

**SCHEME OF MERGER
(By way of Absorption)**

**UNDER SECTIONS 230-232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER**

AMONG

**GB GLOBAL LIMITED
CIN: L17120MH1984PLC033553
("TRANSFEROR COMPANY")**

AND

**DEV LAND & HOUSING PRIVATE LIMITED
CIN: U70100MH2006PTC161220
("TRANSFeree COMPANY")**

AND

THEIR RESPECTIVE SHAREHOLDERS

This Scheme of Merger by Absorption (hereinafter referred to as "**Scheme**") provides for the Merger of GB Global Limited (hereinafter referred to as "**GB Global**" or "**Transferor Company**") with Dev Land & Housing Private Limited (hereinafter referred to as "**DLH**" or "**Transferee Company**") and their respective Shareholders in the present form or with such alterations/modifications as may be approved or imposed or directed by the Hon'ble National Company Law Tribunal ("**NCLT**"). The Scheme is made pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") (as defined hereinafter) (as the case may be and to the extent applicable) as in force from time to time (including any statutory modifications(s) or re-enactment(s) thereof). GB Global will be merged with DLH on a going concern basis in the manner provided for in the Scheme. The Scheme also provides for various other matters consequential or otherwise integrally connected herewith.



PARTS OF THE SCHEME

This Scheme of Merger is divided into the following parts:

- 1) **PART I**, which deals with the introduction, rationale and definitions;
- 2) **PART II**, which deals with the Merger of GB Global with DLH;
- 3) **PART III**, which deals with the changes to share capital of the Transferor Company and the Transferee Company; and
- 4) **PART IV**, which deals with the general terms and conditions applicable to the Scheme.



PART I

INTRODUCTION AND DEFINITIONS

1. DESCRIPTION OF THE COMPANIES

1.1 GB Global Limited is a public limited Company, limited by shares, incorporated under the provisions of the Companies Act, 1956, having corporate identification number L17120MH1984PLC033553 and having its registered office situated at 10th Floor, Dev Plaza, Opp Andheri Fire Station, S V Road, Andheri (West), Mumbai City, Mumbai, Maharashtra, India – 400 058 (hereinafter referred to as the “**GB Global**” or “**Transferor Company**”). The equity shares of the Transferor Company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited (together the “**Stock Exchanges**”). The Transferor Company is engaged in the business of manufacture of textile and sale of garments and infrastructure business on consolidation basis. The details of the Directors and Key Managerial Personnel (“**KMP**”) of the Transferor Company are as under:

| Name of the Director/KMP | DIN/PAN | Category |
|--------------------------|------------|--|
| Vijay Thakordas Thakkar | 00189355 | Managing Director |
| Dev Vijay Thakkar | 07698270 | Director, Chairperson |
| Tanam Vijay Thakkar | 00284512 | Director |
| Paresh Jain | 05159799 | Independent Director |
| Aayush Prashant Agrawal | 09101979 | Independent Director |
| Akshat Prashant Agrawal | 09107481 | Independent Director |
| Kishan Gangaram Jaiswal | AHTPJ5324L | Chief Financial Officer |
| Nishi Jayantilal Jain | ARPPJ8958E | Company Secretary & Compliance Officer |

The CIRP in respect of the Transferor Company was initiated pursuant to the order of the Hon'ble **NCLT** vide its order dated 29th September, 2017. Pursuant to the same, the resolution plan dated 09th December, 2020 read with the addendum dated 11th December, 2020 (“**Approved Resolution Plan**”) was submitted by the Transferee Company. The Hon'ble **NCLT** vide order dated 19th May, 2021 approved the aforesaid resolution plan of the Transferee Company as per the provisions of the Insolvency and Bankruptcy Code, 2016 (“**IBC**”).

As per the terms of the Approved Resolution Plan, the equity share capital of the Transferor Company was reduced from 33,14,295 equity shares of Rs. 10/- (Indian Rupees Ten Only) each amounting to Rs. 3,31,42,950/- (Indian Rupees Three Crores Thirty-One Lakhs Forty-Two Thousand Nine Hundred and Fifty Only) to 33,143 equity shares of Rs. 10/- (Indian Rupees Ten) each amounting to Rs. 3,31,430/- (Three Lakhs Thirty-One Thousand Four Hundred and Thirty only) by way of capital reduction. Further, the Transferee Company, being the successful resolution applicant, was also issued 5,00,00,000 equity shares of Rs. 10/- (Indian Rupees Ten Only) each by way of preferential allotment. Thus, the Transferee Company becomes the holding Company by holding 99.93% shareholding in the Transferor



Company and the total paid-up share capital of the Transferor Company stands at Rs. 50,03,31,430/- (Indian Rupees Fifty Crores Three Lakhs Thirty-One Thousand Four Hundred and Thirty Only) divided into 5,00,33,143 equity shares of Rs. 10/- (Indian Rupees Ten Only) each as on date of the scheme. The Approved Resolution Plan has been successfully implemented by the Company.

1.2 Dev Land & Housing Private Limited is a private limited Company, limited by shares, incorporated under the provisions of the Companies Act, 1956, under corporate identification number U70100MH2006PTC161220 and having its registered office situated at 10th Floor, Dev Plaza, Opp. Andheri Fire Station, S. V. Road Andheri West, Mumbai, Maharashtra, India – 400 058 (hereinafter referred to as “DLH” or “Transferee Company”). The Transferee Company is involved in the business of real estate activities with own or leased property. The business includes buying, selling, renting and operating of self-owned or leased real estate such as apartment building and dwellings, non-residential buildings, developing and subdividing real estate into lots etc. The details of the Directors and KMP of the Transferee Company are as under:

| Name of the Director/KMP | DIN/PAN | Category |
|----------------------------|------------|--|
| Vijay Thakordas Thakkar | 00189355 | Director |
| Tanam Vijay Thakkar | 00284512 | Director |
| Raghunath Vyankat Chavan | 07518880 | Director |
| Praveen Birsingh Choudhary | ALYPC6580A | Company Secretary & Compliance Officer |

2. DESCRIPTION OF THE SCHEME

2.1 The Scheme (as defined hereunder) provides, inter alia, for:

- i. the Merger of the Transferor Company into the Transferee Company, by way of merger by absorption and dissolution of the Transferor Company without winding up in accordance with the Scheme;
- ii. various other matters incidental, consequential or otherwise integrally connected therewith, including the increase in the share capital of the Transferee Company, pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in the Scheme and in compliance with the provisions of the IT Act (as defined hereunder).

2.2 The merger of the Transferor Company into the Transferee Company shall be in full compliance with the conditions relating to "amalgamation" as provided under Section 2(1B) and other related provisions of the IT Act such that, *inter alia*:

- i. all the properties of the Transferor Company, immediately before the Amalgamation, shall become the properties of the Transferee Company, by virtue of the Amalgamation;
- ii. all the liabilities of the Transferor Company, immediately before the Amalgamation, shall become the liabilities of the Transferee Company, by virtue of the Amalgamation;



and

- iii. shareholders holding not less than three fourths in value of the shares in the Transferor Company, will become shareholders of the Transferee Company by virtue of the Amalgamation.

3. RATIONALE FOR THE SCHEME

3.1 It is proposed to absorb GB Global into DLH by virtue of the Scheme, as a result of which the following benefits shall, inter alia, accrue to the respective shareholders and stakeholders of the combined entity:

- i. To reduce administrative and compliance cost and improve corporate governance;
- ii. To achieve operational and management efficiency by virtue of centralized control;
- iii. To streamline of organizational structure for eliminating inefficiencies in operations;
- iv. Improve cash management, and provide access to increased cash flow generated by the combined business which will enable the Transferee Company to fund business opportunities thereby growing into a larger and stronger entity;
- v. The absorption will result in creation of a single larger unified entity in place of separate entities thus resulting in increased operational efficiencies and fostering effective synergies.
- vi. Consolidation of the business, leading to synergies of operations and resulting in the expansion and long-term sustainable growth, which will enhance value for various stakeholders of the Transferee Company;
- vii. Seamless implementation of policy changes, reduction in the multiplicity of legal and regulatory compliances and costs rationalization resulting in improvement in shareholder returns; and
- viii. Pooling of knowledge and expertise of both the Parties and align with the business plans to meet long-term objectives.
- ix. To ensure effective revival of the Transferor Company which is marred by various procedural and technical difficulties in the implementation of the resolution plan faced by the company with the stock exchanges and this merger will enable optimization of business of the Transferor Company.
- x. To give exit to Eligible Member at a fair value.
- xi. This merger will enable faster revival of the Transferor Company and enhanced cost efficiency.
- xii. As a result of the absorption, the business's activities will be merged, which will lead to the growth of the combined business and the production of more value for all stakeholders, including shareholders.
- xiii. Following the scheme's implementation, all employees on contractual and/or permanent basis of the Transferor Company who were employed on the Effective Date will be considered to have joined the Transferee Company, subject to the terms of the provisions hereof without any interruption in their employment and on the basis of continuity of service and, on terms and conditions and shall in no event be less favorable than those applicable to them on which they are engaged by the Transferor



Company as on the Effective Date and without any interruption of service as a result of the Merger.

- xiv. This will enable the Transferee Company to implement better decision making processes and giving significant exit opportunities to Eligible Member of the Transferor Company.

3.2 The absorption will result in consolidation of the business of the companies resulting in the expansion of the consolidated business and creation of greater value for shareholders and all other stakeholders.

3.3 The Transferor Company is proposed to be merged with the Transferee Company. The Transferor Company is a public listed Company however, its securities i.e., equity shares are currently not traded on the stock exchanges. Therefore, pursuant to the proposed scheme of merger, the equity shares of the Transferor Company shall be deemed to be delisted from both the stock exchanges pursuant to the applicable provisions of SEBI (Delisting of Equity Shares) Regulations, 2021.

4. DEFINITIONS

4.1 In the Scheme, unless repugnant with the meaning or context, the following expressions shall have the meaning detailed hereunder:

- a. **“Accounting Standards”** means the Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and the other accounting principles generally accepted in India;
- b. **“Act”** or **“the Act”** shall mean the Companies Act, 2013, as amended from time to time, and shall include any other statutory re-enactment thereof, read with all surviving and applicable provisions of the Companies Act, 1956, and shall include all rules, regulations, circulars, notifications, guidelines made or issued in relation thereto, from time to time;
- c. **“Amalgamation”** means the amalgamation by absorption of the Transferor Company (as defined hereinafter) with the Transferee Company (as defined hereinafter) as per Part II of the Scheme;
- d. **“Applicable Laws”** means (a) all applicable statutes, enactments, acts of legislature or parliament, laws, notifications, bye laws rules, regulations, guidelines, rule of common law, policy, code, directives, ordinances, orders or instructions having the force of law enacted or issued by any Appropriate Authority including any statutory modification or re-enactment thereof for the time being in force; and (b) administrative interpretation, writ, injunction, directions, directives, judgements, arbitral award, decree, orders or governmental approvals of, or agreements with, any Appropriate Authority; SEBI Act, 1992 along with the applicable SEBI Regulations and FEMA Regulations;
- e. **“Appointed Date”** means 01st April, 2024;
- f. **“Appropriate Authority”** i) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunals, central



- bank, commission or other authority thereof; (ii) any governmental, quasi-governmental or private body, self-regulatory organisation, or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, statutory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, RBI, IRDAI, SEBI and the NCLT; and (iii) Stock Exchanges;
- g. **"Board of Directors"** or **"Board"** in relation to GB Global and DLH, as the case may be, means the Board of Directors of each of the Companies, and shall include a committee/s duly constituted and authorized for the purpose of matters pertaining the Scheme and / or any other matter relating thereto;
- h. **"Companies"** means collectively, the Transferor Company and the Transferee Company;
- i. **"Effective Date"** means the date of the meetings of the Board of the Transferor Company and the Transferee Company are held to declare the Scheme effective, which will be no later than 5 (Five) days (unless extended by mutual written agreement between the Transferor Company and the Transferee Company), following satisfaction or waiver (to the extent possible under Applicable Law) of the conditions set out in Clause 25 or approval of the Scheme by the NCLT/ Appropriate Authority (other than those conditions that by their nature are to be satisfied on the Effective Date);
All references in the Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or **"Scheme taking effect"** shall mean the Effective Date;
- j. **"Eligible Member"** shall mean each person whose name appears in the register of members of the Transferor Company and/or whose name appears as the beneficial owner of the Transferor Company Shares in the record of depositories on the Record Date at the Record Time i.e., shareholders/member other than the shares held by the Transferee Company in the Transferor Company;
- k. **"Encumbrance"** or **"Encumber"** means any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other agreement or arrangement the effect of which is the creation of security, or any other right to acquire or option, any right of first refusal or any right of pre-emption, or any agreement or arrangement to create any of the same;
- l. **"Governmental Authority"** means: (a) any national, federal, provincial, state, city, municipal, county or local government, governmental authority or political subdivision thereof; (b) any agency or instrumentality of any of the authorities referred to in clause (a); (c) any non-governmental regulatory or administrative authority, body or other organization, to the extent that the rules, regulations, standards, requirements, procedures or orders of such authority, body or other organization have the force of law; or (d) any court or tribunal having jurisdiction and including, without limitation or prejudice to the generality of the foregoing, SEBI, the RBI, the NCLT and any Tax Authority;
- m. **"Governmental Order"** means any judgment, order, writ, injunction, decree, decision or other requirement of any Governmental Authority (or, as the context requires, any Governmental Authority specified) other than any competition or anti-trust authority other than the Competition Commission of India;



- n. **"INR"** means Indian Rupee, the lawful currency of the Republic of India.
- o. **"IT Act"** shall mean the Income Tax Act, 1961 or any modifications or re-enactments or amendments thereof from time to time;
- p. **"NCLT"** shall mean the National Company Law Tribunal at Mumbai, Maharashtra as the context may require;
- q. **"Parties"** means the Transferor Company and the Transferee Company, collectively and
"Party" shall mean each of them, individually;
- r. **"Permits"** means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory or regulatory as required under Applicable Law;
- s. **"Person"** means an individual, a partnership, a corporation, a limited liability partnership, a company, an association, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;
- t. **"RBI"** means the Reserve Bank of India;
- u. **"Record Date"** shall mean the date fixed by the respective Boards of the Transferor Company and Transferee Company for the purpose of determining the shareholders of the Transferor Company to whom the Transferee Company shall offer exit under the Scheme;
- v. **"Registrar of Companies, Mumbai"** means the Registrar of Companies having jurisdiction over the Transferor Company and Transferee Company;
- w. **"Registered Valuer"** means the Independent Valuer appointed to carry out the valuation;
- x. **"Scheme"** or **"the Scheme"** or **"this Scheme"** means the Scheme of merger by way of absorption including any modification or amendment hereto, made in the accordance with the terms hereof;
- y. **"SEBI"** means the Securities and Exchange Board of India;
- z. **"SEBI Listing Regulations"** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines etc., that may replace such regulations;
- aa. **"SEBI Scheme Circular"** means the SEBI Circular dated June 20, 2023 and March 10, 2017 as amended or replaced from time to time;
- bb. **"Stock Exchanges"** means Bombay Stock Exchange Limited and National Stock Exchange of India Limited, collectively;
- cc. **"Tax" or "Taxes"** means any and all taxes (direct or indirect), Goods and Service Taxes, Cess, octroi, surcharges, fees, levies, duties, tariffs, imposts and other charges of any kind in each case in the nature of a tax, imposed by any governmental authority (whether payable directly or by withholding), including taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales severance, branch profit, customs duties, excise, CENVAT, withholding tax, self-assessment tax, advance tax, service tax, stamp duty, transfer tax, value-added tax, minimum alternate tax, banking cash transaction tax, securities transaction tax, taxes withheld or paid in foreign



- country, customs duty and registration fees (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto);
- dd. **"Transferee Company"** shall have the meaning ascribed to it in Clause 1 above;
- ee. **"Transferee Company Shares"** means fully paid up equity shares of the Transferee Company, each having a face value of INR 10 (Indian Rupee Ten only) and one vote per equity share;
- ff. **"Transferor Company"** shall have the meaning ascribed to it in Clause 1 above;
- gg. **"Transferor Company Shares"** means fully paid up equity shares of the Transferor Company, each having a face value of INR 10 (Indian Rupee Ten only) and one vote per equity share;
- hh. **"Undertaking"** means the whole of the undertaking and entire business of the Transferor Company as a going concern, including (without limitation):
- a) All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including but not limited to, plant and machinery, equipment, buildings and structures, offices, residential and other premises, sundry debtors, furniture, fixtures, office equipment, appliances, accessories, deposits, all, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), and interests in its subsidiaries, cash balances or deposits with banks, loans, advances, disbursements, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, good will, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits), easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the Transferor Company and advantages of whatsoever nature and wheresoever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
- b) All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities



(including contingent liabilities), duties and obligations of the Transferor Company, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized;

- c) All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorisations, concessions, consents, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the business activities and operations of the Transferor Company;
- d) All records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Company;
- e) All employees engaged by the Transferor Company as on the Effective Date.
- f) All quotas, rights, entitlements, export/import incentives and benefits including advance licenses, bids, tenders (at any stage as it may be), letters of intent, expressions of interest, development rights (whatever vested or potential and whether under agreements or otherwise), subsidies, tenancies in relation to office, benefit of any deposits privileges, all other rights, receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements, including technological licensing agreements, and all other interests in connection with or relating thereto;
- g) All brand names, trademarks, trade names, patents and domain names, intellectual property rights, registrations; applications and authorizations with governmental authorities in any jurisdiction, dossiers copyrights, industrial designs, trade secrets, know-how; data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, product registrations, applications and authorizations and other intellectual property rights and all other interests exclusively relating to the goods or services being dealt with by the Transferor Company;
- h) All intellectual property rights created, developed or invented by employees concentrated on the research, development or marketing of products (including process development or enhancement) in connection with the Transferor Company;
- i) All benefits and privileges under letters of permission and letters, and the benefits related thereto, all tax credits, including CENVAT credits, GST credits, refunds;



reimbursements, claims, exemptions, benefits under service tax laws, value added tax, purchase tax, sales tax or any other duty or tax or cess or imposts under central or state law including sales tax deferrals, advance taxes, tax deducted at source, right to carry forward and set-off unabsorbed losses, if any and depreciation, deductions and benefits under the Income-tax Act, 1961;

The Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever upto the Effective Date, the provisions of the said Section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the IT Act. Such modification will however not affect the other parts of the Scheme.

All terms and words not defined in the Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

5. SHARE CAPITAL

5.1 The authorized and issued and paid-up share capital of GB Global as on March 31, 2025:

| Particulars | Amount (in INR) |
|--|-----------------------|
| <u>Authorised share capital</u> | |
| 1,09,99,00,00 equity shares of INR 10/- each | 1,09,99,00,000 |
| 10,000 preference shares of INR 10/- each | 1,00,000 |
| Total | 1,10,00,00,000 |
| <u>Issued, subscribed and paid-up share capital</u> | |
| 5,00,33,143 equity shares of INR 10/- each | 50,03,31,430 |

Out of the aforesaid 5,00,33,143 fully paid-up equity shares, 5,00,00,000 equity shares are held by DLH consisting of 99.93% of the total share capital pursuant to the approved resolution plan. Hence, by virtue of this, the Transferor Company becomes the subsidiary of the Transferee Company. Further, the aforesaid 5,00,00,000 equity shares of INR 10/- (Indian Rupees Ten only) each is pending for listing on the stock exchanges as the in-principal approval of the same is yet to be obtained from the stock exchanges along with the trading approval of the public shareholders which constitute 33,143 equity shares of INR 10/- (Indian Rupees Ten only) each.

Subsequent to March 31, 2025 and up to the date of approval of the Scheme by the Board of Directors of the Transferor Company, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company.

5.2 The authorized and issued and paid-up share capital of the Transferee Company as on March 31, 2025:

| Particulars | Amount in INR |
|--|---------------|
| <u>Authorised share capital</u> | |
| 5,26,20,000 Shares of Rs. 10/- each | 52,62,00,000 |
| <u>Issued, subscribed and paid-up share capital</u> | |
| 1,93,08,800 Equity Shares of Rs. 10/- each | 19,30,88,000 |

Subsequent to March 31, 2025 and up to the date of approval of the Scheme by the Board of Directors of the Transferee Company, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company.

6. DATE OF TAKING EFFECT AND OPERATIVE DATE

6.1 The Scheme set out herein in its present form or with any modifications approved or imposed or directed by Hon'ble NCLT or any other appropriate authority shall be effective from the Appointed Date but shall be operative from the Effective Date.



PART II

MERGER OF THE TRANSFEROR COMPANY INTO THE TRANSFeree COMPANY

7. TRANSFER

- 7.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Transferor Company shall stand merged into the Transferee Company and its Undertaking shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, the Undertaking of the Transferee Company by virtue of and in the manner provided in the Scheme.
- 7.2 Subject to the provisions of the Scheme as specified hereinafter and with effect from the Appointed Date, the entire Undertaking(s) of the Transferor Company, including all the debts, liabilities, losses, duties and obligations, including those arising on account of taxation laws and other allied laws, of the Transferor Company, of every description and also including, without limitation, all the movable and immovable properties and assets, tangible or intangible assets (whether or not recorded in the books of account of the Transferor Company) of the Transferor Company comprising, amongst others, all freehold land, leasehold land, building, plants, motor vehicles, manufacturing facilities, laboratories, receivables, actionable claims, furniture and fixtures, computers, office equipment, electrical installations, generators, containers, telephones, telex, facsimile and other communication facilities and licenses, permits, entitlements, approvals, authorisations, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, business licenses, manufacturing licenses, permits, deposits, authorisations, approvals, registrations, insurance cover of every description, lease, tenancy rights, permissions, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, licenses including Export Oriented Unit licenses, Special Economic Zones registrations, marketing authorisations and other intellectual property rights, proprietary rights, title, interest, contracts, no objection certificates, deeds, bonds, consents, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages and benefits, approvals, filings, dossiers, copyrights, industrial designs, trade secrets, know-how, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, brand names, trade names and domain names, and all other interests in connection with or relating to and product registrations, applications and authorisations for product registrations, and all other interests exclusively relating to the goods or services shall under the provisions of Sections 230 to 232 of the Act, and pursuant to the orders of the NCLT, sanctioning the Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and Undertaking(s) of the Transferee Company.



8. ASSETS

- 8.1 Without prejudice to the generality of Clause 7 above, with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances of the Undertaking, of whatsoever nature and wherever situate, whether or not included in the books of the Transferor Company shall, subject to the provisions of this Clause in relation to the mode of vesting and pursuant to Sections 230 to 232 of the Act and without any further act, deed, matter or thing, be and stand transferred to and vested in or shall be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest authorities of the Transferee Company.
- 8.2 In respect of such of the assets of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery of possession, payment or by endorsement and delivery, the same may be so transferred by the Transferor Company, and shall become the property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act without requiring any deed or instrument of conveyance for transfer of the same.
- 8.3 In respect of such of the assets belonging to the Transferor Company other than those referred to in sub-clause (ii) above including sundry debts, receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall, as more particularly provided in sub-clause (i) above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- 8.4 Without prejudice to the generality of the Clause above, upon the coming into effect of the Scheme and with effect from the Appointed Date:
- a. All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and



other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

- b. The Transferor Company shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of the Scheme by NCLT under and in accordance with Sections 230 and 232 and all other applicable provisions, if any, of the Act, the said debtors should pay to the Transferee Company the debt, loan or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover or realize the same stands extinguished and vest with Transferee Company.
- c. All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the respective Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of the Scheme provided however that no onerous assets shall have been acquired by the Transferor Company after the Appointed Date without the consent of the Transferee Company as provided for in the Scheme.

9. LIABILITIES

- 9.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations (herein referred to as the "Liabilities"), shall, pursuant to the sanction of the Scheme by the NCLT under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as 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 and 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.



- 9.2 All debts, liabilities, duties and obligations of the Undertaking as on the Appointed Date, whether or not provided in the books of the respective Transferor Company, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of the Scheme.
- 9.3 Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.
- 9.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

10. LEGAL, TAXATION AND OTHER PROCEEDINGS

- 10.1 If any suit, appeal or other proceedings of whatsoever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the merger of the Transferor Company with the Transferee Company or anything contained in the Scheme, but the said suit, appeal, or other legal proceedings may be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company, as if the Scheme has not been made. In the event that the legal proceedings referred to herein require the Transferor Company and/or the Transferee Company to be jointly treated as parties thereto, the Transferee Company shall be added as party to such proceedings.
- 10.2 On and from the Effective Date, the Transferee Company may, if required, initiate any legal proceedings in relation to the rights, title, interest, obligations or liabilities or any nature whatsoever, whether under contract or law or otherwise, of the Transferor Company and to the same extent as would or might have been initiated by the Transferor Company.

11. EMPLOYEES

- 11.1 Upon the coming into effect of the Scheme, all staff, contractual and permanent employees of the Transferor Company, if any, who are in service on the Effective Date shall be deemed to have become the staff and employees (as the case may be) of the Transferee



Company, subject to the provisions hereof without any break in their service and on the basis of continuity of service and, on terms and conditions and shall in no event be less favorable than those applicable to them on which they are engaged by the Transferor Company as on the Effective Date and without any interruption of service as a result of the Merger. For the purpose of payment of any compensation, gratuity and other terminal benefits, the uninterrupted past services of such Transferor Company Employees with the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.

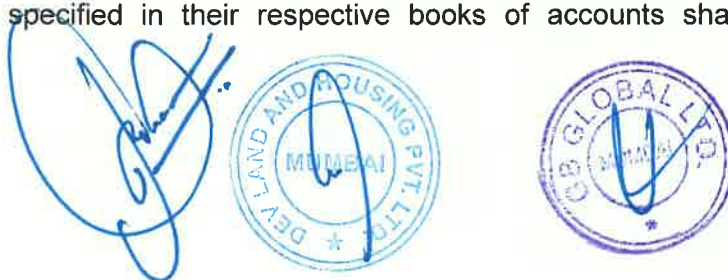
- 11.2 It is expressly provided that as far as the provident fund, gratuity fund, or any other special fund created or existing for the benefit of the employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for all the Transferor Company for all purposes whatsoever relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said schemes or funds in accordance with the provisions of such schemes or funds as per the terms provided in the respective trust deeds/other documents. To the end and intent that all the rights, duties, powers and obligations of all the Transferor Company in relation to such funds/schemes shall become those of the Transferee Company. It is clarified that the service of the employees of all the Transferor Company will be treated as having been continued for the purpose of the aforesaid funds or provisions.

12. TREATMENT OF TAXES

12.1 Upon the scheme becoming effective:

- i. To the extent required, the Transferor Company and the Transferee Company shall be permitted to revise and file their respective income tax returns, withholding tax returns (including Tax deducted at source certificates), sales tax, value added tax, service tax, central sales tax, entry tax, goods and services tax returns and any other tax returns: and
- ii. The Transferee Company shall be entitled to: (a) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of the Transferor Company, which may be allowable in accordance with the provisions of the IT Act on or after the Appointed Date: and (b) exclude items such as provisions, reversals, etc. for which no deduction or Tax benefit has been claimed by the Transferor Company prior to the Appointed Date.

- 12.2 Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of the Scheme, unabsorbed Tax depreciation, minimum alternate tax credit, if any, of the Transferor Company as on the Effective Date, shall for all purposes, be treated as unabsorbed Tax depreciation, minimum alternate tax credit of the Transferee Company. It is further clarified that any unabsorbed depreciation of the Transferor Company as specified in their respective books of accounts shall be included as



unabsorbed depreciation of the Transferee Company for the purposes of computation of minimum alternate tax.

- 12.3 Upon the Scheme becoming effective, the Transferee Company shall be entitled to claim refunds (including refunds or claims pending with the Tax authorities) or credits, with respect to Taxes paid by, for, or on behalf of, the Transferor Company under Applicable Law (including Tax laws).
- 12.4 Upon the Scheme becoming effective, all Taxes, cess, duties and liabilities (direct and indirect), payable by or on behalf of the Transferor Company, shall, for all purposes be treated as Taxes, cess, duties and liabilities, as the case may be, payable by the Transferee Company.
- 12.5 Upon the Scheme becoming effective, all unavailed credits and exemptions and other statutory benefits, including in respect of income Tax, CENVAT, customs, value added Tax, sales Tax, service tax, entry Tax and goods and service Tax to which the Transferor Company is entitled shall be available to and vest in the Transferee Company, without any further act or deed.
- 12.6 Any tax liability under the IT Act, or any other applicable Tax laws or regulations allocable to the Transferor Company whether or not provided for or covered by any Tax provisions in the accounts of the Transferor Company made as on the date immediately preceding the Effective Date, shall be transferred to the Transferee Company. Any surplus in the provision for Taxation or duties or levies in the accounts of the Transferor Company, including advance Tax and Tax deducted at source as on the close of business in India on the date immediately preceding the Effective Date will also be transferred to the account of the Transferee Company.
- 12.7 All Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company, pending or arising as at the Effective Date, shall be continued and/or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 12.8 Any refund under the IT Act or any other Tax laws related to or due to the Transferor Company consequent to the assessments made on to GB Global subsequent to the Appointed Date and including those for which no credit is taken as on the date immediately preceding the Effective Date, shall also belong to and be received by the Transferee Company.
- 12.9 Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including income Tax, sales Tax, service Tax, excise duty, customs duty, value added Tax, goods and service Tax and applicable state value added Tax) to which the Transferor Company is entitled to in terms of applicable Tax laws of the Union and State



Governments, shall be available to and vest in the Transferee Company from the Effective Date.

12.10 Any tax liabilities under the income-tax, wealth Tax, goods and service Tax, customs, central excise, Maharashtra value added Tax, central sales Tax, any other State sales Tax /value added Tax laws, service Tax, stamp laws, custom duty or other material applicable laws/ regulations [hereinafter in this Clause referred to as "Tax Laws"] dealing with Taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision made in the Accounts as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

12.11 All the expenses incurred by the Transferor Company and the Transferee Company in relation to the Merger of the Transferor Company with the Transferee Company in accordance with the Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the IT Act over a period of five (5) years beginning with the financial year in which the Scheme becomes effective.

12.12 Further, this clause of the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under tax laws, including Section 2(1B) of the IT Act, 1961. If any term(s) or provision(s) of the Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the IT Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the IT Act, 1961. Such modifications will, however, not affect the other clauses of the Scheme.

13. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

13.1 During the period between the approval of the Scheme by the Board of the Transferor Company and the Board of the Transferee Company and the Effective Date, the business of the Transferor Company shall be carried out with diligence and business prudence in the ordinary course consistent with past practice in good faith and in accordance with Applicable Law.

13.2 With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall not sell, transfer or alienate, charge, mortgage or encumber or otherwise deal with or dispose of any of its undertaking or any part thereof save and except in each case:

- a. if the same is in the ordinary course of business of as carried on by the Transferor Company as on the date of filing the Scheme with the NCLT; or
- b. if the same is expressly permitted by the Scheme; or
- c. if the prior written consent of the Board of Directors of the Transferee Company has been obtained.



- 13.3 Any income, profits or other funds of the Transferor Company will first be utilized to meet any current or expected liabilities of the Transferor Company, including any tax liabilities, or costs in relation to the Merger of the Transferor Company with the Transferee Company, before they are utilized for other purposes.
- 13.4 Save and except as otherwise specified in the Scheme, any income or profit accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company pertaining to the businesses and undertakings of the Transferor Company between the Appointed Date and the Effective Date shall for all purposes be treated as the income or profits or losses or expenditures as the case may be of the Transferee Company.
- 13.5 With effect from the Appointed Date and up to and including the Effective Date, in the event the Transferee Company distributes dividend (including interim dividend) or issues bonus shares or offers rights shares to its shareholders, shareholders of the Transferor Company shall be entitled to receive such dividend and bonus shares, and subscribe to such rights shares offered by the Transferee Company.
- 13.6 The Transferor Company shall not, without the prior written approval of the Board of Directors of the Transferee Company, utilize the profits, if any, for any purpose including declaring or paying any dividend.

14. SAVING OF CONCLUDED TRANSACTIONS

- 14.1 The transfer and vesting of the assets, liabilities and obligations appertaining/ relating to the Transferor Company, pursuant to the Scheme, and the continuance of the proceedings by or against the Transferee Company, under Clause 13 hereof shall not affect any transactions or proceedings already concluded by the Transferor Company, on and before the Appointed Date (subject to the terms of any agreement with the Transferee Company) to the end and intent that the Transferee Company accepts all acts, deeds, matters and things done and executed by and/ or on behalf of the Transferor Company, as acts, deeds and things done and executed by and on behalf of the Transferee Company.

15. INTER PARTY TRANSACTIONS

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

16. CORPORATE APPROVALS

- 16.1 The benefits of any and all corporate approvals as may have already been taken by the Transferor Company, under the Applicable Laws in respect of the Undertaking, whether being in the nature of compliances or otherwise, shall without any further act, instrument



or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company by operation of law, and the said corporate approvals and compliances shall be deemed to have originally been taken/complied with by the Transferee Company.

16.2 The resolutions, power of attorneys, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company including but not limited to the investment limits, borrowing limits and approvals for related party transactions.

17. CONTRACTS, DEEDS, RESOLUTIONS, LICENSES AND ETC.

17.1 With effect from the Appointed Date and upon the Scheme becoming effective, subject to applicable law, any statutory licenses, trademark, permissions, approvals, registration and/or consents held by the Transferor Company shall stand vested in the Transferee Company (save and except as otherwise specified in the Scheme) without any further act, deed, matter or thing and shall be appropriately registered with the statutory authorities concerned in favor of the Transferee Company. The benefit of all statutory and regulatory licenses, permissions, approvals, registration of the Transferor Company shall vest in and become available to the Transferee Company pursuant to the Scheme, provided that any statutory licenses, permissions, approvals, registration and/or consents held by the Transferor Company that are not required by the Transferee Company will, if required by applicable laws, be cancelled or surrendered by the Transferor Company.

17.2 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, schemes, guarantees, understandings, arrangements, writings and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible or for the obligations of which the Transferor Company may be liable, and which are subsisting or have effect immediately before the Appointed Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or oblige thereto.

17.3 Without prejudice to the other provisions of the Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of the Scheme itself, the Transferee Company may, at any time after the coming into effect of the Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any



writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of Part II of the Scheme, be deemed to be authorised to execute any such writings as a successor of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

17.4 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of the Scheme and subject to Applicable Law, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to any Governmental Authority as may be necessary in this behalf.

18. CONSIDERATION

18.1 Since the Transferor Company is a subsidiary of the Transferee Company, no consideration shall be payable pursuant to the Merger of the Transferor Company with the Transferee Company and therefore no equity shares of the Transferee Company shall be allotted in lieu or exchange of the holding of the Transferee Company in the Transferor Company (held directly and jointly with the nominee shareholders), and the shares held by the Transferee Company in the Transferor Company shall stand cancelled on the Effective Date without any further act, application or deed.

18.2 Upon the approval of the Scheme, the Transferee Company will provide an exit opportunity to all the Eligible Members of the Transferor Company, other than the Transferee Company, against the equity shares held by them, as per the Applicable.

18.2.1. As per the valuation determined by the Registered Valuer, the value of per Equity Share of the Transferor Company is INR 78.94/- (Indian Rupees Seventy-Eight and Ninety – Four Paise Only).

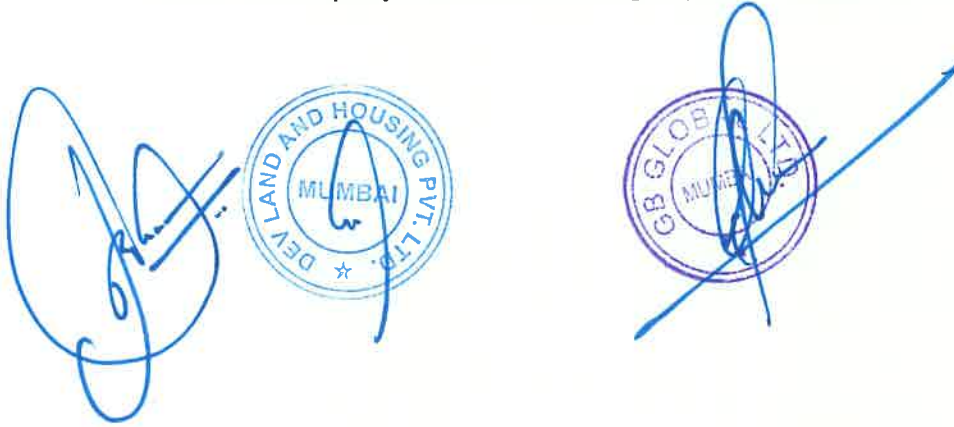
18.2.2. The Transferee Company shall pay an amount of INR 120/- (Indian Rupees One Hundred and Twenty Only) per equity share against the face value of INR 10/- (Indian Rupees Ten Only) each, held by the Eligible Member of the Transferor Company.

18.2.3. Further, The Transferee Company shall issue 1 (One) Redeemable Preference Shares (“RPS”) at a face value of INR 10/- (Indian Rupees Ten Only) each as fully paid up to the Eligible Members of the Transferor Company except the Transferee Company, against 1 (One) Equity Share at a face value of INR 10/- (Indian Rupees Ten Only) each held by them in the Transferor Company. The said RPS shall carry a dividend at the rate of 0.01 % per annum and shall have a tenure of ten years from the date of allotment which shall be redeemable at face value. The terms and conditions of the RPS is attached as “Annexure – A” to this Scheme.



18.3 This open offer, as mentioned above, shall form an integral part of the consideration. The unpaid amount of consideration payable to the shareholders of the Transferor Company to whom this offer is made, shall be treated in accordance with the applicable provisions of the Act, SEBI Regulations and other applicable laws.

18.4 The Clause 18.1, 18.2, 18.3, 18.4 pursuant to the treatment of the equity share capital of the Transferor Company shall form an integral part of the Scheme.



The image shows two sets of handwritten signatures and circular corporate seals in blue ink. The seal on the left is for 'DEVLAND AND HOUSING PVT. LTD. MUMBAI' and features a star at the bottom. The seal on the right is for 'GB GLOBAL PVT. LTD. MUMBAI' and also features a star at the bottom. Both seals are partially obscured by the signatures.

PART III

CHANGES TO THE SHARE CAPITAL OF THE TRANSFEROR COMPANY AND THE TRANSFREE COMPANY

19. CONSOLIDATION OF THE AUTHORISED SHARE CAPITAL OF THE TRANSFEROR COMPANY WITH THE SHARE CAPITAL OF THE TRANSFREE COMPANY

19.1 To give effect to the Scheme, the Authorized Share Capital of the Transferee Company shall be reclassified as mentioned herein below:

| Particulars | Amount (in INR) |
|--|---------------------|
| <u>Authorised share capital</u> | |
| 5,25,85,000 Equity Shares of Rs. 10/- each | 52,58,50,000 |
| 35,000 Preference Shares of Rs. 10/- each | 3,50,000 |
| Total | 52,62,00,000 |

19.2 Upon the Scheme becoming effective and pursuant to the reclassification/ reorganization of the resultant authorized share capital of the Transferor Company as set out in the Scheme but prior to payment of the consideration as set out under Clause 18 above, the resultant authorized share capital of the Transferor Company, shall be deemed to be added to the authorized share capital of the Transferee Company without any requirement of a further act or deed on the part of the Transferee Company (including payment of stamp duty and/ or fees payable to the relevant Registrar of Companies), such that upon the effectiveness of the Scheme, the authorised share capital of the Transferee Company without any further act, deed, resolution or writing shall be as under:

| Particulars | Amount (in INR) |
|---|-----------------------|
| <u>Authorized share capital</u> | |
| 16,25,75,000 Equity Shares of Rs. 10/- each | 1,62,57,50,000 |
| 35,000 Preference Shares of Rs. 10/- each | 3,50,000 |
| Total | 1,62,61,00,000 |

20. AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE TRANSFREE COMPANY

20.1 Pursuant to the consolidation and increase of authorised capital pursuant to Clause 19 above, the Memorandum of Association ("MOA") and Articles of Association ("AOA") of the Transferee Company (relating to the authorized share capital) shall, without any requirement of a further act, instrument or deed, be and stand altered, modified and amended, such that Clause 5 of the MOA shall be replaced by the following:

"The Authorised Share Capital of the Company is Rs. 1,62,61,00,000 (Indian Rupees One Hundred and Sixty-Two Crore Sixty-One Lakhs only) comprising of






16,25,75,000 equity shares of Rs. 10 (Indian Rupees Ten only) each and 35,000 preference shares of Rs. 10 (Indian Rupees Ten only) each.”

- 20.2 It is clarified that the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendments, reclassification and the increase of authorised capital of the Transferee Company pursuant to Clauses 19 and 20, and no further resolution(s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Act, if any, would be required to be separately passed.
- 20.3 It is clarified that the approval of the shareholders of the Transferor Company to the Scheme shall be deemed to be their consent/ approval to the reclassification of the authorized share capital envisaged under Clause 19(i) above as required under Sections 13, 61 and other applicable provisions of the Act.
- 20.4 In accordance with Section 232 (3)(i) of the Act and Applicable Law, the stamp duties and/or fees (including registration fee) paid on the authorised share capital of the Transferor Company shall be utilized and applied to the increased authorised share capital of the Transferee Company pursuant to Clause 19 and 20 above and no stamp duties and /or fees would be payable for the increase in the authorised share capital of the Transferee Company to the extent of the authorised share capital of the Transferor Company.
- 20.5 Upon the Scheme becoming effective, the issued, subscribed and paid-up share capital of the Transferee Company shall stand suitably increased consequent upon the issuance of new equity shares in accordance with the Scheme. It is clarified that no special resolution under Section 62 of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of Transferee Company Shares to the members of the Transferor Company under the Scheme and for the members of the Transferee Company approving the Scheme, it shall be deemed that they have given their consent to the issue of the Transferee Company Shares to the members of the Transferor Company in terms of the Scheme.

21. ACCOUNTING TREATMENT

- 21.1 The value of the assets and liabilities being transferred to and vesting in the Transferee Company in accordance with the Scheme shall be on the basis of the value appearing in the balance sheets of all the Transferor Company as on the Appointed Date.
- 21.2 Transferee Company shall account for the merger in its books using “**Pooling of Interest Method**” as per the accounting method prescribed under the Accounting Standard (AS) 14 issued by the Institute of Chartered Accountants of India. All the conditions prescribed in the nature of merger under the Accounting Standard (AS) 14 shall be fulfilled.
- 21.3 Further the Transferee Company, shall upon the Scheme coming into effect, record, as regards all the assets, liabilities, retained earnings and liabilities of the Transferor



Company, vested in the same form as appearing in the consolidated financial statements of the Transferee Company.

21.4 Pursuant to the merger of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company, if any, appearing in the books of the Transferee Company shall stand cancelled.

21.5 Upon coming into effect of the Scheme, to the extent that there are inter-company loans, advances, receivables, payables, deposits, balances or other obligations as between all the 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 account and records of the Transferee Company for the reduction of any assets or liabilities as the case may be. For the removal of doubt, it is clarified that in view of the above, there would be no accrual of interest or other charges in respect of any such inter-company loans, advances, deposits, balances or other obligations.

22. DISSOLUTION

22.1 Upon the coming into effect of the Scheme, the Transferor Company shall stand dissolved without being wound up on such terms and the jurisdictional NCLT and/or any other appropriate/competent authority for sanctioning the Scheme may direct or determine.

22.2 Upon the coming into effect of the Scheme, the Transferor Company shall be struck off from the records of the respective Registrar of Companies and shall also be removed from both the stock exchanges pursuant to the Applicable Laws and the Scheme shall be deemed to be the consent/ approval for the same.

22.3 Further, the Transferor Company shall comply with all the procedural requirements and steps specified under the Delisting Regulations, including those under Chapter IV thereof, and shall submit all necessary documents, declarations and confirmations as may be required by the Securities and Exchange Board of India, the Stock Exchanges and any other competent authority in connection with the proposed delisting. Further, the complete checklist required for obtaining the in-principle approval for the proposed delisting of the Equity Shares of the Transferor Company, as prescribed by the Stock Exchanges shall be complied with and upon completion of the entire process of delisting with the Stock Exchanges, the equity shares of the Transferor Company shall stand cancelled, delisted and shall be exchanged for RPS as specified in Clause 18 above.

22.4 Further, the Transferor Company has no intend to circumvent any of the provisions of SEBI Delisting Regulations and shall comply with all its relevant provisions.



A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "DEVLAND AND HOUSING PVT. LTD." around the perimeter and "MUMBAI" in the center. There are two small stars on either side of the word "MUMBAI".



PART IV

GENERAL TERMS AND CONDITIONS

The provisions of this Part shall be applicable to Part I, Part II and Part III of the Scheme

23. APPLICATION TO THE NCLT

23.1 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications/ petitions to the NCLT respectively and/or any other appropriate/ competent authority for sanctioning the Scheme under Sections 230 to 232 and other applicable provisions, if any, of the Act, for an order or orders thereof for carrying the Scheme into effect and for dissolution of the Transferor Company.

24. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

24.1 Subject to approval of NCLT, the Transferor Company and the Transferee Company by their respective Board of Directors (the "**Board**", which term shall include any duly constituted committee thereof), may assent to make and/or consent to any modifications/ amendments to the Scheme or to any conditions or limitations that the NCLT and/or any other authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board). The Transferor Company and the Transferee Company by their respective Board be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise however arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith.

24.2 If any part of the Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to any of the Companies or their respective shareholders or creditors, in which case the Scheme will be modified to such extent, as will best preserve for them the benefits and obligations of the Scheme, including but not limited to such part.

24.3 For the removal of doubts, it is hereby clarified that withdrawal by any one or more of the Transferor Company from the Scheme shall not prejudicially affect the implementation of the Scheme between the remaining Transferor Company and the Transferee Company as if the party withdrawing from the Scheme was never a party to the Scheme in that behalf.

24.4 In the event, if any regulatory authority requires any variation in the Scheme, only the specific provisions so directed shall be modified and all the other provisions of the Scheme shall remain unchanged.



25. CONDITIONALITY OF THE SCHEME

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

- i. the Scheme being approved by the respective requisite majorities of the various classes of members (passed through postal ballot/ e-voting, as applicable) and creditors (where applicable) of the Transferor Company and the Transferee Company, as required under the Act and the SEBI Scheme Circular or as may be directed by the Hon'ble NCLT or any other appropriate authority as may be applicable except to the extent as may be waived by the Court and/or any other competent authority as may be applicable;
- ii. sanctions and orders under Sections 230 to 232 and other applicable provisions, if any, of the Act being obtained from the benches of NCLT at Mumbai, Maharashtra or any other appropriate authority in favor of the Transferor Company and the Transferee Company;
- iii. the certified copy of the orders of the NCLT sanctioning the Scheme having being filed with the Registrar of Companies, Mumbai;
- iv. Conversion of the Transferee Company into an unlisted public limited company from a private limited company for the purpose of implementation of the scheme.
- v. the requisite consent, approval or permission of statutory or regulatory authorities, if any, which by law may be necessary for the implementation of the Scheme, being obtained, including approvals as may be required from 'any other authority'.
- vi. The scheme is conditional upon scheme being approved by the public shareholders through e-voting in terms of Part – I (A) (10)(a) of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and the scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

26. EFFECT OF NON-RECEIPT OF APPROVALS

26.1 In the event, any of the said sanctions and approvals referred to in Clause above not being obtained and/ or the Scheme not being sanctioned by the NCLT or such other appropriate authority, if any, the Scheme shall stand revoked, cancelled and no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as if specifically provided for in the Scheme or as may otherwise arise in law and agreed between some or all of the respective parties to the Scheme.



27. COSTS, CHARGES AND EXPENSES

27.1 All costs, charges, taxes including duties, levies and other expenses, if any (save as expressly otherwise agreed) arising out of, in connection to or in relation to or incurred in carrying out and implementing the Scheme and to put it into operation shall be borne and paid by the Transferee Company. In case the amount of cost, charges and expenses are in excess of the cash available with the Transferee Company.

28. DIFFERENCES

28.1 In case any doubt or difference or issue (in relation to the Scheme) arises between the Transferor Company and the Transferee Company, any of their shareholders, creditors, employees or persons, entitled to or claiming any right to any Equity Shares in the Transferee Company or as to the interpretation of any term of the Scheme or implementation of the Scheme, after the Scheme becomes effective, then the Board of Directors of the Transferee Company shall resolve all such disputes and its decision shall be final and binding on all concerned.



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Handwritten signature in blue ink next to a circular stamp. The stamp contains the text "GB GLOBAL PVT. LTD." around the top edge, "MUMBAI" in the center, and a small star at the bottom.

ANNEXURE – A

TERMS AND CONDITIONS OF REDEEMABLE PREFERENCE SHARES (“RPS”)

| Sr. No. | Particulars | Terms and Conditions |
|---------|--------------------------------------|--|
| 1. | Face Value | INR 10/- (Indian Rupees Ten only) each |
| 2. | Nature of RPS | Unlisted, Redeemable, Non-Cumulative and Non-Participating Preference Shares |
| 3. | Dividend and Repayment Clause | (i) Carry a preferential right vis-à-vis equity shares of the Transferee Company with respect to payment of dividend and repayment in case of winding up or repayment of capital; (ii) Dividend shall be non-cumulative and paid every year; and (iii) Further, RPS shall have a rank above the current and future preference shares for the following: payment of dividend, redemption and liquidation. |
| 4. | Participation in Surplus Fund | RPS shall be non-participatory in the surplus assets and profits which may remain after the entire capital has been repaid, on winding up of the Company |
| 5. | Rate of Dividend | 0.01 % per annum |
| 6. | Redemption | The redemption of RPS shall be in the following manner: (i) The tenure of RPS is 10 years from the date of allotment or as varied after due approval of preference shareholder(s) as required under the Applicable Law. At the expiry of 10 years from the date of allotment of RPS, if any RPS is not redeemed, then it shall be redeemed by the Transferee Company, subject to the provisions of the Applicable Law; |
| 7. | Conversion Clause | Non-Convertible |
| 8. | Voting Rights | RPS shall carry voting rights as per the provisions of Section 47(2) of the Companies Act, 2013. |
| 9. | Transferability | Subject to the terms of RPS and Applicable Law, holders of RPS shall be entitled to assign or transfer their rights and obligations in the RPS allotted to them. |
| 10. | Exit Option to holders of RPS | The Transferee Company will make reasonable efforts to appoint a third party who is willing to purchase either by itself or make arrangement for prospective investors who will purchase the RPS issued and allotted to the Shareholders of the Transferor Company pursuant to this Scheme. The said third party, if appointed by the Transferee Company, may choose to buy whole or part of the RPS allotted under this Scheme. In case of part purchase, every holder of RPS shall be given an option to |



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| | | <p>sell proportionate RPS held by them. The price at which such sale may happen shall not be less than the price at which the RPS were to be redeemed as per the provisions of the Applicable Law on the date when such sale would be consummated. The said third party shall have the same rights and obligations as the holders of RPS had before such sale. The holders of RPS who are keen to sell their respective RPS may be required to give relevant representations and warranties in this regard, including title, encumbrance on such preference shares. It is hereby clarified that the aforementioned is not an obligation on the Transferee Company.</p> |
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A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "DEVLAND AND HOUSING PVT. LTD." around the top edge, "MUMBAI" in the center, and a small star at the bottom.



A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "GLOBAL LTD." around the top edge.