

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

ITEM No.207

C.P.(CAA)/2(AHM)2024 in C.A.(CAA)/37(AHM)2023

Order under Section 230-232 of Co. Act, 2013

IN THE MATTER OF:

Mahatva Plastic Products And Building Materials Private
Limited
Sintex - BAPL Limited

.....Applicant

Order delivered on: 16/05/2024

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, COURT - I
AHMEDABAD**

**CP(CAA) No.2/NCLT/AHM/2024
In
CA(CAA) No.37/NCLT/AHM/2023**

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

In the matter of Scheme of Amalgamation

Mahatva Plastic Products and Building Materials Private Limited

CIN: U25209GJ2021PTC124887

Having its registered address at:
Survey No. 650, Welspun City,
Village Versamedi, Taluka,
Anjar, Gujarat-370 110.

... Petitioner /
Transferor Company

WITH

Sintex-BAPL Limited

CIN: U25199GJ2007PLC051364

Having its registered address at:
Abhijeet-I, 7th Floor, Mithakhali
Six Roads, Ellisbridge, Ahmedabad,
Gujarat - 380 006.

... Petitioner /
Transferee Company

And

Their Respective Shareholders and Creditors

Order pronounced on: 16.05.2024

CORAM:

Sh. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)

Sh. SAMEER KAKAR, HON'BLE MEMBER (TECHNICAL)

Appearance:-

For the Applicant : Mr. Saurabh Soparkar, Advocate a. w.
: Ms. Dharmishta Raval, Advocate
For the RD : Mr. Shiv Pal Singh, Deputy Director
For the OL : Mr. Sandip Tupe, Technical Assistant
For the Income Tax : Ms. Kinjal Vyas, Advocate for
: Ms. Maithili Mehta, Advocate

ORDER

1. The present Company Petition has been filed by the Petitioner Companies above named for the purpose of the approval of the Scheme of Amalgamation of **MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED** (for brevity “Transferor Company”), with **SINTEX-BAPL LIMITED** (for brevity “Transferee Company”) under section 230-232 of Companies Act, 2013, and other applicable provisions 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 Petitioner Company and the said Scheme is also annexed at "**Annexure F**" along with the Petition.
2. An Affidavit in support of the above Petition was sworn by Mr. Akhil G Pillai, Authorised Signatory and the

same is annexed with the Petition. The above-named Authorised Signatory of Petitioner Companies have been authorized vide Board Resolution dated 29.03.2023.

3. 1ST MOTION APPLICATION – IN BRIEF

3.1 The Petitioner Companies had filed the First Motion Application vide CA(CAA)37/AHM/2023 sought reliefs as follows: -

	EQUITY SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
TRANSFEROR COMPANY	To dispense with	N.A.	To dispense with
TRANSFeree COMPANY	To dispense with	To dispense with	To Convene with

3.2 Based on such application moved under Sections 230-232 of the Companies Act, 2013; directions were issued by this Tribunal, vide order dated 30.10.2023, to dispense the meeting of Equity shareholders of both the Petitioner Companies. Since there are no Secured Creditors in the Transferor Company, the question of convening of meetings of the Secured Creditors does not arise and to dispense the meeting of Secured Creditors of Transferee Company. Further, the meeting

of Unsecured Creditors of the Transferor Company was dispensed with and the meeting of Unsecured Creditors of the Transferee Company was convened with. Furthermore, the meeting of Equity Shareholders of both the Petitioner Companies, Secured Creditors of the Transferor Company and Unsecured Creditors of the Transferor Company were dispensed with and the meeting of Unsecured Creditors of Transferee Company were convened with.

4. The Second Motion Petition was filed before this Tribunal by the Petitioner Companies on 26.12.2023 for sanction of the Scheme by this Tribunal.

5. **RATIONALE OF THE SCHEME**

The Rationale for the Scheme as as envisaged under the Scheme appended at “**Annexure F**” along with the Petition is extracted hereunder:

i. The Transferor Company was incorporated inter alia for the purposes of acquisition of the Transferee Company and/or acquisition of the loans/debentures of the Transferee Company. The Transferor Company has completed the

acquisition of the debentures. Further, the Corporate Insolvency Resolution Process in respect of the Transferee Company is completed.

- ii. Currently, the Transferor Company and the Transferee Company are held by a common holding company and are part of the same group. The proposed merger will eliminate the inter-company transactions and investments for the group and will help in streamlining the structure (as there is no requirement of the Transferor Company) and making it simple and transparent; and
- iii. Reducing the multiplicities of legal and regulatory compliances.

6. In the second motion application filed by the Petitioner Companies, this Tribunal directed the Petitioner Companies to issue notice to the Statutory / Regulatory Authorities viz. (i) the Central Government through the office of the Regional Director, North Western Region, (ii) the Registrar of Companies, Gujarat, MCA (iii) the office of the Official Liquidator and (iv) the jurisdictional

Income Tax officer having jurisdiction over the respective companies indicating specifically their Permanent Account Number (PAN) in the communication and other sectoral regulators, if any, who may govern the working of the respective companies, as well as for paper publication to be made in **“Indian Express”** in English language and **“Sandesh”** in Vernacular Language both in Ahmedabad Edition.

7. In compliance to the said directions issued by this Tribunal, the Petitioner Companies have filed an affidavit of service before the Registry of this Tribunal on 28.02.2024 in Inward No. D 1814 and a perusal of the same discloses that the Petitioner Companies have effected paper publications as directed by the Tribunal in the **“Indian Express”** in English and in **“Sandesh”** in Vernacular Language **(Ahmedabad Edition)** on 14.02.2024. It is also seen that notices have been also served to (i) Regional Director, North Western Region on 12.02.2024, (ii) Registrar of Companies, Gujarat on 12.02.2024, (iii) Income Tax Authority along with Principal Chief Commissioner of Income Tax on

16.02.2024 and (iv) Official Liquidator on 12.02.2024, the proof of the same by way of affidavits have been enclosed with the separate typed set. Pursuant to the service of notice of the petition the following statutory authorities have responded as follows: -

STATUTORY AUTHORITIES

8. REGIONAL DIRECTOR & REGISTRAR OF COMPANIES

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 Registrar of Companies (hereinafter referred to as 'ROC') before this Tribunal on 18.03.2024 vide Inward Diary No. R 121.

Observations of the Regional Director are as under:

- i. In para 5 (i) of RD's report, observation of Registrar of Companies, Gujarat is given wherein it is stated that, there are no complaints, inquiry, inspection, investigation or prosecution pending against the Petitioner Transferor Company. However, the Ministry vide file/order No.3/217/2020/DGCoA-Part-I dated

11.05.2022 has ordered inspection of books and papers of Transferee Company Sintex-BAPL Limited u/s 206(5) r/w 2017 of the Companies Act, 2013.

The Hon'ble NCLT may kindly direct the Applicant Transferee Company to place on record all the relevant fact of matter.

- ii. In para 6 (i) of RD's report, it is stated that the scheme that there is no any clause in the scheme with regard to transfer/merge the authorized share capital of the Transferor Company in the authorized share capital of the Transferee Company. In this regard Section 232 (3) (i) of the Companies Act, 2013 is reproduced as under:

“(i) where the transferor company is dissolved, the fee, if any, paid by the transferor 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; and”.

The Hon'ble NCLT may, therefore, be pleased to direct the Petitioner Companies to place on record all the relevant facts of the matter for compliance of Section 232 (3) (i) of the Companies Act, 2013.

- iii. In para 6 (ii) of the RD's report, it is stated that to direct the petitioner companies to file an affidavit to the extent that the scheme enclosed to the company application and company petition are one and same and there is no discrepancy, or no change is made.
- iv. In para 6 (iii) of the RD's report, it is stated that the Ministry of Corporate Debtor has ordered the Inspection against the applicant transferee company Sintex-BAPL Limited under Section 206(5) of the Companies Act, 2013 vide order No. 3/217/2020/DGCoA-Part-I dated 11.05.2022 based on reference received from Central Economic Intelligence Bureau (CEIB), **Department of Revenue, New Delhi wherein the alleged amount of Bank fraud is Rs.264 Crores.**

In compliance of the directions of the Ministry as inspection in the matter has been carried out by this Directorate and the Inspection Report has already been sent to the Ministry for

consideration/further examination/direction.

However, the directions from the Ministry are yet to be received in the matter.

The Hon'ble NCLT may be pleased to direct the Transferee Company Sintex-BAPL Limited to furnish an undertaking to comply with the direction/order/notice, if any, issued by Ministry of Corporate Affairs/Regional Director/ROC in the matter.

- v. In para 6 (iv) of the RD's report, it is stated that the Transferee Company was admitted to Corporate Insolvency Resolution Process vide order dated 18.12.2020 passed by Hon'ble NCLT, Bench at Ahmedabad in C.P. (I.B) No. 759/2019 under the provisions of the Insolvency and Bankruptcy Code, 2016. Subsequently, whatsoever resolution plan was processed by RP and approved by Hon'ble NCLT, Bench at Ahmedabad vide its order dated 17.03.2023.

In this regard, it is submitted that terms and condition of resolution plan is not available with this Directorate, therefore, Hon'ble NCLT may direct the Transferee Company to undertake that

all terms and condition of approved resolution plan is implemented according to applicable law, and nothing has been pending.

- vi. In para 7(i) of the RD's report, it is stated that the Petitioner Companies have to ensure compliance of observation made by the Registrar of Companies and this Directorate.
- vii. In para 7(ii) of the RD's report, it is stated that the Petitioner Companies be directed to preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the Provision Section 239 of the Companies Act, 2013.
- viii. In para 7(iii) of the RD's report, it is stated that the Petitioner Companies be directed to ensure statutory compliance of all applicable laws and on sanctioning of the present Scheme, the Petitioner Companies shall not be absolved from any of its statutory liabilities, if any manner.
- ix. In para 7(iv) of the RD's report, it is stated that necessary Stamp Duty on transfer of property/Assets, if any is to be paid to the

respective Authorities before implementation of the Scheme.

- x. In para 7(v) of the RD's report, it is stated that the Petitioner Companies involved in the scheme to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to file certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from date of passing order.
- xi. In para 7(vi) of the RD's report, it is stated that the Petitioner Companies shall undertake comply with Income Tax/GST law and any demand /taxes payable on implementation of the said scheme as per law.
- xii. In para 7(vii) of the RD's report, it is stated that the Applicant company/(ies) have to pay such amount of legal fees / cost to the Central Government which may be considered appropriate by this Hon'ble NCLT for the legal fees / expenses of the office of the Regional Director for submitting this report and

representing the matter on behalf of the Central Government.

- xiii. In para 8 of the RD's report, it is stated that there are no other observations/submissions except stated, hereinabove, for consideration of the Hon'ble NCLT in respect of the Scheme proposing an amalgamation of Mahatva Plastic Products and Building Materials Private Limited with the Petitioner Transferee Company namely Sintex-BAPL Limited and their respective shareholders.

Observations of the Registrar of Companies are as under:

- i. In para 14(1) of the ROC report, it is stated that the Petitioner Companies are not listed with any Stock Exchange.
- ii. In para 14(2) of the ROC report, it is stated that as per the financial statements as at 31.03.2022 and 31.03.2023 of the Transferor Company and Transferee Company available on MCA 21 portal, the following body corporate shareholders holding 10% or more of total shareholding of the Petitioner companies:-

Sr. No.	Petitioner Company	Name of Shareholder	% of shares held	Remarks										
1.	Mahatva Plastic Products And Building Materials Private Limited (Transferor Company)	Welspun Corp Limited	100%	The details of e-form BEN-2 filed by the Transferor Company are as under: <table border="1"> <thead> <tr> <th>SRN</th> <th>Receipt Date</th> </tr> </thead> <tbody> <tr> <td>F01728450</td> <td>05/19/2022</td> </tr> <tr> <td>T75502930</td> <td>02/01/2022</td> </tr> <tr> <td>T75501650</td> <td>02/01/2022</td> </tr> <tr> <td>T75495424</td> <td>02/01/2022</td> </tr> </tbody> </table>	SRN	Receipt Date	F01728450	05/19/2022	T75502930	02/01/2022	T75501650	02/01/2022	T75495424	02/01/2022
SRN	Receipt Date													
F01728450	05/19/2022													
T75502930	02/01/2022													
T75501650	02/01/2022													
T75495424	02/01/2022													
2.	SINTEX-BAPL LIMITED (Transferee Company)	Welspun Corp Limited	100%	The details of e-form BEN-2 filed by the Transferee Company are as under: <table border="1"> <thead> <tr> <th>SRN</th> <th>Receipt Date</th> </tr> </thead> <tbody> <tr> <td>F61655973</td> <td>05/31/2023</td> </tr> <tr> <td>R27323310</td> <td>12/28/2019</td> </tr> </tbody> </table>	SRN	Receipt Date	F61655973	05/31/2023	R27323310	12/28/2019				
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F61655973	05/31/2023													
R27323310	12/28/2019													

- iii. In para 14(3) of the ROC report, it is stated that the Hon'ble Bench of National Company Law Tribunal may be pleased to direct the Petitioner Companies to preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the Provision Section 239 of the Companies Act, 2013.
- iv. In para 14(4) of the ROC report, it is stated that the Hon'ble Bench of National Company Law Tribunal may be pleased to direct the Petitioner Companies to ensure Statutory compliance of all applicable Laws and also on sanctioning of the present Scheme, the Petitioner Companies shall not be absolved from any of its Statutory liabilities, in any manner.

- v. In para 14(5) of the ROC report, it is stated that necessary Stamp Duty on transfer of property/Assets, if any, is to be paid to the respective Authorities before implementation of the Scheme.
- vi. In Para 14(6) of the ROC report, it is stated that the Hon'ble Tribunal may direct the Petitioner Companies involved in the scheme to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to file certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from date of passing order.

8.2 In response to the observations of Regional Director and Registrar of Companies, the Petitioner Companies have filed its reply before this Tribunal on 18.03.2024 vide Inward Diary No. D 2380.

- a) In response to observation at para 5(i) of RD's report, the Petitioner Transferee Company was admitted to CIRP vide order dated 18.12.2020 in CP (IB) No. 759 of 2019. The Resolution Plan

approved by the Hon'ble, NCLT, Ahmedabad Bench vide order dated 17.03.2023.

The inspection against the Petitioner Transferee Company under Section 206(5) of the Companies Act, 2013 was ordered on 11.05.2022 i.e. before the approval of the resolution plan by the Hon'ble Tribunal.

Clause 3.3.18(b) of the Resolution Plan approved by the Hon'ble Tribunal which reads as under:

“All claims, debt or liabilities of the corporate debtor including in respect of any fines, damages, compensation, recompense, etc. (relating to a period prior to the Plan Approved Date) arising out of any Proceedings or otherwise (including in relation to the proceedings identified in Schedule VIII) to which the corporate debtor is a party shall, unless otherwise stated in this Resolution Plan and irrespective of the final outcome of such proceedings, stand irrevocably and unconditionally extinguished.”

Accordingly, in terms of clause 3.3.12(a)(i), clause 3.3.18(b) read with Schedule VIII of the approved resolution plan, the inspection under Section 206(5) of the Companies Act, 2013 has been irrevocably and unconditionally extinguished with effect from the approval to the Resolution Plan by the Hon'ble Tribunal and any

financial liability on that account also stands revoked and cancelled.

The Petitioner Transferee Company will continue to remain in existence.

To the best of the knowledge and belief, the sanctioning of the Scheme by this Hon'ble Tribunal shall not in any way cause prejudice of any nature.

The Petitioner Transferee Company undertakes to comply with the directions/order/notice, if any, from the Ministry of Corporate Affairs/Regional Director/Registrar of Companies subject to relief/remedies available to the Transferee Company in accordance with the approved resolution plan by the Hon'ble Tribunal and the applicable laws.

- b) In response to observation at para 6(i) of RD's report, the Petitioner Companies undertakes to ensure compliance with the provisions of Section 232(3)(i) of the Companies Act, 2013 and pay the difference amount of fees, if any, on the enhanced authorized share capital.

- c) In response to observation at para 6(ii) of RD's report, the Petitioner Companies submits that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.
- d) In response to observation at para 6(iii) of RD's report, the Petitioner Transferee Company was admitted to CIRP vide order dated 18.12.2020 in CP (IB) No. 759 of 2019 and Resolution Plan approved by the Hon'ble, NCLT, Ahmedabad Bench vide order dated 17.03.2023.

Accordingly, in terms of clause 3.3.12(a)(i) and clause 3.3.18(b) read with Schedule VIII of the approved resolution plan, the inspection under Section 206(5) of the Companies Act, 2013 has been irrevocably and unconditionally extinguished with effect from the approval to the Resolution Plan by the Hon'ble Tribunal and any financial liability on that account also stands revoked and cancelled.

The Petitioner Transferee Company will continue to remain in existence.

To the best of the knowledge and belief, the sanctioning of the Scheme by this Hon'ble Tribunal shall not in any way cause prejudice of any nature.

The Petitioner Transferee Company undertakes to comply with the directions/order/notice, if any, from the Ministry of Corporate Affairs/Regional Director/Registrar of Companies subject to relief/remedies available to the Transferee Company in accordance with the approved resolution plan by the Hon'ble Tribunal and the applicable laws.

- e) In response to observation at para 6(iv) of RD's report, the Transferee Company submits that all the terms and conditions of approved Resolution Plan are implemented according to applicable law, and nothing is pending.
- f) In response to observation at para 7(i) of RD's report, the Petitioner Companies undertake to ensure compliance and has furnished necessary clarification regarding observations made by Registrar of Companies and Regional Director.

- g) In response to observation at para 7(ii) of RD's report, the Petitioner Companies undertake to preserve its books of accounts, papers and records and that the same shall not be disposed of without prior permission of Central Government as per the provisions of section 239 of the Companies Act, 2013.
- h) In response to observation at para 7(iii) of RD's report, the Petitioner Companies has ensured and shall ensure compliance of all the applicable laws and undertakes that on sanctioning of the present Scheme, the Petitioner Companies shall not be absolved from any of its statutory liabilities in any manner.
- i) In response to observation at para 7(iv) of RD's report, the Petitioner Companies undertakes to pay necessary legitimate stamp duty on transfer of property/assets pursuant to the Scheme as and when they statutorily become due for payment.
- j) In response to observation at para 7(v) of RD's report, the Petitioner Companies undertakes to

comply with the provision of Section 232(5) of the Companies Act, 2013 with respect to filing of certified copy of order sanctioning the Scheme with the Registrar of Companies within 30 days from date of receipt of certified copies of the order sanctioning the Scheme.

- k) In response to observation at para 7(vi) of RD's report, the Petitioner Companies undertakes to comply with the Income Tax / GST law and any demand / taxes payable on implementation of the present Scheme in accordance with the provisions of the applicable law.
- l) In response to observation at para 7(vii) of RD's report, the Petitioner Companies undertakes to pay such legal fees / cost as may be considered appropriate by this Hon'ble Tribunal to the office of Regional Director for submitting its report and representing the matter on behalf of the Central Government.
- m) In response to observation at para 8 of RD's report, the Petitioner Companies submits that

the contents thereof do not require any comments.

8.3 During the hearing held on 02.05.2024, the representative of RD submitted that they do not have an objection for approval of the Scheme.

9. **OFFICIAL LIQUIDATOR:**

9.1 The Official Liquidator (hereinafter referred to as 'OL') to whom the notice was issued, has filed its Separate Reports in respect of the Transferor Companies before this Tribunal on 08.03.2024 in Inward Diary No. D 2095.

OBSERVATIONS OF THE OFFICIAL LIQUIDATOR

- i. In para 10 of the OL's report, it is stated to direct the Transferor Company to preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the Provision of Section 239 of the Companies Act, 2013.
- ii. In para 11 of the OL's report, it is stated to direct the Transferor Company to ensure Statutory compliance of all applicable laws and also on sanctioning of the present Scheme, the Transferor Company shall not be absolved from any of its Statutory liabilities, in any manner.

- iii. In para 12 of the OL's report, it is stated that the Transferor Companies, may be dissolved without following the process of winding-up in terms of sub-section 3(d) of Section 232 of the Companies Act, 2013. Further, the Transferor Company being dissolved, the fee, if any paid by the Transferor Company on its Authorized Share Capital shall be set-off against any fees payable by the Transferee Company on its Authorized Capital subsequent to the amalgamation in terms of sub section 3(i) of Section 232 of Companies Act, 2013.
- iv. In para 13 of the OL's report, it is stated that the cost of proceedings and related expenses of the office of the Official Liquidator for submitting this report is Rs. 20,000/- each approximately. Therefore, this Hon'ble Tribunal may be pleased to direct the Transferee Company to pay such cost and expenses to the Office of Official Liquidator for the Transferor Company or any other amount as may be considered appropriate by this Hon'ble Tribunal by way of submitting Demand Draft/Banker's cheque only in favour of the Official Liquidator, payable at Ahmedabad.

- v. In para 14 of the OL's report, it is stated that the Hon'ble Tribunal may be pleased to direct the Petitioner Company to lodge a certified copy of the order along with the scheme, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any.
- vi. In para 15 of the OL's report, it is stated that Hon'ble Tribunal may direct the companies involved in the scheme to comply with Provision of Section 232(5) of Companies Act, 2013 with respect to file certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order.
- vii. In para 16 of the OL's report, it is stated that subject to complying with the directions of the Hon'ble Tribunal, as prayed by the Official Liquidator above, Official Liquidator has no further observations or objections based on the information provided by the Transferor Company for consideration of the Hon'ble Tribunal in respect on proposed scheme of Amalgamation between Mahatva Plastic Products and Building Materials Private

Limited with Sintex-BAPL Limited and their respective Shareholders and Creditors.

9.2 In response to the observations of Official Liquidator, the Petitioner Companies have filed its reply before this tribunal on 18.03.2024 vide Inward Diary No. D 2381.

- i. In response to the Observation in para no. 10 of the OL's Report, the Petitioner Transferor Company undertakes to preserve its book of accounts, papers and records and that the same shall not be disposed of without the prior permission of Central Government as per the Provision of Section 239 of the Companies Act, 2013.
- ii. In response to the Observation in para 11 of the OL's report, the Petitioner Transferor Company undertakes to ensure statutory compliance of all applicable laws. Further the Petitioner Transferor Company also undertakes that on sanctioning of the Scheme, in shall not be absolved from any of its statutory liabilities, in any manner.
- iii. In response to the Observation in para 12 of the OL's report, the Petitioner Transferor Company submits that the Scheme contains provisions for aggregation

of the authorized share capital of the Petitioner Transferor Companies with the Petitioner Transferee Company. The Petitioner Companies undertakes to abide and comply by the terms of sub-section 3(i) of Section 232 of the Companies Act, 2013.

- iv. In response to observation at para 13 of OL's report, the Petitioner Transferor Company undertakes to pay such cost and expenses to the office of Official Liquidator as is quantified and directed by this Hon'ble Tribunal.
- v. In response to observation at para 14 of OL's report, the Petitioner Companies undertakes to lodge a certified copy of order along with the Scheme, with the concerned Superintendent of Stamps for the purposes of adjudication of stamp duty payable, if any.
- vi. In response to observation at para 15 of OL's report, the Petitioner Companies undertakes to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to filing of certified copy of the order sanctioning the Scheme with the Registrar

of Companies within 30 days from the date of passing of the order by this Hon'ble Tribunal.

- vii. In response to observation at para 16 of OL's report, the Petitioner Companies submit that contents thereof do not require any comments.

9.3 During the course of hearing dated 02.05.2024, the representative of OL submitted that they have no objection for approval of the Scheme.

10. **INCOME TAX DEPARTMENT:**

10.1 In pursuance to the notice, no report has been filed by the Income Tax Department. However, the Petitioner Companies filed an affidavit regarding Income Tax Dues on 18.03.2024 vide Inward Diary No. D 2382. It is stated there in that, there are no liabilities toward the Income Tax Department with respect to the Transferor Company.

11. **VALUATION REPORT**

The Learned Counsel for the Petitioner Companies invited the attention of this Tribunal to the Valuation Report obtained from, Mr. Vivek G Gaggar FCA, Registered Valuer dated 29.03.2023 with Registration

No. IBBI/RV/06/2022/14829 and the same is placed at Annexure “H” in respect of Petitioner Companies.

12. **ACCOUNTING TREATMENT**

Learned Counsel for the Petitioner Companies have stated that the Statutory Auditors has certified that the Accounting Treatment proposed in terms of clause 6 of the Scheme is in conformity with the applicable Accounting Standards. The Certificate issued by the Statutory Auditors certifying the Accounting Treatment of the Petitioner Companies is placed at ‘**Annexure G (Colly)**’ of the typeset.

13. **OBSERVATIONS OF THIS TRIBUNAL:**

A. After analysing the Scheme in detail, this Tribunal is of the considered view that the scheme as contemplated amongst the petitioner companies seems to be *prima facie* beneficial to the Companies and will not be in any way detrimental to the interest of the shareholders of the Petitioner Companies. Considering the record placed before this Tribunal and since all the requisite statutory compliances have been fulfilled, this Tribunal sanctions the Scheme of

Amalgamation appended at "**Annexure F**" to the typed set filed along with the Company Petition as well as the prayer made therein.

- B. Learned Counsel for the Petitioner Companies submitted that no Winding up/Liquidation Proceedings/Corporate Insolvency Resolution Process proceedings have been filed or pending against the Petitioner Companies under the Companies Act, 2013 or the corresponding provisions of the Companies Act, 1956. Further, no investigation or proceedings under the Companies Act, 1956/ Companies Act, 2013 have been instituted or are pending in relation to the Petitioner Companies.
- C. 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.

D. 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.

E. 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 Income Tax 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 anyother 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.”

14. **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 **29th March, 2023** as mentioned in **Clause 1.3** of the Scheme.
- ix. Consideration:

Upon the coming into effect of the Scheme, the Transferee Company shall without any further application or deed, issue and allot shares as fully paid up to the shareholders of the Transferor

Company, whose names appear in the register of members of the Transferor Company as on the Effective Date or to their successors-in-title, as the case may be, in the following manner:

“1 (One) equity share of the Transferee Company of the face value of INR 10 (Rupees Ten Only) each fully paid up, shall be issued and allotted for every 1 equity share of the Transferor Company of the face value of INR 10/- (Rupees Ten Only) each fully paid.”

- 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 than those on which they were/are engaged, as on the Effective Date.
- xi. The Petitioner Companies 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 Companies are directed to lodge a copy of this Order and the approved Scheme and Schedule of Assets of the Petitioner Transferor Company attached as **Annexure-B** with this order, duly authenticated by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for adjudication of stamp duty, and pay requisite stamp duty payable, if any, within 60 days from the date of this Order.
- xiv. The Petitioner Companies 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.

- xv. The legal fees and expenses for the office of the Regional Director are quantified at Rs. 20,000/-. The said fees to the Regional Director shall be paid by the Transferee Company.
- xvi. The legal fees and expenses for the office of the Official Liquidator are quantified at Rs. 20,000/-. The said fees to the Official Liquidator shall be paid by the Transferee Company.
- xvii. 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.

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

15. Accordingly, the Company Petitions stands **allowed** on the aforementioned terms.

Sd/-

SAMEER KAKAR
MEMBER (TECHNICAL)

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)

SK

SCHEME OF AMALGAMATION
OF
MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED
("THE TRANSFEROR COMPANY")
WITH
SINTEX-BAPL LIMITED
("THE TRANSFEREE COMPANY")
AND
THEIR RESPECTIVE SHAREHOLDERS

(A) PREAMBLE

1. The Scheme of Amalgamation ("Scheme") is presented under sections 230-232 and other applicable provisions of the Companies Act, 2013 for amalgamation of Mahatva Plastic Products and Building Materials Private Limited ("the Transferor Company") with Sintex-BAPL Limited ("the Transferee Company") with effect from the Appointed Date (as defined hereinafter).
2. The Scheme is in the best interest of the companies involved and their respective shareholders, creditors, employees and all other stakeholders.
3. This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

(B) DESCRIPTION OF COMPANIES

1. Mahatva Plastic Products and Building Materials Private Limited (CIN: U25209GJ2021PTC124887) is a private limited company, incorporated under the applicable provisions of the Companies Act, 2013 and having its registered address at Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110.
2. Sintex-BAPL Limited (CIN: U25199GJ2007PLC051364) is a public limited company, incorporated under the applicable provisions of the Companies Act, 1956 and having its registered address at Abhijeet-I, 7th Floor, Mithakhali Six Roads, Ellisbridge, Ahmedabad, Gujarat - 380006.



For MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED

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Director / Authorised Signatory

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Director / Authorised Signatory

The Transferee Company was admitted to Corporate Insolvency Resolution Process vide order of the Appropriate Authority dated December 18, 2020 in C.P (LB) No. 759/2019 under the provisions of the Insolvency and Bankruptcy Code, 2016. The resolution plan was subsequently approved by the Appropriate Authority vide the order dated March 17, 2023. The resolution plan was implemented on March 29, 2023.

(C) RATIONALE OF THE SCHEME

The Scheme is expected to achieve the following:

- (i) The Transferor Company was incorporated inter alia for the purposes of acquisition of the Transferee Company and / or acquisition of the loans / debentures of the Transferee Company. The Transferor Company has completed the acquisition of the debentures. Further, the Corporate Insolvency Resolution Process in respect of the Transferee Company is completed.
- (ii) Currently the Transferor Company and the Transferee Company are held by a common holding company and are part of the same group. The proposed merger will eliminate the inter-company transactions and investments for the group and will help in streamlining the structure (as there is no requirement of the Transferor Company) and making it simple and transparent; and
- (iii) Reducing the multiplicities of legal and regulatory compliances.

(D) PARTS OF THE SCHEME:

The Scheme is divided into the following parts:

- (i) CHAPTER I deals with the definitions, interpretations and share capital;
- (ii) CHAPTER II deals with amalgamation of the Transferor Company with the Transferee Company; and
- (iii) CHAPTER III deals with general clauses, terms and conditions applicable to this Scheme.

CHAPTER I

DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL

DEFINITIONS

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



For MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED

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For Sintex-BAPL Limited

P. O. Shah

Director/ Authorised Signatory

- 1.1. "Act" means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory modification or re-enactment thereof for the time being in force;
- 1.2. "Applicable Laws" means any applicable statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority, including any statutory modification or re-enactment thereof for the time being in force;
- 1.3. "Appointed Date" means the opening hours of 29th March 2023, or such other date as may be fixed and approved by the Hon'ble Tribunal or such other competent authority;
- 1.4. "Appropriate Authority" means any applicable central, state or local government, legislative body, statutory, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, including, but not limited, to Securities and Exchange Board of India, Stock Exchanges, Regional Director, Registrar of Companies, Official Liquidator, Tribunal and other applicable authorities pursuant to the provisions of Section 230(5) of the Act, as may be relevant in the context;
- 1.5. "Board of Directors" means the Board of Directors of the Transferor Company or the Transferee Company as the context may require and includes a committee or any person authorised by the board of directors or by such committee duly constituted and authorised for the purposes of matters pertaining to the amalgamation as contemplated under this Scheme and / or any other matters relating thereto;
- 1.6. "Effective Date" means the last date on which the conditions specified in Clause 17 of the Scheme are complied with;
- 1.7. "Scheme" means this scheme of amalgamation in its present form for sanction including / with any modifications / amendments thereto / therein made under Clause 16 of the Scheme;



For MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED

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For Sintex-BAPL Limited

P. D. Shah
Director / Authorised Signatory

- 1.8. "Transferor Company" means Mahatva Plastic Products and Building Materials Private Limited (CIN: U25209GJ2021PTC124887) which is a private limited company, incorporated under the provisions of the Companies Act, 2013 and having its registered address at Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370110;
- 1.9. "Transferee Company" means Sintex-BAPL Limited (CIN: U25199GJ2007PLC051364) which is a public limited company, incorporated under the provisions of the Companies Act, 1956 having its registered address at Abhijeet-I, 7th Floor, Mithakhali Six Roads, Ellisbridge, Ahmedabad, Gujarat - 380006; and
- 1.10. "Tribunal" means the National Company Law Tribunal, Ahmedabad Bench having jurisdiction in relation to the Transferor Company and the Transferee Company and shall be deemed to include, if applicable, a reference to such other forum or authority which may be vested with any of the powers of the Tribunal to sanction the Scheme under the Act.

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

Reference to clauses, recitals and annexures, unless otherwise provided, are to clauses, recitals and annexures of and to this Scheme. The singular shall include the plural and vice versa.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1. The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Hon'ble Tribunal or made as per Clause 16 of the Scheme, shall be effective from the Appointed Date, but shall be operative from the Effective Date.

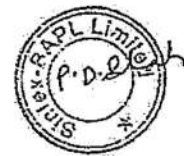
- 2.2. Any reference in this Scheme to "upon the Scheme becoming effective" or "the coming into effect of the Scheme" shall mean the Effective Date.



MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED

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3. **SHARE CAPITAL**

3.1. The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on 31st March 2023 is as under:

Share Capital	Amount in INR
<u>Authorized Share Capital</u>	
10,000 Equity Shares of INR 10/- each	1,00,000/-
TOTAL	1,00,000/-
<u>Issued, Subscribed and paid-up Share Capital</u>	
1,000 Equity Shares of INR 10/- each	10,000/-
TOTAL	10,000/-

Subsequent to the above date, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company.

3.2. The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 31st March 2023 is as under:

Share Capital	Amounts in INR
<u>Authorized Share Capital</u>	
1,74,50,000 Equity Shares of INR 10/- each	17,45,00,000/-
50,00,000 Redeemable Cumulative Preference Shares of INR 100/- each	50,00,00,000/-
TOTAL	67,45,00,000/-
<u>Issued, subscribed and paid-up Share Capital</u>	
1,13,308 Equity Shares of INR 10/- each, fully paid up	11,33,080/-
TOTAL	11,33,080/-

Subsequent to the above date, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company.

CHAPTER II

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

TRANSFER AND VESTING

4.1. With effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company including all properties and assets (whether

For Sintex-BAPL Limited

P. D. Joshi

Director / Authorised Signatory
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For MAHATVA PLASTIC PRODUCTS AND BOTTLE MANUFACTURING PRIVATE LIMITED

[Signature]
Director / Authorised Signatory



movable or immovable, tangible or intangible) of whatsoever nature such as licenses, permits, trademarks, quotas, investments, approvals, lease, tenancy rights, permissions, incentives, concessions, if any, and benefit of all letter of intent, request for proposal, prequalification, bid acceptances, tenders, contracts, deeds, memorandum of understanding, bonds, agreements, arrangements, track-record, experience, goodwill and all other rights, claims, powers and any other instrument and all other rights, title, interest, certificates, registrations under various legislations, contracts, consent, approvals or powers of every kind nature and descriptions whatsoever of all intents and purposes and specifically including but not limited to, the turnover, the profitability, performance, and market share of the Transferor Company from the commencement of its operations shall under the applicable provisions of the Act and pursuant to the orders of the Hon'ble Tribunal and without any further act, instrument or deed, but subject to the existing charges affecting the same as on the Effective Date be transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

4.2. Without prejudice to Clause 4.1 above, in respect of such of the assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities of the Transferee Company by way of physical delivery or novation. The investments, if any held in dematerialized form will be transferred to the Transferee Company by issuing appropriate delivery instructions to the depository participant or submission of a copy of the order of the Hon'ble Tribunal sanctioning the Scheme with whom the Transferor Company have an account for effecting the transfer of change in the nomenclature of the demat account from the name of the Transferor Company to the name of the Transferee Company. Such delivery and transfer shall be made on a date mutually agreed upon, being a date after the Scheme becoming effective. The moveable assets, other than those specified in Clause 4.1 above, including intangible assets, actionable claims, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits including deposits paid in relation to outstanding litigations, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall, without any

For Sintex-BAPL Limited

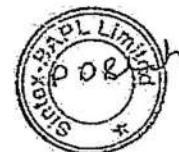
P. D. Shah
Director/ Authorised Signatory

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For MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED

M. ...
Director/ Authorised Signatory



further act, instrument or deed, be transferred to and vested into as the property of the Transferee Company. The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person or debtor that, pursuant to the Scheme, the said person or debtor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realise the same is in substitution of the right of the Transferor Company and that appropriate entry should be passed in their respective books to record the aforesaid charges.

4.3. Without prejudice to any of the clauses above, with effect from the Appointed Date and upon the Scheme becoming effective, all immoveable properties, if any, including land together with buildings and structure standing thereon, whether freehold or leasehold, relating to the Transferor Company and any documents of title, rights, interests, claims, including leases, licenses and easements in relation thereto, shall, pursuant to the applicable provisions of the Act and the Scheme, without any further act, instrument, deed, matter or thing, stand transferred to and vested into the Transferee Company, as of the Appointed Date. The mutation of the title to the immoveable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favor of the Transferee Company.

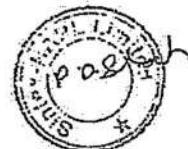
4.4. The transfer and vesting as aforesaid shall be subject to the existing charges / hypothecation / mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which the Transferor Company is a party wherein the assets of the Transferor Company have been or are offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to the assets pertaining to the Transferor Company and vested in the Transferee Company by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of the Transferee Company.

Provided that the Scheme shall not operate to enlarge the security for the said liabilities of the Transferor Company which shall vest in the Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further, or additional security thereof after the merger has become effective or

For Sintex-BAPL Limited

P. D. Shah
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For MAHATVA PLASTIC PRODUCTS AND ENGINEERING MATERIALS PRIVATE LIMITED

M. N. D.
Director / Authorised Signatory

otherwise. The transfer / vesting of the assets of the Transferor Company as aforesaid shall be subject to the existing charges / hypothecation / mortgages over or in respect of the assets or any part thereof of the Transferor Company.

Provided further that security, charges over and in respect of the assets or part of the assets of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such security, charges to end and intent that such security, charges shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company.

4.5. All debts, liabilities, duties and obligations of whatsoever nature of the Transferor Company shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of the Act, so as to become the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which debts, liabilities, duties and obligations liabilities have arisen, in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by the Transferor Company, if any.

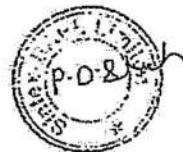
4.6. With effect from the Appointed Date and upon the Scheme becoming effective, all the corporate guarantees, letters of comfort, support letters etc. issued by the Transferee Company for the benefit of the Transferor Company shall, without any further act or deed, stand cancelled.

4.7. The Transferee Company may at any time after the coming into effect of the Scheme in accordance with the provisions of the Scheme, if so required, under any law or otherwise, execute deeds of confirmation, in favour of the creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement or carry out all such



For MANATVA PLASTIC PRODUCTS AND PACKAGING MATERIALS PRIVATE LIMITED

For Sintex-BAPL Limited
P. O. Shah
Director/ Authorised Signatory



[Signature]
Director / Authorised Signatory

formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.

4.8. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in relation to the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.

4.9. With effect from the Appointed Date and upon the Scheme becoming effective, all development rights, licenses and registrations, permissions, approvals or consents, if any, to carry on the operations and business of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, special status, subsidies, privileges, environmental approvals, incentives, registrations, exemptions or other licenses and consents shall continue and shall vest in and become available to the Transferee Company pursuant to this Scheme.

4.10. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of this Scheme; and (ii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company shall be deemed to be authorised to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the order of Hon'ble Tribunal and shall be considered as an integral part of this Scheme.

4.11. This part of the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the For Sintex-BAPL Limited



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Director/ Authorised Signatory

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Mahatva Plastic Products and Plastics Materials Private Limited

M. N. Mehta
Director/ Authorised Signatory

provisions of the said Section of the Income Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

5. CONSIDERATION

- 5.1. Upon the coming into effect of the Scheme, the Transferee Company shall without any further application or deed, issue and allot shares as fully paid up to the shareholders of the Transferor Company, whose names appear in the register of members of the Transferor Company as on the Effective Date or to their successors-in-title, as the case may be, in the following manner:

"1 (One) equity share of the Transferee Company of the face value of INR 10 (Rupees Ten Only) each fully paid up, shall be issued and allotted for every 1 equity share of the Transferor Company of the face value of INR 10/- (Rupees Ten Only) each fully paid"

- 5.2. Fractional entitlement, if any, shall be rounded off to the nearest integer.
- 5.3. The shares to be issued by the Transferee Company to the shareholders of the Transferor Company shall be subject to the Scheme and the Memorandum of Association and the Articles of Association of the Transferee Company and shall rank pari passu in all respects with the existing shares of the Transferee Company.
- 5.4. The shares of the Transferee Company that are to be issued in terms of this Scheme shall be mandatorily issued in dematerialised form only. The shareholders of the Transferor Company shall provide such confirmation, information and details as may be required including details of their account with a depository participant to the Transferee Company to enable it to issue the aforementioned shares.

- 5.5. Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be the due compliance of the provisions of Section 13, 14, 55, 61, 62 and 64 of the Act and the other relevant and applicable provisions of the Act for the issue and

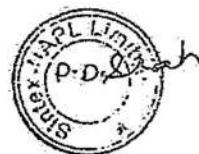


For MANATYA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED

Director (Authorised Signatory)

For Sintex-BAPL Limited
P. D. Shah
Director (Authorised Signatory)

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allotment of shares by the Transferee Company to the shareholders of the Transferor Company, as provided in this Scheme.

- 5.6. The shares to be issued by the Transferee Company, the allotment or transfer of which is held in abeyance under Applicable Laws shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Transferee Company.

6. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY

Notwithstanding anything to the contrary contained herein, the Transferee Company shall account for amalgamation of the Transferor Company as per Ind AS 103, Business Combinations - Appendix C, other applicable Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant clarifications issued by the Institute of Chartered Accountants of India.

7. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

From the date of approval of the Scheme by the Board of Directors and upto and including the Effective Date:

- 7.1. The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets for and on account of and in trust for the Transferee Company. The Transferor Company undertakes to hold the said assets with utmost prudence until the Effective Date.
- 7.2. The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of the Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of any business or part thereof.

- 7.3. All the profits or income accruing or arising to the Transferor Company or expenditure, or losses arising or incurred or suffered by the Transferor Company from the Appointed Date and upto and including the Effective Date shall for all purposes

For Sintex-BAPL Limited

P. O. Shah.

Director/ Authorised Signatory
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For MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED

P. O. Shah
Director / Authorised Signatory



be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of the Transferee Company.

- 7.4. The Transferor Company shall not vary the terms and conditions of employment of any of the employees of the Transferor Company, except in the ordinary course of business or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by them, as the case may be, upto the Effective Date.
- 7.5. The Transferor Company and the Transferee Company shall be entitled, pending sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which may be required pursuant to this Scheme.

8. EMPLOYEES

- 8.1. Upon the Scheme becoming effective, all staff, workmen and employees of the Transferor Company, if any, who are in service as on the Effective Date shall become staff, workmen and employees of the Transferee Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date. The Transferee Company agrees that the services of all such employees with the Transferor Company, up to the Effective Date shall be taken into account for purposes of all retirement benefits to which they may be eligible as on the Effective Date.

- 8.2. It is expressly provided that, upon the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or such other Special Fund, if any, or Trusts (hereinafter collectively referred as "Funds") created for the benefit of the staff, workmen and employees of the Transferor Company shall, with the approval of the concerned authorities, become Funds of the Transferee Company, or shall be transferred to or merged with other similar funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance

For Sintex-BAPL Limited

P. D. Shah
 Authorised Signatory
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For MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED

M. Gandhi
 Director / Authorised Signatory



with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees will be treated as having been continuous for the purpose of the said Funds.

9. **LEGAL PROCEEDINGS**

If any suit, action, appeal or other proceeding of whatsoever nature by or against the Transferor Company is pending on the Effective Date or is instituted any time thereafter, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

10. **VALIDITY OF EXISTING RESOLUTIONS, ETC**

Upon the Scheme becoming effective, the resolutions of the Transferor Company, as are considered necessary by the Board of Directors of the Transferee Company and which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolution of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory law, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

11. **CONTRACTS, DEEDS AND OTHER ENTITLEMENTS ETC.**

11.1. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to the Transferor Company, which is subsisting as on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, 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.

For Sintex-BAPL Limited

P. D. Bhat
Director/ Authorised Signatory

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BY MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LTD.

[Signature]
Director / Authorised Signatory



11.2. The Transferee Company and/or the Transferor Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations in order to give formal effect to the provisions of this Scheme. The Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

12. TAX

12.1. With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess payable / receivable by the Transferor Company including all or any refunds / credits shall be treated as the asset / liability or refunds / credits as the case may be, of the Transferee Company. The Transferee Company shall be entitled to get credit / claim of refund of any tax paid and / or any deduction at source or tax collected at source on or after the Appointed Date.

12.2. Any tax liabilities under the Income Tax Act, 1961 or other Applicable Laws/regulations dealing with taxes/ duties/ levies allocable or related to the Transferor Company whether or not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

12.3. Without prejudice to the generality, all benefits to which the Transferor Company is entitled to in terms of the Applicable Laws, shall be available to and vest in the Transferee Company.

12.4. Upon the Scheme becoming effective, with effect from the Appointed Date, the Transferor Company and the Transferee Company are expressly permitted to prepare and/or revise, as the case may be, their financial statements and returns along with the prescribed forms, filings and annexure under the Income Tax Act, 1961, GST laws and other laws, if required, to give effects to provisions of the Scheme.

12.5. All tax assessments proceedings/appeals of whatsoever nature by or against the Transferor Company pending at and/or arising after the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective

For Sintex-BAPL Limited

P. D. Shah

Director/ Authorised Signatory



For MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED

Director/ Authorised Signatory



Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against the Transferor Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, subject to the provisions of the relevant statutes the aforementioned proceedings 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.

- 12.6. All expenses incurred by the Transferor Company under section 43B of the Income-tax Act, 1961, shall be claimed as deduction by the Transferee Company as and when the same is paid subsequent to the Appointed Date.
- 12.7. Any refund due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the books as on the date immediately preceding the Appointed Date shall belong to and be received by the Transferee Company.

13. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets, properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferor Company under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company 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 on behalf of the Transferee Company.

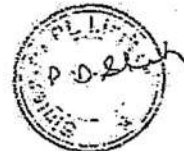
14. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved automatically without winding up in accordance with the provisions of Section 230 and 232 of the Act.

For MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED



[Signature]
Director / Authorised Signatory



For Sintex-BAPL Limited

P. D. Shah
Director / Authorised Signatory

CHAPTER III

GENERAL CLAUSES, TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME

15. APPLICATION TO THE HON'BLE TRIBUNAL

The Transferor Company and the Transferee Company as may be directed by the Hon'ble Tribunal shall make all necessary application and petition under Sections 230 to 232 and other applicable provisions of the Act, for seeking approval of the Scheme.

16. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferor Company and the Transferee Company by their respective Board of Directors, may assent to/make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Hon'ble Tribunal and/or any other authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate, subject to approval of the Hon'ble Tribunal, as a result of subsequent events or otherwise by them (i.e. the Board of Directors). The Transferor Company and the Transferee Company by their respective Board of Directors are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme, whether by reason of any directive or orders of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

17. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

17.1. The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

17.2. The Scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and the Transferee Company as may be directed by the Hon'ble Tribunal or such other competent authority.



For Sintex-BAPL Limited

P. D. [Signature]

Director/ Authorised Signatory



[Signature]
Director / Authorised Signatory

17.3. The sanction of the Hon'ble Tribunal under sections 230 to 232 of the Companies Act, 2013 in favour of the Transferor Company and the Transferee Company under the said provisions and the necessary order being obtained.

18. **EFFECT OF NON-RECEIPT OF APPROVALS**

18.1. In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/or the Scheme not being sanctioned by the Hon'ble Tribunal or such other competent authority and/or the order not being passed as aforesaid before 31st December 2024 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their respective Board of Directors or any committee thereof (and which the Board of Directors of the companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

18.2. If any Chapter (or part thereof) of the Scheme is invalid, ruled illegal by the Hon'ble Tribunal of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such Chapter (or part thereof) shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such Chapter (or part thereof) shall cause the Scheme to become materially adverse to any party, in which case the Companies (acting through its respective Boards of Directors), to which such Chapter (or part thereof) relates to and the Transferor Company and the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such Chapter (or part thereof).

18.3. The Transferor Company and the Transferee Company (acting through their respective Boards of Directors) shall be at liberty to withdraw the Scheme in entirety, or to decide not to give effect to any one or more of the Chapters contained herein, whether for the reason of any condition or alteration imposed by the Hon'ble Tribunal

For Sintex-BAPL Limited

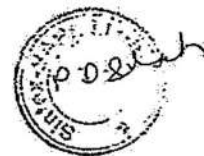
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For MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED

Director / Authorised Signatory



or any other governmental/regulatory authority not being acceptable to them, or otherwise.

19. EXPENSES CONNECTED WITH THE SCHEME

Save and except as provided elsewhere in the Scheme, all costs, charges, taxes including duties, levies and all other expenses including registration fee of any deed, in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of the Scheme shall be borne and paid by the Transferee Company.



For BAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED

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For Sintex-BAPL Limited

P. O. Shah

Director/ Authorised Signatory



Annexure - B

MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED

CIN: U25209GJ2021PTC124887
 REGD OFF : SURVEY NO 650, WELSPUN CITY, VILLAGE VERSAMEDI TALUKA ANJAR, KACHCHH. GUJARAT, INDIA. 370110
 CORP OFF : 7TH FLOOR, WELSPUN HOUSE KAMALA MILLS COMPOUND, S.B. ROAD, LOWER PAREL (W), MUMBAI - 400013

List of Assets of Mahatva Plastic Products and Building Materials Private Limited ('the Transferor Company') as on 29 March 2023 to be transferred and vested to Sintex-BAPL Limited ('the Transferee Company') pursuant to the Scheme sanctioned by the Hon'ble National Company Law Tribunal, Ahmedabad Bench.

PART I**Free hold properties of the Transferor Company**

Sr. No.	Survey No.	Area in Sq. Mtrs.	Description
			Nil

PART II**Lease hold properties of the Transferor Company**

Sr. No.	Name of the Owner of the Property	Address of Property
		Nil

PART III**Other stocks, shares, debentures, any other charges in action of the Transferor Company**

Sr No.	Particulars	No of share / units	Face Value / per share / units (INR)	Face Value (INR)
1	Sintex BAPL Limited-Debentures	94500	100,000	9,45,00,00,000
2	Sintex BAPL Limited - Debentures	637	10,00,000	63,70,00,000
	Total			10,08,70,00,000

Part IV**Other Assets of the Transferor Company**

Sr. No.	Particulars	INR
1	Cash and Cash Equivalents	1,08,41,82,619
2	Balance with statutory authorities	13,80,000
3	Current tax assets	7,70,000
	Total	1,08,63,32,619

For Mahatva Plastic Products and Building Materials Private Limited



For - Percy Birdy

DIN: 07634795

Date: ___ May 2024