

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT - 1

ITEM No.302
C.P.(CAA)/52(AHM)/2022 in
C.A.(CAA)/31(AHM)/2022

Order under Section 230-232

IN THE MATTER OF:

Millenium Stock Broking Pvt. Ltd.

.....Applicant

Order delivered on: 18/12/2023

Coram:

Mr. Shammi Khan, Hon'ble Member(J)
Mr. Sameer Kakar, Hon'ble Member(T)

PRESENT:

For the Applicant :
For the Respondent :

ORDER

The case is fixed for pronouncement of the order. The order is pronounced in the open court, vide separate sheet.

-Sd-
SAMEER KAKAR
MEMBER (TECHNICAL)

-Sd-
SHAMMI KHAN
MEMBER (JUDICIAL)

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH - I, AHMEDABAD**

**CP(CAA) No. 52/230-232/AHM/2022 in
CA(CAA) No. 31/230-232/AHM/2022**

[Application under Section 230-232 of Companies Act, 2013 read with the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016]

**SRD STOCK BROKING PRIVATE LIMITED
CIN: U67120WB1995PTC070039**

A Company incorporated under the provisions of Companies Act, 2013 having its Registered Office at 1, R. N. Mukherjee Road, 1st Floor, Room No. 7, P.S. Hare Street, Kolkata 700001

**...Non-Petitioner/
Transferor Company**

With

**MILLENNIUM STOCK BROKING PVT. LTD.
CIN: U67110GJ2000PTC121951**

A Company incorporated under the provisions of Companies Act, 2013 having its Registered Office at 910 to 911, 9th Floor, DSCCSL(53E) Road 5E, Block-53, Zone-5, DTA Gandhinagar- 382355.

**... Petitioner/
Transferee Company**

And

Their Respective Shareholders and Creditors

Order pronounced on:18.12.2023

CORAM

SHAMMI KHAN, MEMBER (JUDICIAL)
SAMEER KAKAR, MEMBER (TECHNICAL)

Appearance:

For the Applicant(s) : Ms. Madhuri Pandey, PCS

For the RD : Mr. Shiv Pal Singh, Assistant Director

ORDER

1. The present petition has been filed by the Petitioner Transferee Company above named for the purpose of the approval of the Scheme of Amalgamation of **SRD Stock Broking Private Limited** (for brevity “Transferor Company”) with **Millennium Stock Broking Private Limited** (for brevity “**Transferee Company**”) and their Respective Shareholders and Creditors under Sections 230-232 of the Companies Act, 2013, and other applicable provision of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (for brevity ‘the Rules’) (hereinafter referred to as the ‘SCHEME’) pursuant to the Scheme

proposed by the Companies and the said Scheme is also annexed at “**Annexure E**” to the Application.

2. An Affidavit in support of petition has been sworn by Mr. Pawan Kumar Daga and Mr. Kaushik Daga directors of the Petitioner Transferee Company and the same is annexed with the petition. The above named directors of the Petitioner Transferee Company has been authorized vide Board Resolution dated 14/09/2021.

3. It is submitted that the registered office of the Transferor Company viz. SRD Stock Broking Private Limited is situated in the State of West Bengal, and, therefore, the Transferor Company has filed separate petition before the National Company Law Tribunal at Kolkata Bench for sanctioning the Scheme of Amalgamation vide CP(CAA)No.90/KB/2022 connected with CA(CAA) No. 25/KB/2022. It is further submitted that, the National Company Law Tribunal, Kolkatta Bench vide order dated 09/11/2022 has allowed the petition in terms of prayer in the petition. The said

order is placed on record by the Petitioner Transferee Company.

4. **1ST MOTION APPLICATION – IN BRIEF**

4.1. The Transferee Company filed the First Motion vide C.A.(CAA)31/AHM/2022 seeking reliefs as under:-

	EQUITY SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
TRANSFEEEE COMPANY	To dispense with	To dispense with	To dispense with

4.2. Based on such application moved under Sections 230-232 of the Companies Act, 2013; directions were issued by this Tribunal, vide order dated 06/06/2022, to dispense the meetings of the Equity Shareholders, Secured Creditors and Unsecured creditor of the Transferee Company.

5. **OBJECTS AND REASONS:**

(i) The Transferor Company and the Transferee Company are in the same management and are controlled and managed by the same directors.

- (ii) For the optimum running, growth and development of the business and undertakings of the Transferor Company and the Transferee Company with their combined resources and a larger capital and asset base, it is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company in the manner and the terms and conditions stated in this Scheme of Amalgamation.
- (iii) The amalgamation will enable appropriate consolidation and integration of the activities of the Transferor Company and the Transferee Company with pooling and more efficient utilization of their resources, reduction in overheads and other expenses and improvement in various other operating parameters. The amalgamation will result in the formation of a larger and stronger entity having greater capacity for conducting its operations more efficiently and competitively. The Scheme is proposed

accordingly and will have beneficial results for the said Companies, their shareholders, employees and all concerned.

(iv) The amalgamation will also result in improved shareholders value for both the companies by way of improved financial structure and cash flows, increased asset base and stronger consolidated revenue and profitability.

6. In the second motion application filed by the Petitioner Transferee Company, this Tribunal directed the Petitioner Transferee Company, to issue notice to the Statutory/Regulatory Authorities viz. (i) The Central Government through the Regional Director (North-Western Region), Ministry of Corporate Affairs (MCA) (ii) The Registrar of Companies, Ahmedabad, MCA (iii) the concerned Income Tax Department as well as for paper publication to be made in “Financial Express”, in English and Vernacular language (Ahmedabad Edition).

7. In compliance to the said directions issued by this Tribunal, the Petitioner Transferee Company have filed an affidavit of service before the Registry of this Tribunal on 09/09/2022 bearing Inward No. D4946 and a perusal of the same disclose that the Petitioner Transferee Company have effected paper publications as directed by the Tribunal in the “Financial Express” in English and Vernacular language (Ahmedabad Edition) on 02.09.2022. It is also seen that notices have been served to Regional Director, Registrar of Companies and Income Tax Authority and the proof of the same by way of affidavits have been enclosed with the application. Pursuant to the service of notice of the petition the following statutory authorities have responded as follows: -

8. STATUTORY AUTHORITIES

8.1 The Regional Director, North Western Region (hereinafter referred to as ‘RD’) to whom the notice was issued has filed its report along with the report of ROC before this Tribunal on **27.09.2022** vide **inward no. R-5998600**.

OBSERVATIONS OF REGIONAL DIRECTOR

- a) To direct the companies to undertake the compliance of Section 232 (3)(i) of the Companies Act, 2013 and to pay fees accordingly.
- b) To direct the Petitioner Company to add the para in scheme with regard to justification about gap of approx three years in filing of application and appointed date.
- c) To direct the Petitioner Company to take approvals/NOC and other permissions, if any, required from the Regulatory Authority where the company is register or member.
- d) To direct the Petitioner Company to comply and undertake with compliance of the Accounting Standard 14.
- e) To direct the Petitioner Company to amend the scheme and mention the reference for Hon'ble NCLT Bench Ahmedabad and Registrar of Companies, Gujarat with the approval of the members/shareholders of the companies.
- f) To direct the Petitioner Company to mention the present address in the scheme.

- g) To direct the Petitioner Company to submit the present status of application/petition filed before the Hon'ble NCLT, Bench, Kolkatta in respect of Transferor Company.
- h) As per the report of ROC, there are no complaints against the Petitioner Company and also there is no complaints/representation against the scheme of amalgamation of the companies.

OBSERVATIONS OF ROC

- a) List of Shareholders (mandatory attachment) not attached with MGT-7/Annual return filed vide SRN R83904474 and T72065683 on 11.01.2021 and 12.01.2022 for the financial year ended 31.03.2020 and 31.03.2021 respectively. Therefore, company/officers in default are liable to penalize under Section 92(5) of the Companies Act, 2013.
- b) The Auditor's report/financial statement that Auditors of Transferee Company has reported qualified remarks in its Auditor's report for the financial year 2018-19, 2019-20 and 2020-21 regarding *"non provision for Gratuity, Leave Pay and Bonus (amount not ascertained) as per AS-15 with consequential effect on profit/reserves of the Company.*
- Further, the directors report from the financial year 2019-20 and 2020-21 failed to disclose explanation to

the aforesaid auditor's qualification as per the requirement of 134(3)(f) of Companies Act, 2013.

- c) Under the clause 1. ii. Of Scheme regarding "Appointed Date" means the 1st days of April, 2019 or such other date as the Hon'ble National Company Law Tribunal, Kolkata Bench may direct. Words "and Ahmedabad Bench of the National Company Law Tribunal' should be added under the aforesaid definition clause after the words Hon'ble National Company Law Tribunal, Kolkata Bench.
- d) Under the clause 1. iii. of Scheme regarding "The Effective Date" means the date of saction of Scheme of Amalgamation by the Hon'ble National Company Law Tribunal, Kolkata Bench or such other dates as the Hon'ble National Company Law Tribunal, Kolkata Bench may direct..... Words "and Ahmedabad Bench of National Company Law Tribunal' should be added under the aforesaid clause after the words Hon'ble National Company Law Tribunal, Kolkata Bench.
- e) Under the clause 1. iv. of Scheme under the Head regarding "Scheme" means this Scheme of Amalgamation of the Transferor Company with the Transferee Company in its present form or with such modifications as sanctioned by the Hon'ble National Company Law Tribunal, Kolkata Bench. Words "and

Ahmedabad Bench of the National Company Law Tribunal' should be added under the aforesaid clause after the words Hon'ble National Company Law Tribunal.

- f) As per clause 12.4 of the scheme of Merger, it is mentioned therein that "In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the amalgamation will be qualified and adjusted in the General Reserve of the Transferee Company and the same shall be dealt with in accordance with Generally Accepted Accounting ("GAAP") and applicable Accounting Standards, so as to ensure that the financial statements of the Transferee Company reflect the correct financial position on the basis of consistent accounting policy." In this regard, it is submitted that the word "General Reserves" should be replaced as "Capital Reserves" to have proper compliance of AS-14 as envisaged in the scheme. The same needs to be transferred specifically under the head "Capital Reserve" to have compliance of Accounting Standard-14 as envisaged in the scheme.
- g) To comply with Section 232(3)(i) of Companies Act, 2013 and Transferee Company must be paid the differential fee, if any, after setting off the fee already paid by Transferor Company on its Authorised Capital.

- h) To comply with the provisions of Section 135 of the Companies Act, 2013 regarding un-spent CSR Expenditure under the CSR activities or pass such order as deem fit and proper.
- i) To direct the Petitioner Company to comply with the direction, if any, issued by ROC in the matter.
- j) To direct the Petitioner Company(ies) to pay such amount of legal fees/cost to the Central Government which may be considered appropriate by this Hon'ble NCLT.
- k) There are no other observations/submissions except stated hereinabove, for consideration of the Hon'ble NCLT in respect of the Scheme of Amalgamation of SRD Stock Broking Private Limited, (coming under the jurisdiction of Regional Director, Kolkata with Millennium Stock Broking Private Limited (coming under the jurisdiction of this Directorate) and their respective shareholders.

8.2 In response to the observations of RD and ROC, the Petitioner Transferee Company have filed its reply through rejoinder dated **09.12.2022** filed before this tribunal on **28.12.2022** vide **inward no. D6495**.

RESPONSE TO OBSERVATION OF RD

- a) The Transferee Company shall pay the requisite amount of fees with respect to increase in Authorized Capital of the Transferee Company subsequent to approval of Scheme of Amalgamation to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013.
- b) The appointed date as mentioned in the Scheme is 1st April, 2019. As clarified by the Circular dated 21st August, 2019 of Ministry of Corporate Affairs in respect to the provision of Section 232(6), 'appointed date' may either be a specific calendar date or may be tied to the occurrence of an event such as, the fulfilment of a precondition that the parties to the scheme may have agreed upon.

The Petitioner Company have obtained no objection from Banks (Creditors of the Company) and it took longer time than expected. There is no public interest involved in the said Scheme of Amalgamation as all companies are private limited companies.

Further, it is undertaken that whatever date the Hon'ble Tribunal will decide to be the Appointed Date in Scheme, the same will be accepted.

- c) The Petitioner Transferee Company is registered with SEBI and is a member of Bombay Stock Exchange, National Stock Exchange and Multi Commodity Exchange of India Limited as a stock broker. Furthermore, the Transferee Company is

not required to submit prior approval letter/NOC and other permissions from the regulatory authority as per SMD/Policy(Brk.Reg.)/Cir-18/98 regarding Merger/Amalgamation of trading members. However, the transferee company has submitted the request letters to the concerned stock exchanges along with requisite annexures for procurement of their no objection certificate pertaining to sanctioning of scheme of instant amalgamation.

- d) The transferee company has not sought to keep the option of following 'Accounting Standard' open. The Transferee Company shall follow the applicable method accounting treatment prescribed under Accounting Standard-14. The Transferee Company has voluntarily opted to follow AS-14 as notified under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015 for preparation of its financial statement for the financial year 2021-22, it will be mandatorily required to follow 'Pooling of Interest Method' as referred to in AS-14.
- e) Suitable changes are made in the Scheme regarding the mentioning of reference for Hon'ble NCLT Bench, Ahmedabad and Registrar of Companies, Gujarat. The approval of shareholders/members of the Transferee Company with regard to the aforesaid modifications in the scheme are obtained.

- f) Suitable changes are made in the scheme regarding the present address of the Transferee Company as per ROC Report.
- g) The Hon'ble NCLT Bench, Kolkata has approved the application filed for the scheme of amalgamation vide order dated November Ninth Two Thousand Twenty Two. The said order is placed on record.

RESPONSE TO OBSERVATION OF ROC

- a) The status of Applicant i.e. the Transferee Company will remain active even after the approval of merger and as mentioned in clause 4 of the scheme, all liabilities of Transferor and Transferee Company will continue in the name of the Transferee Company and the Transferee Company undertake to comply with the same.
- b) Suitable changes are made under clause 1.ii, 1. iii and 1.iv of the Scheme. The words “and Ahmedabad Bench of the Hon'ble National Company Law Tribunal” has been added after the words Hon'ble National Company Law Tribunal, Kolkata Bench.
- c) Suitable changes are made under clause 12.4 of the Scheme regarding any difference in accounting policy between the Transferor Company and Transferee Company. The word ‘General Reserves’ has been replace as “Capital Reserves” so as to have

proper compliance of AS-14 and the same has been transferred specifically under the head “Capital Reserves” to have compliance of Accounting Standard-14 as envisaged in the Scheme.

- d) The Petitioner Transferee Company undertakes that if required, the Transferee Company shall pay requisite amount of fees with respect to increase in Authorized Capital of the Transferee Company subsequent to approval of Scheme of Amalgamation to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013.
- e) The status of Applicant i.e. the Transferee Company will remain active even after the approval of merger and as mentioned in clause 4 of the Scheme, all liabilities of Transferor and Transferee Company will continue in the name of the Transferee Company. Hence, the Transferee Company undertakes to comply with the Section 135 of the Act.
- f) Interim order dated 19.10.2023 records that during the hearing representative of RD submitted that they do not have an objection if the scheme is approved in the matter.

9. **Income Tax Department:**

On perusal of records it is observed that the Income Tax Department has not filed any report. However, in daily order dated 19.10.2023, it has inadvertently

been recorded that Report of Income Tax Department has already been taken on record and that the Income Tax Department has no objection, if the scheme is approved.

Despite notice having been served and paper publication made on 02.09.2022 in 'Financail Express', in English and Gujarati in Ahmedabad Edition there is no representation from the statutory Authorities viz, Department of Income Tax and no report has been filed. Under such circumstances this Tribunal in terms of Section 230(5) of the Companies Act, 2013 presumes that the Department of Income Tax does not have any objection to the sanction of the Scheme.

10. **Valuation Report**

10.1. The Learned Counsel for the Petitioner Companies invited the attention of this Tribunal to the Valuation Report dated 20.10.2021 obtained from, Mr. Pankaj Parakh, Registered Valuer and the same is placed at **Annexure "H"** in respect of Petitioner Companies.

11. Accounting Treatment

11.1. The certificate from the Chartered Accountant of the Petitioner Company dated 04/12/2021, is placed on record confirming that the accounting treatment as proposed under the Scheme is in conformity with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

12. Observations of this Tribunal

12.1. After analysing the Scheme in detail, this Tribunal is of the considered view that the scheme as contemplated amongst the companies seems to be *prima facie* beneficial to the Company and will not be in any way detrimental to the interest of the shareholders of the Company. Considering the record placed before this Tribunal and since all the requisite statutory compliances having been fulfilled, this Tribunal sanctions the Scheme of Amalgamation appended at "**Annexure E**" to the typed set filed

along with the Company Petition as well as the prayer made therein.

12.2. The Learned Counsel for the Petitioner Companies submitted that there are no proceedings pending under Section 235 to 251 of the Companies Act, 1956 and Section 217, 219, 221, 224 and 225 of the Companies Act, 2013 against both the Petitioner Companies.

12.3. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the petitioners.

12.4. While approving the Scheme as above, it is clarified that this order should not be construed as an order in any way granting approval of the said loan assignments and exemption from payment of stamp

duty, taxes or any other charges, if any, payment is 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.

12.5 Further it becomes relevant to discuss that in Company Petition CAA-284/ND/2018 vide Order dated 12.11.2018, the NCLT New Delhi has made the following observations with regard to the right of the IT Department in the Scheme of Amalgamation,

*“taking into consideration the clauses contained in the Scheme in relation to liability to tax and also as insisted upon by the Income Tax and in terms of the decision in **RE: Vodafone Essar Gujarat Limited v. Department of Income Tax (2013)353 ITR 222 (Guj)** and the same being also affirmed by the Hon'ble Supreme Court and as reported in **(2016) 66 taxmann.com.374(SC)** from which it is seen that at the time of declining the SLPs filed by the revenue, however stating to the following effect vide its order dated April 15,2015 that the Department is entitled to take out appropriate proceedings for recovery of any statutory dues from the transferor or transferee*

or any other person who is liable for payment of such tax dues, the said protection be afforded is granted. With the above observations, the petition stands allowed and the scheme of amalgamation is sanctioned.”

13. This Tribunal Do Further Order:

- i. The Scheme of Amalgamation as annexed herewith as “**Annexure A**” is hereby sanctioned and it is declared that same shall be binding on the Petitioner Companies and their Shareholders and Creditors and all concerned under the scheme;
- ii. All the properties, rights and powers of Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 232 of the Act, stand transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company.
- iii. All licenses, permissions, permits, approvals, certificates, clearances, authorities, leases, tenancy, assignments, rights, claims, liberties, special status, other benefits or privileges and any power of attorney relating to the Transferor Company shall stand transferred to and vested in

the Transferee Company, without any further act or deed. 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.

- iv. All the liabilities and duties of the Transferor Company be transferred, without further act or deed, to the Transferee Company and accordingly the same shall pursuant to Sections 230 & 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company.
- v. All contracts, agreements, insurance policies, bonds and all other instruments of whatsoever nature or description, of the Transferor Company, shall stand transferred to and vested in the Transferee Company and be in full force and effect in favour of the Transferee Company and may be enforced by or against it as fully and effectually against the Transferee Company.
- vi. All taxes paid or payable by the Transferor Company including existing and future incentives, un-availed credits and exemptions, the benefit of carried forward losses and other

statutory benefits, which shall be available to and vest in the Transferee Company. The Tax liability of the Transferor Company shall become a liability of the Transferee Company and any proceedings against the Transferor Company shall continue against the Transferee Company.

- vii. All proceedings now pending by or against the Transferor Company shall be continued by or against the Transferee Company.
- viii. That the Appointed Date for the scheme shall be 1st April, 2019.
- ix. Upon the Scheme coming into effect, and without any further application, act or deed, the Transferee Company shall in consideration of the amalgamation, issue and allot to the members of the Transferor Company holding fully paid-up Equity Shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on such date (“the Record Date”), as the Board of Directors of the Transferee Company shall determine, Equity Shares of Rs.10/- each in the Transferee Company credited as fully paid up with rights attached thereto as hereinafter mentioned

(hereinafter referred to as the “New Equity Shares”) in the following ratio:

“85 (eighty five) equity shares of Millennium Stock Broking Private Limited of Rs.10/- each fully paid up shall be issued for every 100 equity shares of SRD Stock Broking Private Limited of Rs.10/- each fully paid up”.

- x. All employees in the service of the Transferor Company shall be deemed to have become the employees of the Transferee Company on a date on which the scheme finally takes effect on the basis that their services shall be deemed to have been continuous and not have been interrupted by reasons of the said transfer and on term and conditions no less favourable than those on which they were/are engaged, as on the Effective Date.
- xi. The Petitioner Transferee Company within thirty days of the date of the receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the entire Undertaking of the Transferor Company shall stand transferred to the Transferee Company and the Registrar of Companies shall place all documents relating to the Petitioner Companies

to the file kept by him in relation to the Transferee Company and the files relating to the said two companies shall be treated accordingly;

- xii. All concerned Authorities to act on the copy of this order along with the Scheme authenticated by the Registrar of this Tribunal shall issue the certified copy of this order along with the Scheme immediately;
- xiii. The Petitioner Transferee Company are further directed to file a copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with e-form INC-28 in addition to a physical copy within 30 days from the date of issuance of the certified copy of the Order by the Registry as per relevant provisions of the Act.
- xiv. The legal fees and expenses for the office of the Regional Director are quantified at Rs. 10,000/-. The said fees to the Regional Director shall be paid by the Transferee Company.
- xv. The Income Tax Department will be free to examine the aspect of any tax payable as a result of the sanction of the Scheme and if it is found that the Scheme of Arrangement ultimately

results in tax avoidance or is not in accordance with the applicable provisions of Income Tax Act, then the Income Tax Department shall be at liberty to initiate appropriate course of action as per law. Any sanction of the Scheme of Arrangement under Sections 230-232 of the Income Tax Act, 2013 shall not adversely affect the rights of Income Tax Department or any past, present or future proceedings and the sanction of the scheme shall not come in its way for the appropriate course of action as per law for the tax liabilities, if any.

- xvi. Any person aggrieved shall be at liberty to apply to this Tribunal for any directions that may be necessary.

14. Accordingly, the Company Petitions stands allowed on the aforementioned terms.

-Sd-

SAMEER KAKAR
MEMBER (TECHNICAL)

-Sd-

SHAMMI KHAN
MEMBER (JUDICIAL)

Swetambary-Steno/Aarti-LRA

SCHEME OF AMALGAMATION

Annexure-A

(UNDER SECTIONS 230 to 232 OF THE COMPANIES ACT, 2013)

Of

SRD STOCK BROKING PRIVATE LIMITED

WITH

MILLENNIUM STOCK BROKING PRIVATE LIMITED

PART - I

(Preliminary)

1. DEFINITIONS:

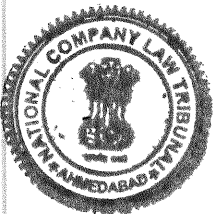
In this Scheme, unless inconsistent with the meaning or context thereof, the following expressions shall have the following meanings:

- i. "Act" means The Companies Act, 2013 including any statutory modifications, re-enactments or amendments thereof.
- ii. "Appointed Date" means the 1st day of April, 2019 or such other date as the Hon'ble National Company Law Tribunal, Kolkata/Ahmedabad Bench may direct.
- iii. "The Effective Date" means the date of Sanction of Scheme of Amalgamation by the Hon'ble National Company Law Tribunal, Kolkata Bench and the Hon'ble National Company Law Tribunal, Ahmedabad Bench or such other dates as the Hon'ble National Company Law Tribunal, Kolkata Bench and the Hon'ble National Company Law Tribunal, Ahmedabad Bench may direct, namely the date on which the last of all the consents, approvals, permissions, resolutions, sanctions and orders as are hereinafter referred to have been obtained or passed;
- iv. "Scheme" means this Scheme of Amalgamation of the Transferor Company with the Transferee Company in its present form or with such modifications as sanctioned by the Hon'ble National Company Law Tribunal, Kolkata Bench and the Hon'ble National Company Law Tribunal, Ahmedabad Bench.

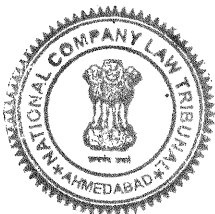
For MILLENNIUM STOCK BROKING PVT. LTD.

Pawan
Director

Certified True Copy



- v. **"SRD STOCK BROKING PRIVATE LIMITED" or "Transferor Company"** means SRD STOCK BROKING PRIVATE LIMITED, a Company within the meaning of the Companies Act, 2013 and having its Registered Office at 1, R.N. Mukherjee Road, 1st Floor, R.No-7, P.S.Hare Street, Kolkata 700001 in the State of West Bengal.
- vi. **"MILLENNIUM STOCK BROKING PRIVATE LIMITED" or "Transferee Company"** means MILLENNIUM STOCK BROKING PRIVATE LIMITED, a Company within the meaning of the Companies Act, 2013 and having its Registered Office at 910 to 911, 9th Floor, DSCCSL (53E) Road 5E, Block - 53, Zone - 5, DTA Gandhinagar 382355 in the State of Gujarat.
- vii. **"Undertaking of the Transferor Company"** means and includes:
- (a) All tangible and intangible assets, movable and immovable properties, investments, loans, advances, deposits, sundry debtors and other receivables, rights, powers, authorities, entitlements and benefits of the Company concerned and all debts, borrowings and liabilities including contingent liabilities and other outstanding amounts payable and all the duties and obligations.
- (b) Without prejudice to the generality of sub-clause (a) above, Undertaking shall include all movable and immovable properties, freehold or leasehold, real and personal, corporeal and incorporeal, in possession or reversion, present and contingent and all other assets (whether tangible or intangible) of whatsoever nature or description and wheresoever situate, including land, buildings, apartments, flats together with lease, entry and occupation rights, liberties, easements and advantages and other rights and interest in or arising out of or in relation to any property; and shall also include office equipments, computer and allied hardware, furniture & fixtures, vehicles, utilities and services of every kind, descriptions and nature including telephone, telex, facsimile, internet, broadband, cable, wireless and other communication, transmission services and data storage facilities, investments in shares, debentures, bonds, mutual funds and other securities and instruments including applications in relation thereto or accruals arising therefrom, all loans, advances,



For MILLENNIUM STOCK BROKING PVT. LTD.

Certified True Copy

Pawan L

Director

deposits, tax deducted at source, refunds, claims and all other receivables, sundry debtors, inventories, cash and bank balances, balance in profit and loss account, negotiable and quasi negotiable instruments, all intellectual property rights including but not limited to copyrights, trademarks, trade names, websites and domain names, all licenses, registrations, permissions, consents, exemptions and approvals of whatsoever nature, grants, permits, allotments, subsidies, concessions and quotas, import entitlements, benefits of all agreements, contracts, letters of intent, memorandum of understanding, term sheets and arrangements, assignments and all other rights, interests, powers and authorities, privileges, benefits and entitlements of every kind, nature and description including Goods & Services Tax, VAT, sales tax and Central Excise credits, credit for advance tax paid and taxes deducted at source and other benefits and reliefs available under the Income Tax Act, 1961 and under all other direct and indirect tax laws, whether vested or contingent, held or applied for by the Company or to which the Company is otherwise entitled to or as may be obtained hereafter and all necessary records including books, files, papers, storage or recorded electronic or magnetic media and software, deeds, documents, instruments and records of the concerned Company.

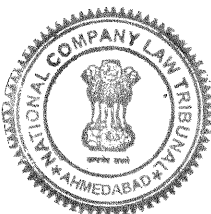
- viii. Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto.

2. SHARE CAPITAL:

The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company and the Transferee Company as on 31st March, 2021 are as under:

i. **The Transferor Company:**

AUTHORISED SHARE CAPITAL:	(Rs.)
28,00,000 Equity Shares of Rs.10/- each	2,80,00,000.00
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL:	
27,79,990 Equity Shares of Rs.10/- each fully paid up	2,77,99,900.00



For MILLENNIUM STOCK BROKING PVT. LTD.

Panwar
Director

Certified True Copy

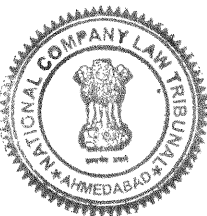
ii. **The Transferee Company :**

AUTHORISED SHARE CAPITAL:	(Rs.)
25,00,000 Equity Shares of Rs.10/- each	2,50,00,000.00

ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL:	
20,10,000 Equity Shares of Rs.10/- each fully paid up	2,01,00,000.00

3. **OBJECTS AND REASONS:**

- i. The Transferor Company and the Transferee Company are in the same management and are controlled and managed by the same directors.
- ii. For the optimum running, growth and development of the business and undertakings of the Transferor Company and the Transferee Company with their combined resources and a larger capital and asset base, it is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company in the manner and the terms and conditions stated in this Scheme of Amalgamation.
- iii. The amalgamation will enable appropriate consolidation and integration of the activities of the Transferor Company and the Transferee Company with pooling and more efficient utilization of their resources, reduction in overheads and other expenses and improvement in various other operating parameters. The amalgamation will result in the formation of a larger and stronger entity having greater capacity for conducting its operations more efficiently and competitively. The Scheme is proposed accordingly and will have beneficial results for the said Companies, their shareholders, employees and all concerned.
- iv. The amalgamation will also result in improved shareholders value for both the companies by way of improved financial structure and cash flows, increased asset base and stronger consolidated revenue and profitability.



For MILLENNIUM STOCK BROKING PVT. LTD.

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4. CLARIFICATION REGARDING APPOINTED DATE:

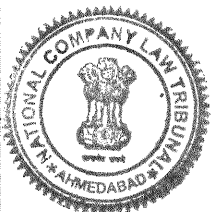
- a) The Appointed Date as mentioned in the Scheme is 01st April, 2019.

As per para 6 (c) of MCA Circular No. 09/2019 dated 21.08.2019 have stated that "where the 'appointed date' is chosen as a specific calendar date, it may precede the date of filing of the application for scheme of merger/amalgamation in NCLT". However, "if the 'appointed date' is significantly ante-dated beyond a year from the date of filing, the justification for the same would have to be specifically brought out in the scheme and it should not be against public interest".

As clarified by the Circular dated 21st August, 2019 of Ministry of Corporate Affairs in respect to the provision of Section 232(6), 'appointed date' may either be a specific calendar date or may be tied to the occurrence of an event such as, the fulfillment of a precondition that the parties to the Scheme may have agreed upon.

In this regard your petitioner state that the appointed date of any Scheme of merger or de-merger should have retrospective effect only but not on prospective date. It is usual practice that the Scheme is not filed immediately on or after the appointed date, always there remains a gap between the appointed date and filing of the application/petition.

Likewise, in the instant matter we would like to draw your kind attention that the pandemic situation of the COVID -19 outbreak in month of March, 2020 and the whole country was under lockdown and it resulted in delay of filing the application by 1 (one) year.



For MILLENNIUM STOCK BROKING PVT. LTD.

Panna
Director

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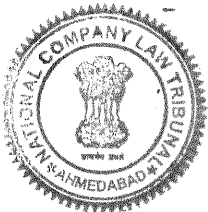
Furthermore, we would like to draw your kind attention that the Companies had faced quite delay than the normal time in obtaining the affidavits from the Banks (Secured Creditors of the Petitioner Company).

In this regard we would further like to draw your kind attention that the companies have obtained No Objection from Banks (Creditors of the Petitioner Company) by way of an affidavit and it took longer time than expected.

There is no public interest involved in the said Scheme of Amalgamation as both the Transferor and Transferee Company are registered as private limited companies and are under the same management control.

In this context it is very much pertinent to mention that the late circular of MCA General Circular No. F. No. 7/12/2019/CL-I vide General Circular No. 9/2019 dated 21.08.2019 it is stated that "Where the 'appointed date' is chosen as a specific calendar date, it may precede the date of filing of the application for scheme of merger/amalgamation before the Hon'ble NCLT. However, if the 'appointed date' is significantly ante-date beyond a year from the date of filing, the justification for the same would have to be specifically brought out in the scheme and it should not be against public interest."

We would also like to give an emphasis to the below mentioned Orders passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench in the Order C.P.(CAA)/62(AHM)2022 in CA(CAA) 64 of 2018 and the Hon'ble National Company Law Tribunal, Kolkata Bench in the C.P.(CAA)No.12/KB/2022 in C.A.(CAA)NO. 22/KB/2021 and CP (CAA) No.37/KB/2021 in CA (CAA) No.738/KB/2020 respectively.



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Pawan

Director

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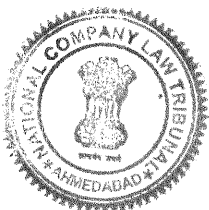
In all the above mentioned Orders the Appointed Date is 01st April, 2019 and the date of pronouncement of Orders are 02nd November, 2022 , 29th December, 2022 and 23rd September, 2022 respectively.

PART - II
(The Scheme)

4. TRANSFER OF THE UNDERTAKING OF THE TRANSFEROR COMPANY TO THE TRANSFEREE COMPANY:

4.1 With effect from the Appointed Date, upon this Scheme becoming effective pursuant to section 232(3) of the Act and subject to the provisions of this Scheme in relation to the modalities of transfer and vesting stipulated herein below in this Clause 4, the entire business and Undertaking of the Transferor Company shall be amalgamated with the Transferee Company. Accordingly, the entire business and Undertaking of the Transferor Company shall, pursuant to the provisions of Section 232 and other applicable provisions of the Act, stand transferred to and vest in and/or be deemed to have been transferred to and vested in the Transferee Company, with effect from the Appointed Date, as a going concern for all estate, right, title and interest therein, without any further act, deed, matter or thing (save as provided in Clause 4.2 and 4.3 below) so as to become, on and from the Appointed Date, the business, undertaking, assets and liabilities of the Transferee Company, in accordance with the provisions of Section 2(1B) of the Income-Tax Act, 1961.

4.2 Notwithstanding what is provided in Clause 4.1 above, it is expressly provided that in respect of such of the assets forming part of the Undertaking of the Transferor Company as are movable in nature or which are capable of being dismantled and reassembled at a different location or are otherwise capable of being transferred by physical delivery or by endorsement and delivery, (but other than the investments in shares, stocks, bonds, securities, debentures etc. covered by Clause 4.3 below), shall, upon the Scheme becoming effective, be transferred by physical delivery or by endorsement and delivery by the Transferor Company to the Transferee Company, to the end and intent that the property therein passes onto and vests in the Transferee Company with effect from the Appointed



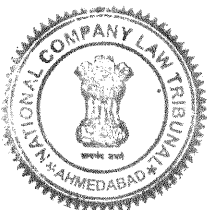
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Pawan D.
Director

Date, without requiring any order of the court or any further act, deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.

- 4.3 All the investments in shares, securities, bonds etc., held in any form by the Transferor Company shall, upon the Scheme becoming effective, stand transmitted to and vested in and/or be deemed to have been transmitted to and vested in the Transferee Company, together with all rights, benefits and interest therein or attached thereto, without any further act or deed and thereupon the Transferor Company shall cease to be the registered and/or the beneficial owners of such investments with effect from the Appointed Date. With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company shall be deemed to be holding such investments for and on behalf of and in trust for and for the benefit of the Transferee Company and all profits or dividends or other rights accruing on such investments and all taxes thereof, or losses arising or incurred relating to such investments, shall, for all intent and purposes, be treated as the profits, dividends, taxes or losses, as the case may be, of the Transferee Company.
- 4.4 All the immoveable assets and properties of the Transferor Company forming part of the Undertaking of the said Transferor Company shall, upon this Scheme becoming effective, be transferred to and be vested and/or be deemed to be transferred to and be vested, in the Transferee Company, free from all encumbrances, with effect from the Appointed Date, pursuant to the Order of the Hon'ble National Company Law Tribunal, Kolkata Bench and the Hon'ble National Company Law Tribunal, Ahmedabad Bench passed under the provisions of Section 232 of the Act. The mutation of the title to the immovable properties or recording of transfer of title or ownership of the assets registered with any authority, in favour of the Transferee Company, shall be made and duly recorded by the appropriate authority (ies), as from the Appointed Date, pursuant to the aforesaid order of the Hon'ble National Company Law Tribunal, Kolkata Bench sanctioning this Scheme on compliance of requisite formalities.
- 4.5 With effect from the Appointed Date all debts, liabilities (including contingent liabilities), amounts refundable, credits and claims and all duties and obligations of the Transferor Company as on the Appointed Date and those which may accrue or arise after the Appointed Date but which relate



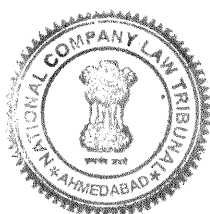
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For MILLENNIUM STOCK BROKING P.V.C. LTD.

Pawan
Director

to the period up to the day immediately preceding the Appointed Date (whether recorded/provided in the books of accounts or not, whether claimed before or after the day immediately preceding the Appointed Date, statutory, contractual or otherwise), as may be reduced pursuant to any payments being made by the said Transferor Company for partial or complete satisfaction of any such debts and liabilities, shall, upon the Scheme becoming effective, be transferred and vested in and/or deemed to have been transferred to and vested in and be assumed by the Transferee Company pursuant to the order of the Hon'ble National Company Law Tribunal, Kolkata Bench and the Hon'ble National Company Law Tribunal, Ahmedabad Bench under Section 232 of the Act and without any further act or deed, so as to become, as from the Appointed Date, the debts, liabilities including contingent liabilities, amounts refundable, credits and claims and duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and further that it shall not be necessary to obtain consent of any third party or of the person who is party to any contract or arrangement by virtue of which such debts, liabilities including contingent liabilities, amounts refundable, credits and claims and duties and obligations have arisen in order to give effect as aforesaid and thereupon, the Transferee Company shall meet, discharge and satisfy the same to the exclusion of the Transferor Company and keep the Transferor Company indemnified at all times from and against the same and from and against all actions, demands and proceedings in respect thereof. It is clarified that the Transferee Company shall seek approval for transfer of any secured claim, if any, from such secured creditor.

- 4.6 Subject to the other provisions of this Scheme, all the licenses, permissions, clearances, authorizations, approvals, sanctions, consents, registrations, exemptions, entitlements and no-objections obtained by the Transferor Company and/or to which the Transferor Company are entitled to in terms of various statutes, rules, regulations, notifications and/or the schemes, policies or guidelines of the Union or the State Governments, shall, upon this Scheme becoming effective, be available to and vest in and/or shall be deemed to have become available and vested in the Transferee Company with effect from the Appointed Date, and shall be appropriately transferred/assigned by the statutory and other authorities concerned therewith, in favour of the Transferee Company subject to compliance of requisite formalities, if any, as may be required or mandated and if otherwise allowed or permitted.



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- 4.7 All taxes, debts, duties, liabilities, demands and other like payments made by the Transferor Companies on account of Income Tax, Sales tax, Goods & Services Tax, Excise Duty, Value Added Tax, Cess etc. and all taxes deducted/collected at source, after the Appointed Date and upto the Effective Date, which relate to the period after the Appointed Date, shall be deemed to have been made by the Transferee Company.
- 4.8 All cheques and other negotiable instruments received in the name of the Transferor Company and all such instruments issued by the Transferor Company, for making their payments, after the Appointed Date and upto the Effective Date, shall be deemed to have been made in the name of/by the Transferee Company.
- 4.9 Without prejudice to the provisions of the foregoing clauses and upon this Scheme becoming effective, the Transferor Company and the Transferee Company shall execute such instruments or documents or do all such acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) with the Registrar of Companies and other concerned authorities, to give effect to the above provisions, if and as required.

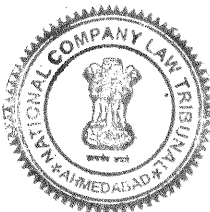
5. LEGAL PROCEEDINGS:

If any suits, actions and proceedings of whatsoever nature (hereinafter called "the Proceedings") by or against the Transferor Company are pending on the Effective Date, the same shall not 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, but the Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.

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6. CONTRACTS AND DEEDS:

- 6.1 Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements, engagements, applications 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, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.
- 6.2 The Transferee Company shall, if and to the extent required by law, enter into and/or issue and/or execute deeds, writings or confirmations, or enter into any Tripartite Arrangement, confirmation or novation to give formal effect to the provisions of this Clause and to the extent that the Transferor Company is required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company.

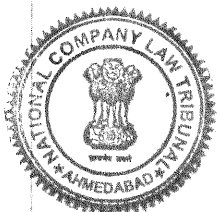
7. SAVING OF CONCLUDED TRANSACTIONS:

The transfer of the Undertaking of the Transferor Company under Clause 4 above, the continuance of Proceedings under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above, shall not affect any transaction or Proceedings already concluded by the Transferor Company on or before 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 Company in respect thereto, as if done and executed on its behalf.

8. EMPLOYEES:

On and from the Effective Date:

- 8.1 All the employees of the Transferor Company in service on the Effective Date shall become the employees of the Transferee Company on the same terms and conditions on which they are engaged by the Transferor



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Panwar
Director

Company without treating it as a break, discontinuance or interruption in service on the said date.

- 8.2 Accordingly the services of such employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their appointments with the Transferor Company.
- 8.3 It is expressly provided that the Provident Funds, Gratuity Funds, Superannuation Fund or any other Fund or Funds created or existing for the benefit of the employees, as applicable, of the Transferor Company shall be continued by the Transferee Company and the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company.

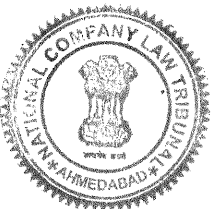
9. DISSOLUTION OF THE TRANSFEROR COMPANY:

The Transferor Company shall be dissolved without winding up pursuant to the provisions of Section 232 of the Act.

10. BUSINESS IN TRUST FOR THE TRANSFEEE COMPANY:

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

- 10.1 The Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall hold and stand possessed of and be deemed to have held and stood possessed of all its assets for and on account of and in trust for the Transferee Company.
- 10.2 The Transferor Company shall carry on its business and activities with due diligence and business prudence and shall not charge, mortgage, encumber or otherwise deal with its assets or any part thereof, nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of its business, without the prior written consent of the Transferee Company.



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Director

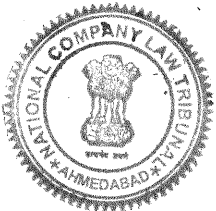
- 10.3 All profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company including accumulated losses shall for all purposes be deemed to have accrued as the profits or income or expenditure or losses, as the case may be, of the Transferee Company.

11. ISSUE OF SHARES

- 11.1 Upon the Scheme coming into effect, and without any further application, act or deed, the Transferee Company shall, in consideration of the amalgamation, issue and allot to the members of the Transferor Company holding fully paid-up Equity Shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on such date ("the Record Date"), as the Board of Directors of the Transferee Company shall determine, Equity Shares of Rs.10/- each in the Transferee Company credited as fully paid up with rights attached thereto as hereinafter mentioned (hereinafter referred to as the "New Equity Shares") in the following ratio:

"85 (Eighty five) equity shares of Millennium Stock Broking Private Limited of Rs 10/- each fully paid up shall be issued for every 100 equity shares of SRD Stock Broking Private Limited of Rs 10/- each fully paid up".

- 11.2 No fractional shares shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the members of the Transferor Company may be entitled on issue and allotment of the New Equity Shares of the Transferee Company, instead fractional entitlements, if any, will be settled in cash.
- 11.3 The New Equity Shares of the Transferee Company to be issued and allotted in lieu of the Equity Shares of the Transferor Company shall rank pari passu in all respects with the existing Equity Shares of the Transferee Company.
- 11.4 The members of the Transferor Company shall receive the share certificates in physical form in accordance with terms hereof. Notwithstanding anything to the contrary in this Scheme, upon the New Equity Shares in the Transferee Company being issued and allotted by it to



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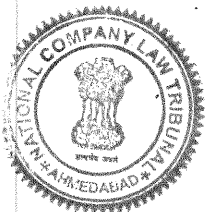
Pawan L.
Director

the members of the Transferor Company as on the Record Date, the share certificates in relation to the Equity Shares held by them in the Transferor Company shall stand cancelled. Wherever applicable, the Transferee Company shall instead of requiring the surrender of the share certificates of the Transferor Company, directly issue and despatch the new share certificates of the Transferee Company in lieu thereof.

- 11.5 All the shares held by the Transferor Company inter se or in the Transferee Company or vice versa, if any, shall stand cancelled.
- 11.6 The cost of acquisition of the New Equity Shares in the hands of the shareholders of the Transferee Company, shall be the same as the cost of acquisition of the shares held by the said shareholders in the Transferor Company and the period for which the said share(s) in the Transferor Company were held by the said shareholders shall be included in determining the period for which the shares in the Transferee Company, have been held by the said shareholders.
- 11.7 The exchange ratio stated herein this Scheme have been determined by the Board of Directors of the Transferee Company based on their independent judgment and taking into consideration views of Mr. Pankaj Parakh, Registered Valuer having registration no. IBBI/RV/06/2019/11409, and which has been accepted by the Board of Directors of the Transferor Company and the said valuation report is available for inspection at the respective Registered Offices of both the aforesaid Companies.

12. ACCOUNTING:

- 12.1 On and from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required and except to the extent required otherwise by law, the reserves of the Transferor Company shall be merged with the corresponding reserves of the Transferee Company.
- 12.2 The Transferee Company shall upon the Scheme becoming effective, record the assets, liabilities and reserves and surplus of the Transferor Company transferred to and vested in it pursuant to this Scheme at their respective book values as appearing in the books of the Transferor



For MILLENNIUM STOCK BROKING PVT. LTD.

Pankaj D.
Director

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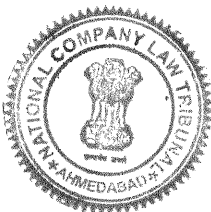
Company as at the close of the business date immediately preceding the Appointed Date.

- 12.3 The difference between the assets and value of liabilities together with accumulated losses of the Transferor Company transferred to the Transferee Company under this Scheme, as reduced by the aggregate paid-up value of the New Equity Shares issued and allotted by the Transferee Company to the shareholders of the Transferor Company pursuant to this Scheme, shall be adjusted in reserves in the books of the Transferee Company.
- 12.4 In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted in the General Reserve of the transferee Company and the same shall be dealt with in accordance with Generally Accepted Accounting ("GAAP") and applicable Accounting Standards, so as to ensure that the financial statements of the Transferee Company reflect the correct financial position on the basis of consistent accounting policy.

13. ALTERATION AND ENHANCEMENT IN THE AUTHORIZED SHARE CAPITAL OF THE TRANSFEREE COMPANY:

- 13.1 Upon the Scheme becoming effective, based on the approval/ consent given by the members of the Transferee Company to this Scheme under the provisions of Section 230 of the Act, on the Effective Date, the Authorized Share Capital of the Transferee Company appearing in Clause V of its Memorandum of Association, shall, without any further act or deed, stand automatically enhanced by an amount of Rs. 2,80,00,000/- (Rupees Two crore and eighty lakh) comprising of :

28,00,000 (Twenty eight lakh) Equity Shares of Rs 10/- each, on account of merger of amounts of the Authorized Share Capital of the SRD STOCK BROKING PRIVATE LIMITED or Transferor Company.



For MILLENNIUM STOCK BROKING PVT. LTD.

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Director

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- 13.2 Pursuant to the Scheme becoming effective and consequent upon the amalgamation of the Transferor Company into the Transferee Company, the authorized share capital of the Transferee Company will be as under:

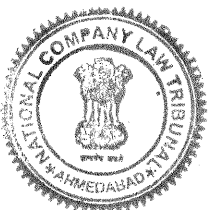
Share Capital	(In Rs.)
Authorized Share Capital	
53,00,000 equity shares of Re 10/- each	5,30,00,000
Total	5,30,00,000

- 13.3 It is clarified that no special resolution under Sections 13, 14, 61 of the Companies Act, 2013 shall be required to be passed by the Transferee Company separately in a general meeting for increase in authorized share capital or for issue and allotment of equity shares to the shareholders of the Transferor Company pursuant to the Scheme and Clause V of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows

V. *The authorised share capital of the Company is Rs. 5,30,00,000/- (Rupees Five Crore and thirty lakh only) divided into 53,00,000 (Fifty Three lakh) equity shares of Re 10/- (Ten) each with power to increase and reduce the capital for the time being into several classes attach thereto respectively such preferential or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company.*

14. APPLICATIONS:

The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make necessary applications under Sections 230 to 232 of the Act, to the Hon'ble National Company Law Tribunal, Kolkata Bench and the Hon'ble National Company Law Tribunal, Ahmedabad Bench for sanction and carrying out of the Scheme and for consequent dissolution of the Transferor Company without winding up and apply for and obtain such other approvals, as required by law. The Transferor Company and the Transferee Company shall also apply for such other approvals as may be necessary in law, if any, for bringing the Scheme into effect. Further, the Transferor Company and the Transferee Company shall be entitled to take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.



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Director

15. APPROVALS AND MODIFICATIONS:

The Transferor Companies and the Transferee Company (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize) are empowered and authorized:

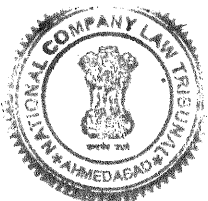
- 15.1 To assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble National Company Law Tribunal, Kolkata Bench and the Hon'ble National Company Law Tribunal, Ahmedabad Bench and / or any authorities under law may deem fit to approve or direct or impose.
- 15.2 To do and execute all acts, deeds, matters and things necessary, desirable or proper for putting the Scheme into effect.

It is clarified that any modifications or amendments of the Scheme proposed by the Transferor Company or the Transferee Company shall be subject to appropriate approval and order passed by the Hon'ble National Company Law Tribunal, Kolkata Bench and the Hon'ble National Company Law Tribunal, Ahmedabad Bench under the provisions of Section 231 and other applicable provisions of the Act.

Without prejudice to the generality of the foregoing the Transferor Company and the Transferee Company (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize) shall each be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

16. SCHEME CONDITIONAL UPON:

The Scheme is conditional upon and subject to the approval of the Scheme by the requisite majority of the members of the Transferor Company and the Transferee Company and sanction of the same by the Hon'ble National Company Law Tribunal, Kolkata Bench and the Hon'ble National Company Law Tribunal, Ahmedabad Bench.



For MILLENNIUM STOCK BROKING PVT. LTD.

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Director

Accordingly, the Scheme although operative from the Appointed Date as specified herein, shall become effective upon sanction by the Hon'ble National Company Law Tribunal, Kolkata Bench and the Hon'ble National Company Law Tribunal, Ahmedabad Bench.

17. COSTS, CHARGES AND EXPENSES:

All costs, charges and expenses, in connection with the Scheme, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company. In the event the Scheme does not take effect or stands withdrawn for any reason whatsoever, each Company shall pay and bear their own costs.

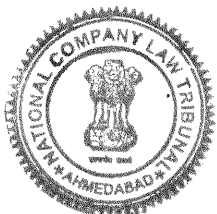
18. TRANSFER AND VESTING SUBJECT TO SUBSISTING CHARGES, IF ANY:

Existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof or charge over such assets relating to any loans or borrowings of the Transferor Company shall, without any further act or deed, be transferred to the Transferee Company.

19. RESIDUAL PROVISIONS:

19.1 On the approval of the Scheme by the members of the Transferor Company and the members of the Transferee Company pursuant to Section 230 of the Act, it shall be deemed that the said members have also accorded all relevant consents under Sections 13, 62 and 61 of the Companies Act, 2013 or any other provisions of the Act, to the extent the same may be considered applicable in respect of any of the acts, deeds or things required to be done by the Transferee Company under the provisions of the Act, pursuant to this Scheme and for which no further resolution shall be required to be passed separately by the members of the Transferee Company.

19.2 In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights or liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person.

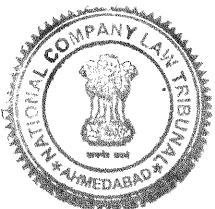


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Pannan L
Director

- 19.3 The Transferee Company and the Transferor Company are expressly permitted to revise their respective income tax returns and related TDS certificates and shall be entitled to claim refund, advance tax credits, etc upon this Scheme becoming effective and each of them have expressly reserved the right to make such revisions in the income tax refunds and related TDS certificates and to claim refund, advance tax credits, etc pursuant to this Scheme.
- 19.4 Upon the Scheme being sanctioned and taking effect and upto the date of dissolution without winding up of the Transferor Company, the Transferee Company shall be entitled to operate all Banks Accounts related to the Transferor Company and all cheques, drafts, pay orders, direct and indirect tax balances and/or payment advices of any kind or description issued in favour of the Transferor Company, either before or after the Appointed Date, or in future, may be deposited with the Bank of Transferee Company and credit of all receipts thereunder will be given in the accounts of the Transferee Company.
- 19.5 The amalgamation of the Transferor Company with the Transferee Company under this Scheme has been proposed in compliance with the provisions of Section 2(1B) of the Income-Tax Act, 1961.
- 19.6 If any part of this Scheme is invalid, ruled illegal by any court or authority of competent jurisdiction or unenforceable under the present or future laws, then subject to the decision of the Transferor Company and Transferee Company, such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.
- 19.7 The Board of the Transferor Company and the Transferee Company are of the view that the rights and obligations of each of the equity shareholders of the Transferor Company and the Transferee Company respectively are not impacted in any way post sanctioning of the Scheme. If so happens in any way, the Board shall take necessary corrective measures to address the grievances of the shareholders.



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Panwar
Director

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