

Stesalit Limited

[CIN: U35204DL1981PLC405383]

Regd. Office: 712-A, 7th Floor, Shakuntala Apartment,
59, Nehru Place, New Delhi-110 019;

E-mail: cs@stesalitltd.com

Website: www.stesalitltd.com

Meeting of Un-secured Creditors of Stesalit Limited scheduled to be held through Video Conferencing under the supervision of the Hon'ble National Company Law Tribunal

Day	Friday
Date	31 st May, 2024
Time	3:00 P.M.
Venue	Since the meeting is proposed to be held through Video Conferencing, physical venue of the meeting is not relevant/applicable

Schedule of remote e-voting facility which will be available before the date of meeting

Commencement of remote e-voting	Monday, 27 th May, 2024 at 9:00 A.M. IST
End of remote e-voting	Thursday, 30 th May, 2024 at 5:00 P.M. IST

List of Documents

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1.	Notice of the Meeting along with Instructions for attending the Meeting through Video Conferencing and for Voting through remote e-voting system
2.	Explanatory Statement
3.	Scheme of Amalgamation of Stesalit Limited (the Transferor Company) with River Engineering Private Limited (the Transferee Company)
4.	Report on Valuation of Shares & Share Exchange Ratio by Ms Mallika Goel, the IBBI Registered Valuer, in respect of Securities or Financial Assets
5.	Audited Financial Statements of the Transferor Company and the Transferee Company for the year ended 31 st March, 2023.
6.	Un-audited Financial Statements (Provisional) of the Transferor Company and the Transferee Company for the period ended 29 th February, 2024

In case of any difficulty in e-voting or attending the meeting through Video Conferencing, etc., the following persons may be contacted:

Name	Contact Detail
Mr Sarbesh Singh Skyline Financial Services Pvt Ltd	+91 9953022071 admin@skylinerta.com
Mr Manoj Kumar Pachauri Authorised Signatory Stesalit Limited	+91 95606 91124 cs@stesalitltd.com

Sd/-

Dinesh Bhardwaj

[Former Member (Law), Authority of
Advance Rulings]

Chairperson of the meeting

Through

Sd/-

Kartikeya Goel, Advocate

For Rajeev Goel & Associates

Counsel for the Applicants

785, Pocket-E, Mayur Vihar-II

Delhi-Meerut Expressway/NH-9

Delhi 110 091

e-mail: rajeev391@gmail.com

Website: www.rgalegal.in

Date: 23rd April, 2024

Place: New Delhi

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH-VI, NEW DELHI
(ORIGINAL JURISDICTION)
COMPANY APPLICATION (CAA) NO. 41 (ND) OF 2024
IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)
SECTIONS 230 & 232
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
AND
IN THE MATTER OF
STESALIT LIMITED
APPLICANT NO. 1/TRANSFEROR COMPANY
AND
RIVER ENGINEERING PRIVATE LIMITED
APPLICANT NO. 2/TRANSFeree COMPANY

NOTICE CONVENING MEETING

**To
The Un-secured Creditors
of Stesalit Limited**

Take Notice that the Hon'ble National Company Law Tribunal, New Delhi Bench-VI, New Delhi vide its Order dated 18th April, 2024 (date of pronouncement), inter alia, directed for convening of a meeting of Un-secured Creditors of Stesalit Limited through Video Conferencing for the purpose of considering and, if thought fit, approving, the proposed Scheme of Amalgamation of Stesalit Limited with River Engineering Private Limited, and other connected matters, if any. In the said meeting the following Special Business will be transacted:

To consider and, if thought fit, to pass, the following resolution with specific majority as provided under Sections 230 & 232 of the Companies Act, 2013, and other applicable provisions, if any:

"Resolved that pursuant to the provisions of Sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, together with Section 2(1B) of the Income Tax Act, 1961, and other applicable provisions, if any, and subject to the approvals of the Hon'ble National Company Law Tribunal and other competent authorities, if any, consent of the meeting be and is hereby accorded for the proposed Amalgamation of Stesalit Limited (the Transferor Company) with River Engineering Private Limited (the Transferee Company); and various other matters incidental, consequential or otherwise integrally connected with the aforesaid Amalgamation.

Resolved further that the Report on Valuation of Shares & Share Exchange Ratio issued by Ms Mallika Goel, Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784, placed before the meeting, be and is hereby received, considered and taken on record. The Share Exchange Ratio as recommended by the IBBI Registered Valuer for the proposed Scheme of Amalgamation, being fair and reasonable to the Shareholders and other stakeholders of both the Companies, be and is hereby considered, accepted and approved.

Resolved further that the salient features/terms and conditions of the proposed Scheme of Amalgamation which, inter-alia, include the following:

- i.** All assets and liabilities including Income Tax and all other statutory liabilities, if any, of the Transferor Company will be transferred to and vest in the Transferee Company.
- ii.** All the employees of the Transferor Company in service on the Effective Date, shall become employees of the Transferee Company on such date without any break or interruption in their service and upon terms and conditions not less favorable than those applicable to them in the Transferor Company on the Effective Date.
- iii.** Appointed Date for the Scheme will be 1st April, 2023; or such other date as may be mutually decided by the Board of Directors of the Transferor Companies and the Transferee Company with the

approval of the Hon'ble National Company Law Tribunal; or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.

iv. *The Share Exchange Ratio for the Amalgamation will be as follows:*

- a.** *The Transferee Company will issue 10 (ten) Equity Shares of ₹10 each, credited as fully paid-up, to the Equity Shareholders of the Transferor Company for every 100 (one hundred) Equity Shares of ₹1 each held in the Transferor Company-Stesalit Limited.*

Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.

Resolved further that *subject to the approval of the Hon'ble National Company Law Tribunal and other competent authorities, if any, the Scheme of Amalgamation of Stesalit Limited with and into River Engineering Private Limited, as placed in the meeting, be and is hereby approved.*

Resolved further that *the Board of Directors of the Company be and is hereby authorized to take necessary steps to obtain necessary approval(s) for the aforesaid Scheme and for effective implementation of the same, including but not limited to, to agree to such conditions or modifications [including the appointed date(s) and share exchange ratio, etc.,] that may be imposed, required or suggested by the Hon'ble National Company Law Tribunal, New Delhi Bench-VI, New Delhi or any other authorities or that may otherwise be deemed fit or proper by the Board and to do all other acts, deeds or things which may be ancillary or incidental to the above mentioned matter or which may otherwise be required for the aforesaid Scheme."*

Take Further Notice that in pursuance of the said Order, a meeting of **the Un-secured Creditors of Stesalit Limited is scheduled to be held through Video Conferencing on 31st May, 2024 at 3:00 P.M.** when you are requested to attend.

Facility of remote e-voting will be available during the prescribed period before the meeting. Accordingly, Un-secured Creditors can vote through remote electronic means (without attending the meeting), instead of voting in the meeting.

The Hon'ble Tribunal has appointed Mr Dinesh Bhardwaj, [Former Member (Law), Authority of Advance Rulings] as the Chairperson, Mr Ravi Kant Srivastava, [Advocate and former Joint Secretary and Legal Adviser] as the Alternate Chairperson and Ms Anjoo Jain, Advocate as the Scrutinizer of the aforesaid meeting.

A copy each of the Explanatory Statement [under Sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any], the proposed Scheme of Amalgamation and other documents, if any, are enclosed.

The proposed Scheme of Amalgamation, if approved in the meeting, will be subject to the subsequent approval of the Hon'ble National Company Law Tribunal, New Delhi Bench-VI, New Delhi.

Dated this 23rd day of April, 2024

Sd/-

Dinesh Bhardwaj

[Former Member (Law), Authority of
Advance Rulings]
Chairperson of the meeting

Through

Sd/-

Kartikeya Goel, Advocate

For Rajeev Goel & Associates

Counsel for the Applicants

785, Pocket-E, Mayur Vihar-II
Delhi-Meerut Expressway/NH-9

Delhi 110 091

e-mail: rajeev391@gmail.com

Website: www.rgalegal.in

Notes:

1. The present meeting is proposed to be convened through Video Conferencing in terms of the Order passed by the Hon'ble National Company Law Tribunal and the relevant provisions of the Companies Act, 2013, if any. Facility of remote e-voting will be available during

the prescribed period before the meeting; and through e-voting platform which will be available during the meeting.

2. National Securities Depository Limited (NSDL) is appointed to provide remote e-voting facility before the meeting and to provide e-voting platform during the meeting, in a secured manner; as well as to provide platform for convening the meeting through Video Conferencing. Whereas Skyline Financial Services Pvt Ltd, a SEBI registered Registrar and Transfer Agent (RTA) is appointed to handle and supervise the entire process of holding the meeting through Video Conferencing, e-voting and processing of data relating to the meeting and voting, etc.
3. **Notice of the meeting will be sent to all Un-secured Creditors of the Company through mode(s) approved by the Hon'ble Tribunal.**
4. **In case of any difficulty in registering the e-mail id; e-voting or attending the meeting through Video Conferencing, etc., the following persons may be contacted:**

Name	Contact Detail
Mr Sarbesh Singh Skyline Financial Services Pvt Ltd	+91 99530 22071 admin@skylinerta.com
Mr Manoj Kumar Pachauri Authorised Signatory Stesalit Limited	+91 95606 91124 cs@stesalitltd.com

5. Only Un-secured Creditors of the Company may attend the meeting of Un-secured Creditors through Video Conferencing and vote through e-voting system.
6. **Institutional/Corporate Un-secured Creditors (i.e., other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation, etc., authorising its representative to attend the meeting and vote on its behalf. The said Resolution/Authorization may be sent to the Scrutinizer at: anjoojain@gmail.com**
7. **Please take note that since the meeting is proposed to be held through Video Conferencing, option of attending the meeting through proxy is not applicable/available.**

8. Instructions for attending the meeting through Video Conferencing and voting through e-voting system are given at the end of this notice.

9. Voting may be made through remote e-voting which will be available during the prescribed period before the meeting (as given below); and through e-voting platform which will be available during the meeting:

Commencement of remote e-voting	Monday, 27 th May, 2024 at 9:00 A.M. IST
End of remote e-voting	Thursday, 30 th May, 2024 at 5:00 P.M. IST

10. All the Un-secured Creditors will be entitled to attend the meeting through Video Conferencing. However, the Un-secured Creditors who have already voted through the remote e-voting process before the meeting, will not be entitled to vote again at the meeting.

11. Un-secured Creditors attending the meeting through video conferencing shall be counted for the purposes of reckoning the quorum.

12. Notice of the meeting, Explanatory Statement and other documents are also being placed on the following websites:

Particulars	Website
Stesalit Limited	www.stesalitltd.com
River Engineering Private Limited	www.riverengg.com

Encl.: As above

INSTRUCTIONS FOR THE CREDITORS FOR REMOTE E-VOTING AND JOINING THE MEETING ARE AS UNDER:

The remote e-voting for the meeting of Un-secured Creditors of Stesalit Limited will begin on *Monday, 27th May, 2024 at 9:00 A.M. IST* and will end on *Thursday, 30th May, 2024 at 5:00 P.M. IST.*

Instructions:

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under '**Shareholder / Member / Creditor**' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. Your Login id and password details casting your vote electronically and for attending the Meeting of Creditors through VC/ OAVM **are attached in the pdf file enclosed herewith.** Please note that the password to open the pdf file is the unique id mentioned above.
5. For the first time the system will ask to reset your password.
6. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
7. Now, you will have to click on "Login" button.
8. After you click on the "Login" button, Home page of e-Voting will open.
9. You will be able to see the **EVEN no.** of the company.
10. Click on "EVEN" of company to cast your vote.
11. Now you are ready for e-Voting as the Voting page opens.
12. Cast your vote by selecting appropriate options i.e. assent or dissent and click on "Submit" and then "Confirm" when prompted.
13. Upon confirmation, the message "Vote cast successfully" will be displayed.
14. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
15. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
16. If you face any problems/experience any difficulty or If you forgot your password please feel free to call at **022 - 4886 7000 and 022 - 2499 7000 or contact on email id: evoting@nsdl.co.in**

THE INSTRUCTIONS FOR UN-SECURED CREDITORS FOR E-VOTING ON THE DAY OF THE UN-SECURED CREDITOR MEETING ARE AS UNDER:

1. The procedure for e-Voting on the day of the Un-secured Creditor Meeting is same as the instructions mentioned above for remote e-voting.
2. Only those Creditors, who will be present in the Un-secured Creditors meeting through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Un-secured Creditors Meeting.

INSTRUCTIONS FOR UN-SECURED CREDITORS FOR ATTENDING THE UN-SECURED CREDITORS MEETING THROUGH VC/OAVM ARE AS UNDER:

1. Creditors will be provided with a facility to attend the Un-secured Creditors Meeting through VC/OAVM through the NSDL e-Voting system. Creditors may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in **shareholder / member / Creditor login** where the EVEN of Company will be displayed.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH-VI, NEW DELHI
(ORIGINAL JURISDICTION)
COMPANY APPLICATION (CAA) NO. 41 (ND) OF 2024
IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)
SECTIONS 230 & 232
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
AND
IN THE MATTER OF

STESALIT LIMITED

APPLICANT NO. 1/TRANSFEROR COMPANY

AND

RIVER ENGINEERING PRIVATE LIMITED

APPLICANT NO. 2/TRANSFeree COMPANY

Explanatory Statement

[Under the provisions of Sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any]

- 1.** A joint Application being CA (CAA) 41 (ND) of 2024, was filed before the Hon'ble National Company Law Tribunal, New Delhi Bench-VI, New Delhi (hereinafter referred to as "the Tribunal/NCLT") under the provisions of Sections 230 & 232 of the Companies Act, 2013, and other applicable provisions, if any, in connection with the proposed Scheme of Amalgamation of Stesalit Limited with River Engineering Private Limited (hereinafter referred to as "the Scheme of Amalgamation" or "this Scheme or "the Scheme") and other connected matters, if any.

2. Pursuant to the Order dated 18th April, 2024 (date of pronouncement), passed by the Hon'ble Tribunal, in the above referred joint Company Application, separate meetings of Secured Creditors and Un-secured Creditors of River Engineering Private Limited and Stesalit Limited are scheduled to be convened and held **through Video Conferencing with facility of remote e-voting, on Friday, 31st May, 2024**, as per the following schedule, for the purpose of considering and, if thought fit, approving, the proposed Scheme of Amalgamation, at which time the Secured Creditors and Un-secured Creditors are requested to attend:

Meetings of	Time
Secured Creditors of the Stesalit Limited	12:00 Noon
Secured Creditors of River Engineering Private Limited	1:00 P.M.
Un-secured Creditors of the Stesalit Limited	3:00 P.M.
Un-secured Creditors of River Engineering Private Limited	4:00 P.M.

Voting may be made through remote e-voting which will be available during the prescribed period before the meeting (as given below); and through e-voting platform which will be available during the meeting:

Commencement of remote e-voting	Monday, 27 th May, 2024 at 9:00 A.M. IST
End of remote e-voting	Thursday, 30 th May, 2024 at 5:00 P.M. IST

3. The Scheme of Amalgamation provides for:
- a. Amalgamation of Stesalit Limited (Transferor Company) with River Engineering Private Limited (Transferee Company); and
 - b. Various other matters incidental, consequential or otherwise integrally connected with the aforesaid Amalgamation, if any.

A copy of the Scheme of Amalgamation setting out the terms and conditions of the proposed Amalgamation and other matters connected, is enclosed with this Explanatory Statement.

4. Companies to the Scheme and their Background

4.1 The Applicant No. 1/the Transferor Company-Stesalit Limited:

- a. The Transferor Company-Stesalit Limited** [Corporate Identity No. (CIN): U35204DL1981PLC405383; Income Tax Permanent Account No. (PAN): AA ECS0758A] was originally incorporated on 26th May, 1981, under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'Stesalit (India) Private Limited' vide Certificate of Incorporation issued by the Registrar of Companies, West Bengal, Kolkata. Name of the Company was changed to 'Stesalit (India) Limited' on 12th September, 1995, vide Fresh Certificate of Incorporation issued by the Registrar of Companies, West Bengal, Kolkata. Name of the Company was changed to 'Stesalit Limited' on 23rd April, 1996 vide Fresh Certificate of Incorporation issued by the Registrar of Companies, West Bengal, Kolkata. Name of the Company was changed to 'Stesalit Technologies Limited' on 30th March, 2001 vide Fresh Certificate of Incorporation issued by the Registrar of Companies, West Bengal, Kolkata. Finally, name of the Company was changed to its present name-'Stesalit Limited' on 16th July, 2001 vide Fresh Certificate of Incorporation issued by the Registrar of Companies, West Bengal, Kolkata. Registered Office of the Company was shifted from the State of West Bengal to the NCT of Delhi as approved by the Hon'ble Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata, vide Order dated 20th July, 2018. The Registrar of Companies, NCT of Delhi and Haryana, New Delhi registered the aforesaid order and allotted a new CIN to the Company.
- b.** Presently, the Registered Office of the Applicant Transferor Company is situated at 712-A, 7th Floor, Shakuntala Apartment, 59, Nehru Place, New Delhi-110 019; e-mail: cs@stesalitltd.com; website: www.stesalitltd.com.
- c.** The detailed objects of the Transferor Company are set out in the enclosed Memorandum of Association and are briefly stated as below:

Main Objects:

1. *To carry on in India or elsewhere the business to provide technological knowledge, technical knowhow and to conduct research and development work in technologies and to manufacture, develop, operate, fabricate, construct, assemble, record, repair, maintain, reconstruction, work, alter, convert improve, procure, install, modify, buy, sell, distribute, import, export, transfer, lease, license, use, dispose off, in all kinds of electrical articles, microprocessors, equipment, tools, motors, insulating slot wedges used for electric motors are chuters (arc chamber housing) for switch gears and other similar products and all electronics articles, motors components, parts, accessories and plant& Machinery and other allied goods and develop the modern technologies to utilize in manufacturing the Fiber glass reinforced plastic products, PVC products, PVC Fiber glass reinforced plastic products and polypropylene products and other similar products.*
 2. *To plan, promote, generate, acquire by purchase in bulk, develop, distribute and accumulate power by wind, solar, hydro, thermal, atomic, nuclear, biomass, coal, lignite, gas, ocean energy, geothermal or any other from by which energy, power can be produced and to transmit, distribute, sell and supply such power for captive consumption by the company and\or for consumption by the others and to construct, lay down, establish, fix and carry out necessary power stations and projects.*
- d.** The Transferor Company-Stesalit Ltd is engaged in design, development, manufacture, and supply of high-end engineering products for Locomotives, Coaches, EMUs, Metro Cars. Some of the major products that are manufactured by the Transferor Company are Roof-mounted AC Package Unit (RMPU), Loco Panels, BA Panel, Inter-Vehicular Coupler, Traction Transformer, Electric Pneumatic Contactor, Traction Motors, Electrical Rectifier, Brushless Alternator, Electromagnetic Contactor, etc., for railways, metro trains, and transportation sector. The Transferor Company also provides value added services such as Comprehensive Annual Maintenance Contracts, Rehabilitation of products, repairing & overhauling and other after-sales services across the length and breadth of India. The Transferor Company has six

manufacturing facilities located in Baddi in the State of Himachal Pradesh and one unit situated in Greater Noida in the Delhi NCR.

- e. Present Authorised Share Capital of the Transferor Company No. 1 is ₹15,00,00,000 divided into 15,00,00,000 Equity Shares of ₹1 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹2,00,00,000 divided into 2,00,00,000 Equity Shares of ₹1 each.
- f. Detail of the present Board of Directors of the Transferor Company No. 1 is given below:

Sl. No.	Name & Address	DIN	Designation
1.	Rajat Kumar Sharma A-303, Golf City, Plot no.08, Sector-75, Noida, Gautam Buddha Nagar-201 301 Uttar Pradesh	08817024	Director
2.	Rajeev Kumar Singhal F-302, Plot no. E-10, Saket Dham, Sector-61, Noida, Gautam Buddha Nagar-201301 Uttar Pradesh	08826461	Director
3.	Alok Singhal 2148, Sector-9, Faridabad, Sector-7, Faridabad, Ballabgarh-121006 Haryana	03299526	Director
4.	Pavan Ahuja 255 B, Regal Shipra Sun City, Ghaziabad-201 014 Uttar Pradesh	06965444	Director
5.	Aniruddh Kumar 256, 1st cross 10th main defence colony, HAL 2nd stage, North Indira Nagar, Bengaluru-560 038 Karnataka	06861374	Independent Director

6.	Brij Mohan Lal C-86, Sector-61, Noida, Gautam Buddha Nagar- 201 301 Uttar Pradesh	09773608	Independent Director
7.	Ajay Chandele 1591, Sector-29, Bhrahmaputra Appartment, Noida, Gautam Buddha Nagar- 201 301 Uttar Pradesh	07068490	Director

4.2 The Applicant No. 2/Transferee Company-River Engineering Private Limited:

- a. The Transferee Company-River Engineering Private Limited** [Corporate Identity No. (CIN): U74140DL2007PTC166854; Income Tax Permanent Account No. (PAN): AACDR7231A] was incorporated on 9th August, 2007 under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.
- b.** Presently the Registered Office of the Applicant Transferee Company is situated at 912, 9th Floor, Devika Tower, 6, Nehru Place, New Delhi-110 019; e-mail: cs@riverengg.com; website: www.riverengg.com.
- c.** The detailed objects of the Transferee Company are set out in the Memorandum of Association and are briefly stated as below:

Main Objects:

- To carry on business of manufacturers, assemblers, processors, fabricators, designers, developers, exporters, importers, indenters, buyers, suppliers, sellers, dealers, distributors, stockiest, brokers, agents, lessors, lessees, operators, installers, erectors, and financial of all kinds of mechanical components, magnetic parts, cast items, printed circuit boards (bare/populated) and electronic components, equipment devices, products, systems,*

including without limitation indicators, measuring instruments, recorders, controllers, drivers, converters, generators, regulators, transformers, inductors, stabilizers, power supplies, motors, rectifiers, actuators, relays, contactors, breakers, connectors, couplers, valves, switching and signaling devices, collectors, distributors, communicating systems, sensors, conditioners, analyzers, and computers and parts thereof using software, electronics, electrical, hydraulic, pneumatic, optical and mechanical technologies for the industrial, commercial, railways, shipping, aviation, road transportation, power, office; telecommunication, medical and military, domestic gas, oil applicators, photograph, display, projection, industrial automation, communication, farming, audio-visual, safety, security, protection.

- 2. To buy, sell, import or otherwise deal in all and any manner in instrumentation, handling equipment, data processing equipment and software and chemicals related to drilling fluids, production corrosion chemicals, utilized in the oil, gas, mining and natural resource exploration, exploration processing industries. petroleum exploration; civil construction and engineering, mechanical engineering, mechanical engineering manufacturing industries, water treatment and water conditioning, civil, marine and aeronautical engineering, welding and cold cutting applications.*
- 3. To carry on business as consultants and general engineers and to buy, sell and otherwise deal in all manner with the plant machinery and any or all equipment including testing, handling and transporting in relation to activities mentioned in sub-clause 1 above.*
- 4. To carry on the business of manage consultant, administer and arrange and deal in drilling, exploration of on and gas, oil wells, petroleum, gases and by-products thereof.*
- 5. To provide Consultancy, management and advisory services in relation to civil and mechanical projects of any kind and description. To act as an agent of overseas investor companies in the planning, investigation, research, design and preparation of preliminary pre-feasibility, feasibility and detailed project reports.*

6. *To carry on business of all or any kinds of iron and steel founders, steel melters, steel makers, steel shapers and manufacturers, mechanical engineers and fabricators, contractors, tool makers, brass founders, metal workers, manufacturers of steel, metal and malleable grey, forging, quality steel manufacturers, processors of a types of forged components and accessories and all types of hardware items, plate makers wire drawers, tube manufacturers, galvanizers, japanners, rerollers, annealers) enamellers and electroplaters and to buy, take on lease or hire, Sell, import, export, manufacture, process, repair, convert, let on hire, otherwise deal in such products, raw materials, stores, by products and allied commodities, rolling stock implements, tools, tensils and ground tool materials.*

- d.** The Transferee Company is Flagship Company of the Promoters, engaged in design, development, manufacture, and supply of top-of-the-line products for Mainline Railways, Metro Rail, EMUs, Aerospace and Defence Sectors, and other industries. Some of the major products that are manufactured by the Transferee Company are Tap Changer, Protective Relays, Traction Grade Connectors, Pantograph, Failure Indication cum Brake Application, Air Brake System, Electrical Panels, Jumper Couplers, Driver Desk Unit, etc., for Railways; High Precision Mechanical Components for Fighter Aircrafts and other defense applications; Air Purification Systems for Health Care Industry. The Transferee Company also provides value added services such as Rehabilitation of products, repairing & overhauling and other after-sales services across the length and breadth of India. The Company has two manufacturing facilities located in Greater Noida in Delhi NCR.
- e.** Present Authorised Share Capital of the Transferee Company is ₹3,00,00,000 divided into 30,00,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹2,42,77,500 divided into 24,27,750 Equity Shares of ₹10 each.
- f.** Detail of the present Board of Directors of the Transferee Company is given below:

Sl. No.	Name & Address	DIN	Designation
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1.	Neera Agarwal C 34, Sector-30, Noida-201 301 Uttar Pradesh	00335620	Director
2.	Ashok Kumar Agarwal C 34, Sector-30, Noida-201 301 Uttar Pradesh	00335459	Director
3.	Brijinder Kumar Gupta G-69, Sector-25, Noida, Gautam Buddha Nagar- 201 301 Uttar Pradesh	10084343	Director
4.	Yog Raj Dua H. No. 457, Sector-37, Gautam Buddha Nagar- 201 303 Uttar Pradesh	08075985	Director
5.	Deepak Parvatiyar Flat no. C-6, Raj Residency, Plot no. 16, Sector-14, Kaushambi, Ghaziabad-201 010 Uttar Pradesh	09465063	Director

- 5. Detail of the Promoters:** The Transferor Company and the Transferee Company are closely held un-listed Group Companies under common management and control. Detail of core promoters of both the Applicant Companies is as follows:

Sl. No.	Name of Promoters	Address
1.	Mrs Neera Agarwal	C 34, Sector-30, Noida-201 301 Uttar Pradesh
2.	Dr Ashok Kumar Agarwal	C 34, Sector-30, Noida-201 301 Uttar Pradesh
3.	Mr Ankur Narayan Agarwal	C 34, Sector-30, Noida-201 301 Uttar Pradesh

- 6.** The proposed Scheme of Amalgamation of Stesalit Limited with River Engineering Private Limited, will be affected by the arrangement embodied in the Scheme of Amalgamation framed under the

provisions of Sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any.

7. Rationale and Benefits of the Scheme:

The circumstances which justify and/or necessitate the proposed Scheme of Amalgamation of Stesalit Limited with River Engineering Private Limited; and benefits of the proposed amalgamation as perceived by the Board of Directors of these Companies, to the Shareholders and other stakeholders are, inter alia, as follows:

- i.** The Transferor Company and the Transferee Company are engaged in similar nature of business. The amalgamation will ensure focused management in the combined entity thereby resulting in efficiency of management and maximizing value for the shareholders. Such restructuring will lead to simplification of group structure by eliminating multiple companies within the group in similar business.
- ii.** The proposed amalgamation of the Transferor Company with the Transferee Company, in accordance with the terms of this Scheme, would enable both the companies to realize benefits of greater synergies between their businesses, yield beneficial results and pool financial resources as well as managerial, technical, distribution and marketing resources of each other in the interest of maximizing value to their shareholders and the stakeholders.
- iii.** The proposed amalgamation will be beneficial to both the Transferor Company and the Transferee Company in the following manner:
 - a. Operational integration and better facility utilisation:**

The amalgamation in accordance with this Scheme will provide an opportunity for reduction of operational costs through transfer of intermediary products between the companies, better order loads for the business through pooling of orders, synergies from sales and production planning across the businesses. The Transferee Company has much larger and advanced infrastructure which may be gainfully utilised for business of the Transferor Company.

- b. Efficient raw material procurement and reduced procurement costs:** Synergy of operations will be achieved as a result of sustained availability of raw materials as well as reduced procurement costs for Transferor Company and the Transferee Company. Combined sourcing of raw materials by both the Transferor Company and the Transferee Company would result in reduction in overall costs of procurement for the combined entity. Besides, certain requirements of the Transferor Company such as switchgear items, machined components and assemblies, electrical panel assemblies, etc., are currently supplied by the Transferee Company. Post-amalgamation, all these requirements will be met within the Transferee Company itself.
- c. Operational Efficiencies:** The amalgamation would result in synergy benefits arising out of single value chain thereby reducing costs and increasing operational efficiencies. centralization of inventory, from raw material to finished goods and spares, may enable better efficiency, utilization and overall reduction in working capital. The proposed amalgamation would likely result in optimized power consumption, reduced costs, sharing of best practices, cross-functional learnings, better utilisation of common facilities and greater efficiency in debt and cash management.
- d. Rationalization of Procurement & Logistics costs:** Consolidation and optimization of spares and stores, deployment of After-sales Service and Support Teams could significantly reduce logistics cost for both the Transferor Company and the Transferee Company.
- e. Enhancing Value in Marketing:** With an overlap in products across the Transferor Company and the Transferee Company, the combined entity would be better positioned to service customer needs. The Transferor Company could expand its existing core market using the strong R&D and production facilities of the Transferee Company. Further, the Transferor Company could also have access to the Transferee Company's product portfolio and technical capabilities. The Transferee Company would benefit from complementary product offerings of the

Transferor Company and production facilities, resulting in a strong presence across market segments. The proposed amalgamation will result in access to new markets and product offerings as well as increased sales volumes.

- f. Improving Customer Satisfaction and Services:** The proposed amalgamation would make it easier to address needs of customers by providing them uniform product and service experience, on-time supplies, improved service levels thereby improving customer satisfaction.
- g. Improved safety, environment and sustainability practices:** The proposed amalgamation will eliminate overlapping processes and redundancies and will help in adopting better environment friendly practices.
- h. Elevated Skill Development:** The Transferee Company has a large pool of qualified, experienced, and highly trained manpower. The amalgamation of the Transferor Company with and into the Transferee Company will provide opportunities for skill development for the Transferor Company's operators, engineers and other employees.
- i. Faster Pace of Innovation:** The Transferee Company has a well-equipped R&D Centre which is duly recognized by the Department of Scientific and Industrial Research (DSIR) under the Ministry of Science & Technology, Government of India. The proposed amalgamation will result in faster innovation and better products development in the combined entity. This will boost Make-in-India objectives of the Government of India and help in achieving self-reliance in the critical sectors of Railways and Defense of the Country. The Combined entity will be in a better position to attract technical and other strategic partners under 'Make-in-India' Policy of the Government of India for import substitution.
- j.** The amalgamation will result in significant reduction in multiplicity of legal and regulatory compliances which at present are required to be made separately by the Transferee Company as well as by the Transferor Company.

- k.** The proposed amalgamation will enable the combined entity to offer more cost-effective and efficient products and services to its customers.
- l.** The proposed Amalgamation will streamline and simplify the shareholding structure.
- m.** Thus, the proposed amalgamation is beneficial, advantageous and not prejudicial to the interests of the shareholders, creditors and other stakeholders of the Transferor Company and the Transferee Company and is beneficial to the public at large.

In view of the aforesaid, the Board of Directors of the respective Companies have considered the proposed amalgamation of the entire undertaking and business of the Transferor Company as a going concern into and with the Transferee Company to benefit the stakeholders of the respective Companies. Accordingly, the Board of Directors of the respective Companies have formulated this Scheme for the amalgamation of the Undertaking(s) (as defined hereinafter) of the Transferor Company into and with the Transferee Company pursuant to Sections 230 & 232 and other relevant provisions of the Companies Act, 2013, and in accordance with section 2(1B) of Income Tax Act, 1961 and other applicable Laws on a going concern basis.

8. Salient features of the Scheme of Amalgamation

- i.** All assets and liabilities including Income Tax and all other statutory liabilities, if any, of the Transferor Company will be transferred to and vest in the Transferee Company.
- ii.** All the employees of the Transferor Company in service on the Effective Date, shall become employees of the Transferee Company on such date without any break or interruption in their service and upon terms and conditions not less favorable than those applicable to them in the Transferor Company on the Effective Date.
- iii.** Appointed Date for the Scheme will be 1st April, 2023; or such other date as may be mutually decided by the Board of Directors of the Transferor Company and the Transferee Company with the approval of the Hon'ble National Company Law Tribunal; or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.

iv. The Share Exchange Ratio for the Amalgamation will be as follows:

- a. The Transferee Company will issue 10 (ten) Equity Shares of ₹10 each, credited as fully paid-up, to the Equity Shareholders of the Transferor Company for every 100 (one hundred) Equity Shares of ₹1 each held in the Transferor Company-Stesalit Limited.

Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.

9. **Extracts of the Scheme:** Extracts of the selected clauses of the Scheme are reproduced below in italics (*points/clauses referred to in this part are of the Scheme of Amalgamation*):

1.1 DEFINITIONS

In this Scheme and all other connected documents, unless repugnant to the meaning or context thereof, the following expressions will have the meaning as under:

- i. **"Act or Companies Act, 2013"** means the Companies Act, 2013 (18 of 2013); and Rules, Notifications, Circulars, Clarifications made or issued thereunder [including but not limited to the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016]; and includes any amendments, statutory re-enactments, and modifications thereof for the time being in force.
- ii. **"Amalgamation"** means amalgamation of Stesalit Limited (the Transferor Company) with and into River Engineering Private Limited (the Transferee Company) in terms of this Scheme in its present form or with any modification(s) as approved by the Hon'ble National Company Law Tribunal or any other competent authority, as the case may be.
- iii. **"Applicable Law(s)"** means any relevant statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, schemes, notices, treaties, judgement, decree, approvals, orders or instructions enacted or

issued or sanctioned by any competent authority, having the force of law and as applicable to the Companies to this Scheme.

- iv. **"Appointed Date"** for the purpose of this Scheme means commencement of business on 1st April, 2023; or such other date as may be mutually decided by the Board of Directors of the Transferor Company and the Transferee Company with the approval of the Hon'ble National Company Law Tribunal; or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.
- v. **"Board" or "Board of Directors"** means the respective Board of Directors of the Transferor Company and the Transferee Company and will, unless it is repugnant to the context or otherwise, include committee(s) so authorised by the Board of Directors, or any person authorised by the Board of Directors or such committee(s).
- vi. **"Companies"** means the Transferor Company and the Transferee Company when referred collectively; and "Company" means any of these Companies, individually.
- vii. **"Customer"** means and include all the customers of the Transferor Company and/or the Transferee Company in India or overseas, whether in private sector or in public sector or a combination of both which will include without limitation the following:
 - a. Indian Railways and its various establishments, e.g., Production Units-Chittaranjan Locomotive Works (CLW), Banaras Locomotive Works (BLW), Patiala Locomotive Works (PLW), Modern Coach Factory (MCF), Rail Coach Factory (RCF), Integral Coach Factory (ICF); Zonal Railways, Headquarters, Workshops, Sheds, Maintenance Depots, Coaching Depots, Maintenance Yards, Trip Sheds, Divisional Offices, Research Design & Standards Organisation (RDSO), or any other affiliate, joint venture or other entity of the Indian Railways.
 - b. Various Metro Rails owned by the Central Government, State Governments, Semi Government, jointly by Central and State Government(s), Public Sector, Private Sector or any combination of above.

- c. All undertakings/departments of Government, Semi Government, Public Sector Undertaking, wholly owned subsidiaries of Ministries of Central Government or State Government, Joint Sector between Central or State Government with Private Sector, Private Sector enterprise, any Special Purpose Vehicles.*
- viii. **"Customer Order"** means all Purchase Orders, Purchase Orders under Option Clause/Quantity Variation, Order(s) in hand, tender(s) already quoted, Tender(s) under Negotiation, Letter(s) of Acceptance (LOA), Letter of Intent (LOI), Contract Agreement, Supplementary Agreement, Annual Maintenance Contract, Works Contracts, General Contract for Services, GeM Contracts, Manual/e-Tenders, Counter Offer, Offer under negotiations, Offer under Reverse Auction, Offer under Technical & Commercial evaluation, Offer under Negotiation, Customer Receipts Challans, Receipt Challans, Customer Receipt Notes (CRNs), Measurement Book (MB), Railway Bill Format, Receipt Notes, Warranty Rejection Advice, Recovery Advice, Offers under Correspondence, Offers under clarifications/confirmations, Orders under amendment/modification, Single Packet System/Two Packet System of Tendering, or any other document not mentioned above, submitted to or received from any Customer for supply of goods and services.
- ix. **"Deposits"** means any amount deposited with any Customer and any other Government Department for securing the performance obligations in the form of Demand Draft, Cheque, Fixed Deposit Receipt of any schedule bank, National Savings Certificates, Government Securities, Online Transfer towards Earnest Money Deposit, Bid Security, Security Deposit, Advance Payment, Bank Guarantee, Post Dated Cheques, Performance Bank Guarantee, Corporate Guarantee, Warranty Bank Guarantee, Contract Performance Bank Guarantee, Indemnity Bond, Surety Bond, etc., or in any other manner not mentioned above.
- x. **"Effective Date"** means last of the dates on which the certified copies of the Order(s) passed by the Hon'ble National Company Law Tribunal, sanctioning this Scheme, are filed with the concerned Registrar of Companies, Ministry of Corporate Affairs. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" will be a reference to the Effective Date.

It is, however, clarified that though this Scheme will become operative from the Effective Date, the provisions of this Scheme will be effective from the Appointed Date. In other words, the effective date is only a trigger point for implementation of the Scheme. As soon as the effective date is achieved, provisions of this Scheme will come into operation; and will be effective and applicable with effect from the Appointed Date in terms of the provisions of Section 232(6) of the Companies Act, 2013, and other applicable provisions, if any.

- xi. **"Encumbrance"** means (a) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including any right granted by a transaction which in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Laws; (b) any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any person; and (c) any adverse claim as to title, possession or use.*
- xii. **"FEMA"** means the Foreign Exchange Management Act, 1999 along with the rules and regulations made there under and will include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.*
- xiii. **"Insolvency and Bankruptcy Code, 2016 or IBC"** means the Insolvency and Bankruptcy Code, 2016 (31 of 2016); and Rules, Notifications, Circulars, Clarifications made or issued thereunder; and includes any amendments, statutory re-enactments, and modifications thereof for the time being in force.*
- xiv. **"Intellectual Property Rights"** means, whether registered or not, in the name of or recognized under Applicable Laws as being intellectual property of the Transferor Company and the Transferee Company, or in the nature of common law rights of the Transferor Company and the Transferee Company, as the case may be, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web "Portals", trade names, logos, as well as copyright in all of the brands, logos and their variations, along with the global goodwill associated with the foregoing; uniforms, all applications and*

registration for the foregoing (b) all domestic and/or foreign Patents granted or applied for (c) confidential and proprietary information and trade secrets; (d) published and unpublished works of authorship and copyrights therein, and registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (e) computer software, programs (including source code, object code, firmware, operating systems and specifications) and processes; (f) designs, drawings, sketches; (g) tools, databases, frameworks, customer data, proprietary information, knowledge, any other technology or know-how, licenses, software licenses and formulas; (h) ideas and all other intellectual property or proprietary rights; and (i) all rights in all of the foregoing provided by Applicable Laws.

- xv. **"Inspection Authorities"** means and include all the inspection authorities which are relevant/applicable for the Transferor Company and/or the Transferee Company in India or overseas, whether in private sector or in public sector or a combination of both which will include without limitation the following:
- a. Indian Railways and its various establishments, e.g., Production Units-Chittaranjan Locomotive Works (CLW), Banaras Locomotive Works (BLW), Patiala Locomotive Works (PLW), Modern Coach Factory (MCF), Rail Coach Factory (RCF), Integral Coach Factory (ICF); Zonal Railways, Headquarters, Workshops, Sheds, Maintenance Depots, Coaching Depots, Maintenance Yards, Trip Sheds, Divisional Offices, Research Design & Standards Organisation (RDSO), RITES, GeM, or any other affiliate, joint venture or other entity of the Indian Railways.
 - b. Third Parties/Private Parties such as RITES, TUV India, Bureau Veritas, Intertek, GeM, or any other entity not mentioned hereabove.
 - c. Various Metro Rails owned by the Central Government, State Government, Semi Government, jointly by Central and State Government, Public Sector, Private Sector or any combination of above.
 - d. All undertakings/departments of Government, Semi Government, Public Sector Undertaking, wholly owned subsidiaries of Ministries of Central Government or State Government, Joint Sector between Central or State

Government with Private Sector, Private Sector enterprise, any Special Purpose Vehicles.

- xvi. **"IT Act"** means the Income Tax Act, 1961, and the rules made there under and will include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.
- xvii. **"National Company Law Tribunal"** means appropriate Bench/Benches of the Hon'ble National Company Law Tribunal constituted under the Companies Act, 2013, or such other court, tribunal, forum or authority having jurisdiction to sanction the present Scheme and other connected matters. The National Company Law Tribunal is hereinafter referred to as "the Tribunal"/"NCLT".
- xviii. **"Portals"** means all Portals maintained by various Competent Authorities and entities such as Indian Railway E Procurement System (IREPS), Unified Vendor Approval Module (UVAM), Indian Railways' and Zonal Railways' "Portals", Production Units' "Portals" of Indian Railways, Third Party Inspection Portal, RDSO Portal, RITES Portal, Centre for Railway Information System (CRIS), Shramik Kalyan Portal, Government E Market Place (GeM), GST Portal, Income Tax Portal, respective "Portals" of the Ministry of Corporate Affairs, the Registrar of Companies, Provident Fund Authorities, Employees State Insurance Department, Insurance Companies, or any other portal maintained by any Central Government, State Government, Public Sector Undertaking or Private Sector Undertaking or any bank or financial institution, etc.
- xix. **"Product Approval"** means Application and/or Registration with any Product Approving Authorities for approval of Capacity and Capability Assessment (CCA), Schedule of Technical Requirements (STR), Scope of Work, Technical Specifications, Drawings, GA Drawings, Quality Assurance Plan (QAP), Consistency Test, Test Protocol, Type Test Report, Routine Test Report, Prototype Testing, Provisional Inspection Certificate, Field Trial, Performance Report, Final Inspection Certification, Maintenance and Operational Manual, Spare Parts Catalogue, Products Manual, or any modification(s) thereof or any other correspondence for products and/or services being manufactured or proposed to be manufactured.

- xx. **"Product Approving Authorities"** means and include all the product approving authorities for the Transferor Company and/or the Transferee Company in India or overseas, whether in private sector or in public sector or a combination of both which will include without limitation the following:
- a. Indian Railways and its various establishments, e.g., Production Units-Chittaranjan Locomotive Works (CLW), Banaras Locomotive Works (BLW), Patiala Locomotive Works (PLW), Modern Coach Factory (MCF), Rail Coach Factory (RCF), Integral Coach Factory (ICF); Zonal Railways, Headquarters, Workshops, Sheds, Maintenance Depots, Coaching Depots, Maintenance Yards, Trip Sheds, Divisional Offices, Research Design & Standards Organisation (RDSO), RITES, GeM, or any other affiliate, joint venture or other entity of the Indian railways.
 - b. Various Metro Rails owned by the Central Government, State Government, Semi Government, jointly by Central and State Government, Public Sector, Private Sector or any combination of above.
 - c. All undertakings/departments of Government, Semi Government, Public Sector Undertaking, wholly owned subsidiaries of Ministries of Central Government or State Government, Joint Sector between Central or State Government with Private Sector, Private Sector Enterprise, any Special Purpose Vehicles.
- xxi. **"Quality Assurance Plan (QAP)"** means and include every document that highlights the standards of manufactured product that should be adhered to. Furthermore, this plan normally contains the practices that need to be executed to ensure that the product meets the set requirements as such Organisational Chart, qualification/experience of the Quality Control (QC) other than QC personnel, Process Flow Chart indicating process of manufacture for an individual product, with quality control points including all the operation involving manufacturing & testing of product from raw material to finish product, Details of Sub-assemblies/ components manufactured in-house and outsourced, Incoming Raw Material & In-Process/Final Inspection, Stage inspection detailing inspection procedure, inspection parameters, method of testing/ test procedure including sample sizes for destructive and non- destructive testing, etc., Calibration of testing & measuring

equipment, System of maintaining the data of customer complaints/warranty failures, Requirement of plant & machineries/ testing & measuring equipment required for production, etc.

- xxii. **"Record Date"** means the date(s) to be fixed by the Board of Directors of the Transferor Company or the Transferee Company, with reference to which the eligibility of the shareholders of the Transferor Company will be determined for allotment of shares in the Transferee Company on amalgamation in terms of this Scheme; and other connected matters, if any.
- xxiii. **"Registrar of Companies"** means concerned Registrar(s) of Companies, Ministry of Corporate Affairs having jurisdiction under the Companies Act, 2013, and other applicable provisions, if any, on the respective Companies.
- xxiv. **"Schedule of Technical Requirement (STR)"** means and covers the technical requirements meant for the firms seeking approval in respect of manufacturing of selected items in Indian Railways. The STR normally covers such as, Plant and Machinery, duly calibrated testing/measuring equipment and gauges, capacity of the firm, testing facilities, quality control requirements and training facilities, R&D facility to investigate into various types of failures and evolve necessary remedial measures to avoid failures in future, etc.
- xxv. **"Scheme"** means the present Scheme of Amalgamation framed under the provisions of Sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, together with Section 2(1B) of the Income Tax Act, 1961, and other applicable provisions, if any, which provides for the amalgamation of Stesalit Limited with and into River Engineering Private Limited on a going concern basis; and various other matters incidental, consequential or otherwise integrally connected with the said Amalgamation, if any; in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of these Companies and/or by any competent authority and/or by the Hon'ble National Company Law Tribunal or that may otherwise be deemed fit by these Companies.
- xxvi. **"Statutory Bodies/Statutory Agencies"** means all departments of Central or State Government such as Factories

Department, Labour Law Department, Provident Fund Department, Employees State Insurance Corporation, Competent Authority under the Industrial Disputes Act, Employment Exchanges, Department of Statistics, Local Authorities, State level Industrial Development agency, Electricity Department, Water & Sewer Board, Department of Industries (DIC), Pollution Control Board, National Green Tribunal, Micro Small & Medium Enterprises Authority, Fire Control Department, Himachal Pradesh State Industrial Development Corporation Ltd (HPSIDC), 'Baddi, Barotiwala, Nalagarh Development Authority (BBNDA)', Competent Authority under Apprentices Act, 1961, BOCW Department, Electrical Safety Authorities, Local District Administration, State Revenue Department or any other Competent Authority under the Central Government, State Government, Semi Government, jointly by Central and State Governments, Public Sector, or any combination of above.

xxvii. **"Technical Regulatory Authorities"** means Agencies engaged in providing various certification and regulatory approvals including Otabu India, DNV, TUV, PRI, Bureau Veritas or any other entity under the Central Government, State Government, Semi Government, jointly by Central and State Governments, Public Sector, Private Sector, or any combination of above.

xxviii. **"Testing Laboratories"** means all laboratories and testing centers owned by any undertaking/department of Government, Semi Government, Public Sector Undertaking, wholly owned subsidiaries of Ministries of Central Government or State Government, Joint Sector between Central or State Government with Private Sector, Private Sector Enterprise, any Special Purpose Vehicles including Indian Railways and its affiliates, International Centre for Automotive Technology (ICAT), Electronics Regional Test Laboratory (ERTL), Vardhman Test House, Conformity Test Lab, URS Test Labs, Alpha Test House, Spectro Test Labs, Centre for Power Research Institute (CPRI), Electronic Research & Development Association (ERDA) or any other laboratory not mentioned above.

4. TRANSFER AND VESTING OF UNDERTAKING(S)

4.1 On the Scheme becoming effective and with effect from the Appointed Date, the Undertaking shall, subject to the terms and conditions of this Scheme and, without any further act, instrument or deed, be and stand transferred to and vested in

and/or be deemed to have been and stand transferred to and vested in the Transferee Company, as a going concern, so as to become the undertaking(s) of the Transferee Company by virtue of and in the following manner.

- 4.2 All assets of the Transferor Company that are movable in nature and/or otherwise capable of transfer by physical or constructive delivery, novation and/or by endorsement and delivery or by operation of law shall be vested in and/or deemed to be vested in the Transferee Company from the Appointed Date. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of the Transferee Company, absolutely and forever, from the Appointed Date.*
- 4.3 In respect of such of the assets of the Transferor Company other than those referred to in Clause '4.1' above, including investment in shares or any other securities, actionable claims, outstanding loans and advances, earnest monies, receivables, bills, credits, if any, recoverable in cash or in kind or for value to be received all kind of banking accounts including but not limited to current and saving accounts, term deposits, deposits, if any, with Governmental Authorities and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as on the Appointed Date. The Transferee Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard. The Transferee Company (without it being obliged to do so), if it deems appropriate, may give notice in such form as it deems fit and proper, to each such debtor or obligor or any other Person, that pursuant to the sanction of the Scheme, such investment, debt, loan, advance, claim, bank balance, deposit or other asset be aid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realize all such debts (including the debts payable by such debtor or obligor or any other Person to the Transferor Company) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors or other Persons to record such change.*

- 4.4 *With effect from the Appointed Date, all immovable properties of the Transferor Company, including land together with the heavy equipment, plant & machinery, buildings and structures standing thereon or embedded to the land and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise and all documents of title, rights, security deposits and easements in relation thereto shall stand vested in and/or be deemed to have been vested in the Transferee Company on the same terms and conditions, by operation of Law pursuant to the sanctioning of the Scheme. Such assets shall stand vested in the Transferee Company and shall be deemed to be and become the property as an integral part of the Transferee Company by operation of Law. The Transferee Company shall upon the NCLT Order sanctioning the Scheme and upon the Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties including refund of any security deposits and shall be liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of the Transferee Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Governmental Authority shall suffice as record of continuing titles with the Transferee Company and shall be constituted as a deemed mutation and substitution thereof. The Transferee Company shall upon the Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Transferor Company in any leasehold properties shall without any further act, instrument or deed, be vested in or be deemed to have been vested in the Transferee Company.*
- 4.5 *With effect from the Appointed Date, all assets, brands, trademarks, patents, rights, title, interests and investments of the Transferor Company shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company.*

- 4.6 *With effect from the Appointed Date, all debts (secured and unsecured), liabilities, bonds, debentures (including contingent liabilities), duties and obligations of every kind, nature and description of the Transferor Company shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, bonds, debentures (including contingent liabilities), duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company. Further, it shall not be necessary to obtain the Consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by the Transferor Company, if any.*
- 4.7 *Upon this Scheme becoming effective, the secured creditors of the Transferor Company and/or other holders of Encumbrance over the properties of the Transferor Company shall be entitled to Encumbrance only in respect of the properties, assets, rights, benefits and interest of the Transferor Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company and the secured creditors of the Transferee Company and/or other holders of Encumbrance over the properties of the Transferee Company shall be entitled to Encumbrance only in respect of the properties, assets, rights, benefits and interest of the Transferee Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company. It is hereby clarified that pursuant to the amalgamation of the Transferor Company with the Transferee Company, (a) the secured creditors of the Transferor Company and/or other holders of Encumbrance over the properties of the Transferor Company shall not be entitled to any additional Encumbrance over the properties, assets, rights, benefits and interest of the Transferee Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any Encumbrance thereon in future in relation to any current or future indebtedness of the Transferee Company; and (b) the secured creditors of the Transferee Company and/or other holders of Encumbrance over the properties of the Transferee Company shall not be entitled to*

any additional Encumbrance over the properties, assets, rights, benefits and interest of the Transferor Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any Encumbrance thereon in future in relation to any current or future indebtedness of the Transferee Company.

- 4.8 *On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in relation to the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions. Further, the Transferee Company, if so required, shall also be entitled to maintain one Bank Account in the name of the Transferor Company to enable it to deposit/encash any payment or refund received in the name of the Transferor Company. All such deposits will, then, be transferred to the bank account of the Transferee Company. It may, however, be clarified that such bank account(s) (in the name of the Transferor Company) will be used only for the limited purpose of depositing/encashing any refund or other payments received in the name/in favour of the Transferor Company. Such bank account will not be used for normal banking transactions.*
- 4.9 *With effect from the Effective Date, the security creation, borrowing and investment limits of the Transferee Company under the Act shall be increased to the extent of the security creation, borrowing and investment limits of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company.*
- 4.10 *Any corporate approvals obtained by the Transferor Company, whether for the purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company.*
- 4.11 *All Governmental Approvals, "Customer Approvals" and other Consents, permissions, quotas, rights, authorizations,*

entitlements, no objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Transferor Company are a party or to the benefit of which the Transferor Company may be entitled to use or which may be required to carry on the operations of the Transferor Company, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party, a beneficiary or an obligee thereto and shall be appropriately mutated by the relevant Governmental Authorities in favour of the Transferee Company. In so far as the various incentives, GST benefits /service tax benefits, subsidies (including applications for subsidies), rehabilitation schemes, grants, special status, rights, and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by the Transferor Company is concerned, the same shall, without any further act or deed, vest with and be available to the Transferee Company on the same terms and conditions as are available to the Transferor Company.

- 4.12 *With effect from the Appointed Date, all registrations, licenses, trademarks, brands, copyrights, domain names, patents, tradenames, industrial designs, product registrations and any other intellectual property pertaining to the Transferor Company, including any pending application for the aforesaid, if any, shall stand vested in the Transferee Company without any further act, instrument or deed, upon the sanction of the Scheme.*
- 4.13 *Upon the Scheme becoming effective, all the goodwill, past experience, past track record and business credentials, etc., gained by the Transferor Company shall be transferred to and vest in the Transferee Company. Accordingly, for the purpose of entering into any contract, tenders, bid documents, expression of interest, memorandum of understanding, agreements or any other purpose, the experience, track record and credentials gained by the Transferor Company shall considered to be equivalent as the experience, track record and credentials of the Transferee Company.*

- 4.14 *All taxes (including but not limited to advance tax, self-assessment tax, regular tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, value added tax, sales tax, service tax, goods and service tax etc.) paid or payable by or refunded or refundable to the Transferor Company with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/ claims, etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of account, deductions otherwise admissible such as under Section 40, 40A, 43B etc. of the IT Act, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. This Clause to be read along with Clause 15 of this Scheme.*
- 4.15 *All the "Customers" of the Transferor Company, any Governmental Authority, Competent Authority or any other third party required to give effect to any provisions of this Scheme, shall take on record the NCLT Order sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of the Transferee Company as successor in interest, pursuant to the sanction of this Scheme by NCLT, and upon this Scheme becoming effective. For this purpose, the Transferee Company shall file certified copies of such NCLT Order and if required, file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits quotas, rights, entitlements, tenders, licenses (including the licenses granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.*
- 4.16 *For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that with effect from the Appointed Date, all Consents, permissions, certificates,*

clearances, authorities, power of attorneys given by, issued to or in favour of the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company.

- 4.17 The Transferee Company shall, at any time after coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Transferee Company shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.*
- 4.18 With effect from the Effective Date, all inter se contracts solely between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company.*
- 4.19 With effect from the Effective Date, there will be no accrual of income or expense on account of any transactions, including inter alia any transactions in the nature of sale or transfer of any goods, materials or services, between the respective Transferor Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the respective Transferor Company and the Transferee Company.*
- 4.20 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant Consents,*

approvals, patents, permissions, "Customer Orders", tenders, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the NCLT Order and shall be considered as an integral part of this Scheme. Further, the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Company and to carry out or perform all such formalities or compliance required for the purpose of implementation of the provisions of the Scheme.

4.21 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure the smooth transition and sales of products and inventory of the Transferor Company manufactured and/or branded and/or labelled and/or packed in the name of the Transferor Company prior to the Effective Date, the Transferee Company shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Transferor Company at manufacturing locations or warehouses or retail stores or elsewhere, without making any modifications whatsoever to such products and/or their branding, packing or labelling. All invoices/ payment related documents pertaining to such products and inventory (including packing material) may be raised in the name of the Transferee Company after the Effective Date.

7. LEGAL PROCEEDINGS

Upon this Scheme coming into effect, if any suit, appeal or other legal proceeding including quasi-judicial, arbitral and other administrative proceedings, if any, of whatsoever nature by or against the Transferor Company is pending on the Effective Date, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee

Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company, if this Scheme had not been made.

12. ISSUE OF SHARES BY TRANSFEREE COMPANY

- 12.1** *Upon the Scheme finally coming into effect and in consideration of the transfer and vesting of all the said assets and liabilities of the Transferor Company to the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application or deed, issue and allot Share(s) to the Shareholders of the Transferor Company, whose names appear in the Register of Members as on the Record Date, in the following ratio:*
- a.** *The Transferee Company will issue 10 (ten) Equity Shares of ₹10 each, credited as fully paid-up, to the Equity Shareholders of the Transferor Company for every 100 (one hundred) Equity Shares of ₹1 each held in the Transferor Company-Stesalit Limited.*
- 12.2** *Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.*
- 12.3** *New Equity Shares to be issued in terms of Clause 12.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company. New Equity Shares shall rank pari passu in all respects, including dividend, with the existing Equity Shares of the Transferee Company.*
- 12.4** *The issue and allotment of New Equity Shares by the Transferee Company, as provided in this Scheme, is an integral part thereof. The members of the Transferee Company, on approval of the Scheme, shall be deemed to have given their approval under Sections 42 & 62 of the Companies Act, 2013, and other applicable provisions, if any, for issue of fresh Equity Shares in terms of this Scheme.*
- 12.5** *In the event there being any pending share transfer(s), the Board of Directors of the Transferor Company or the Transferee Company or any committee thereof, will be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such transfer in the Transferor Company as*

if such changes in the registered holders were operative on the Record Date, in order to remove any difficulty arising on account of such transfer and in relation to shares to be issued to the shareholders of the Transferor Company pursuant to Clause 12.1 above.

- 12.6** *Shares to be issued by the Transferee Company pursuant to this Scheme in respect of any shares of the Transferor Company, which are held in abeyance under the provisions of the Act or otherwise, will be held in abeyance by the Transferee Company.*
- 12.7** *It is, however, clarified that provisions of this Scheme with regard to issue of shares by the Transferee Company will not apply to the share application money, if any, which may remain outstanding in the Transferor Company as on the record date.*
- 12.8** *It is clarified that in the event of any change in the capital structure of the Transferor Company or the Transferee Company such as share split or consolidation of shares, issue of bonus shares, rights issue or other similar action; or any material accounting changes at any time before the Record Date; the Share Exchange Ratio as specified in Clause 12.1 of this Scheme, may be suitably adjusted for such changes, if and to the extent required, with mutual consents of the Board of Directors of the Transferor Company and Transferee Company. Any such adjustment in the Share Exchange Ratio will be deemed to be carried out as an integral part of this Scheme upon agreement in writing by the Board of Directors of the Transferor Company and the Transferee Company.*

13. UPON THIS SCHEME BECOMING EFFECTIVE:

- 13.1** Entire Issued Share Capital and share certificates of the Transferor Company will automatically stand cancelled. Shareholders of the Transferor Company will not be required to surrender the Share Certificates held in the Transferor Company.
- 13.2** Cross holding of shares as on the Record Date between the Transferor Company and the Transferee Company, if any, will stand cancelled. Approval of this Scheme by the Shareholders and/or Creditors of the Transferor Company and the Transferee Company, as the case may be, and sanction by the Tribunal

under Sections 230 and 232 of the Companies Act, 2013, will be sufficient compliance with the provisions of Section 66 of the Companies Act, 2013, and other applicable provisions, if any, relating to the reduction of share capital on cancellation of cross holding, if any. However, such reduction would not involve either the diminution of any liability in respect of un-paid share capital or the payment to any shareholder of any paid-up share capital.

- 13.3** The authorised share capital of the Transferor Company will be added to and will form part of the authorised share capital of the Transferee Company. Accordingly, the authorised share capital of the Transferee Company will stand increased to the extent of the aggregate authorised share capital of the Transferor Company as on the Effective Date. In terms of the provisions of Section 232(3)(i) of the Companies Act, 2013, and other applicable provisions, if any, the aggregate fees paid by the Transferor Company on the authorised capital will be set-off against the fees payable by the Transferee Company on the increase in the authorised share capital as mentioned above. It is hereby clarified that the Transferee Company will pay the balance fee, if any, on the aforesaid increase in the authorised share capital after deducting the aggregate fees paid by the Transferor Company on the pre-merger authorised share capital.

Clause V/Capital Clause of the Memorandum of Association and relevant article(s) of the Articles of Association, if any, of the Transferee Company will stand modified to give effect to the aforesaid increase in the authorised share capital of the Transferee Company. Approval of the present Scheme of Amalgamation by the Shareholders of the Transferor/Transferee Companies will be sufficient for the aforesaid modification in Clause V of the Memorandum of Association and relevant article(s) of the Articles of Association, if any, of the Transferee Company and no further approval will be required for the same.

- 13.4** Save as provided in this Scheme, the Transferee Company will increase/modify its Authorized Share Capital to implement the terms of this Scheme, to the extent necessary. It is, however, clarified that approval of the present Scheme of Amalgamation by the Shareholders of the Transferee Company will be sufficient for such modification/ increase in the authorised

share capital and no further approval from the Shareholders or any other person will be required for the same.

13.5 Upon this Scheme becoming effective, the Transferee Company and/or the Transferor Company will take necessary steps for the smooth and uninterrupted transition/transfer of business on amalgamation. Without prejudice to the generality of the aforesaid, following are the salient features/chronology to be followed in this regard:

- i.** Within 21 days from the Effective Date, the Transferee Company will inform approval of this Scheme of Amalgamation by the Hon'ble NCLT to all the "Customers" of the Transferor Company, Statutory Authorities, "Product Approving Authorities", "Inspection Authorities", "Technical Regulatory Authorities" and other relevant third parties which will promptly give effect to the amalgamation in their records and will do the needful to give effect to this Scheme of Amalgamation.
- ii.** All the "Customers" of the Transferor Company, all concerned authorities and relevant third parties will take note of the same and will take all necessary steps to give effect to the Scheme of Amalgamation including but not limited to changing the name of the Transferor Company- Stesalit Limited with the Transferee Company-River Engineering Private Limited in the "Customer Order" as well as in the relevant "Portals" (as defined hereinabove), details of the bank account(s) of the Transferor Company will be replaced with that of the Transferee Company.
- iii.** It is clarified that no adverse action such as liquidated damage with or without denial clause, cancellation of order, penalty, general deduction, etc., will be taken against the Transferee Company for any delay in action taken by the "Customers", concerned authorities and relevant third parties in giving effect of the sanction of this Scheme.
- iv.** To enable the Transferee Company to execute "Customer Orders", "Customer" will refix the delivery period without any adverse clause, consequences, or adverse financial implications, to compensate for time taken in giving effect of this Scheme in "Customers" Records.

- v. Till the time "Customer" does not change the name on portal, as per court order, the Transferee company shall be allowed to quote the tenders, to accept counteroffers, negotiate, participate in reverse auction, correspondence, clarification, confirmation, etc., in the name of the Transferor Company. It is, however, clarified that any such action is only a transitional step and the same will be on behalf of and for the benefit of the Transferee Company. However, final "Customer Order" shall be placed in the name of transferee company.
- vi. After the implementation of this Scheme, the "Product Approval" shall stand transferred in the name of the Transferee Company with existing status. The Transferee Company shall be allowed to avail their benefits without any hinderance from the "Customers".
- vii. On implementation of this Scheme, all the undertakings, business and industrial infrastructure, etc. of the Transferor Company will be transferred to and vested into the Transferee Company. Accordingly, entire industrial infrastructure including Machinery & Plant (M&P) of the Transferor Company as well as of the Transferee Company, installed at different locations, will be taken together to satisfy the requirement of STR and QAP.
- viii. To enable the "Customers" and other competent Authorities, the Transferee Company will file written intimation of approval of this Scheme and desired action expected. Further, if any "Customer" or Competent Authority so desire, the Transferee Company will also furnish a summary of salient features of the Scheme of Amalgamation as approved by the Hon'ble NCLT.

17. MODIFICATIONS/AMENDMENTS TO THE SCHEME

17.1 *The Transferor Company and the Transferee Company, through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Tribunal and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for*

carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.

17.2 *To give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company may give and is authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty that may arise.*

The aforesaid are the salient features/selected extracts of the Scheme of Amalgamation. Please read the entire text of the Scheme of Amalgamation to get acquainted with the complete provisions of the Scheme.

- 10.** That the Applicants respectfully submit that the proposed Scheme of Amalgamation is for the benefit of both the Companies, their Shareholders and other Stakeholders. It is fair and reasonable and is not detrimental to the interest of the public. It is not prejudicial to any person.
- 11.** The valuation exercise has been carried out to determine the share swap ratio for the proposed Scheme of Amalgamation. Ms Mallika Goel, Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784 has prepared the Report on Valuation of Shares and Share Exchange Ratio.

The Report on Valuation of Shares & Share Exchange Ratio of Ms Mallika Goel, Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784, has been unanimously accepted by the respective Board of Directors of the Transferor Company and the Transferee Company. The Board of Directors of the Transferor Company and the Transferee Company, based on the Report on Valuation of Shares & Share Exchange Ratio and on the basis of their independent evaluation and judgment, concluded that the proposed exchange ratio is fair and reasonable to the Shareholders and other stakeholders of both the Companies.

A complete set of the Report on Valuation of Shares & Share Exchange Ratio of Ms Mallika Goel, Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784,

giving basis of valuation, valuation methodology and calculations, etc., is enclosed herewith.

- 12.** That the proposed Scheme of Amalgamation has been unanimously approved by the Board of Directors of the Transferor Company and the Transferee Company in their respective Board Meetings held on 18th March, 2024. None of the Directors voted against or abstained from voting on the resolution for approving the Scheme of Amalgamation in the aforesaid meeting.
- 13.** The present Scheme of Amalgamation, if approved in the aforesaid meeting, will be subject to the subsequent approval of the Hon'ble Hon'ble National Company Law Tribunal, New Delhi Bench-VI, New Delhi. No specific approval is required to be obtained from any other government authority to the present Scheme of Amalgamation.
- 14.** No proceeding for inspection, inquiry or investigation under the provisions of the Companies Act, 2013, or under the provisions of the Companies Act, 1956, or under any other law is pending against the Transferor Company. It may be noted that some legal proceedings are pending against the Applicant Transferor Company before various courts/forums. It is clarified that none of these legal proceedings will be adversely affected by the proposed Scheme of Amalgamation and vice versa. In terms of the provisions of Sections 230 & 232 of the Companies Act, 2013 and the Scheme of Amalgamation, all the legal proceedings pending against the Transferor Company will be transferred to and vest in the Transferee Company and will be continued in the same manner against the Transferee Company.
- 15.** No proceedings for inspection, inquiry or investigation under the provisions of the Companies Act, 2013, or under the provisions of the Companies Act, 1956, are pending against the Transferee Company.
- 16. Effect of the Scheme on the Promoters, Directors, Key Managerial Personnel, Shareholders, etc.:**
 - a.** Promoters and/or Directors of the Transferor Company and the Transferee Company are deemed to be interested in the proposed Scheme of Amalgamation to the extent of their shareholding in, loan given to and remuneration drawn from, as the case may be, the respective Companies. Similarly, Key Managerial Personnel (KMP) of the Transferor Company and the Transferee Company may also be deemed to be interested in the proposed Scheme to the extent of their shareholding in, loan

given to and remuneration drawn from, as the case may be, the respective Companies.

- b.** The proposed Scheme of Amalgamation would not have any effect on the material interest of the Promoters, Directors and Key Managerial Personnel of the Transferor Company and the Transferee Company different from that of the interest of other shareholders, creditors and employees of these Companies.
 - c.** The proposed Scheme of Amalgamation does not envisage any corporate debt restructuring. There is no proposal to restructure or vary the debt obligation of any of the Transferor Company or the Transferee Company towards their respective creditors. The proposed Scheme of Amalgamation will not adversely affect the rights of any of the creditors of the Transferor Company or the Transferee Company in any manner whatsoever.
 - d.** The proposed Scheme of Amalgamation will not have any adverse effect on the Secured Creditors, Un-Secured Creditors, Employees and other stakeholders, if any, of the Transferor Company or the Transferee Company.
- 17.** A copy of the Scheme of Amalgamation is being filed with the concerned Registrar of Companies.
- 18.** Copies of the latest Audited Financial Statements of the Transferor Company and the Transferee Company for the year ended 31st March, 2023, along with the Auditors' Reports thereon, are enclosed herewith.
- 19.** Copies of the Un-audited Financial Statements (provisional) of the Transferor Company and the Transferee Company for the period ended 29th February, 2024, are also enclosed herewith.
- 20.** Total amount due to the Secured Creditors of the Transferor Company and the Transferee Company, as on 29th February, 2024, is given below:

(As on 29.02.2024)

Sl. No.	Secured Creditors of	Amount ₹
1.	Stesalit Limited	48,65,56,548
2.	River Engineering Private Limited	56,81,95,667

- 21.** Total amount due to the Un-secured Creditors [excluding Statutory and Other Dues] of the Transferor Company and the Transferee Company, as on 29th February, 2024, is given below:

(As on 29.02.2024)

Sl. No.	Un-secured Creditors of	Amount ₹
1.	Stesalit Limited	53,05,54,014
2.	River Engineering Private Limited	28,19,14,507

- 22.** The following documents will be available for inspection or for obtaining extracts from or for making or obtaining copies of, by the members and creditors at the registered office of the Transferor Company and the Transferee Company on any working day from the date of this notice till the date of meeting between 11:00 A.M. and 4:00 P.M.:

- a.** The Memorandum and Articles of Association of the Transferor Company and the Transferee Company.
- b.** The Audited Financial Statements of the Transferor Company and the Transferee Company for last 3 years ended 31st March, 2021 and 31st March, 2022 and 31st March, 2023.
- c.** Un-audited Financial Statements (provisional) for the period ended 29th February, 2024, of the Transferor Company and the Transferee Company.
- d.** Register of Particulars of Directors and KMP and their Shareholding, of the Transferor Company and the Transferee Company.
- e.** Copy of the proposed Scheme of Amalgamation.
- f.** Paper Books and proceedings of the Company Application (CAA) No. 41 (ND) of 2024.
- g.** Copy of Order dated 18th April, 2024 (date of pronouncement), passed by the Hon'ble National Company Law Tribunal, New Delhi Bench-VI, New Delhi, in the Company Application No. CA (CAA) 41 (ND) of 2024, jointly filed by the Transferor Company and the Transferee Company, in pursuance of which the aforesaid meeting is scheduled to be convened.

- h. Report on Valuation of Shares & Share Exchange Ratio by Ms Mallika Goel, a Company Secretary and the IBBI Registered Valuer in respect of Securities or Financial Assets.
 - i. Copies of the Certificates issued by the Statutory Auditors of the Transferor Company and the Transferee Company to the effect that the accounting treatment proposed in the Scheme of Amalgamation is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
- 23.** A copy of the Scheme of Amalgamation, Explanatory Statement and other annexures may be obtained free of charge on any working day (except Saturday) prior to the date of meetings, from the respective registered office of the Transferor Company and the Transferee Company; or from the office of the Legal Counsel-M/s Rajeev Goel & Associates, Advocates and Solicitors, 785, Pocket-E, Mayur Vihar-II, Delhi Meerut Expressway/ NH-9, Delhi-110 091, India, e-mail: rajeev391@gmail.com; Website: www.rgalegal.in.
- 24.** Notice of the meetings, Explanatory Statement and other documents are also being placed on the following websites:

Particulars	Website
Stesalit Limited	www.stesalitltd.com
River Engineering Private Limited	www.riverengg.com

- 25. Please take note that since the meeting is proposed to be held through Video Conferencing, option of attending the meeting through proxy is not applicable/available.**
- 26.** Facility of remote e-voting will be available during the prescribed period before the meeting as given in the notice of the meeting. e-voting system will also be available during the meeting. Instructions for attending the meeting through Video Conferencing; and for voting through e-voting system are given in the notice of meeting.

Dated this 23rd day of April, 2024

**For and on behalf of the Board of
Directors
For Stesalit Limited**

**Sd/-
Rajat Kumar Sharma
Director
DIN: 08817024**

**For and on behalf of the Board of
Directors
For River Engineering Private
Limited**

**Sd/-
Yog Raj Dua
Director
DIN: 08075985**