

SCHEME OF AMALGAMATION
OF
KUSHAL INFRASTRUCTURE PRIVATE LIMITED
AND
ASHAPURA PAPER MILLS PRIVATE LIMITED
AND
KUSHAL WEALTH CREATORS PRIVATE LIMITED
AND
RIDDHI SIDDHI RECYCLERS PRIVATE LIMITED
WITH
KUSHAL TRADELINK LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)



(A) PREAMBLE OF THE SCHEME

This Scheme of Amalgamation is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and it provides for the Amalgamation of KUSHAL INFRASTRUCTURE PRIVATE LIMITED, ASHAPURA PAPER MILLS PRIVATE LIMITED, KUSHAL WEALTH CREATORS PRIVATE LIMITED, RIDDHI SIDDHI RECYCLERS PRIVATE LIMITED (hereinafter jointly referred to as Party of first, second, third and fourth part respectively and collectively referred as "Transferor Companies") into KUSHAL TRADELINK LIMITED (hereinafter refer to as "Kushal" "KTL" or "Transferee Company") and the consequent issue of equity shares by Kushal Tradelink Limited to the Shareholders of KUSHAL INFRASTRUCTURE PRIVATE LIMITED, ASHAPURA PAPER MILLS PRIVATE LIMITED, KUSHAL WEALTH CREATORS PRIVATE LIMITED, RIDDHI SIDDHI RECYCLERS PRIVATE LIMITED as consideration for Amalgamation of KUSHAL INFRASTRUCTURE PRIVATE LIMITED, ASHAPURA PAPER MILLS PRIVATE LIMITED, KUSHAL WEALTH CREATORS PRIVATE LIMITED, RIDDHI SIDDHI RECYCLERS PRIVATE LIMITED into KUSHAL TRADELINK LIMITED. The Scheme also provides for various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme.

(B) DESCRIPTION OF THE COMPANIES

Transferor Companies:

I. Kushal Infrastructure Private Limited was originally incorporated as Riddhi Siddhi Paper Mills Private Limited as on July 20, 2010 under Companies Act, 1956 bearing Registration No 061682 having registered office in Ahmedabad, Gujarat, Subsequently, the name of Company was changed from Riddhi Siddhi Paper Mills Private Limited to Kushal Infrastructure Private Limited pursuant to a special resolution passed by the members of company at the EGM held on December 22, 2010. A fresh Certificate of Incorporation consequent to change of name as was issued on January 10, 2011 by the Registrar of Companies, Ahmedabad, Gujarat.

Basic Information about Company:

- (a) Name of the company : KUSHAL INFRASTRUCTURE PRIVATE LIMITED
- (b) Corporate Identification Number (CIN): U70109GJ2010PTC061682.
- (c) Permanent Account Number (PAN): AAECK2045E
- (d) Date of Incorporation: 20/07/2010
- (e) Type of the company (whether public or private or one-person company): PRIVATE LIMITED COMPANY
- (f) Current Registered Office Address and email address : SURVEY NO-1448, B/H AYODHYA FLATS, VATVA GAMDI ROAD, NAVA VATVA AHMEDABAD GJ 382445 IN;
- (g) Email id: info@kushalinfrastucture.com
- (h) The authorized, issued, subscribed and paid-up share capital of Kushal Infrastructure Private Limited as on 30th March, 2017, is as follows.



Share Capital	No of Shares	Amount in ₹
Authorised Share Capital @ 10/-	100000 Equity Shares	1000000
Issued, Subscribed and Paid-Up Capital (fully paid-up)	90000 Equity Shares	900000

The present main objects of Kushal Infrastructure Private Limited is as follows:

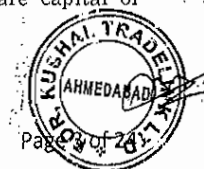
1. To Carry On Business as Builders, Contractors, Designers, Architects, constructors, Real Estate Developers, brokers of all types of building and structure including houses, flats, apartments, row houses, bungalows, twin bungalows, tenements, offices, godowns warehouses, shops, factories, sheds, hospitals, hostels, holiday resorts, shopping cum residential complexes, Industrial Structures, places of workshop, highways, roads, path, sideways, courts, alleys, pavements township and to develop, erect, install, alter improve, add, establish, renovate, recondition, protect, enlarge, repair, demolish, remove, replace, maintain, buy, sell, lease, commercialize, turn to account, fabricate, handle and control all such buildings and structures and to purchase, acquire, take on lease or in any other lawful manner any area, land, building, structures, providing services of sales and purchase of legally approved land for various project like resorts, shopping malls, multiplex complex, holiday homes, big commercial centre and by advancing money to and enter into contracts and agreements of all kinds with building , tenants and others and to deals in all types of immovable properties for development, construction, rentals and/or for resale.

2. To carry on the business of and act as promoters, organizers, developers, of the land, estates, properties, co-operative Housing societies, association, housing schemes, shopping offices, complexes, townships, farms, farm houses and others and to finance with or without security and/or interest for the same and to deal with and improve such properties either as owner or as agent and to construct or cause to be constructed the building or the estate as per its scheme for and on behalf of the members and to hold land and / or building constituting the estate of the company for the use and occupation and the benefit of the members.

II. Ashapura Paper Mills Private Limited was incorporated under the Companies Act, 1956 on June 17, 2010 under Companies Act, 1956 bearing Registration No 061144 having registered office In Bhuj in the state of Gujarat.

Basic Information about Company:

- (a) Name of the company : ASHAPURA PAPER MILLS PRIVATE LIMITED
- (b) Corporate Identification Number (CIN): U21020GJ2010PTC061144.
- (c) Permanent Account Number (PAN): AAICA6923D
- (d) Date of Incorporation: 17/06/2010
- (e) Type of the company (whether public or private or one-person company): PRIVATE LIMITED COMPANY
- (f) Current Registered Office Address and e-mail address: SURVEY NO. 202, NR. LION FARMS AT: NANI RELDI, TA: BHUJ GJ 370105 IN:
- (g) Email id: highfly1982@gmail.com
- (h) The Authorised. Isued, The authorized, issued, subscribed and paid-up share capital of Ashapura Paper Mills Private Limited as on 30th March, 2017, is as follows



Share Capital	No of Shares	Amount in ₹
Authorised Share Capital @ 10/-	3000000 Equity Shares	30000000
Issued, Subscribed and Paid-Up Capital (fully paid-up)	2500000 Equity Shares	25000000

The present main objects of Ashapura Paper Mills Private Limited is as follow:

To carry on the business of manufacturers of and dealers in all kinds and classes of paper, Computer stationery, board and pulp including writing paper, printing papers, absorbent paper, newsprint paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, antique paper, ivory finish paper, art paper, executive bond paper, cloth lined paper aurelaid and woven paper, cream laid, greaseproof paper, gummed paper, handmade paper, parchment paper, drawing paper, kraft paper, manilla paper, envelop paper, tracing paper, vellum paper, water proof paper, photographic paper, glass paper, emery paper, paste board, card board, straw board, leather board, mill board, corrugated board, duplex and triplex board, hard boards, plywood boards, post cards, visiting cards, soda pulp, mechanical pulp, sulphite pulp, semi chemical pulp and all kind of articles in the manufacture of which any form paper board or pulp is used and also to deal in and packing materials and packages made of whatever materials/substances and compounds including paper, jute, cotton, rubber, plastic, glass, board and wood.

III. Kushal Wealth Creators Private Limited is incorporated under the Companies Act, 2013 on October 20, 2014 in the state of Gujarat. The Corporate Identification Number of the Company is U21093GJ2014PTC081079.

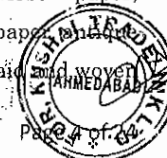
Basic Information about Company:

- Name of the company : KUSHAL WEALTH CREATORS PRIVATE LIMITED
- Corporate Identification Number (CIN): U21093GJ2014PTC081079.
- Permanent Account Number (PAN): AAFCK6962P
- Date of Incorporation: 20/10/2014
- Type of the company (whether public or private or one-person company): PRIVATE LIMITED COMPANY
- Current Registered Office Address and e-mail address: BLOCK NO 663-664, VILLAGE: BHAVDA N H NO- 59 KANBHA KUJAD HIGHWAY AHMEDABAD GJ 382433 INDIA;
- Email id: kwc@kushaltradelink.com
- The authorized, issued, subscribed and paid-up share capital of Kushal Wealth Creators Private Limited as on 30th March, 2017, is as follows

Share Capital	No of Shares	Amount in ₹
Authorised Share Capital @ 10/-	700000 Equity Shares	7000000
Issued, Subscribed and Paid-Up Capital (fully paid-up)	636000 Equity Shares	6360000

The present main objects of Kushal Wealth Creators Private Limited is as follow:

To carry on the business of manufacturers of and dealers in all kinds and classes of paper, Computer stationery, board and pulp including writing paper, printing papers, absorbent paper, newsprint paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, antique paper, ivory finish paper, art paper, executive bond paper, cloth lined paper aurelaid and woven paper, cream laid, greaseproof paper, gummed paper, handmade paper, parchment paper, drawing paper, kraft paper, manilla paper, envelop paper, tracing paper, vellum paper, water proof paper, photographic paper, glass paper, emery paper, paste board, card board, straw board, leather board, mill board, corrugated board, duplex and triplex board, hard boards, plywood boards, post cards, visiting cards, soda pulp, mechanical pulp, sulphite pulp, semi chemical pulp and all kind of articles in the manufacture of which any form paper board or pulp is used and also to deal in and packing materials and packages made of whatever materials/substances and compounds including paper, jute, cotton, rubber, plastic, glass, board and wood.



paper, cream laid, greaseproof paper, gummed paper, handmade paper, parchment paper, drawing paper, craft paper, manila paper, envelop paper, tracing paper, vellum paper, water proof paper, photographic paper, glass paper, emery paper, paste board, card board, straw board, leather board, mill board, corrugated board, duplex and triplex board, hard boards, plywood boards, post cards, visiting cards, soda pulp, mechanical pulp, sulphite pulp, semi chemical pulp and all kind of articles in the manufacture of which any form paper board or pulp is used and also to deal in and packing materials and packages made of whatever materials/substances and compounds including paper, jute, cotton, rubber, plastic, glass, board and wood.

IV. Riddhi Siddhi Recyclers Private Limited was originally incorporated as Alka Petrochemicals Private Limited as on March 5, 2007 under Companies Act, 1956 bearing Registration No 050146 having registered office in Ahmedabad, Gujarat. Subsequently, the Company converted itself into a Public Limited Company by following the due procedure as laid down under the provisions of the Companies Act, 1956 and the word "Private" was deleted from the name of the Company and consequent upon conversion, the Company obtained a Fresh Certificate of Incorporation from the Registrar of Companies on march 15, 2007. Subsequently, Company converted itself into a Private limited Company by following the due procedure as laid down under the provisions of the Companies Act, 1956 and word Private was added with the name of the Company and consequent upon conversion, the company obtained a Fresh Certificate of Incorporation from Registrar of Companies upon Change of Name on Conversion to Private Limited Company on October 15, 2011. Subsequently the name of the Company was changed from 'Alka Petrochemicals Private Limited' to "Riddhi Siddhi Recyclers Private Limited" and consequent upon change of name, the Company obtained a Fresh Certificate of Incorporation from the Registrar of Companies, on 22, October 2011 after complying with the relevant provisions under the Companies Act, 1956.

Basic Information about Company:

- (a) Name of the company : RIDDHI SIDDHI RECYCLERS PRIVATE LIMITED
- (b) Corporate Identification Number (CIN): U21023GJ2007PTC050146
- (c) Permanent Account Number (PAN): AAGCA1900N
- (d) Date of Incorporation: 05/03/2007
- (e) Type of the company (whether public or private or one-person company): PRIVATE LIMITED COMPANY
- (f) Current Registered Office Address and e-mail address: 725, KHEDA DHOLKA ROAD, NR. KHEDA INDUSTRIAL PARK AT. PO. VASNA BUJARG KHEDA GJ 387560 ;
- (g) Email id: rsrplkheda@ymail.com
- (h) The authorized, issued, subscribed and paid-up share capital of Riddhi Siddhi Recyclers Private Limited as on 30th March, 2017, is as follows

Share Capital	No of Shares	Amount in ₹
Authorised Share Capital @ 10/-	4500000 Equity Shares	45000000
Issued, Subscribed and Paid-Up Capital (fully paid-up)	3847500 Equity Shares	38475000

The present main objects of Riddhi Siddhi Recyclers Private Limited is as follows:

1. To carry on business as manufacturers, producer processors, makers, inventors, converters, importer exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, movers, preservers, stockiest, agents, sub-agents, merchants, distributors, consignors,



brokers, concessionaires or otherwise deal in papers made from waste paper, recycled paper, reusable paper, print rejected paper, stock lot paper, misprint paper, core damage paper, brown paper, white paper and paper rolls, board, corrugated board, craft papers, corrugating medium, pulp, writing papers, printing paper, pvs paper, plastic paper, absorbent paper, polymer paper, newsprint paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, antique paper, ivory finish paper, coated paper, art paper, bond and bank paper, badami, brown or buff paper, bible paper, cartridge paper, cloth lines paper, cream laid and wove paper, grease proof paper, gummed paper, handmade paper, parchment paper, drawing paper, kraft paper envelope paper, tracing paper, vellum paper, water proof paper, carbon paper, sensitised paper chemically treated paper, bromide paper, past board, duplex and triplex board, hard board, plywood board, post cards, visiting cards.

TRANSFEREE COMPANY

- V. Kushal Tradelink Limited was originally incorporated on March 03, 2000 under the Companies Act, 1956 as Kushal Tradelink Private limited, bearing Registration No. 037472 having its Registered Office in Ahmedabad, Gujarat. Subsequently, the Company became a Public Limited Company in pursuance to a special resolution passed by the members of our Company at the EGM held on January 15, 2013. A fresh Certificate of Incorporation consequent to change of name as a result of conversion to a public limited company was issued on March 01, 2013 by the Registrar of Companies, Ahmedabad, Gujarat. The Corporate Identification Number of the Company is L74110GJ2000PLC037472.

Basic Information about Company:

- (a) Name of the company : KUSHAL TRADELINK LIMITED
 (b) Corporate Identification Number (CIN): L74110GJ2000PLC037472
 (c) Permanent Account Number (PAN): AABCK7885P
 (d) Date of Incorporation: 03/03/2000
 (e) Type of the company (whether public or private or one-person company): PUBLIC LISTED COMPANY
 (f) Current Registered Office Address: PLOT NO. 115, KUSHAL HOUSE, OPP. HOTEL NEST, OFF C.G ROAD, NAVRANGPURA, AHMEDABAD-380009, GUJARAT, INDIA
 (g) E-mail address : cs@kushaltradelink.com
 (h) Name of Stock Exchange : BSE Limited ; Script Code : 536170
 (i) The authorized, issued, subscribed and paid-up share capital of Kushal Tradelink Limited as on 30th March, 2017, is as follows

Share Capital	No of Shares	Amount in ₹
Authorised Share Capital @ 2/-	250000000 Equity Shares	500000000
Issued, Subscribed and Paid-Up Capital	237266610 Equity Shares	474533220

Subsequent to 30th March 2017 and till the date of approving of the resolution for the Scheme of Amalgamation by the Board of Directors of Kushal Tradelink Limited there has been no change in the capital structure of Kushal Tradelink Limited.



The present main objects of Kushal Tradelink Limited are as follows:

1. *a). To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all kinds of goods, commodities or merchandise of any description as the Company may from time to time determine in India or outside India.
 - b). To carry on the business as exhibitors of all types of goods, services and merchandise and to undertake the necessary activities to promote sales of all types of goods, services and merchandise manufactured / dealt with/provided by the Company.
 - c). To act as broker, trader, agent, C & F agent, shipper, commission agent, distributor, representative, franchiser, consultant, collaborator, stockist, liasioner, job worker, export house of goods, merchandise and services of all grades, specifications, descriptions, applications, modalities, fashions, including by-products, spares or accessories thereof as the Company may from time to time determine.
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2. *a). To carry on the business of the cinematograph trade and industry in all their branches and activities and particularly the business of manufacture, production, distribution, exploitation, exhibition, import and export of all kinds of cine films, talkie films, video films, telefilms, documentary films, advertising films, TV Serials and films and motion pictures of all kinds and nature for entertainment, amusement, publicity, education and instruction in all languages prevailing in the world.
 - *b). To carry on either solely or in partnership, periodically or permanently the business of running, conducting and managing as proprietors, lessees, tenants, licensees, managers and agents of cinematograph cinemas and theatres, places and halls, preview theatres, video theatres, studios, cinematographic shows and exhibitions and other entertainments and amusements and places of entertainments and amusements and in particular to provide for production, projection, representation and performance of cinematographic films, motion pictures, video films, telefilms and films and motion pictures of all kinds and nature in all its branches and performances, exhibitions and representations of one or more of them or any part thereof by means of cinematograph films, television, radio, video cassettes, video discs or any other similar contrivances and appliances by means whereof the same may be mechanically or otherwise performed, exhibited and represented and in connection therewith.
 - *c). To carry on business as distributors, buyers, sellers, merchants and dealers in cinematograph films, records, tapes and apparatus for recording or reproducing sights and sounds and all rights to produce, distribute or exhibit any performance, entertainment or event by means of films, records or such other apparatus.
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3. *a). To provide globally managed data networks and related services, including but not limited to cloud services, managed services, business process outsourcing services, customer care centres, customer relationship management, back office processing, data entry, medical transcription, IT services, multimedia services, internet based services, data centre management and consulting, interface services applications including all types of end to end integrated solutions involving information systems, developing, designing, marketing of communication platform(s), with features and functionality including those related to social, commerce, messaging, communication, gaming and other online services and advisory services in relation to developing, designing, marketing, trading, transferring, exporting, importing, buying and selling all types of

applications including gaming, web applications and websites for mobile phones or any other communication device, equipment, appliances, accessories whether corded or cordless and to engage in all businesses as may be related or ancillary to the aforesaid business areas.

- *b). To develop, provide, undertake, design, import, export, distribute and deal in Systems and application software for microprocessor based information systems, off shore software development projects, internet service provider, and solutions in all areas of application including those in Emerging niche segments like Internet and Intranet website applications solutions software enterprise, resource planning, e-commerce, value added products and other business applications either for its own use for sale in India or for export outside India and to design and develop such systems and application software for and on behalf of manufacturers owners and users of computer, telecom, digital, electronic equipment's in India or outside India.
4. *a). To Carry On Business as Builders, Contractors, Designers, Architects, constructors, Real Estate Developers, brokers of all types of building and structure including houses, flats, apartments, row houses, bungalows, twin bungalows, tenements, offices, godowns warehouses, shops, factories, sheds, hospitals, hostels, holiday resorts, shopping cum residential complexes, Industrial Structures, places of workshop, highways, roads, bridges, path, sideways, courts, alleys, pavements township and to develop, erect, install, alter improve, add, establish, renovate, recondition, protect, enlarge, repair, demolish, remove, replace, maintain, buy, sell, lease, commercialize, turn to account, fabricate, handle and control all such buildings and structures and to purchase, acquire, take on lease or in any other lawful manner any area, land, building, structures, providing services of sales and purchase of legally approved land for various project like resorts, shopping malls, multiplex complex, holiday homes, big commercial centre and by advancing money to and enter into contracts and agreements of all kinds with building , tenants and others and to deals in all types of immovable properties for development, construction, rentals and/or for resale.
- *b). To carry on the business of and act as promoters, organizers, developers, architects, engineers, Estate agents, decorators and surveyors of the land, estates, properties, co-operative Housing societies, association, housing schemes, shopping offices, complexes, townships, farms, farm houses and others and to finance with or without security and/or interest for the same and to deal with and improve such properties either as owner or as agent and to construct or cause to be constructed the building or the estate as per its scheme for and on behalf of the members and to hold land and / or building constituting the estate of the company for the use and occupation and the benefit of the members.
5. *a). To plan, promote and organise an integrated and efficient development of Conventional / Nonconventional/ Renewable sources of Energy and River Valley Projects, in India and abroad including planning, investigation, research, design and preparation of preliminary, feasibility and Detailed of Project Reports, Construction of such Power Stations and Project (including consequential environmental protection, afforestation and rehabilitation works), Generation, Transmission and Distribution of Power.
- * b). To act as an agent of Government/ Public Sector Financial institutions, to exercise all the rights and powers exercisable by any Company engaged in any of the activities as listed in Clause III (5) (a) above and in any other infrastructure projects.
- *c). To promote and organize research and development or to carry on consultancy services in the field of power generation, power supply, trading, conservation of electricity and other related activities of the Company.

(C) RATIONALE, OBJECTIVE & PURPOSE OF THE SCHEME

1. Better, efficient and economical management, control and running of the businesses, and for further development and growth of the business of the Transferee Company ;
2. The amalgamation will provide significant impetus to the growth of the Transferee Company.
3. The amalgamation will lead to backward integration and synergies of operations and a stronger and wider capital and financial base for future growth/expansion of the Transferee Company along with diversification;
4. To economize on administrative and other expenses;
5. To increase the efficiency of combined business by pooling of resources and their optimum utilisation, thereby availing synergies from combined resources;
6. The banks, creditors and institutions, if any, are not affected by the proposed amalgamation as their security is maintained;
7. There shall be impetus and increase in the area of sales, network of the Transferee Company;
8. The combined managerial and technical expertise would enable the Transferee Company to develop a business model that would be competitive and cogent;
9. Simplification in compliance of various applicable laws and group structuring;
10. To avoid cascading effects of multiple taxes in Proposed GST;
11. Benefit of Multi Locational operation with diversification of products under one banner;
12. To Use the common resources for development of business of all the Companies which will reduce the overheads and thereby improvising the financial performance.

(D) SCOPE OF THE SCHEME

The Scheme of Amalgamation provides for:

1. Amalgamation of KUSHAL INFRASTRUCTURE PRIVATE LIMITED, ASHAPURA PAPER MILLS PRIVATE LIMITED, KUSHAL WEALTH CREATORS PRIVATE LIMITED, RIDDHI SIDDHI RECYCLERS PRIVATE LIMITED (hereinafter jointly referred to as Party of first, second, third and fourth part respectively and collectively referred as "Transferor Companies") into KUSHAL TRADELINK LIMITED (hereinafter refer to as "Kushal" "KTL" or "Transferee Company").
2. Consequently issue of equity shares by "Transferee Company" to the shareholders of "Transferor Companies" pursuant to the provisions of sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and pursuant to applicable SEBI Guidelines.
3. Various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme.
4. This Scheme of Amalgamation has been drawn up to comply with the conditions as specified under section 2(1B) of Income Tax Act, 1961, such that:
 - A. All the properties of "Transferor Companies", immediately before the amalgamation, become the properties of "Transferee Company" by virtue of amalgamation.
 - B. All the liabilities of "Transferor Companies", immediately before the amalgamation, become the liabilities of "Transferee Company" by virtue of amalgamation.

C. Shareholders holding not less than three-fourths in value of the shares in the amalgamating company or companies (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the amalgamated company or its subsidiary) become shareholders of the amalgamated company by virtue of the amalgamation.

(E) PARTS OF THE SCHEME:

This Scheme of Amalgamation is explained by dividing it into the following parts:

PART A: Deals with Definitions, Effective and Operative Dates.

PART B: Deals with Amalgamation of Kushal Infrastructure Private Limited as First part, Ashapura Paper Mills Private Limited as Second Part, Kushal Wealth Creators Private Limited as Third Part, Riddhi Siddhi Recyclers Private Limited as Fourth Part or collectively known as "Transferor Companies" into Kushal Tradelink Limited hereinafter refer to as "Kushal" or "Transferee Company" (Transferee Company)

PART C: Deals with General Terms and Conditions.

PART A:

DEFINITIONS AND EFFECTIVE DATE

1. DEFINITIONS

- 1.1 "Act" or "the Act" means the Companies Act, 2013 and every modification or re-enactment thereof and references to sections of the Act shall be deemed to mean and include reference to sections enacted in modification or replacement thereof.
- 1.2 "Applicable Law(s)" means any statute, notification, bye-laws, rules, regulations, guidelines, or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 1.3 "Amalgamation" means the blending of all "Transferor Companies" into "Transferee Company" or "Kushal" and all the shareholders of "Transferor Companies" becoming, the shareholders of "Transferee Company".
- 1.4 "Amalgamating Undertaking" shall mean:
- (a) All the assets and properties of "Transferor Companies" as on the Appointed Date.
 - (b) All the secured and unsecured debts, liabilities, whether short term or long term, contingent liabilities or duties and obligations of "Transferor Companies" as on the Appointed Date.
 - (c) Without prejudice to the generality of sub clause (a) above, the Undertaking of "Transferor Companies" shall include all the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles, fixed assets, plant and machineries, current assets, investments, reserves, provisions, funds, licenses, registrations, certificates, permissions, consents, approvals, concessions (including but not limited to sales tax concessions, excise duty, services



customs, value added tax and other incentives of any nature whatsoever) subsidies, guarantees, bonds, copyrights, patents, trade names, trademarks, track record, good-will and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trademarks, leases, leave and license agreements, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lease hold rights, lending arrangements, benefits of security arrangements, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, contracts and arrangements, powers, authorities, permits, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits, whether granted by state government or central government or any such other authority, (including but not limited to credits in respect of income-tax, tax on book profits, value added tax, sales tax, service tax, etc.), and other claims and powers, all books of accounts, documents and records of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favour of or enjoyed by "Transferor Companies", as on the Appointed Date.

- (d) All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements / leases (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), of "Transferor Companies" as on the Appointed Date.
- (e) All staff, workmen, and employees engaged in "Transferor Companies".
- (f) All records, files, papers, information, computer programs, manuals, data, catalogues, quotations, advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records, whether in physical form or electronic form of "Transferor Companies".

- 1.5 "Appropriate Authorities" means any applicable Central, State or Local government, legislative body, 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, Bombay Stock Exchanges, Registrar of Companies, National Company Law Tribunal.
- 1.6 "Appointed date" means 31.03.2017 (31st March 2017) or such other date as may be approved by the Hon'ble National Company Law Tribunal having Judicature at Ahmedabad for the State of Gujarat or such other appropriate authority.
- 1.7 "Board of Directors" or "Board" in relation to Kushal Infrastructure Private Limited, Ashapura Paper Mills Private Limited, Kushal Wealth Creators Private Limited, Riddhi Siddhi Recyclers Private Limited and Kushal Tradelink Limited, as the case may be, shall, unless it be repugnant to the context or otherwise, includes a Committee of Directors or any person authorized by the Board of Directors or such Committee of Directors for the respective Company.



- 1.8 "Court" means the Hon'ble High Court of Judicature at Ahmedabad for the State of Gujarat or the National Company Law Tribunal (NCLT) or such other tribunal or authority having jurisdictions to sanction the Scheme.
- 1.9 "Effective Date" means the date on which the certified copies of the order passed by the Court sanctioning the Scheme are filed with the Registrar of Companies of Ahmedabad, Gujarat and if the certified copies are filed on different dates, the last of such dates. Any references in the Scheme to "upon the Scheme becoming effective" or "Effectiveness of the Scheme" or "Scheme coming into effect" shall mean the "Effective Date"
- 1.10 "Record Date" shall mean the date fixed by board of Directors of Transferor Companies and Transferee Company for the purpose of determining the members of the Transferor Companies to whom shares will be allotted pursuant to Clause 10.1.
- 1.11 "Registrar of Companies" means the Registrar of Companies at Ahmedabad for the State of Gujarat.
- 1.12 "Scheme of Amalgamation" or "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form or with any modifications, imposed or approved or directed by the Board of Directors of Kushal Infrastructure Private Limited / Ashapura Paper Mills Private Limited / Kushal Wealth Creators Private Limited / Riddhi Siddhi Recyclers Private Limited and / or Kushal Tradelink Limited or by the members or creditors of the Companies involved and /or DSE/SEBI/High Court /NCLT or any other appropriate authority.
- 1.13 "SEBI" means the Securities and Exchange Board of India.
- 1.14 "Shareholders" means the persons registered (whether registered owner of the shares or beneficial owner of the shares) as holders of equity shares of concerned Company as the context may require. The word "Shareholder" and "member" are used to denote the same meaning and are used interchangeably.
- 1.15 "Stock Exchange" means the BSE Limited on which the equity shares of Kushal Tradelink Limited are listed and traded. The Designated Stock Exchange (DSE), for the purpose of coordinating with SEBI in relation to obtaining the in-principle approval to the Scheme, shall be BSE Limited.
- 1.16 "Transferee Company" means Kushal Tradelink Limited incorporated under the provisions of the Companies Act, 1956, bearing CIN: L74110GJ2000PLC037472 and having Registered Office situated at Plot No. 115, Kushal House, Opp. Hotel Nest, Off C.G Road, and Navrangpura Ahmedabad Gujarat.
- 1.17 "Transferor Companies" means:
- (a) Kushal Infrastructure Private Limited, incorporated under the provisions of the Companies Act, 1956, bearing CIN: U70109GJ2010PTC061682 and having its registered office situated at Survey No-1448, B/h Ayodhya Flats, Vatva Gamdi Road, Nava Vatva Ahmedabad -382445 Gujarat.
 - (b) Ashapura Paper Mills Private Limited incorporated under the provisions of the Companies Act, 1956, bearing CIN: U21020GJ2010PTC061144 and having its registered office situated at Survey No. 202, Nr. Lion Farms At: Nani Reldi, Ta: Bhuj -370105 Gujarat.
 - (c) Kushal Wealth Creators Private Limited incorporated under the provisions of the Companies Act, 2013 bearing CIN : U21093GJ2014PTC081079 and having its registered office situated at Block No 663-664, Village: Bhavda N H No- 59 Kanbha Kujad Highway Ahmedabad -382433 Gujarat
 - (d) Riddhi Siddhi Recyclers Private Limited, incorporated under the provisions of the Companies Act, 1956, bearing CIN: U21023GJ2007PTC050146 and having its registered office situated at Survey No. 725, Kheda Dholka Road, Nr. Kheda Industrial Park At. Po. Vasna Bujarg Kheda Kheda GJ 387560 IN

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, the Income-tax Act, 1961 or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. EFFECTIVE DATE

The Scheme set out herein in its present form is subject to any modification(s) approved or imposed or directed by the Board of Directors of "Transferor Companies" and/ or "Transferee Companies", or by the members or creditors of the Companies involved and/or DSE/SEBI/High Court/NCLT or any other appropriate authorities, unless otherwise specified in the Scheme, shall be operative from the Effective Date with effect from the Appointed Date.

PART B

AMALGAMATION OF ALL "TRANSFEROR COMPANIES" INTO "TRANSFEREE COMPANY" AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

SECTION 1: TRANSFER & VESTING OF AMALGAMATING UNDERTAKING

3. Transfer of assets, properties, estates, claims, refunds, debts, duties, liabilities, obligations etc.,
- 3.1 Subject to the provisions of this Scheme as specified herein and with effect from the Appointed Date, the entire Amalgamating Undertaking of the Transferor Companies shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:
 - a) The Amalgamating Undertaking of the Transferor Companies comprising of business, all assets and liabilities of whatsoever nature and where-so-ever situated, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in sub clauses (b) (c) and (d) below) be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Companies therein.
 - b) All the Immovable properties of the Transferor Companies shall under the provisions of Sections 230 to 232 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the Properties of the Transferee Company.
 - c) All the movable assets including but not limited to computers, equipments, office equipments, machineries, T.V. sets, cameras, software, IPRs, products, websites, portals, inventories, merchandising rights, cash in hand, loans and advances, of the Transferor Companies capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company.



- d) In respect of movables other than those specified in sub clause (c) above, including, outstanding loans and advances, Investments (whether Current or non – current), trade receivables, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and /or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Sections 230 to 232 of the Act.
- e) In relation to all licenses, permissions, approvals, consents, entitlements, sanctions, permits, benefits, privileges pertaining to the manufacturing or working of company or real estate development activities (whether proprietary or otherwise), rights, privileges and licenses including rights arising from contracts, deeds, licenses instruments and agreements, if any, belonging to the Transferor Companies, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case maybe, as and when required.
- f) All secured and/or unsecured debts, all liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of account and whether disclosed or undisclosed in the balance sheet of the Transferor Companies shall also, under the provisions of Sections 230 to 232 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or restructuring by virtue of which such secured and/or unsecured debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub clause.

It is clarified that unless otherwise determined by the Board of Directors of the Transferee Company, in so far as the borrowings/debts and assets comprising the Transferor Companies are concerned:

- a. the security or charge relating to loans or borrowings of the Transferor Companies shall, without any further act or deed continue to relate to the said assets after the Effective Date; and
 - b. the assets of the Transferee Company shall not relate to or be available as security in relation to the said borrowings of the Transferor Companies;
- g) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including credit on account of tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), granted by any government body, local authority or by any other person and availed by the Transferor Companies, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

3.2 The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Companies, to implement and carry out all formalities and compliances, if required, referred to above.

- 3.3 All the properties or assets of the Transferor Companies whether movable or immovable, being transferred pursuant to this Scheme, which are registered and standing in the name of Transferor Companies shall, upon the scheme being sanctioned by the Hon'ble NCLT / Court at Ahmedabad and becoming effective, be registered in the name of the Transferee Company and the name of the Transferor Companies shall be substituted with the name of the Transferee Company in all such certificates of registration, endorsements, records and in revenue/mutation records in case of immovable properties by such appropriate authorities.
- 3.4 Any tax liabilities under the Income-tax Act, 1961, service tax laws, customs law or other applicable laws/ regulations dealing with taxes/ duties / levies of the Transferor Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date, if any, shall be transferred to Transferee Company.
- 3.5 Any refund under the Income-tax Act, 1961, Wealth-tax Act, 1957, service tax laws or other applicable laws / regulations dealing with taxes/ duties / levies tax due to Transferor Companies consequent to the assessment made on Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 3.6 On or after the Effective Date, all rights, entitlements and powers to revise returns and filings of the Transferor Companies under the Income-tax Act, 1961, service tax laws and other laws, and to claim refunds and / or credits for taxes paid, etc. and for matters incidental thereto, shall be available to, and vest with the Transferee Company.
- 3.7 All tax assessment proceedings / appeals of whatsoever nature by or against the Transferor Companies pending and/or arising at the Appointed Date and relating to the Transferor Companies shall be continued and / or enforced until the Effective Date against the Transferor Companies and from the Effective Date, the same shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies.
Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Companies into the Transferee Company or anything contained in the Scheme.
- 3.8 All the tax payments (including, without limitation payments under the Income-Tax Act, 1961 Service Tax law, and other laws) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Transferor Companies on transactions with the Transferee Company, if any (from Appointed Date till Effective Date) shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings be dealt with accordingly.
- 3.9 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies under the Income-tax Act, 1961, service tax laws, or other applicable laws / regulations dealing with taxes/ duties / levies shall be made or deemed to have been made and duly complied with by the Transferee Company.

3.10 This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the Income-Tax Act, 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.

4. Legal Proceedings

4.1 Upon the Scheme becoming effective, all legal and other proceedings, including before any statutory or quasi-judicial authority or tribunal of whatsoever nature, if any, by or against the Transferor Companies pending and/or arising at the Appointed Date, shall be continued and enforced by or against the Transferee Company only, to the exclusion of the Transferor Companies in the manner and to the same extent as it would have been continued and enforced by or against the Transferor Companies. On and from the Effective Date, the Transferee Companies shall and may, if required, initiate any legal proceedings in relation to the Transferor Companies in the same manner and to the same extent as it would or might have been initiated by the Transferor Companies.

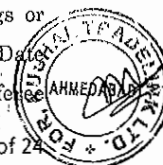
4.2 After the Appointed Date, if any proceedings are taken against the Transferor Companies the same shall be defended by and at the cost of the Transferee Company.

5. Contracts, deeds and other instruments

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, leave and license agreements, licenses, engagements, certificates, benefits, privileges, entitlements, grants, sanctions, permissions, consents, approvals, concessions, any schemes under which the Transferor Companies are registered with the government or any other authorities and incentives (including but not limited to benefits under the Income-Tax Act, 1961, service tax, and other laws), remissions, remedies, subsidies, guarantees, licences and other instruments, if any, of whatsoever nature to which the Transferor Companies is a party and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force, and be effective 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 Companies, the Transferee Company had been a party thereto. The Transferee Company may enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite restructurings, confirmations or novations, to which the Transferor Companies will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Companies and to implement or carry out all formalities required on the part of the Transferor Companies to give effect to the provisions of this Scheme.

6. Saving of concluded transactions

The transfer of Amalgamating Undertaking under clause 3 above and the continuation of proceedings by or against the Transferee Company under clause 4 above and the effectiveness of the contracts and deeds under clause 5 shall not affect any transactions and proceedings or contracts or deeds already concluded by the Transferor Companies on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee



Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

7. Staff, workmen and employees

7.1 On the Scheme coming into effect, all staff, workmen and employees of the Transferor Companies in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Effective Date without any break in their service and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Companies on the Effective Date.

7.2 It is expressly provided that, in so far as the Gratuity Fund, Provident Fund, Super Annuation Fund, if applicable, Employee's State Insurance Corporation Contribution, Labour Welfare Fund or any other Fund created or existing for the benefit of the staff, workmen and employees of the Transferor Companies is concerned, upon the Scheme coming into effect, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance 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 Companies in relation to such fund or funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees of the Transferor Companies under such Funds and Trusts shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Transferor Companies will be treated as having been continuous for the purpose of the said Fund or Funds.

7.3 In so far as the Provident Fund, Gratuity Fund, Superannuation Fund, if applicable, or other Special Scheme(s) / Fund(s) created or existing for the benefit of the employees of the Transferor Companies are concerned upon the coming into effect of this Scheme, balances lying in the accounts of the employees of the Transferor Companies in the said funds as on the Effective Date shall stand transferred from the respective trusts / funds of the Transferor Companies to the corresponding trusts / funds set up by the Transferee Company.

8. Clubbing of authorized share capital of Transferor Companies with the authorized share capital of Transferee Company

8.1 Upon this Scheme becoming effective, the authorised share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of the Transferor Companies amounting to ₹. 583000000.00 (Rupees Fifty Eight Crores and Thirty Lakh Only) divided into 291500000 (Twenty Nine Crores and Fifteen Lakh Only) Equity Shares of ₹. 2.00/- (Rupees Two only) each and the Memorandum of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the amendment, and no further resolution(s) under sections 13, 61, 64 of the Companies Act, 1956 would be required to be separately passed, and for this purpose, the stamp duty and fees paid on



the authorized share capital of the Transferor Companies shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent.

- 8.2 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the Memorandum of Association of the Transferee Company as may be required under the Act and Clause V of the Memorandum of Association of the Transferee Company shall stand altered accordingly as follow:

"V. The Authorised Share Capital of the Company is ₹. 583000000.00 (Rupees Fifty Eight Crores and Thirty Lakh Only) divided into 291500000 (Twenty Nine Crores and Fifteen Lakh Only) Equity Shares of ₹. 2.00/- (Rupees Two only) each, with the rights, privileges and conditions attached thereto as are provided by regulations of the Company for the time being in force, with power to increase and reduce the Capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being are provided by the regulations of the company."

- 8.3 Further, if required, the Transferee Company shall take necessary steps to further increase and alter its Authorized Share Capital suitably to enable it to issue and allot the Equity Shares required to be issued and allotted by it to the shareholders of the Transferor Companies in terms of this Scheme.

SECTION 2: CONDUCT OF BUSINESS

9. With effect from the Appointed Date up to and including the Effective Date.
- 9.1 The Transferor Companies shall carry on and be deemed to have carried on its business and activities and shall stand possessed of Amalgamating Undertaking, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- 9.2 Any income or profit accruing or arising to the Transferor Companies and all costs, charges, expenses and losses or taxes incurred by the Transferor Companies shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.
- 9.3 All liabilities debts, duties, obligations which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Transferee Company.
- 9.4 The Transferor Companies shall carry on its business with reasonable diligence and in the same manner as it had been doing hitherto and the Transferor Companies shall not alter or substantially expand its business except with the written concurrence of the Transferee Company.
- 9.5 With effect from the Effective Date, the Transferee Company shall suitably integrate the business being carried on by the Transferor Companies into its business.

9.6 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the central government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to own and carry on the business of the Transferor Companies.

SECTION 3: ISSUANCE OF SHARES BY THE TRANSFEREE COMPANY

10. The Provisions of this section shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.

10.1 Upon the Scheme finally coming into effect and in consideration of transfer and vesting of the Amalgamating Undertaking of the Transferor Companies to the Transferee Company in terms of provisions of the Scheme, the Transferee Company shall, without any further application or deed, issue and allot Equity Share(s) to the members of the Transferor Companies whose names appear in the Register of members as on Record Date, in the following ratio:

- 1) 395 Equity shares of Kushal Tradelink Limited of face value of ₹.2.00 each for every 100 Equity shares of Face Value ₹10.00 each held by members in Kushal Infrastructure Private Limited.
- 2) 149 Equity shares of Kushal Tradelink Limited of face value of ₹.2.00 each for every 100 Equity shares of Face Value ₹10.00 each held by members in Ashapura Paper Mills Private Limited.
- 3) 185 Equity shares of Kushal Tradelink Limited of face value of ₹.2.00 each for every 100 Equity shares of Face Value ₹10.00 each held by members Kushal Wealth Creators Private Limited.
- 4) 130 Equity shares of Kushal Tradelink Limited of face value of ₹.2.00 each for every 100 Equity shares of Face Value ₹10.00 each held by members in Riddhi Siddhi Recyclers Private Limited

10.2 The Audit Committee of the Transferee Company has taken into account the recommendations on the Share Exchange Ratio by V. GOSWAMI & CO, Chartered Accountant, Ahmedabad, acting as Independent Chartered Accountants, and the fairness opinion provided by GRETEX CORPORATE SERVICES PRIVATE LIMITED acting as the Independent Merchant Banker. On the basis of their evaluation and its own independent judgment, the Audit Committee has recommended the Scheme, including the Share Exchange Ratio to the Board of Directors of the Transferee Company.

10.3 The Board of Directors of the Transferee Company have taken into account the Independent recommendations of the Audit Committee.

10.4 The Board of Directors of the Transferee Company and the Transferor Companies have taken into account the recommendations of the Share Exchange Ratio by V. GOSWAMI & CO, Chartered Accountant, Ahmedabad.

- 10.5 The Board of Directors of the Transferee Company have also taken into account the fairness opinion provided by GRETEX CORPORATE SERVICES PRIVATE LIMITED in relation to the Share Exchange Ratio.
- 10.6 The Board of Directors of the Transferee Company and the Transferor Companies based on the aforesaid advice/ opinions and on the basis of their independent judgment and evaluation have come to the conclusion that the Share Exchange Ratio is fair and reasonable and have approved the same at their respective meeting held on 01.05.2017
- 10.7 The shares issued to the members of the Transferor Companies by the Transferee Company pursuant to sub-clause 10.1 above shall be issued in dematerialized form only by the Transferee Company.
- 10.8 The Equity Shares to be issued in terms of this clause shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company. The new Equity Shares shall rank pari-passu in all respects, including dividend, with the existing Equity Shares of the Transferee Company.
- 10.9 The members of the Transferee Company, on approval of the Scheme, shall be deemed to have given their approval under section 62 and other applicable provisions of the Companies Act, 2013, for issue of fresh equity shares to the members of the Transferor Companies and the Transferee Company will not be required to pass any further resolution for issue and allotment of shares to the Shareholders of the Transferor Companies.
- 10.10 All the equity shares issued pursuant to this Scheme to the members of the Transferor Companies shall be listed and/or admitted to trading on the BSE Limited, in accordance with applicable laws.
- 10.11 In case any shareholder's holding in the Transferor Companies is such that the shareholder becomes entitled to a fraction of an equity share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder but shall round off the Fractional Share, if any, that may arise due to the implementation of clause 10.1 of the Scheme, to the nearest Integer.
- 10.12 Upon this Scheme coming into effect, the shareholders of the Transferor Companies shall surrender their share certificates pertaining to the Transferor Companies for cancellation thereof to the Transferee Company. Further, notwithstanding anything to the contrary, upon the new shares in the Transferee Company being issued and allotted by it to the eligible shareholders of the Transferor Companies whose names appear on the Register of Members of the Transferor Companies as on the Record Date, the share certificates in relation to the shares held by them in the Transferor Companies shall be deemed to have been cancelled and shall be of no effect on and from such Record Date.

SECTION 4: ACCOUNTING TREATMENT

11. Accounting Treatment in the Books of the Transferee Company:

- 11.1 Upon the Scheme becoming effective, the Transferee Company shall record the assets and liabilities of the Transferor Companies transferred to the Transferee Company pursuant to this Scheme and account for the amalgamation of the Transferor Companies pursuant to this Scheme



in accordance with Accounting Standard -14 as notified by the Companies (Accounting Standards) Rules, 2006, as amended from time to time.

- 11.2 The Transferee Company shall record the issuance of shares to the members of the Transferor Companies at fair value as determined in the valuation report given by the Independent Valuer and accordingly credit to its share capital account the aggregate face value of the equity shares issued pursuant to this Scheme. The excess, if any, of the fair value of the equity shares over the face value of the equity shares so issued shall be credited to the Securities Premium Account of the Transferee Company.
- 11.3 Inter-corporate deposits/loans and advances, if any, outstanding between the Transferee Company and the Transferor Companies inter-se shall stand cancelled and there shall be no further obligation / outstanding in that behalf. Any difference arising on such cancellation should be adjusted in the reserves of the Transferee Company.
- 11.4 In case of any differences in accounting policy between the Transferor Companies and Transferee Company, the accounting policies followed by Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted against Profit and Loss Account, to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 11.5 Notwithstanding the above, the Transferee Company in consultation with its Auditors, is authorized to account for any of this balances in any manner, whatsoever if considered appropriate.

12. Dissolution of the Transferor Companies

On the Scheme coming into effect, all the Transferor Companies (i.e. Kushal Infrastructure Private Limited, Ashapura Paper Mills Private Limited, Kushal Wealth Creators Private Limited, Riddhi Siddhi Recyclers Private Limited) shall, without any further act or deed, stand dissolved without going through the process of winding up.

PART C

GENERAL TERMS AND CONDITIONS

13. Impact of the Scheme on creditors

This Scheme of Amalgamation, if approved by the appropriate authorities and the Court, shall not have any adverse impact on the Creditors whether secured or unsecured, of Transferor Companies or Transferee Company.

14. Dividends

14.1 Nothing contained in this Scheme shall be construed as restricting or restraining any of the Companies from being entitled to declare and pay dividends, whether interim or final, to their respective equity shareholders, whether during the pendency of the Scheme or otherwise.

14.2 The holders of the Equity Shares of respective Companies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under the Articles of Association of the respective Companies concerned including the right to receive dividends.



14.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of any Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Boards of Directors of the respective Companies and subject to the approval of the shareholders of the respective Companies.

15. Filing of applications/petitions with the Court

"Transferor Companies" and/or "Transferee Company" shall, with all reasonable diligence, make and file all necessary applications, affidavits, petitions etc., before the Hon'ble High Court/NCLT/any other appropriate authority having jurisdiction over the Scheme, as the case may be, for the obtaining the sanction to this Scheme of Amalgamation under Sections 230 to 232 of the Act and each of them shall apply for all necessary approvals as may be required under law.

16. Modification of Scheme

16.1 "Transferor Companies" and "Transferee Company" by their respective Board of Directors or any Committee thereof or any Director authorized in that behalf (hereinafter referred to as the "Delegate") may assent to, or make, from time to time, any modifications or amendments or additions to this Scheme which the Court or any appropriate authority (ies) under law may deem fit to approve or impose and which transferee Company and Transferor Companies may in their discretion accept or such modifications or amendments or additions as transferee Company and Transferor Companies or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise for carrying out this Scheme, and transferee Company and Transferor Companies by their respective Boards of Directors or Delegate are hereby authorized to do, perform and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event that any conditions may be imposed by the Court or any authorities, which transferee Company and Transferor Companies find unacceptable for any reason, then Transferee Company and Transferor Companies shall be at liberty to withdraw the Scheme. The aforesaid powers of transferee Company and Transferor Companies may be exercised by their respective Delegates.

16.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates (acting jointly) of transferee Company and Transferor Companies may give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors of the respective Companies), or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those conditions (to the extent permissible under law).

17. Scheme Conditional Upon

17.1 This Scheme is conditional upon and subject to:

- (i) The Scheme being approved by the shareholders of the "Transferee Company" through resolution passed in term of Para 9 (a) & (b) of Annexure I of SEBI Circular No. AHMED/CFD/DIL3/CIR/2017/21 dated march 10, 2017, as may be amended from time to time,



provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

- (ii) It being agreed to by the respective requisite majorities of members of all the "Transferor Companies" as required under the Act and the requisite orders of the Court being obtained.
- (iii) It being agreed to by the respective requisite majorities of creditors and the various classes of creditors (wherever applicable) of the "Transferor Companies" and "Transferee Company" as required under the Act and the requisite orders of the Court being obtained.
- (iv) In-principle approval / Observation Letter from the Stock Exchange.
- (v) The requisite sanctions and approvals, as may be required by law in respect of this Scheme being obtained; and
- (vi) The certified copies of the orders of the Court sanctioning this Scheme being filed with the Registrar of Companies.
- (vii) All other sanctions and approvals as may be required by any Applicable Law in respect of this Scheme being obtained.

17.2 In the event of notification of provisions pertaining to the compromise and arrangements under the Companies Act, 2013, by the Central Government, during the pendency of the Scheme at any stage, the Scheme shall be governed and administered in accordance with the notification issued by the Central Government in that regard and the relevant applicable provisions of the Companies Act, 2013. It is clarified that upon such notification proceedings pending in respect of the Scheme before the NCLT shall be transferred and continued without there being any requirement or necessity of approving the Scheme or filing of applications/petitions afresh by the respective Boards.

17.3 In the event of this Scheme failing to be sanctioned by the Court and/or the order or orders or the resolutions or any other approval or sanctions not being passed as aforesaid as may be agreed by the respective Boards of Directors of Transferee Company and/or Transferor Companies, this Scheme shall stand revoked, cancelled and be of no effect and become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Companies or their shareholders or creditors or employees or any other person. In such case, all the Companies shall bear its own costs, charges and expenses or shall bear costs, charges and expenses as may be mutually agreed.

18. Effect of non-receipt of approvals

In the event of any of the said sanctions and approvals referred to in clause 17 above not being obtained (unless otherwise decided by the Board of Directors) and / or the Scheme not being sanctioned by the Court or such other competent authority as aforesaid, 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.

19. Severability

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall be subject to the decision of Transferor Companies and Transferee Company, not affect the validity or implementation of the other parts and / or provisions of this Scheme



20. Costs, charges, etc.

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or court's order including this Scheme or 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 arrangement in pursuance of this Scheme shall be borne and paid by the "Transferee Company"

