

No. 190
Date of Presentation BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
Date of application for Copy. 09/01/2018
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Record of Copy COMPANY PETITION NO. 1007/2016
Date of Preparation of Copy 16/01/2018
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CONNECTED WITH
16-01-2018
COMPANY APPLICATION NO. CA (M) 102/2016
DD/DR/AR/Court Officer
National Company Law Tribunal
New Delhi

Judgment dated

Coram:

CHIEF JUSTICE (Rtd.) M.M. KUMAR

Hon'ble President

&

MS. DEEPA KRISHAN

Hon'ble Member (T)

In the matter of:

Sections 230 and 232 and other applicable sections and provisions of the
Companies Act, 2013 read Companies (Compromises, Arrangements, and
Amalgamations) Rules, 2016

HN

AND



IN THE MATTER OF SCHEME OF ARRANGEMENT

BETWEEN

TINNA RUBBER AND INFRASTRUCTURE LIMITED

Having Registered Office at:

Tinna House, No. 6, Sultanpur, Mandi Road,

Mehrauli, New Delhi-110030

.....Petitioner No. 1

/Demerged Company

AND

TINNA TRADE LIMITED

Having Registered Office at:

Tinna House, No. 6, Sultanpur, Mandi Road,

Mehrauli, New Delhi-110030

.....Petitioner No. 2 /

Resulting Company

AND

Their respective Shareholders and Creditors

FOR THE PETITIONERS: Mr Sandeep Bhuraria, Advocate



ORDER

M.M. KUMAR, PRESIDENT

1. This Petition filed by the Petitioner Companies above named is coming up for final disposal before us for the purpose of the approval of the Scheme of Arrangement by way of demerger, of 'Agro Commodity Trading and Investments (Agro Commodity and Warehousing) Undertaking' from Transferor Company/ Petitioner Company No. 1 to the Transferee Company/ Petitioner Company No. 2 with effect from 31.03.2016 being the Appointed Date.

2. A perusal of the petition discloses that initially the application seeking the directions for dispensing with the meetings of Shareholders, Secured and Unsecured Creditors of the Petitioner Companies were filed before the Hon'ble High Court of Delhi in Company Application (M) 102/2016. The Hon'ble High Court of Delhi vide its order dated 27.07.2016 was pleased to dispense with the requirement of convening the meetings of the Shareholders of the Resulting Company. The meetings of Secured & Unsecured Creditors of the Resulting Company and the meetings of the Equity Shareholders, Secured and Unsecured Creditors of Demerged Company were held as per the order dated 27.07.2016.

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3. Subsequent to the above order dated 27.07.2016, the Petitioner Companies had preferred the instant Petition before the High Court of Delhi which vide order dated 19.10.2016, directed the Petitioner Companies under Sections 391-394 of the Companies Act, 1956 read with relevant Rules in connection with the Scheme of Arrangement, to issue Notice in the Second Motion petition being Company Petition No. 1007/2016 to the Regional Director, Northern Region, Ministry of Corporate Affairs and the Registrar of Companies. The Petitioner Companies were also directed vide said order to carry out publication in English Daily 'Statesman' and Hindi Daily 'Veer Arjun'. An affidavit dated 23.08.2017 has been filed by the Petitioner Companies confirming that notices were duly published in the English Daily 'Statesman' and in the Hindi Daily 'Veer Arjun' on 10.11.2016.

4. While the petition in C.P. No.1007/2016 was pending disposal, the provisions relating to Compromises, Arrangements and Amalgamation as contemplated under Sections 230-232 of 2013 Act, had been notified w.e.f. 15.12.2016 wherein the power to consider such schemes have now been vested with the National Company Law Tribunal, the Hon'ble High Court of Delhi pursuant to the notification bearing No. DL.33004/99 dated 7.12.2016 issued by the Ministry of Corporate Affairs has transferred/transmitted the



17

records of the above petition to this Tribunal vide order dated 01.03.2017 for our consideration. In view of the above, the petition of Second Motion as above filed by the petitioner before the Hon'ble High Court and subsequently transferred is taken up finally for consideration by us.

5. Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, after receiving the report from the Registrar of Companies has filed his report dated 21.06.2017. The Regional Director submits that a letter dated 21.11.2016 was sent to SEBI inviting objections/ observations to the Scheme. SEBI, vide a letter dated 19.12.2016 to the Regional Director has not made any specific adverse comments against the Scheme. Although SEBI has advised the companies to comply with the requirements of the SEBI circulars regarding the Scheme and also advised the stock exchanges to ensure compliance thereof.

Regional Director in his report has also observed that the Transferor Company has thirty-nine NRIs holding 85,710 equity shares of Rs. 10/- each in the paid -up share capital of the Transferor Company although it has been observed that there is no foreign/ NRI shareholding in the Transferee Company.

It has also been observed by the Regional Director that the Petitioner Companies have not specifically stated about the pendency of prosecution



17/11

proceedings against them. In light of the same, he has requested the Tribunal to direct the Petitioner Companies to give a specific undertaking to that effect. He has also requested the Tribunal to give an undertaking in relation to the compliance of payment of stamp duty as may be applicable consequent to the demerger of undertaking.

6. A rejoinder affidavit dated 11.07.2017 has been filed by the Petitioner Companies wherein the Petitioner Companies have undertaken to duly comply with all the rules, regulations and provisions of FEMA/ RBI as may be applicable on the Petitioner Company No. 1. It has also been stated in the same affidavit that no prosecution proceedings are pending before any court of law against the Petitioner Company No. 1 or their directors under Companies Act 2013. The Petitioner Company has also undertaken to comply with the payment of stamp duty as may be applicable consequent to the demerger of the undertaking.

7. It is pertinent to mention that in the order dated 04.09.2017 it was noted in a large number of cases filed under Section 230-232 of the Companies Act, 2013, the nodal office namely the Regional Director sends letter, inter-alia, to the concerned Commissioner of Income Tax and a host of other regulators. If the reply is not received within a stipulated period of 30 days, a presumption is raised that the department concerned has no





objection to the Scheme. In this case as well it was noted that a letter was sent by the Petitioner Company No. 1 to the Assistant Commissioner of Income Tax, The Income Tax Department, Central Circle 15, Room 353, ARA Centre (E-2), Jhandewalan, New Delhi-110055 without indicating the PAN numbers. The Petitioner Company No. 2 did not even send the communication to the Income Tax Department. In view of the above and to develop a regular feature of seeking expression of opinion by the Income Tax Department, it was imperative to ask the Chief Commissioner of Income Tax to appear in person or through his counsel.

8. A reply by the Income Tax Department was filed on 12.10.2017. Paragraph 7 of the reply states that a show cause notice under Section 220(1) was issued to the Petitioner Company No. 1 on 09.02.2017, wherein the assessee was asked to explain about penalty for non-compliance with the notice of demand issued under Section 156. It was submitted that an amount of Rs. 10 crores is outstanding against Petitioner Company No. 1.

9. A rejoinder affidavit was filed by Petitioner Company No. 1 on 23.10.2017 wherein they have stated that the contents of para 7 of the report of the RD are wrong. It is asserted that against the alleged outstanding demand of Rs. 9,17,13,580/- for A.Y. 2014-15, the assessee has already paid self-assessment tax amounting to Rs. 3,27,09,844/-. The



12/11

fact of payment of self-assessment tax has been brought to the knowledge of the Income Tax department by the letter written by Sanjay Satpal & Associates, Chartered Accountants and received by Income Tax department on 10.07.2017. Pursuant to this letter, the Income Tax department revised the alleged outstanding demand to Rs. 5,36,12,010/- vide notice dated 13.07.2017. It was further submitted that the outstanding tax demand of Rs. 5,36,12,010/- is disputed and the Transferor Company has filed an appeal against the said demand before the Commissioner of Income Tax (Appeals).

Nevertheless, the transferor company has undertaken to comply with the orders of the adjudicating authorities once the demand as aforesaid attains finality. It is also submitted that the present scheme is a scheme of demerger and not amalgamation. Therefore, the petitioners have maintained that any tax liability qua Transferor Company will not be prejudiced since the transferor company will continue to exist. It is pertinent to mention that in clause D (b) of the scheme a statement has been made which is contrary to the stand now taken before the Tribunal.

We therefore, clarify that anything stated in the Scheme which is contrary to the stand now taken will deemed to be modified. In other words, liabilities of the transferor company/ TRIL shall not extinguish with respect to any tax liabilities as has been the case of the Transferor





Company itself. No provision of the Scheme shall be construed to mean that the tax liability of the Transferor Company/ TRIL has come to an end.

10. In view of the foregoing, and in the light of approval accorded by the members and creditors of the Petitioner Company to the proposed Scheme and the affidavits filed by the Regional Director, Northern Region, Ministry of Corporate Affairs whereby no objections have been raised to the proposed Scheme, there appears to be no reservation to grant sanction to the Scheme. However, the Companies shall remain bound by the undertaking filed by of them and also that transferor company is not absolved in its income tax liability. Consequently, sanction is hereby granted to the Scheme under section 230 to 232 of the Companies Act, 1956. The Petitioner shall however remain bound to comply with the statutory requirements in accordance with law.

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



12. While approving the Scheme as above, we further clarify that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes, GST or other charges, if any, and payment in accordance with law or in respect to any permission/ compliance with any other requirement which may be specifically required under any law.

13. THIS TRIBUNAL DO FURTHER ORDER:

That in terms of the Scheme:

- a) That all the property, rights and powers of the Demerged Undertaking of Petitioner Company No.1 be transferred without further act or deed, to the Transferee Company and accordingly the same shall pursuant to Section 232 of the Act, be transferred to and vest in the Resulting Company for all the intents and interests of the Demerged Undertaking of Petitioner Company No. 1 therein but subject nevertheless to all charges now affecting the same along with all the conditions mentioned hereinabove ; and
- b) That all the liabilities and duties of Demerged Undertaking of Petitioner Company No. 1 be transferred without further act or deed, to the Transferee Company and accordingly the same shall pursuant to Section 232 of the Act, be transferred to and become the liabilities and duties of the Transferee Company; and





- c) That all proceedings now pending by or against the Demerged Undertaking of Petitioner Company No. 1 be continued by or against the Transferee Company; which subject to all conditions stated herein above; and
- d) That Petitioner Companies shall file within thirty days of the date of the receipt of this order a certified copy of this order to be delivered to the Registrar of Companies; and
- e) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be considered necessary.

The petition stands disposed of in the above terms.

(M.M. KUMAR)
PRESIDENT

(DEEPA KRISHAN)
MEMBER (TECHNICAL)

(vs)
15.12.2017

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54
ANNEXURE-1

COMPOSITE SCHEME OF ARRANGEMENT

BETWEEN

TINNA RUBBER AND INFRASTRUCTURE LIMITED
 AND
TINNA TRADE PRIVATE LIMITED
 AND
THEIR RESPECTIVE MEMBERS AND CREDITORS

Trabher
 16.01.2018
 DD/DR/AR/Court Officer
 National Company Law Tribunal
 New Delhi

(Under sections 391 to 394 read with sections 100 to 103 of the Companies Act, 1956 or any corresponding provisions of Companies Act, 2013)

PREAMBLE

This Scheme (as defined hereinafter) is presented under Sections 391 to 394 read with Sections 100 to 103 and other relevant provisions of the Act (as defined hereinafter) and Sections 13, 52, 61 and other relevant provisions of the Companies Act, 2013 for demerger, transfer and vesting of the Demerged Undertaking (as defined hereinafter) of TRIL (as defined hereinafter) to TTPL (as defined hereinafter) and for matters consequential, supplemental and/or otherwise integrally connected therewith.

A. DESCRIPTION OF COMPANIES

1. Tinna Rubber and Infrastructure Limited ("TRIL") is a public limited company primarily engaged in the manufacturing activity involving the conversion of Old used (end of life) tyres into crumb rubber and steel wire obtained in the process, manufacture of other value added products and trading of Agro Commodities like wheat, rice and Bajra etc. TRIL is also engaged in the activity of making, holding and nurturing its investment in various businesses over the past years. TRIL has nurtured its investment in the business of Trading in Agro commodity and Agro warehousing, Construction Chemicals, Real Estate, Wine etc. The shares of TRIL are listed on Bombay Stock Exchange, Calcutta Stock Exchange, Delhi Stock Exchange and Ahmedabad Stock Exchange. The main objects of TRIL as per its Memorandum of Association are as follows:

- i. To carry on the business of importers, exporters, dealers, stockists, suppliers of all kinds of rubbers, rubbersheets, footwear components, chappals, mattresses, pillow, tyreflaps, tyres and tubes, natural rubber, synthetic rubber, natural and synthetic resins for rubber and P.V.C. rubber chemicals and P.V.C. chemicals, dyes, pigments, lubricants, oils, fillers, carbon black, plastics, adhesives, latexes



For Tinna Rubber & Infrastructure Ltd.
Yashpal Bansal
 Authorised Signatory

For TINNA TRADE LTD.
Geeta
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55

and formulations thereof including reclaimed rubber and other kind of resins rubber products and goods.

- ii. To do business in India or abroad of importing, exporting, exhibiting, distributing, purchasing, selling or otherwise dealing in all sorts of Merchandise, Plant, Machinery and Machinery Parts, Tools and Implements, Hardware, Electrical Goods, Tubes, Pipes and Pipe Fittings of all kinds, Valves and Cocks of all kinds, Sanitary Wares and fittings of all kinds, Machines and jigs, Water Meters and their component parts, Mill Stores, Plated Ware, Steel and Stainless Steel Goods, Utensils, Engineering Goods, Sports Goods, Leather Products, Chemicals, Surgical Instruments, Provisions and Plastic Goods.
- iii. To carry on the business of General Commission Agents, buying or selling agents of any firm or company outside India or within India in connection with the business referred to in Para 1 and 2 above.

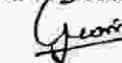
2. Tinna Trade Private Limited ("TTPL") is a private limited company and is currently engaged in the business of trading of agro commodities like pulses and grain & oil seed in domestic as well as international market. TTPL is primarily focused on importing pulses like yellow peas, green peas, chick peas, lentils, kaspera peas etc, from Canada, & Australia. It has presence at all the major gateway ports of India which cater to handling of agriculture commodities. TTPL is playing a major role in bringing agriculture produce directly from Canada & Australia to millers/wholesalers in India. TTPL is also engaged in the business of agri commodity warehousing through its subsidiary company namely B. G. K. Infrastructure Developers Private Ltd. ("BGKIDPL"). TTPL is a wholly owned subsidiary of TRIL. The main objects of TTPL as per its Memorandum of Association are as follows:

- i. To carry on the business as buyers, sellers, importers, exporters, consultants, stockists, dealers, distributors agents, brokers, commission agents, trading, marketing, forwarding and clearing agents, sales, organizers of:
 - (a) Perfumes, medicines, drugs, pharmaceuticals, Nutra-ceuticals, dietary supplements Biological foods natural vitamins, insecticides, fumigates, vitamin products, hospital equipment like surgical equipment and X-ray machines Engineering goods. machine tools. hand tools. small tools. metal/s. alloys, iron pipe, fittings nuts and bolts, bicycles and accessories, automobile parts steel, and stainless steel and iron products, ores and scraps, metallurgical residues, hides, skins leather goods, furs, bristles, tobacco hemp, seeds, oils and cakes, vanaspati, textile, fibre and wastes, coir

For Tinna Rubber & Infrastructure Ltd.


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56

and jute and products thereof wood and timber, bones, crushed and uncrushed, industrial diamonds, coal and charcoal, glue, gums and resins ivory, lac, shellac, manures, pulp rags, rubber, tanning substances, wax, quartz, crystal, chemicals and chemical preparations, plastic and linoleum articles, glassware, brassware, antiques handicrafts, hand loom, decorative toys, liquid gold, precious and semi precious stones, ornaments, jewelleryes, pearls, boutiques, soaps, paints, instruments, apparatus and appliances, machinery and millwork and parts thereof, paper and stationery, sport goods, textile including, decorative hand and machine made readymade garments, carpets, rugs, druggets, artificial silk fabrics, cotton woollen, cloth and all sorts of apparels, dressing materials plastic goods, strach, umbrellas, crown crocks, batteries, surgical and musical instruments marble and hardware items, traditional calenders, all kinds of books and manuscripts, electric and electronic products of all kinds, sanitary ware, and fittings, wooden table, natural fibre products, cellulose and cellulosic products mixed blended products, nylon polyester, fibre, yarn hosiery and mixed fabrics, natural silk fabrics and garments. fish and fish products, fooder bran, fruits nuts, cashew nuts, kernels, grains, pulses, flour, confectionery provisions, alcohol, beverages, perfumes, spirits, spices and tea, coffee, sugar and molasses, vegetable, and vegetable products and other agricultural products/items processed foods and packed food, Computer Hardware & Software & all allied Item in India and abroad.

- ii. To act as an export house.
- iii. To act as export agents and purchase and sale representatives to Stockists, processing units, units engaged in village industries, home industries, cottage industries, small and medium scale industries.

It is hereby clarified that the Board of Directors of TTPL, in its meeting held on November 13, 2015, has accorded its approval to the conversion of TTPL into a public limited company after complying with the procedure prescribed in the Companies Act, 2013 and the rules and regulations made thereunder.

B. RATIONALE AND PURPOSE OF THE COMPOSITE SCHEME OF ARRANGEMENT

- TRIL is a market leader in the field of rubber and bituminous products and has captured a substantial market share by maintaining high quality, reliability and customer satisfaction. TRIL has established nationwide foot print by setting up plants in North, South, East and West of the Country viz., Panipat (Haryana), Kalamb (Himachal Pradesh), Wada (Maharashtra), Gummidipundi (Tamilnadu)



For Tinna Rubber & Infrastructure Ltd.

Yashpal Bansal
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For TINNA TRADE LTD.

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57

and Haldia (West Bengal). TRIL is a leading manufacturer of Crumb Rubber Powder which acts as a substitute to natural rubber. TRIL, in a short span of three years has become market leader in recycling of waste tyres in the Country. Broadly, TRIL's activity comprises three undertakings; (i) Crumb Rubber and Allied Activities; (ii) Agro Commodity Trading and Investments (Agro Commodity & Warehousing) Undertaking; and (iii) Strategic Investment like Real Estate, Construction Chemicals, wine etc.

- Each of the varied businesses carried on by TRIL either by itself or through strategic investments in its subsidiaries or through associate/affiliate companies including Agro Commodity Trading and Investments (Agro Commodity & Warehousing) Undertaking have significant potential for growth and profitability. The nature of risk and competition involved in each of these businesses is distinct from others and consequently each business or undertaking is capable of attracting a different set of investors, strategic partners, lenders and other stakeholders. There are also differences in the manner in which each of these businesses are required to be handled and managed.
- In order to have greater and focused participation of promoters as well as prospective investors /bankers/lenders/strategic partners in respective areas, TRIL has proposed the demerger of Agro Commodity Trading and Investments (Agro Commodity & Warehousing) Undertaking into TTPL.
- The demerger would enable greater/enhanced focus of management in these businesses thereby facilitating the management to efficiently exploit opportunities for each of these businesses.
- It is expected that the proposed restructuring of the business of TRIL will unlock value for the shareholders of TRIL and allow a focus strategy in operations, which would be in the best interest of all the stakeholders. Since, TTPL is a wholly owned subsidiary company of TRIL, the shareholders of TRIL are effectively holding stake indirectly in Agro Commodity Trading and Investments (Agro Commodity & Warehousing) Undertaking also. Pursuant to the proposed Scheme, TTPL will also be listed on stock exchange(s) upon completion of demerger which will enable investors/shareholders to hold investments directly in business of Agro Commodity Trading and Investments (Agro Commodity & Warehousing) Undertaking.
- The demerger will also provide scope for independent collaboration and expansion.



For Tinna Rubber & Infrastructure Ltd.

Yashpal Kumar
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FOR TINNA TRADE LTD.

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58

C. PARTS OF THE SCHEME

The Scheme is divided into following parts:

1. Part A deals with definitions, date of taking effect of the Scheme and share Capital;
2. Part B deals with demerger of Demerged Undertaking from TRIL and its vesting in TTPL;
3. Part C deals with general terms and conditions that would be applicable to the Scheme;

D. TREATMENT OF THE SCHEME FOR THE PURPOSE OF INCOME-TAX ACT, 1961

The demerger of Agro Commodity Trading and Investments(Agro Commodity & Warehousing) Undertaking ("**Demerged Undertaking**") from TRIL to TTPL (as detailed in Part B of this Scheme) shall be in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961 such that:

- a. All the properties of TRIL relating to the Demerged Undertaking, immediately before the demerger, shall become the properties of TTPL by virtue of such demerger.
- b. All the liabilities of TRIL relating to the Demerged Undertaking, immediately before the demerger, shall become the liabilities of TTPL by virtue of such demerger.
- c. The properties and liabilities relating to the Demerged Undertaking shall be transferred to TTPL at the values appearing in the books of account of TRIL immediately before the demerger.
- d. Upon the Scheme coming into effect, TTPL shall issue shares to the shareholders of the TRIL on proportionate basis.
- e. Shareholders holding at least 75% value of shares of TRIL shall become shareholders of TTPL by virtue of demerger of the Demerged Undertaking.
- f. Transfer of the Demerged Undertaking from TRIL to TTPL shall be on a going concern basis.

The provisions of Part B of this Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income-tax Act, 1961. If any of the terms or provisions of Part B 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



For Tinna Rubber & Infrastructure Ltd.

Yashpal Bansal
Authorised Signatory

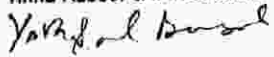
For TINNA TRADE LTD.

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59

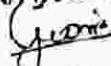
Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modifications will however not affect the other parts of the Scheme.

For Tinna Rubber & Infrastructure Ltd.



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For TINNA TRADE LTD.



Authorised Signatory


16.1.2018
Registrar
National Company Law Tribunal
New Delhi



For Tinna Rubber & Infrastructure Ltd.

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60

PART A

DEFINITION, SHARE CAPITAL AND DATE OF TAKING EFFECT

1. DEFINITIONS

In this scheme, unless inconsistent with the subject or context, the following expressions shall have the meanings respectively assigned against them:

- 1.1. **'The Act'** means The Companies Act, 1956 and rules and regulation made there under (to the extent applicable) and the Companies Act, 2013 (as may be notified from time to time) and the rules made there under, and shall include any statutory amendments or re-enactment thereto.
- 1.2. **'Appointed Date'** means closing of business hours of 31st March, 2016
- 1.3. **'Board of Directors'** in relation to TRIL and TTPL shall, unless it be repugnant to the context or otherwise, include a Committee of Directors of the respective companies or any person authorized by such Committee of Directors or Board of Directors.
- 1.4. **'BGKIDPL'** means B.G.K. Infrastructure Developers Private Ltd., a company incorporated under the provisions of Companies Act, 1956 and having its registered office at A-35, Brij Greens, Chhatarpur Road, Satbari, New Delhi - 110074.
- 1.5. **'Book Value'** means the value(s) of the assets and liabilities of the Demerged Undertaking as appearing in the books of account of TRIL as on the Appointed Date and excluding any value arising out of revaluation of any assets.
- 1.6. **'BSE' or 'Designated Stock Exchange'** means the Bombay Stock Exchange.
- 1.7. **'Court' or 'High Court' or 'Hon'ble High Court'** means Hon'ble High Court of Delhi at New Delhi having jurisdiction in relation to TRIL and TTPL and also includes the National Company Law Tribunal (NCLT), if applicable and or such other forum or authority as may be vested with any of the powers of a High Court in relation to the Scheme.
- 1.8. **'Demerged Company' or 'TRIL'** means Tinna Rubber and Infrastructure Limited (formerly Tinna Overseas Limited), a company incorporated under the



For Tinna Rubber and Infrastructure Ltd.

Yashpal Narsula

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For TINNATRADE LTD.

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61

provisions of the Act and having its registered office at Tinna House, No. 6, Sultanpur, Mandi Road, Mehrauli, New Delhi-110030, Delhi, India.

1.9. 'Demerged Undertaking' means Agro Commodity Trading and Investments (Agro Commodity & Warehousing) Undertaking which includes the trading business of Agro Commodities and its strategic investment in entities engaged in trading & warehousing of agro commodities and includes all the assets and liabilities as set out in Schedule I, which, *inter alia*, also includes the following:

- i. All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) related to Agro Commodity Trading and Investments (Agro Commodity & Warehousing) Undertaking of TRIL, including, without being limited to, plant and machinery, equipment, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, office equipment, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by TRIL, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including sales tax deferrals, title, interests, excise duty benefits, custom duty benefits and other benefits (including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever's situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by TRIL in connection with or relating to the Agro Commodity Trading and Investments (Agro Commodity & Warehousing) Undertaking and all other interests of whatsoever nature belonging to or in the



For Tinna Rubber & Infrastructure Ltd.

Yashpal Bhandari
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For TINNA TRADE LTD.

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ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by TRIL in relation to the Agro Commodity Trading and Investments(Agro Commodity & Warehousing) Undertaking, whether in India or abroad;

- ii. All liabilities including, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, relating to Agro Commodity Trading and Investments(Agro Commodity & Warehousing) Undertaking of TRIL;
- iii. All agreements, rights, contracts, entitlements, permits, licences, approvals, authorizations, concessions, consents, quota, fuel linkages, engagements, arrangements, allotments, benefits of any guarantees, powers and all other approvals of every kind, nature and description whatsoever relating to the Agro Commodity Trading and Investments(Agro Commodity & Warehousing) Undertaking of TRIL;
- iv. All Intellectual property rights, records, files, papers, computer programmes, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Agro Commodity Trading and Investments(Agro Commodity & Warehousing) Undertaking of TRIL;
- v. All employees, whether permanent or contractual or otherwise, engaged by TRIL in or in relation to Agro Commodity Trading and Investments(Agro Commodity & Warehousing) Undertaking as on the Effective Date.

1.10. 'Effective Date' means the last of the dates on which all conditions, matters and filings referred to in clause 17 hereof have been fulfilled and necessary orders, approvals and consents referred to therein have been obtained. References in this Scheme to the date of **"coming into effect of this Scheme"** or **"upon the Scheme being effective"** shall mean the Effective Date.

1.11. 'Record Date' means the date to be fixed by the Board of Directors of TRIL in consultation with the Board of Directors of TTPL for the purpose of determining the members to whom shares will be allotted in TTPL pursuant this Scheme.

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63

1.12. 'Resulting Company', or 'TTPL' means Tinna Trade Private Limited, a company incorporated under the provisions of the Act and having its registered office at Tinna House, No. 6, Sultanpur, Mandi Road, Mehrauli, New Delhi-110030, Delhi, India. The Board of Directors of TTPL, in its meeting held on November 13, 2015, has accorded its approval to the conversion of TTPL into a public limited company after complying with the procedure prescribed in the Companies Act, 2013 and the rules and regulations made thereunder.

1.13. "Scheme" or "the Scheme" or "this Scheme" means this Composite Scheme of Arrangement in its present form filed with the High Court or with any modification(s)/ amendment(s) approved or imposed or directed by the High Court or modification(s)/ amendment(s) made under clause 16 hereof.

1.14. 'TRIL Remaining Business' or 'Remaining Business of TRIL' means the entire business and undertakings of 'TRIL' as would emerge immediately after the demerger of Demerged Undertaking of 'TRIL' in accordance with this Scheme.

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 as prescribed to them under the Act, Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 (including the Regulations made thereunder), the Depositories Act, 1996, the Income Tax Act, 1961 or their successor Acts 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. In particular, wherever reference is made to the Hon'ble High Court in this Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal ("NCLT") or such other forum or authority, as may be vested with any of the powers of a High Court under the Act.

2. DATE OF COMING INTO EFFECT

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

3. SHARE CAPITAL

3.1 The Share Capital of TRIL as on September 30, 2015 is as follows:

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64

Particulars	Amount (In Rs.)
Authorized Share Capital	
1,00,00,000 Equity Shares of Rs. 10/- each	10,00,00,000
Total	10,00,00,000
Issued, Subscribed and paid up Share Capital	
85,64,750 Equity Shares of Rs. 10/- each	8,56,47,500
Total	8,56,47,500

3.2 The Share Capital of TTPL as on September 30, 2015 is as follows:

Particulars	Amount (In Rs.)
Authorized Share Capital	
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000
Total	5,00,00,000
Issued, Subscribed and paid up Share Capital	
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000
Total	5,00,00,000



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PART B**DEMERGER, TRANSFER AND VESTING OF DEMERGED UNDERTAKING IN RESULTING COMPANY****4. Transfer and vesting of Demerged Undertaking from TRIL to TTPL**

- 4.1.** Upon the Scheme becoming effective and with effect from the Appointed Date, the Demerged Undertaking of TRIL (including all the estate, assets, rights, claims, title, interest and authorities etc.) shall, pursuant to the provisions of Section 391 to 394A of the Companies Act, 1956, without any further act, deed, matter or thing, be demerged from TRIL and transferred to and vested in TTPL or be deemed to have been demerged from TRIL, and transferred to and vested in TTPL on a going concern basis in such a manner that all the properties, assets, rights, claims, title, interest, authorities and liabilities comprised in the Demerged Undertaking as on Appointed Date shall become the properties, assets, rights, claims, title, interest, authorities and liabilities of TTPL by virtue of and in the manner provided in this Scheme.
- 4.2.** In respect of such of the assets of the Demerged Undertaking as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery and/or by endorsement and delivery, the same shall stand transferred by TRIL to TTPL upon the coming into effect of this Scheme pursuant to the provisions of Section 394 of the Act without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of TTPL as an integral part of the Demerged Undertaking.
- 4.3.** Any and all movable properties of TRIL relating to the Demerged Undertaking, other than those specified above, including cash and cash equivalents, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons shall without any further act, instrument or deed become the property of TTPL.
- 4.4.** In relation to assets belonging to the Demerged Undertaking, which require separate documents for vesting in TTPL, or which TRIL and/ or TTPL otherwise desire to be vested separately, TRIL and TTPL will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.

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- 4.5. All assets acquired by TRIL after the Appointed Date and prior to the Effective Date for operation of the Demerged Undertaking shall be deemed to have been acquired for and on behalf of TTPL and shall also stand transferred to and vested in TTPL upon the Scheme becoming effective.
- 4.6. It is hereby clarified that if any assets (including but not limited to any estate, rights, title, interest in or authorities relating to such assets) in relation to the Demerged Undertaking which TRIL owns, cannot be transferred to TTPL for any reason whatsoever, TRIL shall hold such asset in trust for the benefit of TTPL.
- 4.7. All debts, liabilities, secured and unsecured loans including general or multi-purpose borrowings, contingent liabilities, undertakings given with respect to loans raised by TRIL, duties and obligations of every kind, nature and description related to the Demerged Undertaking shall, without any further act or deed, be transferred to, or be deemed to be transferred to TTPL with effect from the Appointed Date upon the Scheme becoming effective and TTPL undertakes to meet, discharge and satisfy the same.

Thus, the primary obligation to redeem or repay such loans and/or liabilities shall be that of TTPL. However, without prejudice to such transfer of proportionate liability amount, if any, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, TTPL may discharge such liability (including accretions) by making payments on the respective due dates to TRIL, which in turn shall make payments to the respective creditors.

It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

- 4.8. Where any of the liabilities and obligations pertaining to the Demerged Undertaking on the Appointed Date has been discharged by TRIL after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of TTPL.
- 4.9. All loans raised and used, and liabilities incurred, if any, by TRIL after the Appointed Date, but prior to the Effective Date, for Demerged Undertaking

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shall be deemed to be transferred to, and discharged by TTPL without any further act or deed.

- 4.10.** It is hereby provided that any corporate guarantee or security provided by TRIL for or on behalf of TTPL or BGKIDPL with respect to any loan, advances obtained or taken or proposed to be obtained or taken by or on behalf of TTPL or BGKIDPL, as may be applicable, or otherwise including any other business purpose, upto and including the Effective Date shall not be affected in any way by demerger, transfer and vesting of the Demerged Undertaking of TRIL into TTPL as provided in this Scheme and shall continue to be responsibility of TRIL only even after the Effective Date.

It is further clarified that the consent of the shareholders of TRIL to this Scheme shall be deemed to be sufficient compliance of the provisions of Section 186 and other applicable provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 and that no further approval or resolution under Section 186 and other applicable provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014, would required to be separately obtained or passed.

- 4.11.** Upon the Scheme becoming effective, the secured creditors of TRIL, relating to the TRIL Remaining Business, shall not be entitled to security over properties, assets, rights, benefits and interest of TTPL.
- 4.12.** The provisions of this Clause 4 shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/or superseded by the foregoing provisions.

5. LEGAL PROCEEDINGS

- 5.1.** From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against TRIL under any statute, pending on Effective Date, relating to the Demerged Undertaking ("**Demerged Undertaking Proceedings**") shall be continued and enforced by or against TTPL after the Effective Date, to the extent legally permissible. To the extent, such Demerged Undertaking Proceedings cannot be taken over by TTPL; such proceedings shall be pursued by TRIL as per the instructions of and entirely at the costs and expenses of TTPL.

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- 5.2. If any Demerged Undertaking Proceedings is pending, the same shall not abate, be discontinued or in anyway be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against TTPL in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against TRIL, as if this Scheme had not been made.
- 5.3. In the event of any difference or difficulty on whether any specific legal or other proceedings relates to the Demerged Undertaking or not, the decision of the Board of Directors of TRIL in this regard shall be conclusive and binding on TRIL and TTPL.
- 5.4. It is clarified that TRIL shall be responsible for all legal and other proceedings of whatsoever nature, pending and/or arising before and after the Effective Date which relate to the TRIL Remaining Business (including the proceedings arising out of the contingent liabilities that would remain in the TRIL Remaining Business) and TTPL shall not in any way be liable, prosecuted or affected from any of them.

6. CONTRACTS, DEEDS ETC.

- 6.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking to which TRIL is a party or to the benefit of which TRIL may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect by or against or in favour of TTPL, as the case may be, and maybe enforced as fully and effectually as if, instead of TRIL, TTPL had been a party or beneficiary or obligee thereto.
- 6.2. Notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, TTPL may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which TRIL is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. TRIL will, if necessary, also be a party to the above.

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TTPL shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of TRIL and to carry out or perform all such formalities or compliances referred to above on the part of TTPL to be carried out or performed.

7. SAVING OF CONCLUDED TRANSACTIONS

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

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16/7/2018
Registrar
National Company Law Tribunal
New Delhi



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8. EMPLOYEES

- 8.1.** TTPL undertakes to engage, on and from the Effective Date, all the employees or retainers or consultants of TRIL engaged in the Demerged Undertaking on the same terms and conditions on which they are engaged as on the Effective Date by TRIL without any interruption of service as a result of the transfer of the Demerged Undertaking. TTPL agrees that the services of all such employees with the TRIL up to the Effective Date shall be taken into account for the purposes of all benefits to which these employees may be eligible, including for the purpose of payment of any bonus, retrenchment compensation, gratuity and other terminal benefits.
- 8.2.** The accumulated balances, if any, standing to the credit of the employees and officers of TRIL engaged in the Demerged Undertaking in the existing Provident Fund, Gratuity Fund and Superannuation Fund, of which they are members, will be transferred to the Provident Fund, Pension Fund, Gratuity Fund and Superannuation Fund nominated by TTPL and/or such new Funds to be established by TTPL. Pending the transfer as aforesaid, the Provident Fund, Pension Fund, Gratuity Fund and Superannuation Fund dues to the said employees and officers of the Demerged Undertaking would be continued to be deposited in the existing Provident, Gratuity and Superannuation Funds respectively.

9. TREATMENT OF TAXES

- 9.1.** With effect from the Appointed Date and upon the Scheme becoming effective, all taxes and duties payable by TRIL, accruing and relating to the operations of the Demerged Undertaking from the Appointed Date onwards, including all advance tax payments, tax deducted at source, any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds and claims, as the case may be, of TTPL.
- 9.2.** Upon the Scheme becoming effective, all unavailed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including MAT credit), Cenvat, customs, VAT, sales tax, service tax etc. relating to the Demerged Undertaking to which TRIL is entitled to shall be available to and vest in TTPL, without any further act or deed.
- 9.3.** Upon this Scheme becoming effective, TRIL and TTPL are permitted to revise and file their respective income tax returns, including tax deducted at source certificates, sales tax/ value added tax returns, service tax returns and other

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tax returns for the period commencing on and from the Appointed Date, and to claim refunds/ credits, pursuant to the provisions of this Scheme.

- 9.4. The Board of Directors of TRIL shall be empowered to determine if any specific tax liability or any tax proceeding relates to the Demerged Undertaking and whether the same would be transferred to TTPL.

10. CONDUCT OF THE BUSINESS OF THE UNDERTAKING

- 10.1. With effect from the Appointed Date and up to and including the Effective Date:

- a. TRIL undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the properties and assets of the Demerged Undertaking, for and on account of and in trust for TTPL.
- b. All profits accruing to TRIL or losses arising or incurred by it relating to the Demerged Undertaking shall for all purposes, be treated as the profits or losses, as the case may be of TTPL.

- 10.2. TRIL undertakes that with effect from the date of approval to the Scheme by the Board of Directors of TRIL and TTPL, and upto and including the Effective Date, it will preserve and carry on the business of the Demerged Undertaking with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber the Demerged Undertaking or any part thereof or recruit new employees or conclude settlements with union or employees or undertake substantial expansion or change the general character or nature of the business of the Demerged Undertaking or any part thereof save and except in each case:

- a. if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or
- b. if the same is expressly permitted by this Scheme; or
- c. if the prior written consent of the Board of Directors of TTPL has been obtained.

- 10.3. TTPL undertakes that with effect from the date of approval to the Scheme by the Board of Directors of TRIL and TTPL, except with the prior approval of

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72

the Board of Directors of TRIL, it shall not make any change(s) in its share capital structure either by increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organization, or in any other manner effect reorganization of its share capital.

- 10.4. TTPL shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which TTPL may require including the registration, approvals, exemptions, reliefs, etc., as may be required/ granted under any law for time being in force for carrying on business of the Demerged Undertaking.

11. ISSUANCE OF SHARES BY TTPL

- 11.1. The shareholding pattern of TTPL pursuant to the proposed demerger of the Demerged Undertaking would be a mirror image of the shareholding pattern of TRIL as on the Record Date as the new shares of TTPL would be issued to the existing shareholders of TRIL in proportion to their shareholding in TRIL. Upon the coming into effect of this Scheme and upon transfer and vesting of the Demerged Undertaking of TRIL in TTPL in terms of Part B of the Scheme, TTPL shall, without any further act or deed, issue and allot equity shares to the equity shareholders of TRIL whose names appear in the Register of Members of TRIL, on a date (hereinafter referred to as "Record Date") to be fixed in that behalf by the Board of Directors of TRIL in consultation with TTPL for the purpose of reckoning names of the equity shareholders of TRIL, in the following ratio:

"1 (One) fully paid up equity share (face value Rs. 10/- each) at a Share Premium of Rs. 5 each in TTPL for every 1 (One) existing fully paid up equity share (face value Rs. 10/- each) of TRIL."

- 11.2. The new equity shares issued, pursuant to clause 11.1 above, shall be issued and allotted by TTPL in a dematerialized form to those equity shareholders who hold equity shares in TRIL in dematerialized form, into the account with the depository participant in which the equity shares of TRIL are held or such other account with the depository participant as is intimated by the equity shareholders of TRIL to TTPL before the Record



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Date. All those equity shareholders of TRIL who hold equity shares of TRIL in physical form shall also have the option to receive the new equity shares, as the case maybe, in dematerialized form provided the details of their account with the depository participant are intimated in writing to TTPL before the Record Date. In the event that TTPL has received notice from any equity shareholder of TRIL that equity shares are to be issued in physical form or if any equity shareholder has not provided the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required or if the details furnished by any equity shareholder do not permit electronic credit of the shares of TTPL, then TTPL shall issue new equity shares of TTPL, in accordance with clause 11.1, as the case may be, in physical form to such equity shareholder.

- 11.3.** The new equity shares issued and allotted by TTPL, in terms of clause 11.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of TTPL and shall rank paripassu in all respects with the then existing equity shares of TTPL.
- 11.4.** In the event of any equity share of TTPL being allotted to any non-resident Indian or any person resident outside India as defined under the Foreign Exchange Management Act, 1999 and the rules & regulations made thereunder ("FEMA Provisions"), TTPL shall ensure all the compliances including reporting requirements, if any, as may be prescribed by Reserve Bank of India or in the FEMA Provisions.
- 11.5.** In the event of there being any pending share transfers, whether lodged or outstanding, of any equity shareholder of TRIL, the Board of Directors of TRIL shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in TRIL as if such changes in registered holder were operating as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in TTPL issued by TTPL upon the coming into effect of this Scheme.
- 11.6.** Where the new equity shares of TTPL are to be allotted, pursuant to clause 11.1 above, to heirs, executors or administrators or, as the case may be, to successors of deceased equity shareholders of TRIL, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of Directors of TTPL.

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74

- 11.7.** The new equity shares to be issued by TTPL, pursuant to clause 11.1 above, in respect of any equity shares of TRIL which are held in abeyance under the provisions of Section 126 of the Companies Act, 2013 or otherwise shall, pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance by TTPL.
- 11.8.** Approval of this Scheme by the Equity Shareholders of TTPL shall be deemed to mean that said shareholders have accorded all relevant consents under the provisions of Section 42, Section 62 and other relevant provisions of the Companies Act, 2013 including the rules made there under for the issue and allotment of the new equity shares by TTPL to the equity shareholders of TRIL, as provided in this Scheme.
- 11.9.** The Board of Directors of TRIL shall be empowered to remove such difficulties as may arise in the course of registration of new members in TTPL, on account of difficulties if any in the transition period.
- 11.10.** Issuance of new equity shares by TTPL, in terms of clause 11.1 above, shall be made pursuant to the provisions of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013, as modified by SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 and in compliance with the requisite formalities under the applicable laws to be listed and/or admitted to the relevant stock exchange(s) where the existing equity shares of TRIL are listed and/or admitted to trading.

The new equity shares allotted by TTPL, pursuant to clause 11.1 above, shall remain frozen in the depositories system till the listing / trading permission is given by the relevant stock exchange(s).

12. CANCELLATION OF SHARES HELD BY TRIL IN TTPL

- 12.1.** Immediately upon issuance of shares by TTPL to the shareholders of TRIL pursuant to Clause 11.1 of this Scheme, the initial issued and paid up equity share capital of TTPL, comprising of 50,00,000 (Fifty Lac) equity shares of Rs. 10/- each, aggregating to Rs. 5,00,00,000/-, (Rupees Five Crore only) as held by TRIL and its nominees shall be cancelled. The share certificates held by TRIL and its nominees representing the equity shares in TTPL shall be deemed to be cancelled and not tradable from and after such cancellation.

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- d. The reduction, if any, in the Securities Premium Account of TRIL shall be effected as an integral part of the Scheme in accordance with the provisions of Section 52 of the Companies Act, 2013 read with Sections 100 to 103 of the Act and the order of the High Court sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital, and the provisions of Section 101 of the Act will not be applicable. Notwithstanding the reduction as mentioned above, TRIL shall not be required to add "and reduced" as a suffix to its name and TRIL shall continue in its existing name.
- e. Notwithstanding the above, the Board of Directors of TRIL is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed Accounting Standards issued by the Institute of Chartered Accounts of India/the Central Government and generally accepted accounting principles.

13.2. ACCOUNTING TREATMENT IN THE BOOKS OF TTPL

- a. Upon the coming into effect of this Scheme, TTPL shall record the assets and liabilities of the Demerged Undertaking, transferred to and vested in TTPL pursuant to this Scheme, at values appearing in the books of account of TRIL as on the Appointed Date.
- b. Upon the Scheme being effective, the inter-company balances and/or borrowings, if any, and the share capital of TTPL held by TRIL appearing in the books of accounts of TTPL and forming part of the Demerged Undertaking shall stand cancelled.
- c. TTPL shall credit to the Equity Share Capital Account in its books of accounts, the aggregate face value of the new equity shares to be issued and allotted to the equity shareholders of TRIL as per clause 11.1 above.
- d. TTPL shall credit to its Securities Premium Account in its books of accounts, the aggregate premium on equity shares issued and



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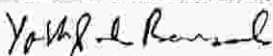
77

allotted by TTPL to the equity shareholders of TRIL as per clause 11.1 above.

- e. The difference between the Net Assets Value of the Demerged Undertaking, transferred and recorded by TTPL and the capital issued as per clause 11.1 above, after considering the adjustments mentioned in clause 13.2 (b) above, shall be recorded as goodwill or credited to Capital Reserve, as the case may be.
- f. In case any goodwill arises pursuant to clause 13.2 (e) above, the same may be written off in any manner as may be determined by the Board of Directors of the TTPL.
- g. Notwithstanding the above, the Board of Directors of TTPL is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed Accounting Standards issued by the Institute of Chartered Accounts of India/the Central Government and generally accepted accounting principles.
- h. The reduction, if any, in the Securities Premium Account of TTPL shall be effected as an integral part of the Scheme in accordance with the provisions of Section 52 of the Companies Act, 2013 read with Sections 100 to 103 of the Act and the order of the High Court sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital, and the provisions of Section 101 of the Act will not be applicable. Notwithstanding the reduction as mentioned above, TTPL shall not be required to add "and reduced" as a suffix to its name and TTPL shall continue in its existing name.

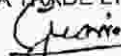
["Net Assets Value" shall be computed as the value of assets less the value of liabilities of the Demerged Undertaking transferred by TRIL and recorded in TTPL in terms of sub-clause (a) above].

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PART C**GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME****14. REMAINING BUSINESS OF TRIL**

- 14.1.** The Remaining Business of TRIL and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by TRIL subject to the provisions of the Scheme.
- 14.2.** All legal or other proceedings by or against TRIL under any statute, whether pending on the Appointed Date or which may be instituted in future whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of TRIL (including those relating to any property, right, power, liability, obligation or duties of TRIL in respect of the Remaining Business of TRIL) shall be continued and enforced by or against TRIL. TTPL shall in no event be responsible or liable in relation to any such legal or other proceedings by or against TRIL.
- 14.3.** With effect from the Appointed Date and up to and including the Effective Date:
- a. TRIL shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business of TRIL for and on its own behalf;
 - b. all profits and income accruing or arising to TRIL, and any cost, charges, losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) relating to the Remaining Business of TRIL shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of TRIL;
 - c. all employees relatable to the Remaining Business of TRIL shall continue to be employed by TRIL; and
 - d. TTPL shall not in any event be liable or responsible for any claims whatsoever regarding such employees.

15. REORGANISATION OF SHARE CAPITAL OF TTPL

- 15.1.** Upon the Scheme becoming effective, the Authorized Share Capital of TTPL shall stand increased to Rs. 9,00,00,000/- (Rupees Nine Crores

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only) so as to facilitate issue of shares to the shareholders of TRIL pursuant to this Scheme and the Clause (V) of the Memorandum of Association of TTPL shall stand substituted, without any further act or deed, by the following clause:

"The Authorized share capital of the Company is Rs. 9,00,00,000/- (Rupees Nine Crores only) divided into 90,00,000 (Ninety lacs) Equity shares of Rs. 10/- (Rupees Ten) each."

- 15.2.** It is hereby clarified that for the purposes of this Clause, the consent of the shareholders of TTPL to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment to the Memorandum of Association of TTPL, and that no further resolution under Section 13 and Section 61 or any other applicable provisions of the Act, would required to be separately passed.
- 15.3.** Upon the increase in the Authorized Share Capital of TTPL as mentioned in the aforesaid Clause 15.1 & 15.2 but before the Record Date, TTPL shall take all the necessary steps including payment of the required fees to the office of Registrar of Companies, NCT of Delhi and Haryana as per the applicable provisions, if any, of the Companies Act, 2013, and stamp duty, if required.

16. APPLICATIONS TO HIGH COURT

- 16.1.** TRIL and TTPL shall, with all reasonable dispatch, make applications/petitions, under Sections 391 to 394 and other applicable provisions of the Act to the Hon'ble High Court for seeking sanction of this Scheme.

17. CONDITIONALITY OF THE SCHEME

- 17.1.** This Scheme is and shall be conditional upon and subject to:
- The requisite consent, approval or permission from BSE and/or other relevant stock exchange(s) and/or Securities & Exchange Board of India, which by law or otherwise may be necessary for the implementation of this Scheme;
 - The approval by the respective requisite majorities of the shareholders and/or creditors, including secured as well as unsecured creditors (where applicable) of TRIL and TTPL in accordance with Section 391 of the Act;

For Tinna Rubber & Infrastructure Ltd.

Yathindar Bansal
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For TINNA TRADE LTD.

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80

- c. The approval by the respective requisite majorities of the shareholders (including by a majority of the public shareholders, i.e., if the votes cast by the public shareholders in favour of this Scheme are more than the number of votes cast by the public shareholders against it) of TRIL;
- d. The Scheme being sanctioned by the High Court in terms of Sections 394 and 395 and other relevant provisions of the Act and the requisite orders of the High Court referred to in clause 17 hereof being obtained;
- e. Certified copies of the orders of the High Court sanctioning the Scheme being filed with the Registrar of Companies, NCT of Delhi and Haryana.

17.2. TRIL shall comply with the provisions of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013, as modified by SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, while, inter alia, procuring the approval of the public shareholders of TRIL, respectively, and shall provide for voting by such public shareholders through postal ballot and e-voting. For the purposes of sub-clause (c) of clause 16.1, the term 'public' shall have the meaning ascribed to such term under Rule 2(d) of Securities Contracts (Regulation) Rules, 1957.

18. EFFECT OF NON-RECEIPT OF APPROVALS

18.1. In the event of any of the approvals or conditions enumerated in the Scheme not being obtained or complied, or for any other reason, this Scheme cannot be implemented, then the Board of Directors of TRIL and TTPL shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

19. MODIFICATIONS TO THE SCHEME

19.1. Each of TRIL and TTPL (acting through their respective Board of Directors) may, in their full and absolute discretion, assent to any amendments, alterations or modifications to this Scheme, which the

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Yashpal Bansal
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Authorised Signatory



Hon'ble High Court and/ or any other authorities may deem fit to direct, approve or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/ or carrying out this Scheme. Each of TRIL and TTPL (acting through their respective Board of Directors) be and are hereby authorized to take such steps and do all acts, deeds and things, as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of the order of the Hon'ble High Court or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/ or any matters concerning or connected therewith and may also in their full and absolute discretion, withdraw or abandon this Scheme at any stage prior to the Effective Date.

- 19.2.** The Board of Directors of TRIL and TTPL shall have power to withdraw the Scheme in case the condition(s), if any, imposed or modification(s), if any, suggested by the Hon'ble High Court and/ or any other authorities is not acceptable to them or otherwise they deem fit and proper to withdraw the Scheme in the interest of TRIL and TTPL.

20. SEVERABILITY

- 20.1.** If any part of this Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, or agreed to be deleted by the Board of Directors of TRIL and TTPL, as the case may be, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties the benefits and obligations of this Scheme, including but not limited to such part.

21. INTER-CORPORATE LOANS AND GUARANTEE(S)

Immediately upon the Scheme becoming Effective in terms of the provisions as contained hereinabove:

- 21.1.** To facilitate inter-company lending, investment and/ or guarantee for meeting business needs, the Board of Directors of TRIL shall be deemed to have been authorized to give loans to and / or give any guarantee or provide security in connection with a loan or other business purpose to

For Tinna Rubber & Infrastructure Ltd.

Yashpal Bhandal
Authorised Signatory

For TINNA TRADE LTD.

Georgia
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any associate, person or body corporate (excluding exposure to wholly owned subsidiaries and joint ventures which may be exempted under Section 186 (3) of the Companies Act, 2013 as on the date of Scheme becoming effective) and / or acquire by way of subscription, purchase or otherwise, the securities of any associate, joint venture or body corporate (excluding exposure to wholly owned subsidiaries which may be exempted under Section 186 (3) of the Companies Act, 2013 as on the date of Scheme becoming effective) upto an aggregate amount not exceeding Rs 200 Crores (Rupees Two hundred crores), notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/ or securities so far acquired or to be acquired by TRIL may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013;

- 21.2.** It is clarified that the approval to the Scheme by the shareholders of TRIL under Sections 391 and 394 of the Act shall be deemed to have their approval under the provisions of Section 186 and any other applicable provisions under the Companies Act 2013; (ii) the Listing Agreement; and (iii) other regulatory provisions as may be applicable in this regard; and that no separate approval from the shareholders to that extent shall be required to be sought by TRIL for the matters specified in this Clause 21.

22. COSTS, CHARGES AND EXPENSES

- 22.1.** All costs, charges and expenses in relation to or in connection with or incidental to this Scheme or the implementation thereof shall be borne and paid as may be decided by mutual agreement between TRIL and TTPL.

For Tinna Rubber and Infrastructure Limited

For Tinna Rubber & Infrastructure Ltd.

Yash J. Bhandari

Authorised Signatory

Authorized Signatory

**For Tinna Trade Private Limited
(Formerly known as Tinna Trade Pvt Ltd.)**

Geonik

Authorised Signatory

Authorized Signatory



No. 190
 Date of Presentation
 of application for Copy... 09/01/2018
 No. of Pages... 30
 Copying Fee... 5/- Per Page
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 Date of Preparation of Copy... 16/01/2018
 Date of Delivery of Copy... 18/01/2018

83

16-01-2018

SCHEDULE I

DD/DR/AR/Court Officer
 National Company Law Tribunal
 New Delhi

ASSETS & LIABILITIES FORMING PART OF THE DEMERGED UNDERTAKING

Details of Assets & Liabilities of Agro Commodity Trading and Investments (Agro Commodity & Warehousing) Undertaking into TTPL as at 30.09.2015

		Amount in Rs.
Assets:		
Investment in shares of Tinna Trade P Limited		50,375,320
Bank Account		6,181
Fixed assets		3,901
F.D In Bank		500,000
Investment in other listed shares :		
Agro Tech Foods Limited	23,626	
Ruchi Soya Industries Limited	87,573	
Less : Diminution in value of investments	-20,860	
Net investment		90,339
Trade Receivable		3,51,08,000
Claim Receivable FCI		1,37,72,056
(Gross Receivable as per books Rs. 275,44,112- 137,72,056 -50% of Claim payable to Separated Tinna Group on receipt of FCI Claim)		
Total Assets (A)		9,98,55,797
Liabilities:		
Trade Payable		3,48,41,700
Provision for Gratuity		1,14,733
Provision for Leave encashment		36,573
Salary Payable		38,791
Total Liabilities		3,50,31,797
Net Assets		6,48,24,000
Contingent Liability		
Bank Guarantee given to Food Corporation of India towards market fees		4,064,417

16-1-2018
 Registrar
 National Company Law Tribunal
 New Delhi



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 Authorised Signatory

For TINNA TRADE LTD.
 Authorised Signatory

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 National Company Law Tribunal
 New Delhi

[Signature]
16-1-2018
 Registrar
 National Company Law Tribunal
 New Delhi

STATEMENT OF ASSETS AND LIABILITIES OF AGRO COMMODITIES TRADING AND INVESTMENTS (AGRO COMMODITY COMMODITY AND WAREHOUSING)-DEMERGED UNDERTAKING OF TINNA RUBBER AND INFRASTRUCTURE LIMITED AS AT 31ST MARCH, 2016 (Appointed Date)

ASSETS	31-Mar-16
Non Current Assets	
(a) Fixed Assets	
(i) Tangible assets	
(ii) Intangible assets	3,424
(iii) Capital Work in Progress	-
(b) Non Current Investments	5,03,75,320
(c) Deferred Tax assets	-
(d) Trade Receivables	-
(e) Long Term Loans and advances	-
(f) Other non current assets	1,37,72,056
Current Assets	
(a) Current Investments	
(b) Inventories	88,075
(c) Trade Receivables	-
(d) Cash and bank balances	5,05,041
(e) Short Term loans and advances	-
(f) other current assets	35,187
Total Assets	6,47,79,103
LIABILITIES	
Non Current Liabilities	
(a) Long Term Borrowings	
(b) Long Term Provisions	1,52,846
Current Liabilities	
(a) Short Term Borrowings	
(b) Trade Payable	-
(c) Other Current Liabilities	-
(d) Short term Provisions	-
Total Liabilities	1,52,846
NET WORTH AS ON 31.03.2016	6,46,26,257

PART I

SHORT DESCRIPTION OF THE FREEHOLD PROPERTY OF THE DE- MERGED UNDERTAKING OF TINNA RUBBER AND INFRASTRUCTURE LIMITED

NIL

PART II

SHORT DESCRIPTION OF THE LEASEHOLD PROPERTY OF THE THE DE- MERGED UNDERTAKING OF TINNA RUBBER AND INFRASTRUCTURE LIMITED

NIL

PART III

SHORT DESCRIPTION OF ALL STOCKS, SHARES, DEBENTURES AND OTHER CHARGES IN ACTION OF THE DEMERGED UNDERTAKING OF TINNA RUBBER AND INFRASTRUCTURE LIMITED, AS AT 31.03.2016

Current Investment	NAME OF THE COMPANY	31-Mar-16	
		QTY. (NOS)	VALUE IN (RS.)
Equity Shares:			
Agro Tech Foods Limited		35	23,626
Ruchi Soya Industries Limited		2,200	87,573
TOTAL		2,235	1,11,199
Less: Provision for Diminution in Value of Investment		-	23,124
		2,235	88,075



For TINNA RUBBER AND INFRASTRUCTURE LTD

[Signature]

[Signature]
 COMPANY SECRETARY