



ELECTROSTEEL CASTINGS LIMITED

CIN: L27310OR1955PLC000310

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NOTICE CONVENING MEETING OF UNSECURED CREDITORS OF ELECTROSTEEL CASTINGS LIMITED PURSUANT TO ORDER DATED 26 JULY 2021 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CUTTACK BENCH, CUTTACK

MEETING	
Day	Friday
Date	10 September 2021
Time	2.30 PM (IST)
Mode of Meeting	Through video conferencing / other audio-visual means
Mode of Voting	Remote e-voting and e-voting at the Meeting
Cut Off Date	Thursday, 31 December 2020
Remote e-voting start date and time	Sunday, 5 September 2021, at 9.00 AM (IST)
Remote e-voting end date and time	Thursday, 9 September 2021, at 5.00 PM (IST)

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THE NOTICE OF THE MEETING, EXPLANATORY STATEMENT UNDER SECTIONS 230 AND 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE ACT AND RULE 6 OF THE CAA RULES (PAGE NOS. 2 TO 24) AND ANNEXURE I TO ANNEXURE VII (PAGE NOS. 25 TO 538) CONSTITUTE A SINGLE AND COMPLETE SET OF DOCUMENTS AND SHOULD BE READ TOGETHER AS THEY FORM AN INTEGRAL PART OF THIS DOCUMENT.

**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CUTTACK BENCH
CA (CAA) No 3/CB/2021**

**IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF THE SCHEME OF AMALGAMATION OF SRIKALAHASTHI PIPES LIMITED WITH ELECTROSTEEL CASTINGS LIMITED AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

Electrosteel Castings Limited, a company incorporated under)
provisions of Indian Companies Act, VII of 1913 having)
Corporate Identity Number: L27310OR1955PLC000310 and its)
registered office at Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017)
... Company / Transferee Company

NOTICE CONVENING MEETING OF UNSECURED CREDITORS

To,
**All the Unsecured Creditors of
Electrosteel Castings Limited**

1. NOTICE is hereby given that by an Order dated 26 July 2021 ("Tribunal Order") in the above mentioned Company Application, the Hon'ble National Company Law Tribunal, Cuttack Bench ("Tribunal") has directed a meeting of the unsecured creditors of the Company, to be held for the purpose of their considering and if thought fit, approving the proposed scheme of Amalgamation of Srialahasthi Pipes Limited ("Transferor Company") with Electrosteel Castings Limited ("Transferee Company" or "Company") and their respective shareholders and creditors, on a going concern basis, under the provisions of Sections 230 to 232 of the Companies Act, 2013 ("Scheme"), on Friday, 10 September 2021 at 2.30 PM (IST).
2. Pursuant to the said Tribunal Order and as directed therein, the meeting of the unsecured creditors of the Company ("Meeting") will be held on Friday, 10 September 2021 through video conferencing / other audio visual means ("Virtual Mode"), in compliance with the applicable provisions of the Companies Act, 2013 ("Act") to consider, and if thought fit, pass, the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act:

***"RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble jurisdictional National Company Law Tribunal ("NCLT") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the Parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company [hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more Committee(s) constituted to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution], the arrangement embodied in the Scheme of Amalgamation of Srialahasthi Pipes Limited with Electrosteel Castings Limited and their respective shareholders and creditors on a going concern basis ("Scheme"), be and is hereby approved;*

***RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem requisite, desirable, fit, appropriate or necessary to give effect to this Resolution and effectively implement the arrangement embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme."*

3. Take further notice that the unsecured creditors shall have the facility and option of voting on the aforesaid resolution for approval of the Scheme by casting their votes electronically (a) through e-voting system available during the Meeting to be held virtually or (b) by remote electronic voting ("remote e-voting") during the period as stated below:

REMOTE E-VOTING PERIOD	
Commencement of Voting	Sunday, 5 September 2021 at 9.00 AM (IST)
End of Voting	Thursday, 9 September 2021 at 5.00 PM (IST)

4. Unsecured creditors, whose name appears in the list of unsecured creditors as on the cut-off date, i.e., Thursday, 31 December, 2020 (**"Cut-off Date"**) only shall be entitled to exercise his/her/its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an unsecured creditor as on the Cut-Off Date, should treat the Notice for information purpose only. The value of the votes cast shall be reckoned and scrutinized with reference to the said Cut-off Date in accordance with the books and records of the Company and where entries in the books are disputed, the Chairperson shall determine the value for purposes of the said meetings.
5. A copy of the Scheme, Explanatory Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**"CAA Rules"**) along with all annexures to such statement are enclosed herewith. A copy of this Notice and the accompanying documents are also placed on the website of the Company viz. , www.electrosteel.com; the website of National Securities Depositories Limited ('NSDL'), viz., www.evoting.nsdl.com, being the agency appointed by the Company to provide the e-voting and other facilities for convening of the Meeting; and the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. A copy of this Notice and the accompanying documents can also be obtained free of charge, between 10.30 a.m. to 12.30 p.m. on all working days, at the registered office of the Company at Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017.
6. The Tribunal has appointed Mr. Shailendra Jain, Advocate (Mobile No.: 9831836383; E-mail ID: sjain_law@yahoo.co.in) to be the Chairperson for the Meeting. Further, the Tribunal has appointed Mrs. Rashmi Bihani, Practicing Chartered Accountant (Mobile No.: 9874177730; E-mail ID: rashmi@bihanico.in) to be the Scrutinizer for the Meeting.
7. The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairperson of the Meeting within forty-eight hours of the conclusion of the Meeting. The Chairperson shall declare the results of the Meeting after submission of the report of the Scrutinizer. The declaration of results by the Chairperson shall be displayed on the Notice Board of the Company at its registered office as well as corporate office at Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017 and G. K. Tower, 19 Camac Street, Kolkata 700 017 respectively and will also be placed on the website of the Company: www.electrosteel.com and on the website of NSDL at: www.evoting.nsdl.com. The result will simultaneously be communicated to the stock exchanges. The Chairperson shall submit its report to the Tribunal in Form No CAA 4 verified by an Affidavit, the result of the Meeting within four weeks from the date of the conclusion of the Meetings.
8. The abovementioned Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the jurisdictional tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

Sd/-
Mr. Shailendra Jain, Advocate
Chairperson appointed by
Tribunal for the Meeting

Dated: 7 August 2021
Place: Kolkata

Notes:

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Cuttack Bench ("**Tribunal**") vide its Order dated 26 July 2021 as attached hereto as **Annexure VII**, the Meeting of the unsecured creditors of the Company is being conducted through Video Conferencing / other audio visual means ("**Virtual Mode**") facility to transact the business set out in the Notice convening this Meeting. As such, there shall be no physical attendance of unsecured creditors at the meeting in view of the present circumstances on account of the COVID-19 pandemic. The deemed venue for the Meeting shall be the Registered Office of the Company.
2. The Explanatory Statement pursuant to Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("Act") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.
3. A person, whose name appears in the list of unsecured creditors as on the Cut-Off Date only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an unsecured creditor as on the Cut-Off Date, should treat the Notice for information purpose only.
4. **SINCE THIS MEETING IS BEING HELD THROUGH VIRTUAL MODE, THERE WILL NOT BE ANY PHYSICAL ATTENDANCE OF UNSECURED CREDITORS. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE UNSECURED CREDITORS WILL NOT BE AVAILABLE FOR THE MEETING AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED HERETO.**
5. No route map of the venue of the Meeting is annexed hereto, since this Meeting is being held through Virtual Mode.
6. Corporate Unsecured Creditors, intending to send their authorised representatives to attend and vote by e-voting at the Meeting held in Virtual Mode or via e-voting are requested to send a duly certified scanned copy of the Board / Managing Committee Resolution, Authority Letter (PDF / JPG Format), authorised under the said Resolution to attend and vote on their behalf at the Meeting, to the Scrutinizer by e-mail to rashmi@bihanico.in, with a copy marked to companysecretary@electrosteel.com/evoting@nsdl.co.in.
7. The attendance of the Unsecured Creditors attending the Meeting through Virtual Mode will be counted for the purpose of reckoning the quorum which shall be 5 (five) as per the terms of the Order of the NCLT. Attendance at such meetings shall be recorded in the minutes of the meeting(s) instead of taking physical attendance slips. Further, the Order also directs that in case the required quorum for the Meeting is not present within half an hour from the time appointed of the Meeting, then the persons present shall be deemed to constitute the quorum.
8. The Unsecured Creditors can join the Meeting through Virtual Mode, 15 minutes before and 30 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The Unsecured Creditors will be able to view the proceedings and participate at the Meeting by logging into the NSDL's e-Voting website at www.evoting.nsdl.com.
9. The Notice of the Meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to those unsecured creditors at their respective last known e-mail addresses, as per the records of the Company. The unsecured creditors whose email addresses are not registered with the Company, shall be provided an opportunity by way of notice in the advertisement in the newspapers namely, '**Financial Express**' in English language; and '**Lokakatha**' in Odia to register their e-mail addresses.
10. The unsecured creditors may note that the aforesaid documents are also available on the website of the Company and can be accessed / downloaded from: www.electrosteel.com and on the websites of SEBI, i.e., sebi.gov.in and the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com. If so desired, unsecured creditors may obtain a physical copy of the Notice and the accompanying documents, i.e., Scheme and the Explanatory Statement, etc., free of charge. A written request in this regard, may be addressed to the Company Secretary at the registered office of the Company at Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017.
11. In accordance with the provisions of Sections 230 to 232 of the Act, the Scheme shall be acted upon only if majority of persons representing three fourth in value of the unsecured creditors of the Company, voting by e-voting, agree to the Scheme.
12. The Notice convening the Meeting in Form CAA-2, the date of dispatch of the Notice and the Explanatory Statement, and other requisite details will be published through advertisement in the following newspapers, namely, (i) '**Financial Express**' in English language; and (ii) translation thereof in '**Lokakatha**' in Odia language.
13. Unsecured Creditors who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communications including Annual Reports, Notices, Circulars, etc. from the Company electronically.
14. **Instructions for Unsecured Creditors for Remote e-Voting are as under:**
 - a. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations and MCA Circulars, the Company is pleased to provide to its Unsecured Creditors, facility to exercise their right to vote on resolution proposed to be passed in the Meeting by electronic means.

- b. National Securities Depositories Limited ('NSDL') will be providing facility for remote E-Voting, participation in the Meeting through Virtual Mode and e-voting during the Meeting.
- c. The voting by Unsecured Creditors through remote e-voting shall commence on 5 September, 2021 (9:00 a.m., IST) and end on 9 September, 2021 (5:00 p.m., IST). During this period, Unsecured Creditors may cast their vote, electronically. The remote e-voting module shall be disabled by NSDL upon expiry of the aforesaid period. Those Unsecured Creditors, who will be present in the Meeting through Virtual Mode facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the Meeting. Unsecured Creditors who cast their votes through remote e-voting may attend the Meeting but shall not be entitled to cast their vote during the Meeting. Once the vote on a resolution is cast by an Unsecured Creditor, the Unsecured Creditor shall not be allowed to change it, subsequently.
- d. The details of the process and manner for remote e-voting are explained herein below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- I. 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.
- II. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- III. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
- IV. Your User ID details is being sent in the email along with this Notice.
- V. Your password details is being sent in the email along with this Notice.
- VI. If you are unable to retrieve or have not received the "Initial password" you can send a request at evoting@nsdl.co.in or at companysecretary@electrosteel.com, mentioning your name, PAN and your registered address.
- VII. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- VIII. Now, you will have to click on "Login" button.
- IX. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- I. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 - II. After click on Active Voting Cycles, you will be able to see the Company "EVEN" in which you are a Unsecured Creditor, who's voting cycle is in active status.
 - III. Select "EVEN" of the Company.
 - IV. Now you are ready for e-Voting as the Voting page opens.
 - V. Cast your vote by selecting appropriate options, i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and "Confirm" when prompted.
 - VI. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - VII. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 - VIII. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- e. In case of any query/grievance with respect to remote E-Voting, Unsecured Creditors may refer to the Frequently Asked Questions (FAQs) for Shareholders and remote E-Voting User Manual for Shareholders available under the Downloads section of NSDL's e-voting website or contact Mr. Amit Vishal, AVP/ Ms. Pallavi Mhatre, Manager, NSDL, Trade World, "A" Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai 400 013 or toll free no. 11800 1020 990 / 1800 22 44 30 or at E-mail ID: evoting@nsdl.co.in.

Process for those Unsecured Creditors whose e-mail IDs are not registered for procuring user id and password and registration of e-mail IDs for e-Voting on the resolutions set out in this Notice:

- a. Those Unsecured Creditors, who have not registered their email address with the Company and who wish to participate in the Meeting or cast their vote through remote E-Voting or through the E-Voting system during the Meeting, may obtain the login ID and password by sending scanned copy of:
 - (i) a signed request letter mentioning your name and complete address,
 - (ii) self-attested scanned copy of the PAN Card, and
 - (iii) a self-attested document supporting the address to the email address, companysecretary@electrosteel.com.

- b. Alternatively, Unsecured Creditors may send an email request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in point (a) above.

Instructions for Unsecured Creditors for participating in the Tribunal Convened Meeting through Virtual Mode are as under:

- a. A person, whose name appears in the list of Unsecured Creditors of the Company as on 31 December, 2020, only shall be entitled to avail the facility of remote e-voting or for participation at the Meeting. A person who is not an Unsecured Creditor as on the aforementioned date, should treat the Notice for information purpose only.
- b. Any person who is an Unsecured Creditor of the Company as on 31 December, 2020, will be assigned a User ID and Password which will be communicated along with the Notice being sent through e-mail at the last known e-mail address as available with the Company. Please also see details under remote e-voting instructions below regarding User ID and Password.
- c. Unsecured Creditors will be required to use Internet with a good speed to avoid any disturbance during the Meeting.
- d. Please note that Unsecured Creditors connecting from mobile devices or tablets or through laptops, etc., connecting *via* mobile hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- e. Unsecured Creditors can submit questions in advance with regard to the resolution to be placed at the Meeting, from their registered e-mail address, mentioning their name, PAN and mobile number, to reach the Company's email address: companysecretary@electrosteel.com by 6 September, 2021 (5 p.m., IST). Such questions by the Unsecured Creditors shall be taken up during the meeting and replied by the Company, suitably.
- f. Unsecured Creditors, who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request, mentioning their name, PAN, e-mail ID, mobile number at companysecretary@electrosteel.com, between 3 September 2021 (9:00 a.m., IST) and 6 September, 2021 (5:00 p.m., IST).
- g. Only those Unsecured Creditors who have registered themselves as a speaker, as aforesaid, and who are an unsecured creditor of the Company, as on the cut-off date, will be allowed to express their views/ask questions during the Meeting.
- h. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of appropriate time for the Meeting.

Instructions for Unsecured Creditors for e-Voting during the Meeting are as under:

- a. Unsecured Creditors may follow the same procedure for e-Voting during the Meeting as mentioned above for remote E-Voting.
- b. Only those Unsecured Creditors, who will be present in the Meeting through Virtual Mode Facility and have not cast their vote on the Resolution through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through E-Voting system in the Meeting.
- c. The Unsecured Creditors who have cast their vote by remote E-Voting prior to the Meeting may also participate in the Meeting through Virtual Mode Facility but shall not be entitled to cast their vote again.
- d. The Helpline details of the person who may be contacted by the Unsecured Creditors needing assistance with the use of technology, before or during the Meeting shall be the same persons mentioned for remote e-Voting.

15. PROCEDURE FOR INSPECTION OF DOCUMENTS:

- (i) Documents for inspection as referred to in the Notice will be available electronically for inspection without any fee by the unsecured creditors from the date of circulation of this Notice up to the date of Meeting. Unsecured creditors seeking to inspect such documents can visit the "Investor" section on the website of the Company at www.electrosteel.com.
- (ii) Unsecured creditors are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting, manner of casting vote through remote e-voting or e-voting at the Meeting.

**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CUTTACK BENCH
CA(CAA) No 3/CB/2021**

**IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF THE SCHEME OF AMALGAMATION OF SRIKALAHASTHI PIPES LIMITED WITH ELECTROSTEEL CASTINGS LIMITED
AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

Electrosteel Castings Limited, a company incorporated under)
provisions of Indian Companies Act, VII of 1913 having)
Corporate Identity Number: L27310OR1955PLC000310 and its)
registered office at Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017)
... Company / Transferee Company

EXPLANATORY STATEMENT UNDER SECTIONS 230 TO 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 ("CAA RULES") TO THE NOTICE OF THE MEETING OF UNSECURED CREDITORS OF ELECTROSTEEL CASTINGS LIMITED CONVENED PURSUANT TO ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CUTTACK BENCH ("TRIBUNAL") DATED 26 JULY 2021 ("TRIBUNAL ORDER")

I. Meeting for the Scheme

This is a Statement accompanying the Notice convening the meeting of unsecured creditors of Electrosteel Castings Limited ("**Transferee Company**" or "**Company**"), for the purpose of their considering and if thought fit, approving the proposed Scheme of Amalgamation of Srikalahasthi Pipes Limited ("**Transferor Company**") with Electrosteel Castings Limited and their respective shareholders and creditors on a going concern basis ("**Scheme**") which involves, inter alia, (a) the amalgamation of the Transferor Company with the Company and dissolution of the Transferor Company without winding up and consequent issuance of equity shares of the Company to the shareholders of the Transferor Company in accordance with the Scheme (b) Various other matters incidental, consequential or otherwise integrally connected therewith pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 in the manner provided for in the Scheme. The Appointed date for Amalgamation under the Scheme is 1 October 2020 A copy of the Scheme is attached hereto and marked **Annexure I**.

Capital terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

II. Rationale and benefits of the Scheme:

The circumstances which justify and/or have necessitated the said Scheme and the benefits of the same are, inter alia, as follows:

- (i) The Transferor Company and Transferee Company are under the control of common promoter group. The Transferee Company along with its promoter group of companies are in a position to and do exercise control over the Transferor Company. The Transferor Company and Transferee Company are engaged in the same line of business, i.e., manufacture and sale of ductile iron pipes and both have common economic objective and strategic goals. It would be advantageous to combine the activities and operations in a single company leading to strong capability in effectively meeting future challenges of competitive business environment.
- (ii) The Amalgamation will enable the Companies to streamline their business activities into a single combined entity, thereby resulting in economies of scale and avoidance of undue duplication in work, reduction in common expenditure otherwise incurred by the two entities within common group, better and more productive utilization of financial, human and other resource and enhancement of overall business efficiency.
- (iii) The Amalgamation will result in significant reduction in multiplicity of legal and regulatory compliances which at present is required to be made separately by the Companies.
- (iv) The Amalgamation will result in simplification of the group structure and management structure with only one listed company in group leading to better administration and reduction in administrative and other costs from more focused operational efforts, rationalization, standardization and simplification of business processes.
- (v) The Amalgamation will enable the combined entity to leverage their consolidated resources to: (a) increase production capacities; (b) undertake research and development initiatives to improve manufacturing processes and final product; (c) serve the needs of a larger customer base leading to overall business domestically as well as overseas, (d) improved alignment of debt repayments with cash flow, and (d) improved credit rating.
- (vi) The synergies that exist between the two companies in terms of services and resources can be put to the best advantage of all stakeholders.

(vii) The Scheme is envisaged to be in the best interests of the shareholders, employees and the creditors of the Transferor Company and the Transferee Company.

Thus, the Scheme of Amalgamation, as envisaged, would enable seamless access to strong business relationships, closer and better focused attention being given to the businesses which would get integrated, aligned and streamlined, leading to achievement of their full business and growth potential.

“Companies” shall collectively mean the Transferor Company and the Transferee Company.

III. Background of the Companies:

(i) Particulars of the Transferor Company

(a) Srikalahasthi Pipes Limited (CIN:L74999AP1991PLC013391) is a listed public company, limited by shares, incorporated under the provisions of the Companies Act, 1956 under the name “Lanco Ferro Limited” on 1 November 1991 with the Assistant Registrar of Companies, Hyderabad, under Company Registration Number 01- 13391 of 1991-92. The name of the Transferor Company was subsequently changed to “Lanco Industries Limited” on 6 July 1994. The name was further changed to “Srikalahasthi Pipes Limited” on 29 September 2014. Presently, the registered office of the Transferor Company is located at Rachagunneri Village, Srikalahasthi Mandal, Chittoor District, Andhra Pradesh: 517641. The Transferor Company is engaged in the business of manufacture and sale of ductile iron pipes. The equity shares of the Transferor Company are listed on BSE Limited and National Stock Exchange of India Limited. The PAN of the Transferor Company is AAACL4108M. The email address of the Transferor Company is companysecretary@srikalahasthipipes.com and website is www.srikalahasthipipes.com. During the last five years, there has been no change in the name and registered office of the Transferor Company.

(b) Main objects of the Transferor Company have been summarized as below for the perusal of the shareholders:

“iii (A) 1. To carry on trade and/or produce, manufacture, refine, make, contract, fabricate, shape treat, cure, process, prepare, import, export, purchase, sell & deal in all type and grades of composition of Iron & Steel including non-ferrous and ferrous materials such as pig iron, sponge iron / hot briquetted iron by any type of blast furnace, rotary vertical kiln or in any other methods, ductile iron pipes, flange pipes, flanges, special steel including stainless steel, iron masters, smelters, manganese and/or ferro alloys with technologies either developed departmentally, indigenously or with collaboration or using technology developed by independent persons, association of persons, institutions using indigenous or imported raw materials and fuels being either purchased & procured from local and other indigenous sources or obtained by exploiting and mining such material & fuel by the Company.

(B) 2. To acquire or amalgamate with any other Company whose objects include objects similar to those of this Company, whether by sale purchase (for fully or partly paid up shares or otherwise) of the undertaking, subject to liabilities of this or any such other company as aforesaid with or without winding up or by sale or purchase (for fully or partly paid up shares or otherwise) of all the shares or stock of this or any such other Company as aforesaid or by partnership or in any other manner.”

During the last 5 years, there has been no change in the objects clause of the Transferor Company.

(c) The share capital structure of the Transferor Company as on 30 June 2021 is as under:

Authorised Share Capital	Amount (Rs.)
5,30,00,000 Equity Shares of Rs. 10/- each	53,00,00,000
Total	53,00,00,000
Issued, Subscribed and Paid up Share Capital	Amount (Rs.)
4,66,98,407 Equity Shares of Rs. 10/- each	46,69,84,070
Total	46,69,84,070

As on the date of this Notice, the share capital structure of the Transferor Company remains the same as stated here in above. The latest annual Financial Statement of the Transferor Company have been audited for the financial year ended on 31 March 2020. Audited Standalone Financial Statements for the financial year ended 31 March 2020 and audited standalone Financial Results for financial year ended 31 March 2021, of the Transferor Company is attached hereto as **Annexure II. A**

(d) The details of the promoter (including promoter group) of the Transferor Company as on 30 June 2021 are as follows:

Sl. No.	Name of Promoter/Promoter Group	Address
1.	Electrosteel Castings Limited	19 Camac Street, G K Tower, Kolkata 700017
2.	G K and Sons Private Limited	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016
3.	Murari Investment & Trading Company Ltd.	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016
4.	G.K. Investments Ltd.	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South

Sl. No.	Name of Promoter/Promoter Group	Address
		Block), Kolkata - 700 016
5.	Uttam Commercial Company Ltd.	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016

(e) The details of the Directors and Key Managerial Personnel ('KMP') of the Company as on 30 June 2021 are as follows:

Sl. No.	Name of the Director/KMP	DIN/PAN	Designation	Address
1.	Mr. Rajkumar Khanna	05180042	Chairman, Independent Director	3A/503, Green Acres, Lokhandwala Complex, Andheri West, Azad Nagar, Mumbai - 400 053
2.	Mr. Mayank Kejriwal	00065980	Managing Director	Navnikunj, 13, Gurusaday Road, Kolkata - 700 019
3.	Mr. Gouri Shankar Rathi,	00083992	Whole-time Director	Brindavan", 3/285, V V Subramaniam Salai, Nainar Kuppam, Uthandi Chennai-600119
4.	Mr. Ashutosh Agarwal	00115092	Non-Executive Director	33, Raja Santosh Road, Alipore, Kolkata - 700 027
5.	Mr. T Venkatesan	00124050	Non- Executive Director	Floor 1, 2 nd Street, Prithvi Avenue, Abhiramapuram Teynampet Chennai – 600 018
6.	Mrs. Priya Manjari Todi,	01863690	Non-Executive Director	Todi Niket, 2 Queens Park, Kolkata - 700 019
7.	Mr. Satyanarayana Mavireddy,	08604390	Nominee Director	5-5-79, Plot No.166, Near Park, Vanasthalipuram, Vanasthali Hills, LB Nagar, Hayath Nagar, Hyderabad – 500070, Telangana
8.	Dr. Mohua Banerjee	08350348	Independent Director	South City, Flat 31 C, Tower 1, 375, Prince Anwar Shah Road, Jodhpur Park, Kolkata - 700 068
9.	Mr. Santanu Nandan Goswami	ADHPG9379C	Chief Executive Officer	D/404, Peerless Nagar, 27, FBT Road, Kolkata Traffic More, Sodepur, Panihati (M), North 24 Paraganas, Panihati, West Bengal – 700 114
10.	Mr. N Sivalai Senthilnathan	ALMPS6255Q	Chief Financial Officer	Plot No.5055, T2, Lakshmivel Apartments, 21 st Main Road, Anna Nagar, Chennai – 600 040
11.	Mr. G. Kodanda Pani,	AFUPG7480B	Company Secretary	11-62, S.V.Nagar, M.R. Palli, Tirupati - 517502

(ii) Particulars of the Company

- (a) Electrosteel Castings Limited (CIN: L27310OR1955PLC000310) is a listed public company, limited by shares, incorporated under the Indian Companies Act, VII of 1913 under the name "Dalmia Iron and Steel Limited" on 26 November, 1955 with the Registrar of Companies, Orissa under Company Registration Number 000310 and subsequently, the name of the Company was changed to "Electrosteel Castings Limited" on 19 October, 1965. Presently, the registered office of the Company is located at Rathod Colony, Rajgangpur, Sundergarh, Odisha – 770 017. The PAN of the Company is AAACE4975B. The email address of the Company is companysecretary@electrosteel.com and website is www.electrosteel.com. During the last five years, there has been no change in the name and registered office of the Company. The Company is engaged in the business of manufacture and sale of ductile iron pipes and cast-iron pipes and ductile iron fittings. The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. As on 30 June 2021, the Company holds 41.33% of the equity share capital of the Transferor Company.

- (b) Main objects of the Company have been summarized as below for the perusal of the shareholders:

“III. (1) To carry on the business of Iron foundries, steel foundries, non-ferrous metal foundries, mechanical engineers, structural engineers, electrical engineers, manufacturers of pipes, manufacturers of grinding medias, manufacturers of agricultural implements and other machineries, tool makers, metal workers, boiler makers, mill wright, mechanists, iron and steel converters, smiths, wood workers, builders, painters, metallurgists, water supply engineers, gas makers, farmers, printers, carriers and merchants, and to buy, sell, manufacture, repair, convert, alter let on hire and deal in machineries, implements, rolling stocks and hardware of all kinds, and to carry on any other business (manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with the above, or otherwise calculated directly or indirectly, to enhance the value of any of the company’s property and rights for the time being.

III. (2) To carry on any business relating to the mining and working of minerals, mines, ores, mineral oils and mineral substances of all kinds, the production and working of metals, and the productions, manufacture, and preparation of any other materials which may be usefully or conveniently combined with the engineering or manufacturing business of the company, or any contracts undertaken by the company, and either for the purpose only of such contracts or as an independent business.

III. (18) To enter into partnership or into any arrangement for sharing profits, co-operation, joint adventure, reciprocal concessions or otherwise with the Government of India or any State Government in India or foreign state or any municipal or local authority, partnership, person, firm or company carrying on or engaged in or about to carry on or engage in any business or transaction which the Company is authorized to carry on or engage in or any business of transaction capable of being conducted so as directly or indirectly to benefit this company.”

During the last 5 years, there has been no change in the objects clause of the Company.

- (c) The share capital structure of the Company as on 30 June 2021 is as under:

Authorised Share Capital	Amount (Rs.)
50,02,00,000 Equity Shares of Re. 1/- each	50,02,00,000
Total	50,02,00,000
Issued, Subscribed and Paid up Share Capital	Amount (Rs.)
43,29,54,709 Equity Shares of Re. 1/- each	43,29,54,709
Total	43,29,54,709

As on the date of this Notice, the share capital structure of the Company remains the same as stated hereinabove. The latest annual financial statements and annual financial results of the Company have been audited for the financial year ended on 31 March 2020 and on 31 March 2021 respectively. Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31 March 2020 and audited standalone and consolidated financial results for financial year ended 31 March 2021 are attached hereto as **Annexure II. B.**

- (d) The Post Scheme share capital structure of the Company is as under:

Authorised Share Capital	Amount (Rs.)
103,02,00,000 Equity Shares of Re. 1/- each	103,02,00,000
Total	103,02,00,000
Issued, Subscribed and Paid up Share Capital	Amount (Rs.)
59,46,05,446 Equity Shares of Re. 1/- each	59,46,05,446
Total	59,46,05,446

**Computed on the basis of shareholding pattern of the Transferee Company, as on 30 June 2021. The actual post scheme shareholding pattern of the Company shall be computed after scheme becoming effective as per shareholding as on Record Date in terms of the Scheme.*

(e) The details of the promoter (including promoter group) of the Company as on 30 June 2021 are as follows:

Sl. No.	Name of Promoter/Promoter Group	Address
1.	Mr. Umang Kejriwal / Mr. Mayank Kejriwal - Trustee of Sreeji Family Benefit Trust	G. K. Tower, 19, Camac Street, 5 th Floor, Kolkata - 700 017
2.	Mr. Uddhav Kejriwal	Nav-Nikunj, 13, Gurusaday Road, Kolkata - 700 019
3.	Mr. Mayank Kejriwal	Nav-Nikunj, 13, Gurusaday Road, Kolkata - 700 019
4.	Mrs. Asha Kejriwal	Nav-Nikunj, 13, Gurusaday Road, Kolkata - 700 019
5.	Uddhav Kejriwal (HUF)	Nav-Nikunj, 13, Gurusaday Road, Kolkata - 700 019
6.	Mr. Shashwat Kejriwal	Nav-Nikunj, 13, Gurusaday Road, Kolkata - 700 019
7.	Mrs. Pallavi Kejriwal	Nav-Nikunj, 13, Gurusaday Road, Kolkata - 700 019
8.	Ms. Samridhi Kejriwal	Nav-Nikunj, 13, Gurusaday Road, Kolkata - 700 019
9.	Mrs. Priya Manjari Todi	Todi Niket, 2 Queens Park, Kolkata - 700 019
10.	Mr. Mayank Kejriwal, Mrs. Aarti Kejriwal - Trustee of Priya Manjari Trust	Nav-Nikunj, 13, Gurusaday Road, Kolkata - 700 019
11.	Mr. Uddhav Kejriwal, Mrs. Pallavi Kejriwal- Trustee of Samridhi Trust	Nav-Nikunj, 13, Gurusaday Road, Kolkata - 700 019
12.	G K and Sons Private Limited	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016
13.	Electrocast Sales India Limited	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016
14.	Murari Investment & Trading Company Ltd.	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016
15.	G.K. Investments Ltd.	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016
16.	Uttam Commercial Company Ltd.	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016
17.	Sree Khemisati Constructions Pvt. Ltd	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016
18.	Malay Commercial Enterprises Ltd.	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016
19.	Sri Gopal Investments Ventures Ltd.	8, Camac Street, Shantiniketan Building, 6th Floor, Room No. 7, Kolkata - 700 017
20.	Global Exports Ltd.	19, Camac Street, 5 th Floor, Kolkata - 700 017
21.	Quinline Dealcomm Private Limited	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016
22.	Escal Finance Services Ltd.	8, Camac Street, Shantiniketan Building, 6th Floor, Room No. 3, Kolkata - 700 017
23.	Ellenbarrie Developers Pvt. Ltd.	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016
24.	Greenchip Trexim Pvt. Ltd.	8, Camac Street, Shantiniketan Building, 6th Floor, Room No. 7, Kolkata - 700 017
25.	Calcutta Diagnostics Centre (P) Ltd	8, Camac Street, Shantiniketan Building, 6th Floor, Room No. 7, Kolkata - 700 017
26.	Cubbon Marketing Pvt Ltd	71, Park Street, Park Plaza Building, 4th Floor, Room No. 4D (South Block), Kolkata - 700 016

(f) The details of the Directors and Key Managerial Personnel ('KMP') of the Company as on 30 June 2021 are as follows:

Sl. No.	Name of the Director/KMP	DIN/PAN	Designation	Address
1.	Mr. Pradip Kumar Khaitan	00004821	Chairman, Independent Director	B-103 Rai Enclave, 7/1A Sunny Park, Ballygunge, Kolkata - 700 019
2.	Mr. Umang Kejriwal	00065173	Managing Director	Navnikunj, 13, Gurusaday Road, Kolkata - 700 019
3.	Mr. Mayank Kejriwal	00065980	Joint Managing Director	Navnikunj, 13, Gurusaday Road, Kolkata - 700 019
4.	Mr. Uddhav Kejriwal	00066077	Whole-time Director	Navnikunj, 13, Gurusaday Road, Kolkata - 700 019
5.	Mr. Shermadevi Yegnaswami Rajagopalan	00067000	Non-Executive Director	Udayan, UD-08-1003 1050/1, Survey Park, Kolkata - 700 075
6.	Mr. Binod Kumar Khaitan	00128502	Independent Director	5, Queens Park, Ballygunge, Kolkata - 700 019
7.	Mr. Amrendra Prasad Verma	00236108	Independent Director	304, Sheela Residency, East Boring Canal Road, Ps Budha Colony, Patna - 800 001
8.	Mr. Rajkumar Khanna,	05180042	Independent Director	3A/503, Green Acres, Lokhandwala Complex, Andheri West, Azad Nagar, Mumbai - 400 053
9.	Mr. Vyas Mitre Ralli	02892446	Non-Executive Director	Silver Spring, Flat-13B, Block-3, 5, JBS Halden Avenue, Kolkata - 700 105
10.	Mr. Mahendra Kumar Jalan	00311883	Whole-time Director	Flat 6B, 3C, National Library Avenue, Alipur, Kolkata - 700 027
11.	Mr. Sunil Katial	07180348	Chief Executive Officer and Whole-time Director	5J, Tower I, South City Residency, 375, Prince Anwar Shah Road, Kolkata - 700 068
12.	Dr. Mohua Banerjee	08350348	Independent Director	South City, Flat 31 C, Tower 1, 375, Prince Anwar Shah Road, Jodhpur Park, Kolkata - 700 068
13.	Mr. Ashutosh Agarwal	ADBPA9564H	Executive Director (Group Finance) and CFO	33, Raja Santosh Road, Alipore, Kolkata - 700 027
14.	Mr. Indranil Mitra	APEPM4790C	Company Secretary	Prantik Housing Estate, Block A, Flat – 4, 60/67 B. T. Road, Kolkata – 700 002

IV. Salient Extracts of the Scheme

(i) Definitions

“Act” means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications, amendments made thereto and/or any re-enactment thereof.

“Amalgamation” means amalgamation of the Transferor Company with the Transferee Company, on a going concern basis in accordance with Sections 230 to 232 of the Act and Section 2(1B) of the Income-Tax Act, 1961, in terms of Chapter 2 of the Scheme.

“Applicable Laws” shall mean any statute, notification, bye-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Governmental Authority including any statutory modification or re-enactment thereof for the time being in force.

“Appointed Date” means opening business hours of 1 October 2020, or such other date as may be determined by the Board of Directors of the Transferor Company and the Transferee Company or directed by the NCLT and is the date with effect from which the Scheme shall, upon sanction of the same by the NCLT, be deemed to have become operative.

“Effective Date” means the last of the dates on which all the conditions and matters as referred to in Clause 22 of the Scheme occur or have been fulfilled, obtained or waived in accordance with this Scheme. Further, the reference in the Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “upon coming into effect of the Scheme” shall mean the Effective Date.

“NCLT” means the National Company Law Tribunal, Amaravati Bench and/or the National Company Law Tribunal, Amaravati Bench, as applicable, including Principal Bench of National Company Law Tribunal at New Delhi.

“Record Date” means the date to be fixed by the Board of Directors of the Transferor Company and the Transferee Company for the purpose of determining the shareholders of the Transferor Company to whom shares of the Transferee Company will be allotted pursuant to this Scheme.

“Registrar of Companies” means the Registrar of Companies at Andhra Pradesh for the Transferor Company and the Registrar of Companies at Odisha for the Transferee Company.

“SEBI Circular” means the Circular CFD/DIL3/CIR/2017/21 dated 10 March 2017 issued by SEBI, as amended, modified or replaced from time to time.

(ii) **Date of taking effect and Operative Date**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by any authority, unless otherwise specified in the Scheme, shall become operative from the Appointed Date but shall come into effect from the Effective Date. Therefore, for all regulatory and tax purposes, the Amalgamation would be deemed to be operative from the Appointed Date of this Scheme.

(iii) **Amalgamation of the Transferor Company with the Transferee Company**

- a) Upon coming into effect of the Scheme and with effect from the Appointed Date, the Transferor Company (including the entire Undertaking(s) of the Transferor Company) shall, pursuant to the sanction of the Scheme by the NCLT and pursuant to the provisions of Sections 230 to 232 of the Act, stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company, as a going concern, in accordance with Section 2(1B) of the Income Tax Act without any further act, instrument, deed, matter or thing, so as to become, as and from the Appointed Date, part of the Transferee Company by virtue of and in the manner provided in this Scheme.
- b) Pending the Scheme coming into effect, the Transferor Company and the Transferee Company may continue to provide security for each other's commitments provided however, the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of either by the Transferor Company or by the Transferee Company and the Transferee Company shall not in any manner be obliged to create further or additional security there for after the Effective Date or otherwise.
- c) Upon the Scheme coming into effect the assets and liabilities of the Transferor Company shall stand pooled with the assets and liabilities of the Transferee Company in accordance with the relevant Indian accounting standard on business combinations.
- d) All Liabilities, whether or not provided in the books of the Transferor Company, shall, under the provisions of Sections 230 and 232 of the Act, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company, to the extent they are outstanding on the Effective Date so as to become on and from the Appointed Date, the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same. Further, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

- e) Upon coming into effect of this Scheme, all permanent employees, who are on the payrolls of the Transferor Company, including key managerial personnel engaged on contract basis and contract laborers and interns/trainees of the Transferor Company, as on the Effective Date,, shall become employees of the Transferee Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Transferor Company, without any interruption of service as a result of this Amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, upon this Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, in accordance with the provisions of Applicable Laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous.
- f) The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme (including without limitation any employees stock option plan) or benefits created by the Transferor Company for its employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company or as may be created by the Transferee Company for such purpose. It is the intent that all rights, duties, powers and obligations of Transferor Company in relation to such fund or funds shall stand transferred to the Transferee Company without need of any fresh approval from any statutory authority. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Transferee Company to the existing funds maintained by the Transferor Company.
- g) All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitrations, execution proceedings, revisions, writ petitions, if any) by or against the Transferor Company shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking or anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.
- h) Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company, whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.

(iv) **Conduct of Business**

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

- a) the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of the of all its estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions and the entire business for and on account of, and in trust for, the Transferee Company.
- b) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by the Transferor Company for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Transferee Company.

(v) **Consideration**

- a) Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company, and shall cease to be in existence accordingly.
- b) Upon the Scheme coming into effect and in consideration of the Amalgamation, the shareholders of the Transferor Company (other than for shares already held by the Transferee Company in the Transferor Company), whose name appear in the Register of Members as on the Record Date (as defined in the Scheme), or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title as the case may be, shall be eligible to receive 59 (fifty nine) fully paid up equity shares of Re. 1/- each of the Transferee Company for every 10 (ten) fully paid up equity shares of Rs. 10/- each of the Transferor Company held by such shareholder.
- c) Fractional entitlements to which the members of the Transferor Company may be entitled on issue and allotment of equity shares in the Transferee Company, shall be rounded off to the nearest upward integer for the purposes of

determining the number of equity shares in the Transferee Company to be allotted by the Transferee Company to the members of the Transferor Company pursuant to Clause 18.2 of the Scheme. The Board of Directors of the Transferee Company, if it deems necessary, in the interest of allottees, approve such other method in this behalf as it may, in its absolute discretion, deem fit.

- d) The equity shares of Transferee Company to be issued to the shareholders of the Transferor Company under Clause 18.2 of the Scheme will be listed with BSE and NSE and admitted for trading and the Transferee Company shall comply with the requirements of the SEBI Circular and take all steps to get the equity shares to be issued pursuant to the Scheme listed on BSE and NSE on which the equity shares of the Transferor Company are listed, in accordance with relevant regulations. The Transferee Company shall enter into such arrangement and issue such confirmations and/or undertakings as may be necessary in accordance with the Applicable Laws or regulation for the above purpose.
- e) The equity shares of the Transferee Company issued in terms of this Scheme shall pursuant to the SEBI Circular and subject to compliance with requisite formalities be listed and/or admitted to trading on the relevant Stock Exchange(s) where the existing equity shares of the Transferor Company are listed and/or admitted to trading, i.e., BSE and NSE. The Transferee Company shall enter into such arrangement and issue such confirmations and/or undertakings as may be necessary in accordance with the Applicable Laws or regulation for the above purpose. On such formalities being fulfilled, the Stock Exchanges shall list and/or admit such equity shares issued pursuant to this Scheme, for the purpose of trading.

(vi) **Accounting Treatment**

- a) The Transferee Company shall record the assets, liabilities and reserves of the Transferor Company, as on Appointed Date, vested in it pursuant to the Scheme at their respective carrying values as per 'Pooling of Interest Method' of accounting as per Indian Accounting Standard (Ind AS) 103 (Business Combination) in accordance with Appendix C of 'Business Combinations of entities under common control' under the Companies (Indian Accounting Standards) Rules, 2015. No adjustment shall be made to reflect the fair values, or recognise any new assets or liabilities.
- b) The identity of the reserves of Transferor Company shall be preserved and shall appear in the financial statements of the Transferee Company in the same form, in which they appeared in the financial statements of the Transferor Company.
- c) Upon coming into effect of this Scheme, the Transferee Company shall issue new equity shares to the shareholders of the Transferor Company (other than for shares, if any, held by Transferee Company into the Transferor Company). These new equity shares shall be issued and recorded at face value and accordingly the aggregate face value of the shares to be issued shall be credited to Transferee Company's share capital account.
- d) The carrying value of investments in the financial statements of the Transferee Company in the equity share capital of the Transferor Company shall stand cancelled pursuant to the Scheme becoming effective and there shall be no further obligation in that behalf.
- e) Upon coming into effect of this Scheme, to the extent there are inter-corporate loans / advances, deposits balances or other obligations as between Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- f) The amount of difference between, (i) the face value of new shares issued and allotted to the shareholders of the Transferor Company and cancellation of the investments, if any, held by Transferee Company into the Transferor Company and (ii) the carrying value of net assets (including the reserves), would be adjusted against capital reserves.

(vii) **Dissolution**

Upon the coming into effect of the Scheme, the Transferor Company shall, without any further act, instrument or deed, stand dissolved without winding-up.

(viii) **Reorganisation and combination of Authorised Share Capital**

- a) Upon this Scheme becoming effective, pursuant to the applicable provisions of the Act and Article V of the Memorandum of Association of the Transferor Company and Transferee Company, the authorized share capital of the Transferor Company as on the Effective Date shall be transferred to the Transferee Company. Immediately thereafter, as an integral part of this Scheme, the authorized share capital of the Transferor Company comprising of equity shares of face value of Rs 10 (Rupees Ten) each, shall be split and be reclassified as equity share of face value of Re 1 (Rupee One) each and get combined with the authorized share capital of the Transferee Company. Pursuant immediately to the reclassification and consolidation of authorized share capital as envisaged above, the Memorandum of Association of the Transferee Company shall automatically stand amended and altered.

- b) The filing fees (including registration fees, if any) paid on the authorised share capital of the Transferor Company shall be set-off against any filing fees payable by the Transferee Company on increase of its authorised share capital pursuant to the amalgamation. The Transferee Company shall file the requisite documents with the Registrar of Companies, which has jurisdiction over the Transferee Company, for the increase of the authorised share capital of the Transferee Company, as aforesaid.

(ix) **Conditions to effectiveness of the Scheme**

The coming into effect of this Scheme is conditional upon and subject to:

- a) pursuant to provisions of the Competition Act, 2002 (including any statutory modification or re-enactment thereof) and the rules and regulations thereunder, the first of the CCI (or any appellate authority in India having appropriate jurisdiction) having either:
 1. granted approval to the Scheme; or
 2. been deemed to have granted approval to the Scheme through the expiration of time periods available for their investigation.
- b) the Stock Exchanges having issued their observation / no-objection letter as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the SEBI Circular.
- c) the Scheme being approved by the respective requisite majorities of the various classes of members (passed through postal ballot / e-voting as applicable) and secured and unsecured creditors (as applicable) of the Transferor Company and the Transferee Company as required under the Act and as applicable under SEBI Circular, subject to any dispensation that may be granted by the NCLT.
- d) pursuant to the para I(A)(9)(b) of Annexure I to SEBI Circular, the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it in relation to both the Transferor Company and the Transferee Company. The term 'public' shall carry the same meaning as defined in Rule 2 of the Securities Contracts (Regulation) Rules, 1957.
- e) sanctions and Order under provisions of the Sections 230 to 232 of the Act being obtained from NCLT.
- f) the certified copy of the Orders of NCLT approving this Scheme being uploaded and filed at the portal of Ministry of Corporate Affairs.

(x) **Compliance with Tax Laws**

This Scheme is in compliance with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income Tax Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at any time including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said Section of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act.

V. Relationship subsisting between Parties to the Scheme

As on 30 June 2021, the Company holds 41.33% of the equity share capital of the Transferor Company. Further, the Transferor Company is a subsidiary of the Company, since the Company exercises control over the Transferor Company.

VI. Board approvals

- (i) The Board of Directors of the Transferor Company at its Meeting held on 5 October 2020 approved the Scheme, as detailed below:

Sl. No	Name of Director	Voted in favour / against / did not participate or vote
1.	Mr. Rajkumar Khanna	Voted in favour
2.	Mr. Mayank Kejriwal	Voted in favour
3.	Mr. Gouri Shankar Rathi	Voted in favour
4.	Mr. Ashutosh Agarwal	Voted in favour
5.	Mr. T Venkatesan	Voted in favour
6.	Mrs. Priya Manjari Todi	Voted in favour
7.	Mr. Satyanarayana Mavireddy	Did not Vote

- (ii) The Board of Directors of the Company at its Meeting held on 5 October 2020 approved the Scheme, as detailed below:

Sl. No	Name of Director	Voted in favour / against / did not participate or vote
1.	Mr. Pradip Kumar Khaitan	Voted in favour
2.	Mr. Umang Kejriwal	Absent
3.	Mr. Mayank Kejriwal	Voted in favour
4.	Mr. Uddhav Kejriwal	Voted in favour
5.	Mr. Shermadevi Yegnaswami Rajagopalan	Voted in favour
6.	Mr. Binod Kumar Khaitan	Voted in favour
7.	Mr. Amrendra Prasad Verma	Voted in favour
8.	Mr. Rajkumar Khanna,	Voted in favour
9.	Mr. Vyas Mitre Ralli	Voted in favour
10.	Mr. Mahendra Kumar Jalan	Voted in favour
11.	Mr. Sunil Katial	Voted in favour
12.	Dr. Mohua Banerjee	Voted in favour

VII. Interest of Directors, Key Managerial Personnel (KMPs), their relatives and Debenture Trustee

- (i) None of the Directors, KMPs (as defined under the Act and rules framed thereunder) of the Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme.
- (ii) The Company has no outstanding debentures and hence, does not have Debenture Trustee.
- (iii) None of the Directors, KMPs (as defined under the Act and rules framed thereunder), as applicable, of the Transferor Company and their respective relatives (as defined under the Act and rules framed thereunder), has any interest in the Scheme except to the extent of their shareholding in the Transferor Company, if any. Save as aforesaid, none of the said Directors or the KMPs, as applicable, or their respective relatives has any material interest in the Scheme.
- (iv) The Transferor Company has no outstanding debentures and hence, does not have Debenture Trustee.

VIII. Effect of Scheme on stakeholders

- (i) The Report of the Board of Directors of the Transferor Company, pursuant to Section 232(2)(c) of the Act is attached hereto as **Annexure III. A**. The effect of the Scheme on various stakeholders is summarized below:

Sl No	Category of Stakeholders	Effect of the Scheme on the Stakeholder
1.	Equity Shareholders: Promoters and Non-Promoters of the Transferor Company	<p>(a) Under the Scheme, an arrangement is sought to be entered into between the Transferor Company and the Transferee Company and their respective shareholders and creditors.</p> <p>(b) Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company, and shall cease to be in existence accordingly</p> <p>(c) Upon the sanctioning of the Scheme and in terms of Clause 18 of the Scheme, the Transferee Company shall issue and allot its equity shares to the equity shareholders (both Promoter (except ECL) and Non-Promoter shareholders) of the Transferor Company.</p> <p>(d) Upon the Scheme coming into effect and in consideration of the Amalgamation, the shareholders of the Transferor Company (other than for shares already held by the Transferee Company in the Transferor Company), whose name appear in the register of member as on the Record Date (as defined in the Scheme)) or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title as the case may be, shall be</p>

SI No	Category of Stakeholders	Effect of the Scheme on the Stakeholder
		<p>eligible to receive 59 fully paid up equity shares of Re 1/- each of the Transferee Company for every 10 fully paid up equity shares of Rs 10/- each of the Transferor Company held by such shareholder.</p> <p>(e) The Share Exchange Ratio mentioned above has been arrived at based on the valuation report jointly issued by M/s Sharp & Tannan, an independent Chartered Accountants and M/s R.V. Shah and Associates, an independent Chartered Accountants. Finshore Management Services Limited and Ashika Capital Limited, independent SEBI Registered merchant bankers have provided fairness report on the fairness of the Share Exchange Ratio determined for the amalgamation of Transferor Company with Transferee Company. Based on the recommendations of the Audit Committees of Transferor Company and that of Transferee Company, the valuation report and fairness report as aforesaid have been duly approved by the Board of Directors of both, Transferor Company and Transferee Company.</p> <p>(f) The equity shares to be issued on Amalgamation shall rank <i>pari passu</i> with the existing equity shares of the Transferee Company.</p> <p>(g) The equity shares to be issued and allotted by the Transferee Company in terms of the Scheme shall be subject to the provisions of the Memorandum and Articles of Association of Transferee Company.</p> <p>(h) The equity shares to be issued to the shareholders of the Transferor Company will be listed with BSE Limited and National Stock Exchange of India Limited and admitted for trading.</p> <p>(i) The equity shares to be issued by the Transferee Company pursuant to this Scheme in respect of any equity shares of the Transferor Company which are held in abeyance under the Companies Act, 2013 or otherwise shall, pending allotment or settlement of dispute by order of a court or otherwise, also be kept in abeyance by the Transferee Company.</p> <p>(j) The promoters of the Transferor Company are also promoters of Transferee Company and shall continue to be promoters of the Transferee Company after the effectiveness of the Scheme.</p> <p>(k) Since the Promoter and Non-Promoter shareholders of the Transferor Company are being issued shares in the same proportion, the rights of non-promoter shareholders of the Transferor Company are not being affected under the Scheme of Amalgamation.</p>
2.	Employees	<p>(a) Under Clause 11 of the Scheme on and from the Effective Date (as defined in the Scheme), the Transferee Company shall engage all employees, including key managerial personnel of the Transferor Company on the same terms and conditions on which they are engaged by the Transferor Company without any interruption of service and in the manner provided under the Scheme. In the circumstances, the rights of the employees of the Transferor Company would in no way be affected by the Scheme. The employees of the Transferor Company shall continue to remain employees in the Transferor Company on the same terms and conditions. The services of the employees of the Transferor Company will not be retrenched due to amalgamation</p> <p>(b) Please refer to SI No 1 above for details regarding the effect of the Scheme on the employees who are also shareholders of the Transferee Company.</p>

Sl No	Category of Stakeholders	Effect of the Scheme on the Stakeholder
		(c) The contributions made by Transferor Company in respect of its employees under applicable law, to the provident fund, gratuity fund, leave encashment fund and any other special scheme or benefits created, for the period after the Appointed Date (as defined in the Scheme) shall be deemed to be contributions made by Transferee Company.
3.	Key Managerial Personnel	<p>(a) Under Clause 11 of the Scheme on and from the Effective Date (as defined in the Scheme), the Transferee Company shall engage all the key managerial personnel, who are also employees of the Transferor Company, on the same terms and conditions on which they are engaged by the Transferor Company without any interruption of service and in the manner provided under the Scheme.</p> <p>(b) Under the Scheme on and from the Effective Date, the Transferor Company will stand dissolved without winding up. In the circumstances, the Key Managerial Personnel of the Transferor Company will cease to be the Key Managerial Personnel of the Transferor Company.</p> <p>(c) Please refer to Sl. No. 1 above for details regarding the effect of the Scheme on the Key Managerial Personnel who are also shareholders of the Transferor Company.</p> <p>(d) The contributions made by Transferor Company in respect of its employees under applicable law, to the provident fund, gratuity fund, leave encashment fund and any other special scheme or benefits created, for the period after the Appointed Date (as defined in the Scheme) shall be deemed to be contributions made by Transferee Company.</p> <p>(e) Thus, there will no adverse effect of the Scheme on the Key Managerial Personnel of the Company.</p>
4.	Creditors	<p>(a) Under the Scheme no arrangement is sought to be entered into between the Transferor Company and its secured and unsecured creditors.</p> <p>(b) As per Clause 9 of the Scheme, all liabilities of the Transferor Company shall stand transferred to the Transferee Company</p> <p>(c) The interest of the creditors of the Transferor Company shall not be impacted in any manner.</p>
5.	Board of Directors of the Transferor Company	Under the Scheme on and from the Effective Date, the Transferor Company will stand dissolved without winding up and accordingly the Board shall cease to exist.
6.	Debenture Holders and Debenture Trustee	As on date, the Transferor Company has no outstanding debentures and therefore, the effect of the Scheme on any such debenture holders and debenture trustee does not arise
7.	Depositors and Deposit Trustee	As on date, the Transferor Company has no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustee does not arise

- (ii) The Report of the Board of Directors of the Company, pursuant to Section 232(2)(c) of the Act is attached hereto as **Annexure III. B**. The effect of the Scheme on various stakeholders is summarized below:

Sl. No.	Category of Stakeholders	Effect of the Scheme on the Stakeholder
1.	Equity Shareholders: Promoters and Non-Promoters of the	(a) Under the Scheme, an arrangement is sought to be entered into between the Transferor Company and the Transferee Company and their respective shareholders and creditors.

Sl. No.	Category of Stakeholders	Effect of the Scheme on the Stakeholder
	Transferee Company	<p>(b) Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company, and shall cease to be in existence accordingly</p> <p>(c) Upon the sanctioning of the Scheme and in terms of Clause 18 of the Scheme, the Transferee Company shall issue and allot equity shares of the Transferee Company to the equity shareholders (both Promoter (except ECL) and Non-Promoter shareholders) of the Transferor Company.</p> <p>(d) Upon the Scheme coming into effect and in consideration of the Amalgamation, the shareholders of the Transferor Company (other than the shares already held by the Transferee Company in the Transferor Company), whose name appear in the Register of Members as on the Record Date (as defined in the Scheme) or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title as the case may be, shall be eligible to receive 59 fully paid up equity shares of Re. 1/- each of the Company for every 10 fully paid up equity shares of Rs. 10/- each of the Transferor Company held by such shareholder.</p> <p>(e) The Share Exchange Ratio mentioned above has been arrived at based on the valuation report (i) jointly issued by M/s Sharp & Tannan, an independent Chartered Accountants and M/s R.V. Shah and Associates, an independent Chartered Accountants and (ii) Ms Rashmi Shah, FCA, Registered Valuer. Finshore Management Services Limited and Ashika Capital Limited, independent SEBI Registered merchant bankers have provided fairness report on the fairness of the Share Exchange Ratio determined for the amalgamation of Transferor Company with Transferee Company. Based on the recommendations of the Audit Committees of Transferor Company and that of Transferee Company, the valuation report and fairness report as aforesaid have been duly approved by the Board of Directors of both, Transferor Company and Transferee Company.</p> <p>(f) The equity shares to be issued on Amalgamation shall rank <i>pari passu</i> with the existing equity shares of the Transferee Company.</p> <p>(g) The equity shares to be issued and allotted by the Transferee Company in terms of the Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company.</p> <p>(h) The equity shares to be issued to the shareholders of the Transferor Company will be listed with BSE Limited and National Stock Exchange of India Limited and admitted for trading.</p> <p>(i) The equity shares to be issued by the Transferee Company pursuant to this Scheme in respect of any equity shares of the Transferor Company which are held in abeyance under the Companies Act, 2013 or otherwise shall, pending allotment or settlement of dispute by order of a court or otherwise, also be kept in abeyance by the Transferee Company.</p> <p>(j) Post the issue of shares, there shall be no change in the shareholding pattern or control in the Transferee Company between the Record Date (as defined in the Scheme) and the listing which may affect the status of the approval by the Stock Exchanges.</p> <p>(k) The promoters of the Transferee Company shall continue to remain</p>

Sl. No.	Category of Stakeholders	Effect of the Scheme on the Stakeholder
		<p>the promoters even after the effectiveness of the Scheme.</p> <p>(l) Since the Promoter and Non-Promoter shareholders of the Transferor Company are being issued shares in the same proportion, the rights of non-promoter shareholders of the Transferor Company shall not be affected under the Scheme of Amalgamation.</p>
2.	Employees	<p>(a) Under Clause 11 of the Scheme on and from the Effective Date (as defined in the Scheme), the Transferee Company shall engage all employees, including key managerial personnel of the Transferor Company on the same terms and conditions on which they are engaged by the Transferor Company without any interruption of service and in the manner provided under the Scheme. The employees of the Transferee Company shall continue to remain employees in the Transferee Company on the same terms and conditions. The services of the employees of the Transferee Company will not be retrenched due to amalgamation.</p> <p>(b) Please refer to Sl. No. 1 above for details regarding the effect of the Scheme on the employees who are also shareholders of the Transferee Company.</p> <p>(c) The contributions made by Transferor Company in respect of its employees under applicable law, to the provident fund, gratuity fund, leave encashment fund and any other special scheme or benefits created, for the period after the Appointed Date (as defined in the Scheme) shall be deemed to be contributions made by Transferee Company.</p> <p>(d) Under the Scheme, no rights of the employees of the Transferee Company are being affected.</p>
3.	Key Managerial Personnel	<p>(a) The Key Managerial Personnel of the Transferee Company shall continue as the Key Managerial Personnel of the Transferee Company after effectiveness of the Scheme on the same terms and conditions.</p> <p>(b) Please refer to Sl. No. 1 above for details regarding the effect of the Scheme on the Key Managerial Personnel who are also shareholders of the Transferee Company.</p> <p>(c) The contributions made by Transferor Company in respect of its employees under applicable law, to the provident fund, gratuity fund, leave encashment fund and any other special scheme or benefits created, for the period after the Appointed Date (as defined in the Scheme) shall be deemed to be contributions made by Transferee Company.</p> <p>(d) Under the Scheme, no rights of the Key Managerial Personnel of the Transferee Company are being affected.</p>
4.	Creditors	<p>(a) Under the Scheme, no arrangement is sought to be entered into between the Transferee Company and its secured and unsecured creditors.</p> <p>(b) The interest of the creditors of the Transferee Company shall not be impacted in any manner.</p>
5.	Board of Directors of the Company	Under the Scheme there is no effect on the Directors.
6.	Debenture Holders and Debenture Trustee	As on date, the Company has no outstanding debentures and therefore, the effect of the Scheme on any such debenture holders and debenture trustee does not arise
7.	Depositors and Deposit Trustee	As on date, the Company has no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustee does not arise.

IX. Amounts due to Secured Creditors and Unsecured Creditors.

- (i) As on 31 December 2020, the Transferor Company has 12 secured creditor amounting to Rs. 4,66,33,06,394 and 1,346 unsecured creditor amounting to Rs. 1,54,12,99,876.
- (ii) As on 31 December 2020, the Company has 20 secured creditor amounting to Rs. 13,58,84,88,239 and 1,700 unsecured creditor amounting to Rs. 5,26,25,61,779

X. AUDITORS' CERTIFICATE ON CONFORMITY OF ACCOUNTING TREATMENT IN THE SCHEME WITH ACCOUNTING STANDARD

The Auditors of the Company vide their certificate dated 5 October 2020 have confirmed that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. The certificate issued by the Statutory Auditor of the Company, Messrs. Singhi & Co, Chartered Accountants is open for inspection.

XI. APPOINTED DATE, EFFECTIVE DATE, SHARE EXCHANGE RATIO AND OTHER CONSIDERATIONS

- (i) **Appointed Date:** The opening business hours of 1 October 2020, or such other date as may be determined by the Board of Directors of the Transferor Company and the Transferee Company or directed by the NCLT and is the date with effect from which the Scheme shall, upon sanction of the same by the NCLT, be deemed to have become operative.
- (ii) **Effective Date:** The last of the dates on which all the conditions and matters as referred to in Clause 22 of the Scheme occur or have been fulfilled, obtained or waived in accordance with this Scheme Any reference in this Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "upon coming into effect of the Scheme" shall be construed accordingly.
- (iii) **Share Exchange Ratio:** 59 (Fifty Nine) equity shares of Re 1/- each credited as fully paid-up of the Company for every 10 (Ten) equity shares of Rs 10/- each fully paid-up held by the shareholders in the Transferor Company as on the Record Date.
- (iv) **Record Date:** The date to be fixed by the Board of Directors of the Transferor Company and the Transferee Company for the purpose of determining the shareholders of the Transferor Company to whom shares of the Company will be allotted pursuant to this Scheme.
- (v) **Details of capital/debt restructuring:** There shall be no debt restructuring of the Transferor Company and the Company pursuant to the Scheme.
- (vi) **Other Scheme details:** The equity shares held by the Company in the Transferor Company shall stand cancelled.
- (vii) No investigation proceedings have been instituted and/or are pending against the Company and the Transferor Company under the Act.
- (viii) No cash or other consideration is proposed under the Scheme.

XII. SUMMARY OF THE VALUATION REPORT

The Share Exchange Ratio mentioned has been arrived at based on the Valuation Report dated 3 October 2020 issued jointly by Sharp & Tannan, Independent Chartered Accountants and R V Shah & Associates, Independent Chartered Accountants. Finshore Management Services Limited and Ashika Capital Limited, Independent SEBI Registered Merchant Bankers, have provided fairness opinions on the fairness of the Share Exchange Ratio determined for the amalgamation of the Transferor Company with the Company and have also confirmed that the share entitlement ratio is fair and proper by their fairness opinion thereon.

Finshore Management Services Limited has concluded the following:

"Subject to the caveats as detailed herein, based on our review as above and the information and explanation furnished to us, we as a Merchant Banker hereby certify that we have reviewed the valuation report recommending the swap ratio for the proposed scheme of amalgamation of Transferor Company with Transferee Company and are of the opinion that following share exchange ratio - "59 (Fifty Nine) equity shares of Electrosteel Castings Limited of INR 1/- each fully paid up for every 10 (Ten) equity shares of Srikalahasthi Pipes Limited of INR 10/- each fully paid up is fair and reasonable to the equity shareholders of transferee company."

Ashika Capital Limited has inter alia stated the following:

"Based on our examination of the documents mentioned in point 2, our discussions with the management of SPL and ECL and other intermediaries as appointed by them in this regard and subject to the foregoing, including various assumptions and limitations set forth herein, to the best of our knowledge and belief, we are of the opinion on the date hereof that from a financial point of view, the Share Exchange Ratio recommended by the Valuers is fair to the shareholders of SPL"

Copies of Valuation Report dated 3 October 2020 issued jointly by Sharp & Tannan, Independent Chartered Accountants and R V Shah & Associates, Independent Chartered Accountants and Fairness Opinion of Finshore Management Services Limited and Ashika Capital

Limited, Independent SEBI Registered Merchant Bankers, are attached hereto as **Annexure IV. A, Annexure IV. B. and Annexure IV. C,** respectively, and are available for inspection at the registered office of the Company, on all working days between 10:30 am to 12:30 pm, up to and including the date of the Meeting of the Company.

XIII. APPROVALS AND ACTIONS TAKEN IN RELATION TO THE SCHEME

- (i) The Scheme was placed before the Audit Committee of the Company at its meeting held on 5 October 2020. The Audit Committee, inter alia, recommended the Scheme to the Board of Directors of the Company for its favourable consideration, by its report dated 5 October 2020 annexed as **Annexure V.**
- (ii) The Scheme was placed before the Audit Committee of the Transferor Company at its meeting held on 5 October 2020. The Audit Committee, inter alia, recommended the Scheme to the Board of Directors of the Company for its favourable consideration, by its report dated 5 October 2020.
- (iii) The Scheme was placed before the Board of Directors of the Company, at its meeting held on 5 October 2020. Based on the report submitted by the Audit Committee recommending the draft Scheme, the Board of Directors of the Company approved the Scheme.
- (iv) The Scheme was also placed before the Board of Directors of the Transferor Company, at its meeting held on 5 October 2020. Based on the report submitted by the Audit Committee recommending the draft Scheme, the Board of Directors of the Company approved the Scheme.
- (v) BSE Limited was appointed as the designated stock exchange by the Company for the purpose of co-ordinating with the Securities and Exchange Board of India ('SEBI'), pursuant the 'SEBI Circular'.
- (vi) The Company and the Transferor Company had filed application before the Competition Commission of India seeking approval for the proposed Amalgamation of the Transferor Company with the Company. The Competition Commission of India has, vide its Order dated 27 November 2020, granted approval for the said proposed Amalgamation of the Transferor Company with the Company, which was communicated to the Advocates of the applicant companies vide their letter dated 14 January 2021. A copy of the said letter dated 14 January 2021, enclosing therewith the Certified Copy of the Order dated 27 November 2020 issued by the Competition Commission of India, is attached hereto as **Annexure VI.**
- (vii) In addition to the approval of the Tribunal and the Amaravati Bench of the Hon'ble National Company Law Tribunal, the Company and / or the Transferor Company will obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with the applicable laws, as may be required.
- (viii) A copy of the Scheme was filed by the Transferor Company with the Amaravati Bench of the Hon'ble National Company Law Tribunal. As per the Order dated 30 April 2021 of the National Company Law Tribunal, Amaravati Bench, meetings of the equity shareholders, secured creditors and unsecured creditors of the Transferor Company were held on 16th June 2021, where the Scheme of Amalgamation of the Transferor Company with the Company was passed with the requisite majority of the equity shareholders and unanimously by the secured creditors and unsecured creditors of the Transferor Company. The Company Petition for sanction of the Scheme of Amalgamation of the Transferor Company with the Company under Sections 230(1) and 232(1) of the Companies Act, 2013 has been filed before the National Company Law Tribunal, Amaravati Bench on 26 June 2021.
- (ix) A copy of the Scheme has been filed with the Registrar of Companies, Cuttack.

XIV. Inspection of Documents

Any unsecured creditor who wishes to inspect the following documents which will be available for online inspection, may do so by writing to the Company at companysecretary@electrosteel.com, up to and including the date of the Meeting of the Company.

- (i) Copy of Order dated 26 July 2021 passed in the Company Scheme Application No. CA (CAA) No 3/CB/2021 by the Hon'ble National Company Law Tribunal, Cuttack Bench directing, inter-alia, the calling, convening and conducting of the meeting of the unsecured creditors of the Company.
- (ii) Memorandum and Articles of Association of the Company and the Transferor Company.
- (iii) Audited Financial Statements of the Transferor Company and the Company, as applicable, for the financial year ended 31 March 2019 and 31 March 2020.
- (iv) Certificates issued by the Statutory Auditors of the Company stating that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Act.

- (v) Copies of Valuation Report dated 3 October 2020 issued jointly by Sharp & Tannan, Independent Chartered Accountants and R V Shah & Associates, Independent Chartered Accountants and Valuation Report dated 3 October 2020 issued by Ms. Rashmi Shah, FCA, Registered Valuer on the Share Exchange Ratio and filed before the National Company Law Tribunal, Cuttack Bench and Fairness Opinions of Finshore Management Services Limited and Ashika Capital Limited, Independent SEBI Registered Merchant Bankers.

A copy of the Scheme, Explanatory Statement, may be downloaded from the website of the Company at www.electrosteel.com

After the Scheme is approved by the equity shareholders, secured creditors and unsecured creditors of the Company, it will be subject to the approval/sanction by the Tribunal.

Date: 7 August 2021

Place: Kolkata

Sd/-
Mr. Shailendra Jain, Advocate
Chairperson appointed by
Tribunal for the Meeting