SAT
INDUSTRIES
LIMITED

121, B-Wing, 12th Floor,
Mittal Tower, Nariman Point,
Mumbai - 400 021. (INDIA)
Phone : 91 22 6610 7025
Phone : 91 22 6637 2073
Fax : 91 22 6610 7027
Email : sil@mtnl.net.in
Website : www.satgroup.in
CIN : L25199MH1984PLC034632

Global Business

SAT

SIL/BSE/NSE/2022-23

January 10, 2023

To, The General Manager, Department of Corporate Services, BSE Limited, P.J. Towers, Dalal Street, Mumbai – 400001 Company Code No.: 511076	To, The Listing Department. National Stock Exchange of India Limited Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai – 400 051 Trading Symbol: SATINDLTD

Dear Sir/Madam,

Sub: Receipt of the copy of the order ("NCLT Order") along with the Scheme of Amalgamation passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT").

Pursuant to Regulation 30 of the SEBI Listing Regulations, please be informed that the company has received the copy of the order passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") sanctioning the Scheme of Amalgamation between Aeroflex International Limited (Transferor Company No 1) and Italica Furniture Private Limited (Transferor Company No 2) with SAT Industries Limited (Transferee Company) and their respective Shareholders and Creditors under Section 230 to 232 of the Companies Act, 2013. The copy of the Hon'ble NCLT Order is enclosed for your records.

The Scheme of Amalgamation will become effective upon the filing of the orders passed by Hon'ble NCLT with the respective jurisdictional Registrar of Companies.

The certified copy of the Hon'ble NCLT Order and the Scheme of Amalgamation will be uploaded on the website of the company at www.satgroup.in

This is for your information and records.

Thanking you,

Yours faithfully,

FOR SAT INDUSTRIES LIMITED

Alka Premkumar Gupta
Company Secretary
M.No: A35442

SAT INDUSTRIES LIMITED MUMBAI

Encl.: as above

IN THE NATIONAL COMPANY LAW TRIBUNAL,

MUMBAI BENCH-I

C.P.(CAA) No. 50/MB/C-I/2021
In C.A.(CAA) No. 1106/MB/C-I/2020

In the matter of Companies Act, 2013

AND

In the matter of Section 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

AND

In the matter of Scheme of Amalgamation of Aeroflex International Limited and Italica Furniture Private Limited with Sat Industries Limited.

AEROFLEX INTERNATIONAL LIMITED
121, Floor-12th, Plot-210, B Wing,
Mittal Tower, Free Press Journal Marg,
Nariman Point, Mumbai-400021
CIN: U74999MH2002PLC136032

...Petitioner 1/ Transferor Company No. 1

&

ITALICA FURNITURE PRIVATE LIMITED
121, Floor-12th, Plot-210, B Wing,
Mittal Tower, Free Press Journal Marg,
Nariman Point, Mumbai-400021
CIN: U25209MH2004PTC345795

...Petitioner 2/ Transferor Company No. 2

With

SAT INDUSTRIES LIMITED
121, Floor-12th, Plot-210, B Wing,
Mittal Tower, Free Press Journal Marg,
Nariman Point, Mumbai-400021
CIN: L25199MH1984PLC034632

...Petitioner 3/Transferee Company

राष्ट्रीय कम्पनी विधी अधिकरण NATIONAL COMPANY LAW TRIBUNAL मुंबई न्यायपीठ MUMBAI BENCH

Order delivered on 06.01.2023

Coram:

Hon'ble Member (Judicial) : Justice P.N. Deshmukh (Retd.)

Hon'ble Member (Technical) : Sh. Shyam Babu Gautam

Appearances (via video conferencing) :

For the Petitioners : Dr. S.K. Jain, Practising Company Secretary a/w Mr. Yahya Batatawala, Advocate.

ORDER

Per: Justice P.N. Deshmukh, Member (Judicial)

1. The Bench is convened by video conference.

2. Heard the Learned Counsel for the Petitioner Companies. No objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petition to the said Scheme.



3. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed thereunder for the Scheme of

Amalgamation of Aeroflex International Limited, Transferor Company No.1 and Italica Furniture Private Limited, Transferor Company No.2 with Sat Industries Limited, Transferee Company.

4. The Learned Counsel for the Petitioner Companies states that the Petitioner Companies have approved the said Scheme of Amalgamation by passing Board Resolutions dated 23rd September, 2020 which are annexed to the respective Company Scheme Petitions.

5. The Learned Counsel for the Petitioner Companies states that the Petition have been filed in consonance with the Minutes of the Order dated 9th December, 2020 passed in the Company Scheme Application No.: 1106(MB) of 2020 by the Tribunal.

6. The Learned Counsel for the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per directions of the National Company Law Tribunal, Mumbai Bench and they have filed necessary Affidavits of compliance in the National Company Law Tribunal, Mumbai Bench.

7. The Learned Counsel for the Petitioner Companies states that the 1st Petitioner Company is presently carrying on business to design, manufacture, fabricate, assemble, machinery, work on process, repair, alter, convert, buy, deal in, import, export, or consult for plants, machineries, sub-assembles, machineries parts, tools, gauges, jigs, instruments, appliances, components, accessories and finished or semi-finished engineering products made of steel, thermoplastic, polymer and/or any other materials for industrial, agricultural or domestic use.

8. The 2nd Petitioner Company is engaged in the business of manufacturers of and dealers in plastic moulded goods of all kinds and for all purposes and in rubber and plastic tubes and tyres and in bottles, containers, tubes, thermowares, drums, crates, furniture, tanks, doors, windows, flaskwares, furnitures wrapping materials, foams rubber and plastic product, transmission belts and conveyors, and similar industrial articles, pipes, tubes, hoses, rubber containers and rubber lined vessels, tanks, equipment, pipes, and similar equipment, electric products, electronic product, shoe products and parts thereof, either rubber products and parts, toys, insulating materials and all other blown, moulded, formed, extruded, cleandered and dipped good and articles.

9. The 3rd Petitioner Company is engaged in the business of providing internet services and other wireless network services, software systems, E-commerce, M-Commerce, any other commerce in any other form or forms, data bank, data processing, communication, Information systems and to design and develop computer, design software consisting of schematic capture, net list translation, simulation hardware description languages suchas HlDC design kits placement and routing test vector translation and tool Integration, designing and developing business applications, software Involving local area networks, multitasking operating systems, graphical user Inter face, relations, data base management systems, object oriented-data base management system and interactive multimedia system, preparing advertisements and publishing the Information, advertisement on internet, conducting exhibition of internet, incorporating data on CDROM and to act as internet service provider (ISP), advertising, publicity and propaganda agents to manufacturers, traders, dealers, importers and exporters, and promote the sale of their products and service in India and abroad through various media such as internet, newspapers, periodicals, cinemas, journals, direct main publicity display until, exhibition on line, gathering, arranging conferences, seminars, symposiums, lectures, training, mass meetings, appoint distributors, sub distributors, selling agents and all such other

activities for promoting the sale of various products through above means and to provide online services like America Online and/or Compuserve and develop software for local and international market.

10. The rationale for the Scheme of Amalgamation of the Petitioner Companies that the proposed amalgamation, inter alia, will result into following benefits:

(i) The consolidation of operations of all three Companies by way of amalgamation would lead to efficient utilization of capital and will result in administrative and operational rationalization and promote organizational efficiencies;

(ii) The amalgamation would result in greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholders value and will improve the competitive position of the combined entity;

(iii) The amalgamation would result in greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund growth opportunities, to

maximize shareholders value;

(iv) For the purpose of better, efficient and economical management, control and running of the business of the undertaking concerned and/or administrative convenience and to obtain advantages of economies of scale and to pool the resources for growth and development of the businesses of the Companies; and

(v) With the amalgamation of all three Companies, the Transferee Company would have the complete access on the readily available utilities, liasoning, etc. and this will help the Transferee Company to initiate expansion promptly without any gestation period.

11. The Regional Director has filed his Report dated 2nd November, 2021 stating therein that save and except the observations as stated in paragraph IV (a) to (n) of the report, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph IV of the said Report, the Regional Director has stated that:

a) *In addition to compliance of AS-14 (IND AS-103) the Transferee Company shall pass such accounting entries which are necessary in connection with*

the scheme to comply with other applicable Accounting Standard such as AS-5 (IND AS-8) etc.

b) *As per Part-I-Definitions Clause 1 (1.3), Clause 1 (1.6) and 1 (1.8) of the Scheme.*

***"Appointed Date"** means 1st April, 2020 or such other date as may be fixed by National Company Law Tribunal (NCLT)*

***"Effective Date"** means the date when the certified copy of the order of the NCLT sanctioning the present Scheme of Amalgamation is filed with the Registrar of Companies, Maharashtra at Mumbai by the transferor and transferee Companies;*

***"Record Date"** means the date to be fixed by the Board of Directors of the Transferee Company for determining names of the Equity Shareholders of the Transferor Companies, who shall be entitled to Equity Shares of the Transferee Company;*

In this regard, it is submitted that Section 232(6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be

deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Tribunal taking into account its inherent powers.

Further, the Petitioner may be asked to comply with the requirement and clarify vide circular no. F. No. 7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.

c) *The Tribunal may kindly seek the undertaking that this Scheme is approved by the requisite majority of member and creditors as per Section 230(6) of the Act in meetings duly held in terms of Section 230(1) read with subsection (3) to (5) of Section 230 of the Act and the Minutes thereof are duly placed before the Tribunal.*

d) *NCLT may kindly direct the petitioner to file an affidavit to the extent that the Scheme enclosed to Company Application & Company Petition, are one and same and there is no discrepancy/any changes are made, for changes if any, liberty be given to Central Government to file further report if any required;*

e) *The Petitioner under provisions of Section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Amalgamation. Further, the approval of the scheme by this Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such Authorities is binding on the Petitioner Company(s).*

f) *Petitioner Company have to undertake to comply with section 232(3)(i) of Companies Act, 2013, where the transferor company is dissolved, the fees if any, paid by the transferor company on its authorised capital shall be set-off against any fees payable by the transferee company on its authorised capital subsequent to the amalgamation and therefore, petitioners to affirm that they comply the provisions of the section.*

g) *The Petitioner Company may be directed to submit undertaking that the Petitioner Company shall ensure compliance of all provisions of the Income Tax Act, 1961 including provisions of Section 2(1B) of the Income Tax Act.*

h) ***As per Part II Clause 12 (12.1 to 12.3) of the Scheme (Amendment to Memorandum of Association of The Transferee Company, validity of Existing Resolution Etc.);*** *In this regard it is submitted that the fee payable*

by the Transferee Company shall be in accordance with the provisions of Section 13 and Section 232(3)(i) of the Companies Act, 2013 further if any stamp duty is payable the same should be paid in accordance with applicable laws of the State;

i) ***As per Part-II- Clause 15(15.1 &15.2) of the Scheme (Accounting Treatment).*** *The amalgamation shall be accounted for in the books of account of the Transferee Company according to the pooling of interest method prescribed under Appendix C- 'Business combination of entities under common control' to Indian Accounting Standard (Ind AS) 103- Business Combinations (referred to as Ind AS 103) which are prescribed under Section 133 of the Act.*

In this regard it is stated that in Indian Accounting Standard (Ind AS) 103- prescribes application of pooling of Interest Method to account for common control business combinations. Under this method: .... Any difference, whether positive or negative, shall be adjusted against the capital reserves (for "Amalgamation Adjustment Deficit Account" in some cases). ***In view of the above it is submitted that the difference so credited to "Capital Reserve arising out of Amalgamation" shall not be available for distribution of dividend and other similar purposes.***

j) ***As per Part-III-(General Terms and Conditions) Clause 16(16.1 to 16.6) of the Scheme (Combination of Authorized Share Capital);*** *In this regard it is submitted that fee payable by the Transferee Company shall be in accordance with the provision of Section 13, Section 61, Section 64 and Section 232(3)(i) of the Companies Act, 2013 further if any stamp duty is payable the same should be paid in accordance with applicable laws of the State.*

k) *Since the Transferee Company limited by shares, is listed on the Bombay Stock Exchange and the National Stock Exchange, the Petitioner Company be directed to place on record whether necessary approval from SEBI and the concerned Stock Exchange have been obtained and whether the meeting of the Shareholders/ class of shareholders have been convened as per the listing / SEBI guidelines.*

l) *Since the Transferee Company have foreign/ nonresident shareholders, therefore, it is subject to compliance of Section 55 of the Companies Act, 2013 the FEMA Regulations/ RBI Guidelines by the Transferee Company.*

m) *The Petitioner may be directed to place on record whether necessary NOC/ approval from Competition Commission of India (CCI) have been obtained or not, if applicable.*

n) *In view of the observations raised by the ROC, Mumbai, mentioned at Para 19 above, the NCLT may pass appropriate Orders as it deem fit.*

12. The Learned Counsel for the Petitioner Companies states that the Petitioner Companies filed their Reply dated 8th November, 2021 to the Report of the Regional Director thereby explaining the observations as under:

i. So far as the observation made in Paragraph IV (a) of the Report of Regional Director is concerned, the Transferee Company submits that in addition to the Compliance of AS-14, the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards.

ii. So far as the observation in Paragraph IV(b) of the Report of the Regional Director is concerned, the Petitioner Companies submit that the appointed date will be open of business hours on 1st April, 2020. The Petitioner Companies has complied with the requirements as envisages in Circular No. F.No. 7/12/2019/CL-1 dated 21/08/2019 issued by Ministry of Corporate Affairs.

iii. So far as the observation in Paragraph IV(c) of the Report of the Regional Director is concerned, the Petitioner Companies submit that this Tribunal vide its Order dated 09/12/2020 has been pleased to dispense with the meeting of the Equity Shareholders of both the Transferor Companies as the consent of the Members of Transferor Companies were duly obtained. The Tribunal was further pleased to dispense with the Meeting of Equity Shareholders of the Transferee Company as there was no reconstruction or arrangement proposed with its shareholders and/or creditors of the Transferee Company which was supported by the ratio laid down by this Tribunal in 'CSA No. 243 of 2017 in the matter of Housing Development Finance Corporation Limited', in 'CSA No. 899 of 2017 in the matter of Mahindra CIE Automotive Limited', in CSA No. 915 of 2017 in the matter of Godrej Consumer Products Limited, in CSA No. 1019 of 2017 in case of Godrej Properties Limited, in CSA No. 1615 of 2018 in case of Dolvi Minerals and Metals Private Limited, in CSA No. 396 of 2019 in case of JSW Logistics Infrastructure Private Limited, in CSA No. 1142 of 2019 in case of City Corporation Limited, in CSA No. 3123 of 2019 in case of Jai Realty Ventures

Limited, in CSA No. 3219 of 2019 in case of Impact Automotive Solutions Limited and in CSA No. of 3749 of 2019 in case of Datamatics Digital Limited. Both the Transferor Companies and Transferee Companies have duly complied with the directions given by this Tribunal in Para no. 14(c) and 14 (d) of the Order dated 09/12/2020.

iv. So far as the observation in Paragraph IV(d) of the Report of the Regional Director is concerned the Petitioner Companies confirm and declare that there are no discrepancies in Scheme enclosed with Company Scheme Application and Company Scheme Petition and the same are one and the same. However, the Petitioner Companies undertake to file an Affidavit if so directed by this Tribunal that the Scheme enclose to Company Scheme Application and Company Scheme Petition are one and the same.

v. So far as the observation in Paragraph IV (e) of the Report of the Regional Director is concerned, the Petitioner Companies declare that they have duly served the notices to all the concerned authorities i.e. Registrar of Companies, Regional Director, Income Tax Authority, Official Liquidator, Bombay Stock Exchange and

Securities Exchange Board of India which are likely to be affected by the amalgamation. However, no representation has been received by the Petitioner Companies from any of the above mentioned Authorities within a period of 30 days from the date of Receipt of notice served on them. The Petitioner Companies hereby confirm that the approval of the Scheme by this Tribunal will not deter such authorities to deal with any of the issues arising after giving effect to the Scheme.

vi. So far as the observation in Paragraph IV(f) of the Report of the Regional Director is concerned, the Transferee Company hereby undertake to comply with Section 232(3)(i) of the Companies Act, 2013 where the Transferor Company is dissolved, the fees, if any, paid by the Transferor Companies on its authorized capital shall be set off against any fees payable by the Transferee Company subsequent to the Amalgamation and therefore, Petitioner Companies affirm to comply with the provisions of this Section.

vii. So far as the observation in Paragraph IV(g) is concerned, the Transferee Company undertakes that it shall comply with all

provisions of Income Tax Act, 1961 including provisions of Section 2(1B) of the Income Tax Act as applicable.

viii. So far as the observation in Paragraph IV(h) is concerned the Petitioner Companies submit and undertake that the fees payable by the Transferee Company shall be in accordance with the provisions of Section 13 and Section 232(3)(i) of the Companies Act, 2013 further if any stamp duty is payable the same shall be paid in accordance with applicable laws of the State.

ix. So far as the observation in Paragraph IV(i) is concerned the Transferee Company submits that the amalgamation shall be accounted for in its books of accounts of the Transferee Company according to the pooling of interest method prescribed under Appendix C- "Business combination of entities under common controls" to Indian Accounting Standard (IND AS) 103- Business Combinations (referred to as IND AS 103) which are prescribed under Section 133 of the Act. In case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the same shall be harmonized and impact of the same will be given in accordance with IND AS 103. The

Petitioner Companies undertake that under this method any difference whether positive or negative shall be adjusted against the "Capital Reserves arising out of Amalgamation" shall not be available for distribution of dividend and other similar purposes.

x. So far as the observation in Paragraph IV(j) of the Report of the Regional Director is concerned the Transferee Company submits that pursuant to the amalgamation of the Companies fee payable by the Transferee Company shall be in accordance with the provision of Section 13, Section 61, Section 61, Section 64, and Section 232(3)(i) of the Companies Act, 2013. The Petitioner Companies further undertake that if any stamp duty is payable by the Companies shall be paid in accordance to the applicable law of the State.

xi. So far as the observation in Paragraph IV(k) of the Report of the Regional Director is concerned the Petitioner Companies submit that the Transferor Companies are the wholly owned subsidiaries of the Transferee Company. Hence, draft Scheme of Amalgamation of the Transferor Companies and the Transferee Company was submitted to BSE for the purpose of disclosure in

terms of SEBI Circular No. CFD/DIL3/CIR/2018/2 dated 03/01/2018. The Transferee Company submits that no prior approval of SEBI and concerned Stock Exchange i.e. BSE is required to be obtained for Amalgamation of Transferor Companies with the Transferee Company nor any meetings of Shareholders/ Class of Shareholders were required to be conveyed as per listing/ SEBI guidelines.

xii. So far as the observation in Paragraph IV(l) of the Report of the Regional Director is concerned the Transferee Company submits that Section 55 of the Companies Act, 2013 is not applicable as there are no Foreign non-resident shareholders holding any Preference Shares in the Petitioner Companies. Also, there is no Preference Share Capital in the Transferee Company. Therefore, though there are foreign/ non-resident shareholders, compliance of Section 55 of the Companies Act, 2013, the FEMA Regulations and RBI Guidelines are not applicable.

xiii. So far as the observation in Paragraph IV(m) of the Report of the Regional Director is concerned, the Petitioner Companies hereby

confirm and declare that no NOC/ approvals are required from the Competition Commission of India.

xiv. So far as the observation in Paragraph IV(n) of the Report of the Regional Director is concerned, the ROC, Mumbai in its Report/ Letter No. ROC/ STA/ AIL(2)- SIL/ 230- 232/ 07/ 2021/ 83 dated 03/08/2021, the ROC Mumbai has made two (2) observations:

(a) CAA 3 by Transferee Company SEBI & Stock Exchange not attached.

(b) Interest of the Creditors should be protected.

13. The Learned Counsel for the Petitioner Companies submit that the Regional Director has filed Supplementary Report dated 24/11/2021 stating therein the observations in paragraph IV (k) to (m) of the report as under:

"IV (k): On the observation made by the Regional Director and Reply submitted by the Petitioner Company thereon, Hon'ble Tribunal may pass appropriate orders/ orders as deem fit on merit.

IV (l): On the observation made by the Regional Director and Reply submitted by the Petitioner Company thereon, Hon'ble Tribunal may pass appropriate orders/ orders as deem fit on merit.

IV (m): On the observation made by the Regional Director and Reply submitted by the Petitioner Company thereon, Hon'ble Tribunal may pass appropriate orders/ orders as deem fit on merit."

14. The Learned Counsel for the Petitioner Companies submits that in compliance of the directions passed by the Tribunal vide Order dated 10/11/2021, the Petitioner Companies have served the copy of Form CAA 3 along with the Annexures thereto to (1) Competition Commission of India and (2) Reserve Bank of India on 11/11/2021 through Speed Post. The Learned Counsel for the Petitioner Companies confirms that no objection has been received from Competition Commission of India. However, the Reserve Bank of India has addressed a Letter bearing reference No. FED MRO CAP No/S471/04.69.999/2021-22 thereby indicating that as a regulator it will not be ethical on the part of RBI to vet individual cases as it will preclude it from taking action on contravention, if any, committed by such Companies. The Learned Counsel for the Petitioner Companies

confirms and declares that no pre- approvals are required from Competition Commission of India and Reserve Bank of India as they are not governed under the respective laws.

15. The clarifications and undertakings given by the Petitioner Companies are accepted by this Tribunal.

16. From the material on record, the Scheme appears to be fair and reasonable and does not violate any of the provisions of law and is not contrary to public policy.

17. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No.: 1106 of 2020 are made absolute.

18. Petitioners are directed to file a copy of this Order along with a copy of the Scheme of Arrangement with the concerned Registrar of Companies, electronically along with E-Form INC-28, in addition to physical copy within 30 days from the date of receipt of the Order from the Registry.

19. The Petitioner Companies to lodge a copy of this Order and the Scheme duly authenticated by the Deputy Registrar or Assistant Registrar,

National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable within 60 days from the date of receipt of the Order, if any.

20. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Deputy Registrar or Assistant Registrar, National Company Law Tribunal, Mumbai.

21. The Appointed Date is 1st April, 2020.

22. Ordered accordingly. CP(CAA)50/MB/2021 is allowed and the Scheme is hereby **sanctioned**.

Sd/-

SHYAM BABU GAUTAM
Member (Technical)
06.01.2023
DSB

Sd/-

JUSTICE P. N. DESHMUKH
Member (Judicial)

राष्ट्रीय कम्पनी विधी अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
मुंबई न्यायपीठ
MUMBAI BENCH

Certified True Copy
Date of Application 09/01/2023
Number of Pages 23
Fee Paid Rs. 115/-
Applicant called for collection copy on
Copy prepared on 10.01.2023
Copy issued on 10.01.2023

R.S. Sonawane 10.01.2023
Deputy Registrar
National Company Law Tribunal, Mumbai Bench

ANNEXURE K

SCHEME OF AMALGAMATION
OF
AEROFLEX INTERNATIONAL LIMITED
('Transferor Company No. 1')
AND
ITALICA FURNITURE PRIVATE LIMITED
('Transferor Company No. 2')
WITH
SAT INDUSTRIES LIMITED
('Transferee Company')
AND
THEIR RESPECTIVE SHAREHOLDERS

(Under Sections 230 to 232 of the Companies Act, 2013)

A. PREAMBLE:

This Scheme of Amalgamation **('the Scheme')** is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, to the extent applicable for Amalgamation of Aeroflex International Limited **("AIL")('Transferor Company No. 1')** and Italica Furniture Private Limited **("IFPL") ('Transferor Company No. 2')** with Sat Industries Limited **("SIL") ('Transferee Company')**. In addition, this Scheme of Amalgamation also provides for various other matters consequential or otherwise integrally connected herewith.

B. INTRODUCTION

(i) Aeroflex International Limited (CIN:U74999MH2002PLC136032) **('Transferor Company No. 1')** is a Public Limited Company incorporated on 28/05/2002 under the provisions of the Company Act, 1956 having its Registered Office at 121, B-Wing, Mittal Tower, Nariman Point, Mumbai-400021 and email address is

NOTARY GOVERNMENT OF INDIA

NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH

aeroflex786@gmail.com. Aeroflex International Limited was incorporated with the Object:

"to carry on business to design , manufacture, fabricate, assemble, machinery, work on process, repair, alter, convert, buy, deal in, import, export, or consult for plants, machineries, sub-assembles, machineries parts, tools, gauges, jigs, instruments, appliances, components, accessories and finished or semi finished engineering products made of steel, thermoplastic, polymer and/or any other materials for industrial, agricultural or domestic use."

(ii) Italica Furniture Private Limited (CIN: U25209MH2004PTC345795) ('**Transferor Company No. 2**') is a Private Limited Company incorporated on 23/12/2004 under the provisions of the Company Act, 1956 having its Registered Office at 121, B-Wing, Mittal Tower, Nariman Point, Mumbai-400021 and email address is italicafur@rediffmail.com. Italica Furniture Private Limited was incorporated with the Objects inter alia:

"To carry on the business of manufacturers of and dealers in plastic moulded goods of all kinds and for all purposes and in rubber and plastic tubes and tyres and in bottles, containers, tubes, thermowares, drums, crates, furniture, tanks, doors, windows, flaskwares, furnitures wrapping materials, foams rubber and plastic product, transmission belts and conveyors, and similar industrial articles, pipes, tubes, hoses, rubber containers and rubber lined vessels, tanks, equipment, pipes, and similar equipment, electric products, electronic product, shoe products and parts thereof, either rubber products and parts, toys, insulating materials and all other blown, moulded, formed, extruded, cleandered and dipped good and articles.

NOTARY * GOVT. OF INDIA *

राष्ट्रीय कम्पनी विधी अधिकरण NATIONAL COMPANY LAW TRIBUNAL मुंबई न्यायपीठ MUMBAI BENCH

To carry on the business of manufacturers, repairers, importers, exporters, traders, retailers either directly or through E Commerce platform or otherwise, dealers in furniture and fixtures made from wood, brass, steel, fibre glass, plastics or other substance

To carry on the business of a leasing Company, hire purchase Company, P2P lending (peer-to-peer / principal-to-principal) Company and finance Company and to undertake and or arrange or syndicate all types of business relating to financing of consumers, schools, colleges or coaching institutions, individuals, industry – large, medium and small or corporate, through online or offline medium, for all kinds of vehicles, aircrafts, ships, machinery, plants, two-wheelers, tractors and other farm equipments, consumer durables, equipment, renewable energy equipment/infrastructure, construction equipment, housing equipment, educational loans, capital equipment, Office equipment, their spares and components, real estate, infrastructure work or activity, including used/refurbished products, as also services of every kind and description, computers, storage tanks, toll roads, communication satellites, communication lines, factories, rolling stock, moveable and immoveable property, to engage in all forms of securitisation, installment sale and/or deferred sale relating to goods or materials, to purchase the book debts and receivables of Companies and to lend or give credit against the same, to undertake real estate business, to borrow, to transact business as promoters, financiers, monetary agents, to carry out the business of a Company established with the object of financing industrial enterprises and to arrange or provide financial and other facilities independently or in association with any person, Government, Financial Institutions, Banks, Industrial Companies or any other

agency, in the form of lending or advancing money by way of loan, working capital finance, refinance, project finance or in any other form, whether with or without security, to institutions, bodies corporate, firms, associations, societies, trusts, authorities, industrial enterprises and to arrange or provide facilities for the purposes of infrastructure development work or for providing infrastructure facilities or engaging in infrastructure activities and to raise and provide venture capital and promote or finance the promotion of joint stock Companies, to invest in, to underwrite, to manage the issue of, and to trade in their shares or other securities."

(iii) Sat Industries Limited (CIN: L25199MH1984PLC034632) ('**Transferee Company**') is a Public Limited Company incorporated on 23/11/1984 under the provisions of the Companies Act, 1956 having its Registered Office at 121, B-Wing, Mittal Tower, Nariman Point, Mumbai- 400021 and email address is corporate@satgroup.in. Sat Industries Limited was incorporated with the Object inter alia:

"To carry on the business of, providing internet services and other wireless network services, software systems, E-commerce, M-Commerce, any other commerce in any other form or forms, data bank, data processing, communication, Information systems and to design and develop computer, design software consisting of schematic capture, net list translation, simulation hardware description languages suchas HIDC design kits placement and routing test vector translation and tool Integration, designing and developing business applications, software Involving local area networks, multitasking operating systems, graphical user Inter face, relations, data base management systems, object oriented-data base management system and interactive multimedia system,

preparing advertisements and publishing the Information, advertisement on internet, conducting exhibition of internet, incorporating data on CDROM and to act as internet service provider (ISP), advertising, publicity and propaganda agents to manufacturers, traders, dealers, importers and exporters, and promote the sale of their products and service in India and abroad through various media such as internet, newspapers, periodicals, cinemas, journals, direct main publicity display until, exhibition on line, gathering, arranging conferences, seminars, symposiums, lectures, training, mass meetings, appoint distributors, sub distributors, selling agents and all such other activities for promoting the sale of various products through above means and to provide online services like America Online and/or Compuserve and develop software for local and international market.

To carry on the business of a leasing company, hire purchase company, P2P lending (peer-to-peer / principal-to-principal) company and finance company and to undertake and or arrange or syndicate all types of business relating to financing of consumers, schools, colleges or coaching institutions, individuals, industry – large, medium and small or corporate, through online or offline medium, for all kinds of vehicles, aircrafts, ships, machinery, plants, two-wheelers, tractors and other farm equipments, consumer durables, equipment, renewable energy equipment/infrastructure, construction equipment, housing equipment, educational loans, capital equipment, office equipment, their spares and components, real estate, infrastructure work or activity, including used/refurbished products, as also services of every kind and description, computers, storage tanks, toll roads, communication satellites, communication lines, factories, rolling

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ATLANTA FURNITURE PVT. LIMITED
SAT INDUSTRIES LTD MUMBAI
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stock, moveable and immoveable property, to engage in all forms of securitisation, installment sale and/or deferred sale relating to goods or materials, to purchase the book debts and receivables of companies and to lend or give credit against the same, to undertake real estate business, to borrow, to transact business as promoters, financiers, monetary agents, to carry out the business of a company established with the object of financing industrial enterprises and to arrange or provide financial and other facilities independently or in association with any person, Government, Financial Institutions, Banks, Industrial Companies or any other agency, in the form of lending or advancing money by way of loan, working capital finance, refinance, project finance or in any other form, whether with or without security, to institutions, bodies corporate, firms, associations, societies, trusts, authorities, industrial enterprises and to arrange or provide facilities for the purposes of infrastructure development work or for providing infrastructure facilities or engaging in infrastructure activities and to raise and provide venture capital and promote or finance the promotion of joint stock companies, to invest in, to underwrite, to manage the issue of, and to trade in their shares or other securities.

To carry on in India or abroad business of importers, merchants, general order suppliers, commission agents, representatives, distributors, royalty owner, contractors, auctioneers, indent agents, passage agents, factors, organizers, concessionaries, sale agents, sub agents, and insurance agents."

Aeroflex International Limited (**'Transferor Company No. 1'**) and Italica Furniture Private Limited (**'Transferor Company No. 2'**) are the wholly owned subsidiaries of Sat Industries Limited (**'Transferee Company'**).

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C. OBJECTIVES OF THE SCHEME

The Company believes that the proposed amalgamation, *inter alia*, will result into following benefits:

(i) The consolidation of operations of all three Companies by way of amalgamation would lead to efficient utilization of capital and will result in administrative and operational rationalization and promote organizational efficiencies;

(ii) The amalgamation would result in greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholders value, and will improve the competitive position of the combined entity;

(iii) The amalgamation would result in greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund growth opportunities, to maximize shareholders value;

(iv) For the purpose of better, efficient and economical management, control and running of the business of the undertaking concerned and/or administrative convenience and to obtain advantages of economies of scale and to pool the resources for growth and development of the businesses of the Companies; and

(v) With the amalgamation of all three Companies, the Transferee Company would have the complete access on the readily available utilities, liasoning, etc. and this will help the Transferee Company to initiate expansion promptly without any gestation period.

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D. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. **Part I** – deals with Definitions, Interpretations and Share Capital

2. **Part II** – deals with Amalgamation of Aeroflex International Limited (**'Transferor Company No. 1'**) and Italica Furniture Private Limited (**'Transferor Company No. 2'**) with Sat Industries Limited (**'Transferee Company'**);

3. Part III – deals with General Terms and Conditions

PART I

DEFINITIONS, INTERPRETATIONS AND SHARECAPITAL

1. DEFINITIONS

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

1.1 **"Act" or "the Act"** means the Companies Act, 2013, as the case may be and rules made thereunder and shall include any statutory modifications, reenactment or amendments thereof for the time being in force;

1.2 **"Amalgamation"** shall have the same meaning as defined in section 2 (1B) of Income Tax Act, 1961.

1.3 **"Appointed Date"** means 1st April, 2020 or such other date as may be fixed by the National Company Law Tribunal (NCLT);

1.4 **"Board of Directors" or "Board"** means the Board of Directors of Aeroflex International Limited, Italica Furniture Private Limited and Sat Industries Limited, as the case may be or any Committee(s) thereof duly

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constituted or any other person duly authorized by the Board for the purpose of this Scheme;

1.5 **"BSE"** means BSE Limited;

1.6 **"Effective Date"** means the date when the certified copy of the order of the NCLT sanctioning the present Scheme of Amalgamation is filed with the Registrar of Companies, Maharashtra at Mumbai by the transferor and transferee Companies;

1.7 **"Financial Statements"** include Standalone and Consolidated accounts i.e. Balance Sheet, Statement of Profit & Loss, Cash flow statement and notes to accounts of Transferor Companies and the Transferee Company, as the context may be.

1.8 **"Record Date"** means the date to be fixed by the Board of Directors of the Transferee Company for determining names of the Equity Shareholders of the Transferor Companies, who shall be entitled to Equity Shares of the Transferee Company;

1.9 **"Scheme"** or **"this Scheme"** or **"the Scheme"** or **"Scheme of Amalgamation"** means this Scheme of Amalgamation in its present form as submitted to the NCLT, with such modification(s), if any, as may be approved or imposed or directed by the NCLT or other competent authority;

1.10 **"SEBI"** means Securities and Exchange Board of India.

1.11 **"Shareholder"** means the person 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 and shall include any third-party transfers of such persons registered. The word "Shareholder" and "Member" are used to denote the same meaning and are used interchangeably.

1.12 **"Subsidiary"** means subsidiaries of Sat Industries Limited.

1.13 **"Transferor Companies"** means Aeroflex International Limited (CIN U74999MH2002PLC136032), a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 121, B-Wing, Mittal Tower, Nariman Point, Mumbai-400021 and Italica Furniture Private Limited (CIN: U25209MH2004PTC345795) means a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 121, B-Wing, Mittal Tower, Nariman Point, Mumbai-400021.

1.14 **"Transferee Company"** means Sat Industries Limited (CIN L25199MH1984PLC034632), a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at, 121, B-Wing, Mittal Tower, Nariman Point (West), Mumbai-400021;

1.15 **"Tribunal"** or **"NCLT"** means the National Company Law Tribunal, having Jurisdiction at Mumbai;

1.16 **"Undertaking"** shall mean and include all the assets, rights and properties (hereinafter referred to as **"the said Assets"**) and all the debts, liabilities, duties and obligations (hereinafter referred to as **"the said Liabilities"**) of the Amalgamating Company as on the Appointed Date. Without prejudice to the generality of above, the undertaking of the Amalgamating Company shall include:

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(i) All immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise and whether present or future) of the Amalgamating Company and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;

(ii) All assets, as are movable in nature of the Amalgamating Company, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, furniture, fixtures, office equipments, communication facilities, installations, vehicles), actionable claims, earnest monies and sundry debtors, financial assets, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other persons, the benefits of any bank guarantees, performance guarantees;

(iii) All the investments, being the investments in subsidiaries Companies, joint venture Companies, associate Companies, Partnership firms or investments of any other nature of the Amalgamating Company.

(iv) All permits, licenses, permissions including municipal permissions, right of way, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, liberties and advantages (including those granted/issued/given by any governmental, statutory or

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regulatory or local or administrative bodies for the purpose of carrying on the business of the Amalgamating Company or in connection therewith) including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the Amalgamating Company;

(v) All contracts, agreements, service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits there under of the Amalgamating Company;

(vi) All applications (including hardware, software, licenses, source codes, para-meterisation and scripts), registrations, goodwill, licenses, trade names, trademarks, service marks, copy rights, patents, domain names, designs, trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature of the Amalgamating Company;

(vii) All rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits

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of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Amalgamating Company or in connection with or relating to the Amalgamating Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Amalgamating Company;

(viii) All books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form of the Amalgamating Company;

(ix) All debts (whether secured or unsecured), borrowings including loans and borrowings from banks/financial institutions, obligations, duties and liabilities including contingent liabilities of the Amalgamating Company;

(x) All legal or other proceedings of whatsoever nature of the Amalgamating Company

Word(s) and expression(s) elsewhere defined in the Scheme will have the

meaning(s) respectively ascribed thereto

2. INTERPRETATION

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

2.2 The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning described to them under the Act and / or other applicable laws, rules, regulations, byelaws, as the case may be, including any statutory modification or reenactment thereof, from time to time.

2.3 Headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme.

2.4 Reference to a paragraph shall be deemed to be a reference to a paragraph or Schedule of this Scheme

2.5 Reference to the words 'hereof', 'herein' and 'hereby' and derivatives or similar words refer to this entire Scheme.

2.6 References to the words "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words proceeding those terms.

2.7 The annexure to this scheme shall form integral and inseparable part of the scheme.

All terms and words not defined in this Scheme shall, unless repugnant or

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contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Income Tax Act, 1961 and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Tribunal, shall be effective from the Appointed Date, but shall be operative from the Effective Date.

4. SHARE CAPITAL

4.1 The Authorised, Issued, Subscribed and Paid-up Capital of Sat Industries Limited (**'Transferee Company'**) as on 31st March, 2020 as per the Audited Balance Sheet is as under:

Particulars	**Amount (Rs.)**
Authorised Capital	
11,50,00,000 Equity Shares of Rs. 2/- each	23,00,00,000
Total	**23,00,00,000**
Issued, Subscribed and Paid-up Capital	
11,30,85,000 Equity Shares of Rs. 2/- each fully paid up	22,61,70,000
Total	**22,61,70,000**

As on the date of the Scheme being approved by the Board of Directors of the Transferee Company, there has been no change in the Issued, Subscribed and Paid up Share Capital.

4.2 The Authorized, Issued, Subscribed and Paid-up Capital of Aeroflex International Limited (**'Transferor Company No. 1'**) as on 31st March,

2020 as per the Audited Balance Sheet is as under:

Particulars	Amount (Rs.)
Authorised Capital	
10,00,000 Equity Shares of Rs. 10/- each	1,00,00,000
Total	**1,00,00,000**
Issued, Subscribed and Paid-up Capital	
10,00,000 Equity Shares of Rs. 10/- each fully paid up	1,00,00,000
Total	**1,00,00,000**

As on the date of the Scheme being approved by the Board of Directors of the Aeroflex International Limited, there has been no change in the issued, subscribed and paid up share capital.

4.3 The Authorized, Issued, Subscribed and Paid up Capital of Italica Furniture Private Limited (**'Transferor Company No.2'**) as on 31st March, 2020 as per the Audited Balance Sheet is as under:

Particulars	Amount (Rs.)
Authorised Capital	
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000
Total	**5,00,00,000**
Issued, Subscribed and Paid-up Capital	
20,82,118 Equity Shares of Rs. 10/- each fully paid up	2,08,21,180
Total	**2,08,21,180**

As on the date of the Scheme being approved by the Board of Directors of the Italica Furniture Private Limited, there has been no change in the Issued, Subscribed and Paid up Share Capital.

PART II

AMALGAMATION OF THE TRANSFEROR COMPANIES WITH THE TRANSFEREE COMPANY

5. TRANSFER AND VESTING OF THE TRANSFEROR COMPANIES

5.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the whole of the undertaking of the Transferor Companies, including its business, all secured and unsecured debts, liabilities, duties and obligations and all assets, properties, rights, titles and benefits, whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent, tangible or intangible, including all rights, title and interest in connection with the land and buildings thereon, leasehold or otherwise, plant and machinery, fixed or movable, and whether leased or otherwise, capital work in progress, vehicles, other fixed assets, trademarks, brands, investments, copyrights, literatures, advances paid to any parties, loans, advances, inventory and work in progress, leases, licenses, tenancy rights, premises, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, Office equipments, installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, easements, and all the rights, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, service tax, etc.), software license, domain / website etc., in connection / relating to the Transferor Companies and other claims and powers, of whatsoever nature, and wheresoever situated,

belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies, shall be transferred to and vest in the Transferee Company so as to become on and from the Appointed Date the undertaking of the Transferee Company without any further act, instrument or deed.

5.2 Without prejudice to the generality of clause 2.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

(i) Assets and Properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of the Transferor Companies, and all assets and properties which are acquired by the Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.

(ii) Upon the Scheme becoming effective and with effect from the Appointed Date, all the Assets of the Transferor Companies as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash on hand, Computer Disc ('CDs') , contents whether stored in any form or media, the same shall stand vested in the Transferee Company, and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub clause shall

be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested, and the title to such property shall be deemed to have transferred and vested accordingly.

(iii) In respect of movables other than those dealt with in clause (ii) above including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, property development rights, advances paid to any parties for acquisition of development rights, investments, earnest money and deposits with any Government, quasi government, local or other authority or body or with any Company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositee, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).

(iv) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all liabilities relating to the Transferor Companies including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and businesses of the Transferor Companies of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (the

"Liabilities"), shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing. It is clarified that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause. Further, all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Transferor Companies on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.

(v) Where any of the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of the Transferor Companies as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

5.3 All loans raised or used and all liabilities and obligations incurred by the Transferor Companies for the operations of the Transferor Companies

after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which the undertaking of the Transferor Companies would vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the debts, liabilities, duties and obligations of the Transferee Company which shall meet discharge and satisfy the same.

5.4 The transfer and vesting of the assets to and in the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same. All encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Companies which secures or relate to the Liabilities shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any of the assets of the Transferor Companies have not been encumbered in respect of the Liabilities, such assets shall remain unencumbered and the existing encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such encumbrances shall not relate or attach to any of the other assets of the Transferor Companies. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

5.5 Provided that any reference in any security documents or arrangements (to which any or both of the Transferor Companies are party(ies)) to any Assets of the Transferor Companies shall be so construed to the end and

intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security. Similarly, the Transferee Company shall not be required to create any additional security over Assets of the Transferor Companies vested in the Transferee Company under this Scheme for any loans, debentures, deposits or other financial assistance already availed by the Transferee Company and/or committed to be availed by the Transferee Company prior to the Effective Date and the charges, mortgages, and/ or encumbrances in respect thereof shall not extend or be deemed to extend or apply to the Assets of the Transferor Companies, as the case may be, vested in the Transferee Company under this Scheme.

5.6 Without prejudice to the provisions of the foregoing clauses and upon the Scheme becoming effective, the Transferor Companies and the Transferee Company shall execute any instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and / or modification(s) of charge, with the Registrar of Companies having jurisdiction to give formal effect to the above provisions, if required.

5.7 Pursuant to the Scheme becoming effective, the Transferee Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Companies is a party in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorized to execute any such writings on behalf of the Transferor Companies to carry out or perform all such formalities or compliances referred to above on part of the Transferor Companies.

5.8 Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all existing and future incentives, MAT credits, unavailed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax, excise, customs, VAT, sales tax, service tax, GST etc. to which the Transferor Companies is entitled to shall be available to and vest in the Transferee Company.

5.9 All taxes, duties, cess payable by the Transferor Companies including all or any refunds / credit / claims pertaining to the period prior to the Appointed Date shall be treated as the liability or refunds / credit / claims, as the case may be, of the Transferee Company.

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

5.11 All the licenses, permits, quotas, approvals (including, but not limited to, environmental, statutory and regulatory approvals and consents), permissions, registrations, incentives, tax deferrals, brought forward business losses, unabsorbed depreciation and benefits, subsidies, concessions, grants, rights, including for the operations of bank accounts, power of attorneys, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any,

without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date. Licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company shall remain valid, effective and enforceable on the same terms and conditions.

5.12 With effect from the Appointed Date, all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Transferor Companies to which the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of the Scheme, the past track record of the Transferor Companies including without limitation, the turnover, the profitability, performance and market share shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes.

5.13 The Amalgamation of the Transferor Companies with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from

an amendment of law or for any other reason whatsoever, 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.

6. LEGAL PROCEEDINGS

6.1 Upon the coming into effect of this Scheme, all suits, appeal or other proceedings of whatever nature by or against the Transferor Companies is pending on or before the Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this amalgamation or by anything contained in this Scheme, but the said suits, appeals 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 Companies as if the Scheme had not been made.

6.2 On and from the Effective Date, the Transferee Company shall have all legal proceedings initiated by or against the Transferor Companies as referred herein above transferred to and have continued, prosecuted and enforced by or against the Transferee Company.

7. CONTRACTS, DEEDS OTHER INSTRUMENTS

7.1 Upon coming into effect of this Scheme and subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Companies is a party, or the benefit to which the Transferor Companies may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favor of the

Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Companies, the Transferee Company had been a party or beneficiary thereto. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations or enter into any tripartite arrangements, 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.

7.2 As a consequence of the amalgamation of the Transferor Companies with the Transferee Company in accordance with or pursuant to this Scheme, the recording of change in name in the records of the statutory or regulatory authorities from the Transferor Companies to the Transferee Company, whether pertaining to any license, permit, approval or any other matter, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority.

7.3 The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Companies and the name of the Transferee Company shall be substituted as "Insured" in the policies as if the Transferee Company was initially a party.

7.4 For removal of doubts, it is expressly made clear that the dissolution of the Transferor Companies without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any other instrument or beneficial interest to which the Transferor Companies is a party thereto and shall not affect any right, privilege,

obligations or liability, acquired, or deemed to be acquired prior to Appointed Date and all such references in such agreements, contracts and instruments to the Transferor Company shall be construed as reference only to the Transferee Company with effect from the Appointed Date.

8. STAFF, WORKMEN AND EMPLOYEES

8.1 Upon the Scheme becoming effective, all permanent staff, workmen and employees on the payrolls of the Transferor Companies, in service on the Effective Date shall be deemed to have become staff, workmen, and employees of the Transferee Company on such date without any break or interruption in their service and on the terms and conditions of their employment not less favorable than those subsisting with reference to the Transferor Company as on the said date.

8.2 As of the date of filing of this Scheme, the Transferor Companies shall make contributions to the provident fund account whether maintained through government or through trust and / or other funds in relation to all its staff, workmen and employees. The Transferee Company shall subsequent to the Effective Date make appropriate contributions towards such provident fund and / or other funds in respect of the staff, workmen and employees taken over by it pursuant to this Scheme through the existing trusts/fund of the Transferor Companies or consolidate the trusts/funds with that of the existing trusts/funds of the Transferee Company or the trust/fund of the Transferor Companies shall become the trust/fund of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such funds or trusts or in relation to the obligation to make contributions to the said funds or trusts in accordance with the provisions thereof as per the terms provided in the respective trust deeds or other documents, if any.

8.3 It is clarified that the services of all transferred staff, workmen and employees of the Transferor Companies to the Transferee Company will be treated as having been continuous for the purpose of the aforesaid employee benefits and / or liabilities. For the purpose of payment of any retrenchment compensation, gratuity, and / or other terminal benefits, and / or any other liability pertaining to staff, workmen and employees, the past services of such staff, workmen and employees with the Transferor Company shall also be taken into account by the Transferee Company, who shall pay the same if and when payable.

9. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

9.1 With effect from the Appointed Date and upto the Effective Date:

(a) The Transferor Companies shall carry on, and be deemed to have carried on its business, operations or activities, and shall be deemed to have held and stood possessed of the entire business and undertaking of the Transferor Companies including but not limited to the assets, properties, liabilities of the undertaking of the Transferor Companies on behalf of and / or in trust for the Transferee Company;

(b) All profits or income accruing or arising to the Transferor Companies, or losses arising or expenditure incurred by the Transferor Companies, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure, as the case may be, of the Transferee Company;

(c) It is clarified that all taxes (including income tax, sales tax, excise duty, customs duty, service tax, VAT, entertainment duty, etc.) paid or payable by the Transferor Companies in respect of

the operations and/or the profits of the business before the Appointed Date, shall be on account of the Transferor Companies and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, Goods and Service Tax (GST) custom duty, income tax, service tax, VAT, entertainment duty, etc.), 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 its 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;

(d) With effect from the date of the Board meeting of the Transferee Company approving the Scheme and upto and including the Effective Date, the Transferor Companies shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not, without the prior consent in writing of any of the persons authorities by the Board of Directors of the Transferee Company, undertake any additional financial commitment of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments or sell, transfer, alienate, charge, mortgage, encumber or otherwise deal with its assets (including intangible rights) or any part thereof, except in the ordinary course of business, or pursuant to any preexisting obligation(s) undertaken by the Transferor Companies;

(e) Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the

Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the undertaking of the Transferor Companies, that have been undertaken or discharged by the Transferor Companies shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company;

(f) The Transferor Companies shall carry on their business and activities with reasonable diligence and business prudence and shall not venture into any new business, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business, or vary the terms and conditions of employment of any of their employees and shall not undertake any additional commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letter of comfort or commitments either for itself or any third part, except if the same is in ordinary course of business or if written consent of the Transferee Company as obtained; With effect from the date of the Board meeting of the Transferee Company approving the Scheme and upto and including the Effective Date, the Transferor Companies shall not, except in the ordinary course of business, without the prior consent of the Board of Directors of the Transferee Company, undertake (i) any material decision in relation to their business and affairs and operations (ii) any agreement or transaction; (iii) any new business, or discontinue any existing business or enter into any contract or arrangement which would significantly

impact the business;

(g) With effect from the date of Board meeting of the Transferee Company approving the Scheme and upto and including the Record Date, the Transferor Companies shall not, except by way of any obligation already subsisting as on the date of approval of this Scheme by the Board of Directors of the Transferee Company, without the prior written consent of the Board of Directors of the Transferor Companies and the Transferee Company, make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise) decrease, reduction, reclassification, subdivision or consolidation, re-organisation, or in any other manner;

(h) All assets howsoever acquired by the Transferor Companies for carrying on its business, operations or activities and the liabilities relating thereto shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company.

(i) All investments including investment in equity shares, debentures, and all other financial instruments made by the Transferor Companies shall be deemed to have been invested by and on behalf of the Transferee Company.

9.2 The Transferee Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, department and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals,

exemptions, relieves, etc., as may be required / granted under any law for the time being in force for carrying on business of the Transferor Company.

10. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets, properties, liabilities or Business(s) and the continuance of proceedings by or against the Transferor Companies shall not affect any transaction or proceedings already concluded by the Transferor Companies on or after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds things done and executed by the Transferor Companies, in regard thereto as done and executed by the Transferee Company on behalf of itself.

11. CONSIDERATION FOR AMALGAMATION.

Since the Scheme of Amalgamation involves Amalgamation of wholly owned subsidiaries namely Aeroflex International Limited ('**Transferor Company No. 1**') and Italica Furniture Private Limited ('**Transferor Company No.2**') there will be no issue of Equity Shares by Sat Industries Limited ('**Transferee Company**') as all the Equity Shares held by Sat Industries Limited ('**Transferee Company**') in the said wholly owned subsidiaries shall stand cancelled and the investment of Rs. 8,97,18,000/- (Rs. 7,97,18,000/- + Rs.1,00,00,000/-) shown in the said subsidiary Companies in the Accounts of Sat Industries Limited shall stand cancelled.

12. AMENDMENT TO MEMORANDUM OF ASSOCIATION OF THE TRANSFEREE COMPANY, VALIDITY OF EXISTING RESOLUTIONS ETC.

12.1 The Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 13

and other applicable provisions of the Act, as the case may be.

12.2 In order to carry on the activities currently being carried on by the Transferor Company, upon coming into effect of the Scheme, the applicable main objects in the memorandum of association of the Transferor Companies shall be added to the matters which are necessary for furtherance of the objects of the memorandum of association of the Transferee Company, to the extent such objects are not already covered by those of the Transferee Company.

12.3 It shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant Consents under Section 13 of the Act. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Section 13 of the Act for the amendment to the memorandum of association of the Transferee Company.

13. DISSOLUTION WITHOUT WINDING UP

Upon this Scheme becoming effective, the Transferor Companies shall be dissolved without winding up pursuant to the provisions of Section 232 of the Act.

14. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of the Scheme, the resolutions of the Transferor Companies as a reconsidered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, 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 the like resolutions passed by the Transferee Company.

15. ACCOUNTING TREATMENT

15.1 The amalgamation shall be accounted for in the books of account of the Transferee Company according to the pooling of interests method prescribed under Appendix C –'Business combinations of entities under common control' to Indian Accounting Standard (Ind AS) 103-Business Combinations (referred to as Ind AS 103) which are prescribed under Section 133 of the Act.

15.2 In case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the same will be harmonized and impact of the same will be given in accordance with Ind AS 103.

PART III
GENERAL TERMS AND CONDITIONS

16. COMBINATION OF AUTHORISED SHARE CAPITAL

16.1 Upon the Scheme becoming effective, the Authorized 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 the Registrar of Companies. The Authorized Share Capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the Registrar of Companies, and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.

16.2 The Authorised Share Capital of Aeroflex International limited (**'Transferor Company No. 1'**) as on 31st March, 2020 is Rs.1,00,00,000/- (Rupees One Crore only) divided into 10,00,000 Equity Shares of Rs.10/- each. Since, the Nominal of Equity Shares of Sat Industries Limited (**'Transferee Company'**) as on 31st March, 2020 is Rs.2/- each, upon the Scheme becoming effective, the Authorised Share Capital of Aeroflex International Limited (**'Transferor Company No. 1'**) shall be deemed to be Rs. 1,00,00,000/- divided into 50,00,000 Equity Shares of Rs.2/- each and no separate procedure or filing of any forms, instrument or deed shall be required to be followed under the act.

16.3 The Authorised Share Capital of Italica Furniture Private Limited (**'Transferor Company No. 2'**) as on 31st March, 2020 is Rs.5,00,00,000/- (Rupees Five Crore only) divided into 50,00,000 Equity Shares of Rs.10/- each. Since, the Nominal of Equity Shares of Sat Industries Limited (**'Transferee Company'**) as on 31st March, 2020 is Rs.2/- each, upon the Scheme becoming effective, the Authorised Share Capital of Italica Furniture Private Limited (**'Transferor Company No. 2'**) shall be deemed to be Rs. 5,00,00,000/- divided into 2,50,00,000 Equity Shares of Rs.2/- each and no separate procedure or filing of any forms, instrument or deed shall be required to be followed under the act.

16.4 Accordingly, the existing Capital Clause V contained in the Memorandum of Association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Section 13 and 61 of the Companies Act, 2013 and replaced by the following:

"V. The Authorised Share Capital of the Company is Rs.

AEROFLEX INTERNATIONAL LIMITED MUMBAI

ITALICA FURNITURE PRIVATE LIMITED

SAT INDUSTRIES LTD MUMBAI

NOTARY GOVERNMENT OF INDIA

MUMBAI BENCH

29,00,00,000/- (Rupees Twenty Nine Crores only) divided into 14,50,00,000 (Fourteen Crores Fifty Lakhs) Equity Shares of Rs.2/- (Rupees Two only) each with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being in several classes and attach thereto respectively such preferential or qualified rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and or vary, modify or abrogate any such rights, privileges or conditions or restrictions in such manner as may be permitted by the legislative provisions or by the Articles of Association of the Company for the time being in force."

16.5 However, it is clarified that in the event that the Companies restructure or increase their authorized share capital by way of share split / consolidation/ issue of bonus share/ conversion of warrants into equity shares during the pendency of the Scheme, the clause of Memorandum and Articles of the Transferee Company shall be amended accordingly to take into account the effect of any such corporate actions.

16.6 It is further clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to their consent / approval also to the consequential alteration of the Memorandum of Association of the Transferee Company and the Transferee Company shall not be required to seek separate consent / approval of its shareholders of such alteration of the Memorandum and Articles of Association of the Transferee Company as required under Sections 13, 61 and 64 or other applicable provisions of the Companies Act, 2013.

17. CONDITIONS TO EFFECTIVENESS OF THE SCHEME:

17.1 The Scheme is conditional upon and subject to:

(a) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Companies and the Transferee Company as may be directed by National Company Law Tribunal under Sections 230 to 232 of the Act;

(b) The Scheme being approved by the Shareholders of the Transferee Company through resolution passed in terms of Para 9(a) and (b) of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017, as may be amended from time to time, provided that the same shall be acted upon only if the votes cast by public shareholders in favour of the Scheme are more than the votes cast by the public shareholders against it;

(c) The Scheme of Amalgamation of a wholly owned subsidiary with the Parent Company. Hence, provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017 shall not apply to this Schemes. However, such draft Schemes shall be filed with the Stock Exchanges for the purpose of disclosures and the Stock Exchanges shall disseminate the scheme documents on their websites

(d) 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 shall be obtained;

(e) The Scheme being sanctioned by the National Company Law Tribunal Section 230 to 232 of the Act; and

(f) Certified or authenticated copy of the Order of the National Company Law Tribunal sanctioning the Scheme is filed with the Registrar of Companies, Maharashtra at Mumbai, by the Transferor Company and Transferee Company.

18. DIVIDEND

18.1 The Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim and/or final, to their members in respect of the accounting period prior to the Effective Date.

18.2 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 the Transferor Companies and the Transferee Company to demand or claim any dividends which, subject to the provisions of the Companies Act, 2013, as applicable, shall be entirely at the discretion of the respective Board of Directors of the Transferor Companies or the Transferee Company and subject to the approval, if required, of the respective members of the Companies.

19. APPLICATIONS

The Transferor Companies and the Transferee Company shall make necessary applications before the National Company Law Tribunal for the sanction of this Scheme under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, as applicable, seeking orders for dispensing with or convening, holding and / or conducting of the meetings of the classes of their

respective shareholders / creditors and for sanctioning this Scheme.

20. REVISION OF ACCOUNTS AND TAX FILINGS, MODIFICATION OF CHARGE

20.1 Upon this Scheme becoming effective and from the Appointed date, the Transferee Company is expressly permitted to revise its Income Tax Returns and other Statutory Returns, including Income Tax deducted at source returns, Service Tax returns, GST returns and Value Added Tax returns as may be applicable and has expressly reserved the right to make such provisions in its returns and to claim refunds or credits etc., if any. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have lapsed.

20.2 Filing of the Certified Copy of the Order of the NCLT sanctioning this Scheme with the relevant Registrar of Companies, Maharashtra, Mumbai shall be deemed to be sufficient for creating or modifying the charges in favor of the secured creditors, if any, of the Transferor Companies, as required as per the provisions of this Scheme.

21. MODIFICATION TO THE SCHEME

21.1 The Transferor Companies and the Transferee Company (by their respective Board of Directors) may, in their full and absolute discretion, jointly and as mutually agreed in writing:

(a) assent to any alteration(s) or modification(s) to this Scheme which a National Company Law Tribunal and /or any other Governmental Authority may deem it to approve or impose, and / or effect any other modification or amendment jointly and mutually agreed in writing, including without limitation, any modifications to the accounting treatment set out in the Scheme due to the Indian Accounting Standards being made applicable to

the Transferor Companies and / or the Transferee Company or to the matters set forth in this Scheme, and to do all acts, deeds and things as may be necessary, desirable or expedient for the purpose of this Scheme;

(b) give such directions (acting jointly) as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation hereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to any of those (to the extent permissible under law);

(c) modify or vary this Scheme prior to the Effective Date in any manner at any time;

(d) if any part of this Scheme is found to be unworkable for any reasons whatsoever withdraw this Scheme prior to the Effective Date in any manner at any time; or

(e) determine jointly whether any asset, liability, employee, legal or other proceedings pertain to the Transferor Companies or not, on the basis of any evidence that they may deem relevant for this purpose.

22. WHEN THE SCHEME COMES INTO OPERATION

22.1 The Scheme shall come into operation from the Appointed Date but the same shall become effective on and from the Effective Date.

22.2 For the purpose of giving effect to the order of the National Company Law Tribunal under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 as applicable, approving the scheme, the Transferee Company shall at any time pursuant to such order be entitled to get the records of the change in the legal right(s) upon the amalgamation of the Transferor Companies in accordance with the provisions of the Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions as may be applicable. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc. as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of the Scheme.

22.3 The Transferor Companies and the Transferee Company shall be entitled to, amongst other, file/or revise its income tax returns, TDS/TCS returns, wealth tax returns, service tax, professional tax or any other statutory returns, if required. The Transferee Company shall be entitled to claim credit for advance tax paid, tax deducted at source or tax collected at source, claim for deduction of sum prescribed under Section 43B of the Income Tax Act on payment basis, claim for deduction of provisions written back by Transferee Company previously disallowed in the hands of Transferor Companies under the Income Tax Act, credit of tax under Section 115JB read with the Section 115JAA of the Income Tax Act, etc., if any pertaining to the Transferor Companies as may be required consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. The Transferee Company shall have the rights to claim refunds, tax credits, set-offs and / or adjustments relating to its income or transactions entered into by it with

effect from Appointed Date. The taxes or duties paid by, for on behalf of, the Transferor Companies relating to the period on or after Appointed Date shall be deemed to be the taxes or duties paid by the Transferee Company and the Transferee Company shall be entitled to claim credit or refund for such taxes or duties.

23. SEVERABILITY

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

24. COSTS

All costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) in relation to or in connection with the scheme and incidental to the completion of the Amalgamation in pursuance of the Scheme shall be borne by the Transferee Company.

25. RESIDUAL PROVISIONS

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

Certified True Copy
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Applicant called for collection copy on
Copy prepared on 10.01.2023
Copy Issued on 10.01.2023

R.S. Gonsalves, 10.01.2023
Deputy Registrar
National Company Law Tribunal, Mumbai Bench

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SATYA INDUSTRIES LTD MUMBAI
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राष्ट्रीय कम्पनी विधि अधिकरण NATIONAL COMPANY LAW TRIBUNAL मुंबई न्यायपीठ MUMBAI BENCH