NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH
CORPORATE BHAWAN, PLOT NO. 4-B
GROUND FLOOR, SECTOR 27-B, MADHYA MARG,
CHANDIGARH-160019

No.NCLT/Reg./FO/2024/...772..... **Date..13/09/24....**

CP (CAA) No.34/Chd/Pb/2023

Under Sections 230-232 of the Companies Act, 2013 read with the Rule 15 Companies (Compromises, Arrangement and Amalgamation Rules), 2016

<u>In the matter of scheme of Amalgamation:</u>

To

1. **BELCO SPECIAL STEELS PRIVATE LIMITED**
   CIN: U74999PB2019PTC050154
   PAN: AAICB7084Q
   having its registered office at
   Village Turan, Amloh Road,
   Opposite Simran Steel Ind,
   Mandi Gobindgarh Fatehgarh Sahib,
   Punjab-147301

... Transferor Company 1/ Petitioner Company 1

And

2. **PARKASH MULTIMETALS PRIVATE LIMITED**
   CIN: U27100PB2011PTC035331
   PAN: AAGCP1477P
   having its registered office at
   447, Sector-3C, G.T. Road,
   Mandi Gobindgarh Fatehgarh Sahib,
   Punjab-147301

... Transferor Company 2/ Petitioner Company 2

And

3. **BEHARI LAL ISPAT PRIVATE LIMITED**
   CIN: U27109PB1995PTC016490
   PAN: AABCB7953P

राष्ट्रीय कम्पनी विधि अधिकरण
National Company Law Tribunal
चण्डीगढ बैंच
Chandigarh Bench

having its registered office at
Village – Salani, Amloh Road,
Mandi Gobindgarh,
Punjab-147301

... Transferee Company/ Petitioner Company 3

Please find enclosed herewith formal order as per Form No. CAA 7 of Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 containing the directions of the Hon'ble National Company Law Tribunal, Chandigarh for compliance in terms of order dated 22.08.2024.

11.09.24

(P.K. Tiwari)
Designed Registrar

राष्ट्रीय कम्पनी विधि अधिकरण
National Company Law Tribunal
सत्यमेव जयते
चण्डीगढ़ बैंच
Chandigarh Bench

FORM No. CAA.7
(Pursuant to section 232 and rule 20)
Before the National Company Law Tribunal,
Chandigarh Bench, Chandigarh

CP (CAA) No.34/Chd/Pb/2023

Under Sections 230-232 of the Companies Act, 2013 read with the Rule 15 Companies (Compromises, Arrangement and Amalgamation Rules), 2016

<u>In the matter of scheme of Amalgamation:</u>

To

1. **BELCO SPECIAL STEELS PRIVATE LIMITED**
   CIN: U74999PB2019PTC050154
   PAN: AAICB7084Q
   having its registered office at
   Village Turan, Amloh Road,
   Opposite Simran Steel Ind,
   Mandi Gobindgarh Fatehgarh Sahib,
   Punjab-147301

... Transferor Company 1/ Petitioner Company 1

And

2. **PARKASH MULTIMETALS PRIVATE LIMITED**
   CIN: U27100PB2011PTC035331
   PAN: AAGCP1477P
   having its registered office at
   447, Sector-3C, G.T. Road,
   Mandi Gobindgarh Fatehgarh Sahib,
   Punjab-147301

... Transferor Company 2/ Petitioner Company 2

And

3. **BEHARI LAL ISPAT PRIVATE LIMITED**
   CIN: U27109PB1995PTC016490
   PAN: AABCB7953P
   having its registered office at
   Village – Salani, Amloh Road,
   Mandi Gobindgarh,
   Punjab-147301

... Transferee Company/ Petitioner Company 3

Upon the above petition coming up for hearing on 22nd August, 2024 and upon reading the said petition, compliance affidavit submitted by the Petitioner Companies and hearing Learned Advocate for the petitioner companies and after carefully perusing the records, the National company Law Tribunal approved the 'scheme' with the clarification that this order should not be construed as approval by any statutory authorities viz. RBI, SEBI, CCI etc. or any sectoral regulator; or construed as an order in any way granting exemption from payment of stamp duty, taxes or any other charges or payment, if any, due or required in accordance with law or in respect to any permission/ compliance with any other requirement, which may be specifically required under any law. Further, the approval of the scheme would in no manner affect the tax treatment of the transactions under the Income Tax Act, 1961, or serve as any exemption or defense for the Petitioner Company against Tax Treatment in accordance with the provisions of the Income Tax Act, 1961 and the rules and regulations made there under.

THIS TRIBUNAL DO FURTHER ORDER:

1. Upon the sanction becoming effective from the appointed date of amalgamation i.e. 01.04.2022, the Transferor Company 1 and 2 shall stand dissolved without undergoing the process of winding up;

2. All the property, rights and powers of the Transferor Company 1 and 2 be transferred, without further act or deed, to the Transferee Company and accordingly, the same shall pursuant to Sections 230 & 232 of the Act, be transferred to and vested in the Transferee Company for all the estate and interest of the Amalgamating Companies, but subject nevertheless to all charges now affecting the same;
3. All the liabilities and duties of the Transferor Company 1 and 2 be transferred, without further act or deed, to the Transferee Company and accordingly the same shall pursuant to Sections 230 to 232 of the Act, be transferred to and become the liabilities and duties of the Transferee Company;
4. The authorized share capital of the Transferee Company, after the Scheme becoming effective, shall be in accordance with Section 232(3)(i) of the Companies Act, 2013 and the fee, if any, paid by the 1 and 2 Company on its authorized capital shall be set off against any fees payable by the Transferee Company on its authorized capital subsequent to the amalgamation;
5. The Transferee Company shall, without further application, allot to the existing members of the Amalgamating Companies, shares of Transferee Company to which they are entitled under the Scheme;

6. All proceedings pending, if any, by or against the Transferor Company 1 and 2 be continued by or against the Transferee Company;
7. All the employees of the Transferor Company 1 and 2 shall be deemed to have become the employees and the staff of the Transferee Company with effect from the Appointed Date, and shall stand transferred to the Transferee Company without any interruption of service and on the terms and conditions no less favourable than those on which they are engaged by the Amalgamating Companies, as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans and any other retirement benefits;
8. All the tax liabilities and all the pending appeals and proceedings under the Income Tax Act, if pending against the Transferor Company 1 and 2 is transferred to the Transferee Company and shall be enforced and continued against the Transferee Company and all compliances under Income Tax Act, 1961 shall be made by Transferee Company after the Appointed Date. Further, the Income Tax department is permitted to retain its recourse for recovery in respect of demand and any other future liabilities of the Transferor Company 1 and 2 as well as the Transferee Company, in respect of the assets sought to be transferred under the proposed scheme. The Transferee Company are also directed to discharge the outstanding demand, if any, found later against the Transferor Company 1 and 2.
9. The Transferee Company will clear all the pending statutory dues after exercising all Appellate jurisdictions and as per final orders. The Scheme shall not come in the way of the statutory authorities to recover any of their dues. All the contentions of the parties shall remain open before the relevant forum(s), where disputes are pending;
10. Any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary;

Dated: 22.08.2024
(By the Tribunal)

11.09.24
(P.K. Tiwari)
Designated Registrar
National Company Law Tribunal,
Chandigarh Bench

राष्ट्रीय कम्पनी विधि अधिकरण National Company Law Tribunal सत्यमेव जयते चण्डीगढ़ बैंच

SCHEDULE OF PROPERTIES
(attached as supplied by the Transferor Company)

ANNEXURE- B

SCHEDULE OF ASSETS AND LIABILITIES

OF

BELCO SPECIAL STEELS PRIVATE LIMITED

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("TRANSFEROR COMPANY 1")

AS ON APPOINTED DATE I.E. 01st APRIL, 2022

PART – I

Short description of Free hold property

1.	Free hold Immovable Property	80 Kanal 53 Marlas , Khata No 5/7 & Khasra Na 159/220, At Village- Turan, Amloh Road, Mandi Gobindgarh

PART – II

Short description of Lease hold property

1.	Lease hold Immovable Property	NIL

PART – III

Short description of all stock, shares, debentures and other charges in action

NON-CURRENT ASSETS

S. No.	Particulars	Amount (Rs. in lakhs)
1.	Property, plant and equipment	2,746.58
2.	Capital Work in Progress	57.68
3.	Other non-current assets	142.80
	Total	**2,947.06**

For Belco Special Steels Private Limited

Director

For Parkash Multimetals (P) Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

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राष्ट्रीय कम्पनी विधि अधिकरण
National Company Law Tribunal
चण्डीगढ़ बेंच
Chandigarh Bench

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CURRENT ASSETS

S. No.	Particulars	Amount (Rs. in lakhs)
1.	Inventories	1,218.32
2.	Trade Receivables	700.58
3.	Cash and cash equivalents	9.06
4.	Other Current Assets	684.63
	Total	**2,612.61**

*Bank Accounts Details

S. No.	Name of Bank & Branch	Type of Account	Account No.
	HDFC BANK LTD, POST OFFICE ROAD, MANDI GOBINDGARH-147301 (PUNJAB)	CASH CREDIT	50200045782557
	HDFC BANK LTD, POST OFFICE ROAD, MANDI GOBINDGARH-147301 (PUNJAB)	CURRENT ACCOUNT	50200067128618
	HDFC BANK LTD, POST OFFICE ROAD, MANDI GOBINDGARH-147301 (PUNJAB)	CURRENT ACCOUNT	50200051483881
	HDFC BANK LTD,	TERM LOAN	85334456

For Belco Special Steels Private Limited

Director

For Parkash Multimetals (P) Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

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	POST OFFICE ROAD, MANDI GOBINDGARH-147301 (PUNJAB)		

PART – IV

OTHER EQUITY

S. No.	Particulars	Amount (Rs. in lakhs)
1.	Retained earnings	22.73

PART – V

NON-CURRENT LIABILITIES

S. No.	Particulars	Amount (Rs. in lakhs)
1.	Borrowings	2,405.85
2.	Deferred Tax Liabilities (Net)	39.77
	Total	**2,445.62**

PART – VI

CURRENT LIABILITIES

S. No.	Particulars	Amount (Rs. in lakhs)
1.	Borrowings	212.58
2.	Micro & Small enterprises	236.70
3.	Other than Micro & Small Enterprises	916.57
4.	Other Current Liabilities	31.45
	Total	**1,397.32**

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For Belco Special Steels Private Limited
Director

For Parkash Multimetals (P) Ltd.
Director

For Behari Lal Ispat (P) Ltd.
Director

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National Company Law Tribunal
चण्डीगढ़ बैंच
Chandigarh Bench

SCHEDULE OF ASSETS AND LIABILITIES

OF

PARKASH MULTIMETALS PRIVATE LIMITED

("TRANSFEROR COMPANY 2")

AS ON APPOINTED DATE I.E. 01st APRIL, 2022

PART – I

Short description of Free hold property

1.	Free hold Immovable Property	NIL

PART – II

Short description of Lease hold property

1.	Lease hold Immovable Property	Sector- 3C , Main Chowk, SCO- 447, G T Road, Mandi Gobindgarh - 147301 (Punjab)
2.	Lease hold Immovable Property	Godown at G.T. Road, Ambey Majra, Near Guru Nank Kanda, Mandi Gobindgarh -147301 (Punjab)
3.	Lease hold Immovable Property	Office Cum Godown at Dhandari kalan, Ludhiana (Punjab)

For Belco Special Steels Private Limited

Director

For Parkash Multimetals (P) Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

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PART – III

Short description of all stock, shares, debentures and other charges in action

NON-CURRENT ASSETS

S. No.	Particulars	Amount (Rs. in lakhs)
1.	Property, plant and equipment	8.28
2.	Investments	742.31
3.	Deferred Tax Assets (Net)	1.10
	Total	**751.70**

CURRENT ASSETS

S. No.	Particulars	Amount (Rs. in lakhs)
1.	Trade Receivables	73.51
2.	Cash and cash equivalents	27.35
3.	Other Current Assets	95.38
	Total	**196.25**

***Bank Accounts Details**

S. No.	Name of Bank & Branch	Type of Account	Account No.
	HDFC BANK LTD, POST OFFICE ROAD, MANDI GOBINDGARH-147301 (PUNJAB)	CURRENT ACCOUNT	50200059602766

For Belco Special Steels Private Limited

Director

For Parkash Multimetals (P) Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

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PART – IV

OTHER EQUITY

S. No.	Particulars	Amount (Rs. in lakhs)
1.	Retained earnings	889.86

PART – V

CURRENT LIABILITIES

S. No.	Particulars	Amount (Rs. in lakhs)
1.	Micro & Small enterprises	0.44
2.	Other than Micro & Small enterprises	0.21
3.	Provisions	21.45
4.	Other Current Liabilities	5.98
Total		**28.09**

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For Belco Special Steels Private Limited

Director

For Parkash Multimetals (P) Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

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ANNEXURE – P/1 6

SCHEME OF ARRANGEMENT FOR AMALGAMATION

AMONGST

BELCO SPECIAL STEELS PRIVATE LIMITED

("TRANSFEROR COMPANY 1")

AND

PARKASH MULTIMETALS PRIVATE LIMITED

("TRANSFEROR COMPANY 2")

AND

BEHARI LAL ISPAT PRIVATE LIMITED

("TRANSFEREE COMPANY")

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

FOR AMALGAMATION OF

BELCO SPECIAL STEELS PRIVATE LIMITED

("TRANSFEROR COMPANY 1")

AND

PARKASH MULTIMETALS PRIVATE LIMITED

("TRANSFEROR COMPANY 2")

WITH

BEHARI LAL ISPAT PRIVATE LIMITED

("TRANSFEREE COMPANY")

UNDER THE PROVISIONS OF SECTION 230 TO 232 OF THE COMPANIES ACT, 2013

For Belco Special Steels Private Limited

Director

For Parkash Multimetals Pvt. Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

राष्ट्रीय कम्पनी विधि अधिकरण
National Company Law Tribunal
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PARTS OF THE SCHEME

This Scheme is divided into the following parts:

1. **Part I:**

   This part of Scheme contains general provisions applicable as used in this Scheme including Definitions and Capital Structure of the Companies.

2. **Part II:**

   This part of Scheme deals with Amalgamation of Belco Special Steels Private Limited ("Transferor Company 1")andParkash Multimetals Private Limited ("Transferor Company 2")withBehari Lal Ispat Private Limited ('Transferee Company')in accordance with the provisions of Section 230 – 232of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

3. **Part III:**

   This part of Scheme deals with the Accounting Methodology adopted for the Amalgamation.

4. **Part IV:**

   This part of Scheme contains miscellaneous provisions i.e. application/petition to Hon'ble National Company Law Tribunal ("NCLT") of relevant jurisdiction and conditionality of Scheme.

For Belco Special Steels Private Limited
Director

For Parkash Multimetals Pvt. Ltd.
Director

For Behari Lal Ispat (P) Ltd.
Director

राष्ट्रीय कम्पनी विधि अधिकरण National Company Law Tribunal चण्डीगढ़ बेंच Chandigarh Bench

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SCHEME OF ARRANGEMENT FOR AMALGAMATION

UNDER THE PROVISIONS OF SECTION 230 TO 232 OF THE COMPANIES ACT, 2013

AMONGST

BELCO SPECIAL STEELS PRIVATE LIMITED

("TRANSFEROR COMPANY 1")

AND

PARKASH MULTIMETALS PRIVATE LIMITED

("TRANSFEROR COMPANY 2")

AND

BEHARI LAL ISPAT PRIVATE LIMITED

("TRANSFEREE COMPANY")

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

A. AN OVERVIEW OF SCHEME OF ARRANGEMENT

This Scheme of Arrangement is presented under the provisions of Section 230 - 232 of the Companies Act, 2013 (as defined hereinafter) and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (as defined hereinafter) before the National Company Law Tribunal of relevant jurisdiction, for Amalgamation ofBelco Special Steels Private Limited ("Transferor Company 1") and Parkash Multimetals Private Limited ("Transferor Company 2") with Behari Lal Ispat Private Limited ('Transferee Company').

B. BACKGROUND AND DESCRIPTION OF COMPANIES

1. **Belco Special Steels Private Limited (herein after also referred to as 'BSSPL' or 'Transferor Company 1')**, bearing CIN U74999PB2019PTC050154 was incorporated on 23rd October, 2019 under the provisions of Companies Act, 2013 as a Private Limited Company with the name & style of Belco Special Steels Private Limited. The Registered office of the TransferorCompany 1 is presently situated at Village Turan, Amloh Road, Opposite Simran Steel Ind, MandiGobindgarhFatehgarh Sahib, Punjab - 147301. The Transferor Company 1 is engaged in

For Belco Special Steels Private Limited

Director

For Parkash Multimetals Pvt. Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

the business of Manufacturing of Alloy and Carbon Steels in various sections - Round, Flat, Hex and Square.

2. **Parkash Multimetals Private Limited(herein after also referred to as 'PMPL' or 'Transferor Company2'),** bearing CIN U27100PB2011PTC035331 was incorporated on 01st August, 2011 under the provisions of Companies Act, 1956 as a Private Limited Companywith the name & style ofParkash Multimetals Private Limited.The Registered office of the TransferorCompany2is presently situated at 447 sector - 3 - C G. T. Road MandiGobindgarhFatehgarh Sahib, Punjab - 147301. The Transferor Company 2 is engaged in the business of Trading of Iron & Steel.

3. **Behari Lal Ispat Private Limited (herein after also referred to as 'BLIPL' or 'Transferee Company')** bearingCIN U27109PB1995PTC016490 was incorporated on 23rd May, 1995 as a private limited company under the provisions of Companies Act, 1956with the name & style of Behari Lal Ispat Private Limited. The registered office of the Transferee Companyis presently situated at Village - SalaniAmloh Road MandiGobindgarh, Punjab - 147301. Transferee Company is the manufacturer of high quality / business services such as Forging Rolls, Alloy and Non-Alloy Ingots and Castings etc.

C. RATIONALE FOR THE SCHEME OF ARRANGEMENT

- Transferor Companies and Transferee Company are engaged in same segment of business.Hence, under this Scheme, the Amalgamation of the Transferor Companies into the Transferee Company would enable the Transferee Company to consolidate all the business activities pertaining to the said Transferor Companies into one single entity i.e. the Transferee Company. Further, the management of the Transferee Company would be strengthened as the management of the Transferor Companies and the Transferee Company would be clubbed into the Transferee Company, which would thereby ensure effective management of the affairs of the Transferor Companies and Transferee Company subsequent to their amalgamation. The said amalgamation would also result in streamlining the group structure especially by combining all of them into one single entity and would provide several benefits such as easing the regulatory, statutory and compliance requirements of all the companies and would also work to the advantage of the shareholders of the Companies as the said amalgamation would result in rationalizing the costs/expenses incurred.

For Belco Special Steels Private Limited — Director

For Parkash Multimetals Pvt. Ltd. — Director

For Behari Lal Ispat (P) Ltd. — Director

राष्ट्रीय कम्पनी विधि अधिकरण National Company Law Tribunal चण्डीगढ़ बेंच Chandigarh Bench

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- The amalgamation will contribute in furthering and fulfilling the objectives and business strategies of the companies thereby accelerating growth, expansion and development of the respective businesses through the Transferee Company. The amalgamation will thus enable further expansion of the Transferee Company and provide a strong and focused base to undertake the business more advantageously. Further, this arrangement would bring concentrated management focus, integration, streamlining of the management structure, seamless implementation of policy changes and shall also help to enhance the efficiency and control of the Transferor Companies and Transferee Company.
- Further, the independent operations of the Transferor Companies and Transferee Company leads to incurrence of significant costs, duplication of administrative & establishment costs and the amalgamation would enable economies of scale by attaining critical mass and achieving cost savingand better financial management of resources. The amalgamation will thus eliminate a multi-layered structure and reduce managerial overlaps, which are necessarily involved in running multiple entities and also prevent cost duplication that can erode financial efficiencies of a holding structure and the resultant operations would be substantially cost-efficient. This Scheme would result in simplified corporate structure of the Transferee Company and its businesses, thereby leading to more efficient utilization of capital and creation of a consolidated base for future growth of the Transferee Company.
- The Amalgamation of Transferor Companies and Transferee Company will create synergy benefits for the stakeholders of both the companies and it shall optimize the valuation of the consolidated Transferee Company. The amalgamation would also increase operational efficiency and integrate business functions.
- The proposed arrangement will provide greater integration and flexibility to the Transferee Company and strengthen its position in the industry, in terms of the asset base, revenues and service range.
- The other benefits of the proposed amalgamation include:
  I. Optimum and efficient utilization of financial resourcesand rationalization of capital, resources, assets and facilities;
  II. Enhancement of competitive strengths including financial resources;
  III. Obtaining synergy benefits;
  IV. Better management and focus on growing the businesses;
  V. Reduction of overheads, administrative, managerial and other expenditure.

For Belco Special Steels Private Limited
Director

For Parkash Multimetals Pvt. Ltd.
Director

For Behari Lal Ispat (P) Ltd.
Director

राष्ट्रीय कम्पनी विधि अधिकरण
National Company Law Tribunal
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Chandigarh Bench

VI. Simplify shareholding structure and reduce shareholding tiers.

D. The Board of Directors of all the Companies, therefore, considered it desirable and expedient to amalgamate the Transferor Companies withthe Transferee Company.

E. The amalgamation of the Transferor Companieswith the Transferee Company, pursuant to and in accordance with this Scheme, under Section 230, -232 and other relevant provisions of the Companies Act, 2013and applicable Rules of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, subject to sanction of Hon'ble National Company Law Tribunal (NCLT) of relevant jurisdiction, shall take place with effect from the Appointed Date and shall be in compliancewith Section 2(1B) of the Income Tax Act, 1961.

For Belco Special Steels Private Limited

Director

For Parkash Multimetals Pvt. Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

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PART-I

DEFINITIONS AND SHARE CAPITAL

1. **DEFINITIONS:**

In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the same meanings as set out herein below:

1.1. **"Act"**: means the Companies Act, 2013, and will include any statutory modifications, re-enactments or amendments thereof.

1.2. **"Applicable Law(s)"**: means (a) all the applicable statutes, notification, enactments, act of legislature, bye-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or other instructions having force of law enacted or issued by any Appropriate Authority including any statutory modifications or re-enactment thereof for the time being in force (b) administrative interpretations, writs, injunctions, directions, directives, judgments, arbitral awards, decree, orders, or governmental approvals of, or agreement with, any relevant authority, as may be in force from time to time.

1.3. **"Appointed Date"**: means 1st April, 2022being the date with effect from which the Scheme shall be applicable or such other date as may be approved by the Hon'ble Tribunal or any other competent authority.

1.4. **"Board" or "Board of Directors"**: shall have the same meaning as under the Act.

1.5. **"Companies"**: Transferor Companies and Transferee Company are collectively referred as Companies.

1.6. **"Effective Date"**: means the date on which certified copy of the order(s) of theNational Company Law Tribunal (NCLT) under Sections 230 and 232 of the Companies Act, 2013 sanctioning the Scheme, is filed with the Registrar of Companies after obtaining the sanctions, orders or approvals referred to in Clause 2 of PART-IV of this Scheme.

Any references in this Scheme to the words "*upon the Scheme becoming effective*" or "*effectiveness of this Scheme*" or "*date of coming into effect of the Scheme*" or "*Scheme coming into effect*" shall mean the Effective Date.

For Belco Special Steels Private Limited
Director

For Parkash Multimetals Pvt. Ltd.
Director

For Behari Lal Ispat (P) Ltd.
Director

राष्ट्रीय कम्पनी विधि अधिकरण
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Chandigarh Bench

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1.7. **"Law" or "Applicable Law"** includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, tribunal or court.

1.8. **"NCLT" or "National Company Law Tribunal":** means the National Company Law Tribunal of relevant jurisdiction, or any other appropriate forum or authority empowered to approve the Scheme as per the law for the time being in force.

1.9. **'Official Liquidator'** or **'OL'**: means Official Liquidator having jurisdiction over the Transferor Companies.

1.10. **"Registrar of Companies" or "RoC":** means the Registrar of Companies, having territorial jurisdiction over the Transferor Companies and the Transferee Company.

1.11. **"Record Date'** means the dates to be fixed by the Board of Directors of the Transferee Company, after the effective date, with reference to which the eligibility of the equity shareholders of the Transferor Companies, for the purposes of issue and allotment of shares of the Transferee Company, in terms of the scheme, shall be determined.

1.12. **"Rules":** means the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

1.13. **"Scheme"** or **"Scheme of Amalgamation": means this Scheme of Arrangement for**Amalgamation of**"Belco Special Steels Private Limited"** and **"Parkash Multimetals Private Limited"** with **"Behari Lal Ispat Private Limited"**, with their respective Shareholders and creditors as set out herein andapproved by the Board of Directors of the respective Companies, in its present form and with any modifications as may be approved by the Hon'ble NCLT.

1.14. **"Transferee Company" or "Behari Lal Ispat Private Limited" or "BLIPL":**shallmeanBehari Lal Ispat Private Limited, a Company incorporated under the provisions of the Companies Act, 1956having its registered office Village - SalaniAmloh Road MandiGobindgarh, Punjab - 147301.

1.15. **"Transferor Company 1" or "Belco Special Steels Private Limited" or "BSSPL":** shallmean Belco Special Steels Private Limited, a Company incorporated under the provisions of the

For Belco Special Steels Private Limited

Director

FOR PARKASH MULTIMETALS PVT. LTD.

DIRECTOR

For Behari Lal Ispat (P) Ltd.

Director

राष्ट्रीय कम्पनी विधि अधिकरण
National Company Law Tribunal
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Companies Act, 2013 having its registered office at Village Turan, Amloh Road, Opposite Simran Steel Ind, MandiGobindgarhFatehgarh Sahib, Punjab - 147301.

1.16. **"Transferor Company 2" or "Parkash Multimetals Private Limited" or "PMPL":** shallmean Parkash Multimetals Private Limited, a Company incorporated under the provisions of the Companies Act, 1956 having its registered office at 447 sector - 3 - C G. T. Road MandiGobindgarhFatehgarh Sahib, Punjab - 147301.

1.17. **"Transferor Companies"**shall mean Transferor Company 1 and Transferor Company 2 collectively.

2. DATE OF EFFECT AND OPERATIVE DATE:

The Scheme Setout herein in its present form or with any modification(s), if any made as per Clause 3 of PART-IV of this Scheme shall be effective from the Appointed Date but shall come into force from the Effective Date.

3. CAPITAL STRUCTURE:

The Capital Structure of the Transferor Companies and Transferee Company as on the date of approval of the Scheme by the Board of directors of the Companiesare as under:

3.1. BELCO SPECIAL STEELS PRIVATE LIMITED("Transferor Company 1")

Particulars	Amount (Rs.)
Authorized Share Capital	
30,00,000 Equity Shares of Rs. 10/- each	3,00,00,000.00
1,64,00,000 Preference Shares of Rs. 10/- each	16,40,00,000.00
Issued, Subscribed and Paid-Up Share Capital	
5,40,000 Equity Shares of Rs. 10/- each fully paid up	54,00,000.00
1,64,00,000 Preference Shares of Rs. 10/- each fully paid up	16,40,00,000.00
Total	**16,94,00,000.00**

3.2. PARKASH MULTIMETALS PRIVATE LIMITED ("Transferor Company 2")

Particulars	Amount (Rs.)
Authorized Share Capital	
10,00,000 Equity Shares of Rs. 10/- each	1,00,00,000.00
Issued, Subscribed and Paid-Up Share Capital	

For Belco Special Steels Private Limited
Director

For Parkash Multimetals Pvt. Ltd.
Director

For Behari Lal Ispat (P) Ltd.
Director

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3,00,000Equity Shares of Rs.1/- each fully paid up	30,00,000.00
Total	**30,00,000.00**

3.3. **BEHARI LAL ISPAT PRIVATE LIMITED ("Transferee Company")**

Particulars	Amount (Rs.)
Authorized Share Capital 53,50,000 Equity Shares of Rs.10/- each	5,35,00,000.00
Issued, Subscribed and Paid-Up Share Capital 40,00,000 Equity Shares of Rs.10/- each fully paid up	4,00,00,000.00
Total	**4,00,00,000.00**

For Belco Special Steels Private Limited

Director

For Parkash Multimetals Pvt. Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

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PART-II

TRANSFER & VESTING OF UNDERTAKING

1. With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and whole of undertaking(s), properties and liabilities of the Transferor Companies shall, in terms of the provisions Section 230 and 232 of Companies Act, 2013 and other applicable Rules and pursuant to the orders of the NCLT or other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing, stand transferred to and vested in and/ or deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the undertaking(s), properties and liabilities of the Transferee Company.

2. With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and undertaking of the Transferor Companiesshall stand transferred to and be vested in the Transferee Company without any further deed or act, together with all their properties, assets, rights, benefits and interest therein, subject to existing charges thereon in favor of banks and financial institutions, as the case may be, in the manner described hereinafter.

3. **TRANSFER OF ASSETS**

   (i) With effect from the Appointed Date and upon the Scheme becoming effective all memberships, licenses, franchises, rights, privileges, permits, quotas, entitlements, allotments, approvals, consents, concessions, trade mark licenses including application for registration of trade marks, patents, copyrights and their right to use available to the Transferor Companies as on Appointed Date or any date which may be taken after the Appointed Date but till the Effective Date, shall get transferred to the Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.

   (ii) With effect from the Appointed Date and upon the Scheme becoming effective,Certificates of Registration as available with the Transferor Companiesas on Appointed Date or any date which may be taken by theTransferor Companies after the Appointed Date but till the Effective Date shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.

   (iii) With effect from the Appointed Date and upon the Scheme becoming effective all the assets ofthe Transferor Companies as are movable in nature including, but not limited to, stock of

For Belco Special Steels Private Limited — Director

For Parkash Multimetals Pvt. Ltd. — Director

For Behari Lal Ispat (P) Ltd — Director

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securities, computer and equipment, outstanding loans and advances, insurance claims, advance tax, Minimum Alternate Tax (MAT) set-off rights, Goods and Service Tax (GST), pre-paid taxes, levies/liabilities, CENVAT/VAT credits if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons or any other assets otherwise capable of transfer by physical delivery would get transferred by physical delivery only and all other assets, shall stand vested in Transferee Company, and shall become the property and an integral part of Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.

(iv) With effect from the Appointed Date and upon the Scheme becoming effective all incorporeal properties of the Transferor Companies as on Appointed Date or any date which may be taken by the Transferor Companiesafter the Appointed Date but till the Effective Date, shall get transferred to the Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.

(v) With effect from the Appointed Date and upon the Scheme becoming effective, all immovable properties including but not limited to land and buildings or any other immovable properties of the Transferor Companies, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, without any further instrument, deed or act or payment of any further fee, charge or securities either by the Transferor Companies or Transferee Company.

(vi) With effect from the Appointed Date, Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, taxes and fulfill obligations, in relation to or applicable to such immovable properties. The mutation/substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the Hon'ble NCLT and the Scheme becoming effective in accordance with the terms hereof.

(vii) With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Transferor Companies to which theTransferor Companies are the party or to the benefit of which theTransferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in

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favor of Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, Transferee Company had been a party or beneficiary or oblige thereto.

(viii) With effect from the Appointed Date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, licenses including those relating to trademarks, tenancies, patents, copyrights, privileges, software, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Companiesto which the Transferor Companiesare the party or to the benefit of which the Transferor Companiesmay be eligible and which are subsisting or having effect immediately before the Effective Date, shall be enforceable as fully and effectually as if, instead of Transferor Companies, Transferee Company had been a party or beneficiary or oblige thereto.

(ix) With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, no-objection certificates, permissions or approvals or consents required to carry on operations of the Transferor Companiesor granted to the Transferor Companies shall stand vested in or transferred to Transferee Company without further act or deed, and shall be appropriately transferred or assigned by the statutory authorities concerned therewith in favor of the Transferee Company upon the vesting of the Transferor Companies into Transferee Companypursuant to this Scheme. The benefit of all statutory and regulatory permissions, licenses, approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of Transferor Companies shall vest in and become available to the Transferee Company pursuant to this scheme.

4. **TRANSFER OF LIABILITIES**

(i) With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Companies, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company.

(ii) Without prejudice to the generality of the provisions contained herein, all loans raised after the Appointed Date but till the Effective Date and liabilities incurred by the Transferor Companiesafter the Appointed Date but till the Effective Date for their respective operations shall be deemed to be of the Transferee Company.

For Belco Special Steels Private Limited
Director

For Parkash Multimetals Pvt. Ltd.
Director

For Behari Lal Ispat (P) Ltd.
Director

(iii) The transfer and vesting of the entire business and undertaking of the Transferor Companiesas aforesaid, shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the Transferor Companies, as the case may be.

Provided that the securities, charges and mortgages, if any, subsisting over, and in respect of part thereof, of the Transferee Companies shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of theTransferor Companies vested in the Transferee Company pursuant to the Scheme.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Companieswhich shall vest in the Transferee Company by virtue of the amalgamation of theTransferor Companieswith the Transferee Company and Transferee Company shall not be obliged to create any further or additional security there for after the amalgamation has become operative.

(iv) Transferee Companywill, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangements in relation to the Transferor Companiesto which theTransferor Companies are the party, in order to give formal effect to the above provisions. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of theTransferor Companiesand to carry out or perform all such formalities or compliances referred to above on part of the Transferor Companies.

(v) Loans or other obligations, if any, due between Transferee Company and Transferor Companies, shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by the Transferor Companies and held by the Transferee Company or vice-versa is concerned, the same shall, unless sold or transferred by holder of such securities, at any time prior to the Effective Date, stand cancelled and shall have no further effect.

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Director

For Parkash Multimetals Pvt. Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

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5. **LEGAL PROCEEDINGS**

(i) With effect from the Appointed Date and upon the Scheme becoming effective, Transferee Company shall bear the burden and the benefits of any legal or other proceedings including direct and indirect tax assessments, if any, initiated by or againstthe Transferor Companies.

However, all legal, administrative and other proceedings of whatsoever nature by or againstthe Transferor Companiespending in any court or before any authority, judicial, quasi-judicial or administrative, any adjudicating authority and/or arising after the Appointed Date and relating to theTransferor Companiesor its properties, assets, liabilities, duties and obligations shall be continued and/or enforced until the Effective Date by or against theTransferor Companies; and from the Effective Date, shall be continued and 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 theTransferor Companies.

(ii) If any suit, appeal or other proceedings of whatever nature by or against the Transferor Companiesbe pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the transfer of the Transferor Companies'business and undertakings or of anything contained in this scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Transferor Companies as if this Scheme had not been made.

6. **STAFF, WORKMEN AND EMPLOYEE MATTERS**

With effect from the Appointed Date and upon the Scheme becoming effective, all persons that were employed by theTransferor Companiesimmediately before such date shall become employees of the Transferee Company with the benefit of continuity of service on same terms and conditions as were applicable to such employees in the Transferor Companiesimmediately prior to such transfer and without any break or interruption of service. Transferee Company undertakes to continue to abide by agreement/settlement, if any, entered into by the Transferor Companieswith any union/employee thereof. With regard to Provident Fund, Gratuity Fund, Superannuation fund or any other special fund or obligation created or existing for the benefit of such employees of the

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Director

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Director

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Director

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Transferor Companiesupon occurrence of the Effective Date, the Transferee Company shall stand substituted for the Transferor Companies, for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the trust deeds or other documents. The existing Provident Fund, Gratuity Fund and Superannuation Fund or obligations, if any, created by the Transferor Companiesfor its employees shall be continued for the benefit of such employees on the same terms and conditions. With effect from the Effective Date, Transferee Company will make the necessary contributions for such transferred employees of theTransferor Companiesand deposit the same in Provident Fund, Gratuity Fund or Superannuation Fund or obligations, where applicable. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of theTransferor Companies in relation to such schemes or funds shall become those of the Transferee Company.

7. **TAXATION AND OTHER MATTERS**

(i) With effect from the Appointed Date, all the profits or income accruing or arising to the Transferor Companies, and all expenditure or losses arising or incurred by the Transferor Companiesshall, for all purposes, be treated (including all taxes, if any, paid or accruing in respect of any profits and income) and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company, accordingly, the Transferee Company shall be entitled to set off and carry forward the losses of the Transferor Companies. Moreover, the Transferee Company shall be entitled to revise its statutory returns relating to indirect taxes like sales tax/ service tax/Goods and Service Tax (GST)/ excise, etc. and to claim refund/credits and/or set off all amounts under the relevant laws towards the transactions entered into by the Transferee Company and Transferor Companieswhich may occur between the Appointed Date and the Effective Date. The rights to make such revisions in the sales tax returns and to claim refunds/credits are expressly reserved in favor of the Transferee Company.

(ii) Transferee Company shall be entitled to revise its all Statutory returns relating to Direct taxes like Income Tax and Wealth Tax and to claim refunds/advance tax credits and/or set off the tax liabilities of the Transferor Companiesunder the relevant laws and its rights to make such revisions in the statutory returns and to claim refunds, advance tax credits and/or set off the tax liabilities is expressly granted.

For Belco Special Steels Private Limited

Director

FOR PARKASH MULTIMETALS PVT. LTD.

DIRECTOR

For Behari Lal Ispat (P) Ltd.

Director

(iii) It is expressly clarified that with effect from the Appointed Date, all taxes payable by the Transferor Companies including all or any refunds of the claims/TDS Certificates shall be treated as the tax liability or refunds/claims/TDS Certificates as the case may be of the Transferee Company.

(iv) From the Effective Date and till such time as the name of the Transferee Company would get entered as the account holder in respect of all the bank accounts and demat accounts of the Transferor Companiesin the relevant bank's/DP's books and records, the Transferee Company shall be entitled to operate the bank/demat accounts of the Transferor Companiesin their existing names.

(v) Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of the Transferor Companiesshall stand transferred by the order of the NCLT to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning NCLT.

8. **CONDUCT OF BUSINESS**

(i) With effect from the Appointed Date and till the Scheme come into effect:

a. Transferor Companies shall be deemed to carry on all its businesses and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company; and all the profits accruing to the Transferor Companiesand all taxes thereon or gains or losses arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits or losses, as the case may be, of the Transferee Company.

b. Transferor Companiesshall carry on its businesses with reasonable diligence and in the same manner as they had been doing hitherto, and itshall not alter or substantially expand its businesses except with the concurrence of the Transferee Company during the pendency of Scheme before the Hon'ble NCLT.

c. Transferor Companiesshall not, without the written concurrence of the Transferee Company, alienate, charge or encumber any of theirproperties except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the

For Belco Special Steels Private Limited

Director

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date of acceptance of the Scheme by the Board of Directors of the Transferee Company, as the case may be.

d. Transferor Companiesshall not vary or alter, except in the ordinary course of their business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of the Transferee Company, the terms and conditions of employment of any of their employees, nor shall they conclude settlement with any union or their employees except with the written concurrence of the Transferee Company.

e. With effect from the Appointed Date, all debts, liabilities, duties and obligations of Transferor Companiesas on the close of business on the date preceding the Appointed Date, whether or not provided in their books and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Transferee Company.

(ii) Upon the Scheme coming into effect, Transferee Company shall commence and carry on and shall be authorized to carry on the businesses carried on by the Transferor Companies.

(iii) For the purpose of giving effect to the vesting order passed under Sections 230 and 232 of the Companies Act, 2013 in respect of this Scheme by the Hon'ble NCLT, Transferee Company shall, at any time pursuant to the orders on this Scheme, be entitled to get the record of the change in the legal right(s) upon the vesting of the Transferor Companies'businesses and undertakings in accordance with the provisions of Sections 230 and 232 of the Companies Act, 2013. Transferee Company shall be authorized to execute any pleadings; applications, forms, etc. as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

For Belco Special Steels Private Limited

Director

For Parkash Multimetals Pvt. Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

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PART-III

ISSUE OF SHARES& ACCOUNTING TREATMENT

1. **CONSIDERATION**

1.1. Upon this Scheme coming into effect and upon transfer and vesting of the business and undertaking of Transferor Companies in Transferee Company, the consideration in respect of such transfer shall, subject to the provisions of the Scheme, be paid and satisfied by the Transferee Company as follows:

1.1.1. Transferee Company shall, without further application, act or deed, issue and allot to each of the equity shareholders of "Transferor Company 1" (other than the shares already held therein immediately before the amalgamation by Transferee Company, its Nominee or Subsidiary Company), shares in proportion of 380(Three Hundred and Eighty) equity shares of face value of Rs. 10/- (Rupees Ten) each in Transferee Company for every 100 (One Hundred) equity shares of face value of Rs. 10/- Rupees Ten) each held by them in "Transferor Company 1" pursuant to this Scheme of Amalgamation.

1.1.2. Transferee Company, without further application, act or deed, shall issue and allot to each of the equity shareholders of "Transferor Company 2" (other than the shares already held therein immediately before the amalgamation by Transferee Company, its Nominee or Subsidiary Company), shares in proportion of299 (Two Hundred and Ninety Nine)equity shares of face value of Rs. 10/- (Rupees Ten) each in Transferee Company for every 100 (One Hundred) equity shares of face value of Rs. 10/- (Rupees Ten) each held by themin "Transferor Company 2" pursuant to this Scheme of Amalgamation.

1.1.3. For arriving at the share exchange ratio as outlined above, the Companies have considered the Valuation Report submitted by an independent Registered Valuer, Corporate Professionals Valuation Services Private Limited having IBBI Registration Number IBBI/RV-E/02/2019/106.

For Belco Special Steels Private Limited — Director

For Parkash Multimetals Pvt. Ltd. — Director

For Behari Lal Ispat (P) Ltd. — Director

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1.1.4. Any fraction arising out of allotment of equity shares as per clause 1.1.1and 1.1.2 above shall be rounded off to the nearest integer.

1.1.5. The said equity shares in the capital of Transferee Company to be issued to the shareholders of Transferor Companies and shall rank *paripassu* in all respects, with the existing equity shares in the Transferee Company from the Appointed Date. Such shares in Transferee Company, to be issued to the shareholders of Transferor Companies will, for all purposes, save as expressly provided otherwise, be deemed to have been held by each such member from the Appointed Date.

1.1.6. Uponthe Scheme becoming effective, all the equity shares of the Transferee Company as held by any of the Transferor Companies or vice-versa shall stand cancelled;

1.1.7. Uponthe Scheme becoming effective and subject to the above provisions, the shareholders of Transferor Companies (other than the shares already held therein immediately before the amalgamation by Transferee Company in Transferor Companies or vice versa as on the record date) shall receive new shares certificatesor credited in their demat account, as the case may be. Upon the issue and allotment of new shares in the capital of the Transferee Company to the shareholders of Transferor Companies, the share certificates in relation to the shares held by them in the Transferor Companiesshall be deemed to have been cancelled. All certificates for the new shares in the capital of the Transferee Company shall be sent by the Transferee Company to the said shareholders of Transferor Companiesat their respective registered addresses as appearing in the said registers (or in the case of joint holders, to the address of that one of the joint holders whose name stands first in such Registers in respect of such joint holding) and Transferee Company shall not be responsible for any loss in transmission.

1.1.8. Upon coming into effect of this Scheme, the shares or the share certificates of Transferor Companiesin relation to the shares held by their members shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and be of no effect on and from the Effective Date without any necessity of them being surrendered.

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Director

For Behari Lal Ispat (P) Ltd.

Director

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2. TREATMENT OF PREFERENCE SHARES

2.1.1. Upon coming into effect of this Scheme, the Transferee Company shall issue equal number of its3.50% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- (Rupees Ten) eachto the preference shareholders of the Transferor Company 1 holding 3.50% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each on the same terms as existed in that of the Transferor Company 1.

2.1.2. Notwithstanding anything contained in the above clause 2.2.1,upon effectiveness of this Scheme, all the preference shares of the Transferor Company 1 as held by the Transferor Company 2 or by the Transferee Company shall stand cancelled pursuant to this Scheme of Arrangement for Amalgamation.

3. INCREASE IN AUTHORIZED SHARE CAPITAL

3.1. With effect from the Effective Date and upon the Scheme becoming effective, without any further acts or deeds on the part of the Transferor Companies or Transferee Company and notwithstanding anything contained in Section 61 of Companies Act, 2013,the Authorized Share capital of the Transferor Companies as appearing in their Memorandum of Association on the Effective Date shall get clubbed with the Authorized Share Capital of the Transferee Company as appearing in its Memorandum of Association on the Effective Date and pursuant to this clubbing the Clause V of the Memorandum of Association of the Transferee Company shall stand altered to give effect to the same with effect from the Effective Date. The Face Value of Equity share shall remain same as of the Transferee Company after clubbing of Authorized Capital. Upon coming into effect of this Scheme, Clause V of the memorandum of association of the Transferee Company shall stand altered and read as follows:

The Authorised Share Capital of the Company is Rs. 9,35,00,000(Nine Crores and Thirty Five Lacs Only) and divided into 93,50,000 (Ninety Three Lacs and Fifty Thousand only) Equity Shares of Rs. 10/- Rupees Ten) each and Rs. 16,40,00,000 (Sixteen Crores and Forty Lacs Only) divided into 1,64,00,000 (One crore and Sixty Four Lacs Only) 3.50% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- Rupees Ten) each.

For Belco Special Steels Private Limited

Director

For Parkash Multimetals Pvt. Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

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3.2. Further, in terms of section 232(3)(i) of the Act, upon coming into effect, the fee and duty paid on the Authorized Equity Share Capital of the Transferor Companiesshall be set off against the fee payable on the Authorized Share Capital of Transferee Company, without any further act or deed.

3.3. Pursuant to the Scheme becoming effective, the authorized share capital of the Transferee Company will be as under:

Particulars	Amount (in INR)
Authorized Share Capital	
93,50,000 equity shares of Rs. 10/- each	9,35,00,000/-
1,64,00,000 Preference shares of Rs. 10/- each	16,40,00,000/-
Total	**25,75,00,000/-**

3.4. On approval of the Scheme by the members of the Transferee Company and National Company Law Tribunal, under Section 230 – 232 of the Act, it shall be deemed that the said members have also accorded all relevant consents underSections 13, 14, 61 and other applicable provisions of Companies Act, 2013 as may be applicable for the purpose of amendment of the Memorandum of Association of the Transferee Company as above.

3.5. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Sections 13, 14 and 61 of the Act for amendment of the Memorandum of Association of the Transferee Companyto increase its authorized share capital for the purpose of issuing shares to the shareholders of the Transferor Companies pursuant to this Scheme of Arrangement in its present form or such other form as may be approved by the competent authority.

3.6. The issue and allotment of shares to Shareholders of Transferor Companies, as provided in this Scheme, shall be deemed to be made in compliance with the provisions laid down under Section62 of the Companies Act, 2013.

4. **ACCOUNTING TREATMENT FOR AMALGAMATION**

For Belco Special Steels Private Limited

Director

For Parkash Multimetals Pvt. Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

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Upon the coming into effect of this Scheme, the amalgamation of the Transferor Companies with the Transferee Company shall be accounted for as per the Pooling of Interest Method of Accounting prescribed in "Indian Accounting Standard (Ind AS) 103 for Business Combination" prescribed under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time.

5. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities and the continuance of proceedings by or against Transferor Companies as envisaged in above shall not affect any transaction or proceedings already concluded by the Transferor Companies on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as if done and executed on behalf of the Transferee Company.

6. DISSOLUTION OF TRANSFEROR COMPANIES

On occurrence of the Effective Date,the Transferor Companiesshall, without any further act or deed, shall stand dissolved without winding up.

For Belco Special Steels Private Limited

Director

For Parkash Multimetals Pvt. Ltd.

Director

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Director

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PART – IV

OTHER PROVISIONS

1. **APPLICATION/PETITION TO NCLT :**

1.1. Transferor Companiesand Transferee Company shall, with all reasonable dispatch, make application/petition to the Hon'ble NCLT, under Section 230 – 232 of the Companies Act, 2013 seeking orders for dispensing with or convening, holding and conducting of the meetings of the classes of its respective members and/or creditors and for sanctioning the Scheme with such modifications as may be approved by the Hon'ble NCLT.

1.2. On the Scheme being agreed to by the requisite majorities of all the classes of the members and/or creditors of Transferor Companiesand Transferee Company shall, with all reasonable dispatch, apply to the Hon'ble NCLT, for sanctioning the Scheme under Sections 230 and Section 232 of the Companies Act, 2013, and for such other orders, as the said NCLT may deem fit for carrying this Scheme into effect and for dissolution of Transferor Companieswithout winding-up.

2. **CONDITIONALITY OF SCHEME:**

The Scheme is conditional upon and subject to:

2.1. The Scheme being agreed to by the respective requisite majority of members and creditors of the Transferor Companiesand Transferee Company;

2.2. The Scheme being approved by the Hon'ble NCLT;

2.3. Due compliance with any condition(s) stipulated by any relevant Government Authority prior to the effectiveness of the Amalgamation;

2.4. All certified copies of the order(s) of the NCLT sanctioning this Scheme being filed with the Registrar of Companies of relevant jurisdiction.

2.5. This Scheme although to come into operation from the Appointed Date shall not become effective until the necessary certified copies of the order(s) under Sections 230 to 232 of the Companies Act, 2013 shall be duly filed with the Registrar of Companies of relevant jurisdiction.

2.6. Such other conditions as may be mutually agreed between the Transferor Companiesand Transferee Company.

For Belco Special Steels Private Limited

Director

For Parkash Multimetals Pvt. Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

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3. MODIFICATION OR AMENDMENT

3.1. Transferee Company and Transferor Companies(acting through their Board of Directors) may assent to any modifications or amendments to this Scheme which the NCLT and/or other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for any question or doubt or difficulty that may arise for implementing and/or carrying out the scheme or which is generally in the benefit or interest of the shareholders and/or creditors. Transferee Company and Transferor Companies(acting through their respective Board of Directors) and after the dissolution of Transferor Companies; Transferee Company (by its Board of directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions whether by reason of any order(s) of the NCLT or of any directive or order(s) of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

3.2. The Transferor Companiesand the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Hon'ble NCLT or any other authority is not on terms acceptable to them.

3.3. In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or its shareholders or creditors or employees or any other person. In such case each Company shall bear its own costs or as may be mutually agreed.

4. GENERAL TERMS AND CONDITIONS

All costs, charges, fees, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme) levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing the terms and conditions or provision of this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company. All such costs, charges, fees, stamp duty including duties (excluding the stamp duty, if any, paid on this scheme which shall be pro rata added to the value of the immovable properties), levies and all other expenses, shall be debited to the Profit and Loss Account of the Transferee Company.

For Belco Special Steels Private Limited

Director

For Parkash Multimetals Pvt. Ltd.

Director

For Behari Lal Ispat (P) Ltd.

Director

National Company Law Tribunal
Chandigarh Bench

राष्ट्रीय कम्पनी विधि अधिकरण
National Company Law Tribunal
चण्डीगढ़ बैंच
Chandigarh Bench

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