Purchase Method" prescribed under Accounting Standard 14 (AS 14) i.e. 'Accounting for Amalgamations' governed by the Companies (Accounting Standards) Rules, 2006 and other applicable accounting standards prescribed under the Act as under:



- (a) The Transferee Company shall record all the assets and liabilities transferred to and vested in the Transferee Company, at their respective book values as appearing in the books of the Transferor Company on the day immediately preceding the Appointed Date.
- (b) Inter-company balances and investments, if any, shall stand cancelled and there shall be no further obligation/outstanding in that behalf.
- (c) Sumuka shall credit the aggregate face value of the Equity Shares, issued and allotted pursuant to Clause 13 (a) to Equity Share Capital Account in its books of accounts.
- (d) The difference (excess or deficit), between the net value of assets over aggregate of face value of the Equity Shares issued by Transferee Company to the shareholders of the Transferor Company pursuant to this Scheme and after giving effect to clause 14(b) above, be adjusted to Capital Reserve or Goodwill, as the case may be, in books of Transferee Company ("Net Assets Value" shall be computed as the value of assets less the value of liabilities of the Transferor Company transferred to and recorded in the books of the Transferee Company in terms of clause 14(a) of the Scheme)
- (e) If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Company and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in the Capital Reserve or Goodwill, as the case may be.
- (f) In addition, the Transferee Company in consultation with the statutory auditor shall pass such accounting entries, as may be necessary, in connection with this Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

15. CHANGE OF NAME

15.1 Upon the Scheme becoming effective, without any further act and deed, the Transferee Company, shall be re-named as "*Gujjubhai Indursties Limited*". The name of the Transferee Company wherever it occurs in the respective Memorandum and Article of Association shall be substituted by the new name i.e. Gujjubhai Indursties Limited.



Sheeli



15.2 It is further clarified that the Transferee Company shall not be required to pass any resolution under the Section 13 and other applicable provisions, if any of the Companies Act, 2013, for Change of name of the Transferee Company as envisaged in clause 15.1 of this scheme and that the members of the Transferee company shall be deemed to have accorded their consent under various provisions of the Act and Rules made thereunder to the change of name in terms of this Scheme.

PART V

GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME

16. APPLICATION TO NCLT

- (a) The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications petitions to NCLT, Mumbai Bench and/or any other appropriate/competent authority for sanctioning the Scheme under Sections 230 to 232 and other applicable/corresponding provisions, if any, of the Act, for an order or orders thereof for carrying the Scheme into effect and, without any further act, deed, or instrument, for dissolution of the Transferor Company without winding-up in accordance with the provisions of the Act.
- (b) Any dispute arising out of this Scheme shall be subject to the jurisdiction of the NCLT, Mumbai Bench.

17. CONDITIONALITY OF THE SCHEME

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

- (a) obtaining no-objection letter from the Stock Exchanges in relation to the Scheme under Regulation 37, as may be applicable to respective Parties;
- (b) The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

Sheikh



- (c) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members of Gujjubhai and Sumuka as may be directed by NCLT.
- (d) The sanction of the NCLT under Sections 230 to 232 or applicable / corresponding provisions of the Act in favour of Gujjubhai and Sumuka under the said provisions and to the necessary Order under Sections 230 to 232 or corresponding provisions of the Act being obtained.
- (e) the Transferee Company, complying with other provisions of the SEBI Master Circular, SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 including seeking approval of the public shareholders of the Transferee Company through evoting, as applicable. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast against the proposal by the public shareholders, of the Transferee Company, as required under the SEBI Circular. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957.
- (f) Certified or authenticated copies of the Orders of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, Ministry of Corporate Affairs, Government of India by Gujjubhai and Sumuka, if and as may be applicable.

18. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the effectiveness of this Scheme, the Transferor Company shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

19. MODIFICATION / AMENDMENT TO THE SCHEME etc.

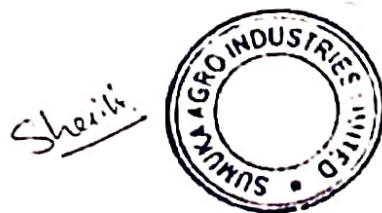
- (a) Subject to approval of the NCLT, the Transferor Company and the Transferee Company through their respective Board of Directors or any Director authorised in that behalf by the

concerned Board of Directors (hereinafter referred to as "the Delegates") may make or assent from time to time on behalf of all persons concerned to any modifications or amendments of the Scheme or of any conditions or limitations which the NCLT and/or any other authorities under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them. The Transferor Company and the Transferee Company through their respective Board of Directors or the Delegates are authorized to take all such steps as may be necessary, desirable or appropriate to resolve any doubts or difficulties or questions what so ever for carrying the Scheme into effect, whether by reason of any directive or order of any other authorities or otherwise, howsoever, arising out of or by virtue of the Scheme and/or any matter concerned or connected therewith.

- (b) In the event that any conditions imposed by the NCLT or any other authority are found unacceptable for any reason whatsoever by all or any of the Companies, then all or any of such Companies shall be entitled to withdraw from this Scheme in which event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the companies or any of them.

20. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

- (a) In the event of any of the said sanctions and approvals referred to in Clause 16 not being obtained and/or complied with and/or satisfied and /or this Scheme not being sanctioned by the NCLT, the Scheme shall stand revoked, cancelled and be of no effect and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such a case, each Company shall bear its own costs, charges and expenses in connection with the Scheme unless otherwise mutually agreed.
- (b) Sumuka and Gujjubhai shall be at liberty to withdraw from this Scheme, in case any condition or alteration imposed by the NCLT is not on terms acceptable to them.



21. SEVERABILITY

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the agreement of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of the Scheme.

22. TAX FILINGS /COMPLIANCES

The Transferee Company shall be entitled to file/revise its income tax returns, TDS certificates, TDS returns, tax returns and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income Tax Act, 1961 (including statutory amendment or re-enactment thereof in force for the time being), credit of tax deducted at source, credit of foreign taxes paid/withheld, carry forward and set off losses, etc., if any, as may be required consequent to implementation of this Scheme.

23. MISCELLANEOUS

Till the event of this Scheme being effective, the Transferor Company and the Transferee Company shall continue to hold their respective Annual General Meeting and other meetings in accordance with the relevant laws and shall continue to comply with all their statutory obligations in the same manner, as if this scheme is not existing.

24. COSTS, CHARGES, ETC.

All costs, charges and expenses, including any taxes and duties of the Transferor Company and the Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of merger of the Transferor Company in pursuance of this Scheme shall be borne and paid solely by the Transferee Company.

Sheikh

