



## AMRAPALI INDUSTRIES LTD.

### AMRAPALI INDUSTRIES LIMITED

*(Convened pursuant to order dated September 13, 2021 read with order dated November 16, 2021, passed by the National Company Law Tribunal, Ahmedabad Bench)*

#### MEETING:

<b>Day</b>	:	Monday
<b>Date</b>	:	December 27, 2021
<b>Time</b>	:	4:30 PM
<b>Venue</b>	:	Registered Office: at Unit No. PO5-02D, 5th Floor Tower A WTC Gift City Gandhinagar Gujarat - 382355

**Regd. Office :**

Unit No. PO5-02D, 5th Floor,  
Tower A, WTC Gift City,  
Gandhinagar-382355, ( Gujarat. )  
E-mail : [ail@amrapali.com](mailto:ail@amrapali.com) / [www.amrapalispot.com](http://www.amrapalispot.com)

**Correspondence/Corporate Office :**

19-20-21, Narayan Chambers, T+91 79 26581329/30  
3rd Floor, B/h. Patang Hotel, T+91 79 26575105/06  
Ashram Road, Ahmedabad-9. F+91 79 26579169/26584313  
CIN : L91110GJ1988PLC010674

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**Form CAA2**  
**[Pursuant to Section 230(3) and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]**

**Before the National Company Law Tribunal, Ahmedabad Bench**

**COMPANY APPLICATION (CAA) NO. 64 OF 2021**  
**In the matter of the Companies Act, 2013;**

**And**

**In the matter of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013;**

**And**

**In the matter of Scheme of Arrangement in the nature of Demerger between Amrapali Industries Limited (AIL) and Amrapali Asset Reconstruction Company Private Limited (AARCPL) and their respective shareholders and Creditors**

**Amrapali Industries Limited.....APPLICANT COMPANY**

**NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF THE APPLICANT COMPANY**

**NOTICE** is hereby given that by an Order dated September 13, 2021 read with Order dated November 16, 2021, in the above mentioned Company Application (**the ‘Order’**), the Hon’ble National Company Law Tribunal, Ahmedabad Bench (**‘NCLT’ or ‘Tribunal’**) has directed *inter alia* that a Meeting of the Unsecured Creditors of the Company be convened and held at the Registered Office, at Unit No. PO5-02D, 5th Floor Tower A WTC Gift City, Gandhinagar, Gujarat - 382355 on Monday, December 27, 2021 at 4:30 p.m. for consider, and if thought fit, approving with or without modification, the Scheme of Arrangement in the nature of Demerger between Amrapali Industries Limited (‘Applicant Demerged Company’ or ‘AIL’) and Amrapali Asset Reconstruction Company Private Limited (‘Applicant Resulting Company’ or ‘AARCPL’) and their respective shareholders and Creditors (**‘the Scheme’**). The Scheme, if approved by the unsecured creditors, will be subject to the subsequent approval of the Hon’ble Tribunal.

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of unsecured creditors of the Company will be held on Monday, December 27, 2021 at 4:30 PM or any adjourned dates thereof, for the purpose of considering, and if thought fit, approving the proposed Scheme (“Tribunal Convened Meeting” or “Meeting”), will be held at Registered Office: at Unit No. PO5-02D, 5th Floor Tower A WTC Gift City Gandhinagar Gujarat - 382355 at which day, date and time, the unsecured creditors of the Company are requested to attend and, if thought fit, approve with or without modification(s) the following resolutions:

**TAKE FURTHER NOTICE** that the following resolutions are proposed under Sections 230 to 232 of the Act and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of the Memorandum of Association and Articles of Association of the Company, for the purpose of considering, and if thought fit, approving with or without modification, the Scheme:

**"RESOLVED THAT** pursuant to the provisions of Section 230 read with section 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013, the rules, circulars, and notifications made there-under (including any statutory modification or re-enactment thereof) as may be applicable, the Securities Exchange Board of India Circular No CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March 2017 and the observation letter issued by BSE Limited dated March 30, 2021 and subject to provisions of the Memorandum and Articles of Association of the Company and subject to approval of the Hon’ble National Company Law Tribunal, Ahmedabad Bench

(‘NCLT’) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon’ble NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Arrangement in the nature of Demerger between Amrapali Industries Limited and Amrapali Asset Reconstruction Company Private Limited and their respective shareholders and creditors (‘Scheme’) be and is hereby approved.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon’ble NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper.”

The Copies of the said Scheme and the explanatory statement under Sections 230(3), 232(1) 232(2) and 102 of the Act and Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“Merger Rules”) can be obtained, free of charge, on any working days during office hours till the date of Meeting at the registered office of the Company or by emailing at ail@amrapali.com.

The NCLT has appointed Ms. Jaini Jain, as the Chairperson of the Meeting. The above mentioned Scheme, if approved at the Meeting, will be subject to the subsequent approval of the NCLT.

**Sd/-**  
**Jaini Jain**  
**Chairman appointed for the Meeting**  
**DIN: 07859496**

Dated this 24<sup>th</sup> day of November, 2021

**Registered Office:**

Unit No. PO5-02D, 5th Floor Tower A WTC Gift  
City Gandhinagar, Gujarat 382355  
Phone: 079 26581329/30, Fax: 079  
26579169/26584313  
E-Mail: ail@amrapali.com  
Website: www.amrapalispot.com  
(CIN: L91110GJ1988PLC010674)

**NOTES:**

1. Only unsecured creditors of Applicant company (as more particularly detailed in note no 7 below) may attend the meeting (either in person or in proxy or by authorised representative. The authorised representative of a body corporate which is an unsecured creditor of Applicant No. 1 may attend the Meeting provided that a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote at the Meeting is deposited at the registered office of Applicant No. 1 not later than 48 hours before the scheduled time of the commencement of the Meeting of the unsecured creditors of Applicant No.
2. An unsecured creditor entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote and such proxy need not be an unsecured creditor of Applicant No. 1. The proxy form duly completed should, however, be deposited at the registered office of Applicant No. 1 not later than 48 hours before the scheduled time of the commencement of the Meeting of Applicant No. 1.
3. The authorized representative or proxy are requested to carry a copy of valid proof of identity (i.e., a PAN Card / Aadhaar Card / Passport / Driving License / Voter ID Card) at the Meeting.

4. All alterations made in the proxy form should be initialled.
5. Unsecured creditor or its proxy or authorized representative is requested to bring copy of this notice to the Meeting and produce the attendance slip duly completed and signed at the entrance of the Meeting venue.
6. Only such unsecured creditors of Applicant company may attend and vote (either in person or by proxy or through authorised representatives) at the Meeting, whose name appear in the Chartered Accountant's certificate certifying the list of unsecured creditors of Applicant company as on September 30, 2021. A person/entity who is not an unsecured creditor on such date should treat this notice for information purposes only and shall not be entitled to avail the facility of voting at the venue of the Meeting.
7. Voting rights for each unsecured creditor shall be in proportion to the principal amount due to the unsecured creditors as on September 30, 2021.
8. Ms. Insiya Nalawala (Membership No. A57573 and COP No. 22786) has been appointed by NCLT, as the Scrutinizer to scrutinize the votes received.
9. The Scrutinizer will submit his report to the Chairperson of the Meeting after scrutinizing the votes logged by the unsecured creditors. The result of the voting on the resolution at the Meeting shall be announced by the Chairperson of the Meeting or any person authorized by him, within 48 hours from the date of conclusion of the Meeting.
10. Relevant documents referred to in the notice and the explanatory statement are open for inspection by unsecured creditors at the registered office of Applicant company on any working day between 11:00 a.m. to 05:00 p.m. (except Saturdays, Sundays and public holidays) prior to the date of the Meeting, from the Registered Office of Demerged Company.
11. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the meeting i.e. on 27<sup>th</sup> December, 2021.

**Sd/-**  
**Jaini Jain**  
**Chairman appointed for the Meeting**  
**DIN: 07859496**

Dated this 24<sup>th</sup> day of November, 2021

**Registered Office:**

Unit No. PO5-02D, 5th Floor Tower A WTC Gift  
City Gandhinagar, Gujarat 382355  
Phone: 079 26581329/30, Fax: 079  
26579169/26584313  
E-Mail: ail@amrapali.com  
Website: www.amrapalispot.com  
(CIN: L91110GJ1988PLC010674)

**Before the National Company Law Tribunal, Ahmedabad Bench**

**COMPANY APPLICATION (CAA) NO. 64 OF 2021  
In the matter of the Companies Act, 2013;**

**And**

**In the matter of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the  
Companies Act, 2013;**

**And**

**In the matter of Scheme of Arrangement in the nature of Demerger between Amrapali Industries Limited  
(AIL) and Amrapali Asset Reconstruction Company Private Limited (AARCPL) and their respective  
shareholders and Unsecured Creditors**

**Amrapali Industries Limited.....APPLICANT COMPANY**

**EXPLANATORY STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013 READ  
WITH SECTION 102 OF THE COMPANIES ACT 2013 FOR THE MEETING OF THE UNSECURED  
CREDITORS OF AMRAPALI INDUSTRIES LIMITED CONVENED AS PER THE DIRECTIONS OF  
THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH**

**I.** This is a statement accompanying the Notice convening the meeting of the unsecured creditors of the Company, pursuant to the Order dated September 13, 2021 read with November 16, 2021 passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("Hon'ble Tribunal" or "NCLT") in the Company Application (CAA) No. 64 of 2021, referred to hereinabove, a Meeting of the unsecured creditors of Amrapali Industries Limited is being convened and held at the Registered Office, at Unit No. PO5-02D, 5th Floor Tower A WTC Gift City, Gandhinagar, Gujarat - 382355 on Monday, December 27, 2021 at 4:30 p.m. for the purpose of considering, and if thought fit, approving the arrangement embodied in the **Scheme of Arrangement in the nature of Demerger between Amrapali Industries Limited and Amrapali Asset Reconstruction Company Private Limited and their respective shareholders and creditors.** ("Scheme").

**II. DETAILS AS PER RULE 6(3) OF THE ARRANGEMENT RULES**

**Venue, Time and Date of Meeting :**

The National Company Law Tribunal, Ahmedabad Bench vide its Order dated September 13, 2021 read with November 16, 2021, filed by Amrapali Industries Limited and Amrapali Asset Reconstruction Company Private Limited under Sections 230 to 232 of the Companies Act, 2013, has directed the calling, convening and conducting of the Meeting of the unsecured creditors of Amrapali Industries Limited on Monday, December 27, 2021 at 04:30p.m at Unit No. PO5-02D, 5th Floor Tower A WTC Gift City, Gandhinagar, Gujarat - 382355.

**III.** A copy of the Scheme is enclosed herewith as **Annexure A**. The proposed Scheme is envisaged to be effective from the Appointed Date. The Appointed Date is as defined in the Scheme. The Scheme shall be operative from the Effective Date.

**IV.** It is submitted that the Applicant Demerged Company has two different divisions namely trading of Commodities and Shares and entertainment business. With a view to achieving operational efficiencies and streamlining its current structure, The Applicant Demerged Company has decided to demerge its Entertainment Division into the Applicant Resulting Company with primary intention to focus its business synergies on Share and Commodities trading. It is submitted that the transfer and vesting of the Entertainment Division of the Applicant Demerged Company to the Applicant Resulting Company pursuant to this Scheme is with a view to establishing highest operational standards and to unlock the economic value of the Entertainment Division.

**V.** The draft Scheme was placed before the Audit Committee and Board of Directors of the Demerged Company at their respective meetings held on February 24, 2020. In accordance with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the Audit Committee of the Demerged Company vide a resolution passed on 24<sup>th</sup> February, 2020 recommended the Scheme to the Board of the Directors inter-alia taking into account:

- (i) Valuation Report issued by Mr. Amrish Gandhi, Chartered Accountant (Registered Valuers),
- (ii) Fairness Opinion issued by Guinness Capital Advisors Services Limited, a Category I Merchant Banker and
- (iii) Certificate issued by M/s. Doshi Maru and Associates, Chartered Accountants, Statutory Auditors of the Demerged Company in relation to the accounting treatment prescribed in the Scheme.

Copy of the Valuation Report and Fairness Opinion is enclosed to this Notice as "**Annexure B**" and "**Annexure C**".

**VI.** Based upon the recommendation of the Audit Committee, the Board of Directors of the Demerged Company approved the Scheme subject to the approval of the shareholders and creditors, NCLT and such other governmental/statutory authorities as advised by NCLT.

**VII.** In accordance with the provisions of Sections 230-232 of the Act, the Scheme shall be acted upon only if a majority of the unsecured creditors, of the Applicant Company, are in favor of the resolution for the approval of the Scheme are more than the number of votes casted against it.

**VIII. BACKGROUND OF THE COMPANIES INVOLVED IN THE SCHEME IS AS UNDER:**

**1. AMRAPALI INDUSTRIES LIMITED ('THE DEMERGED COMPANY' OR 'AIL' OR 'THE COMPANY')**

- a) Amrapali Industries Limited (hereinafter referred to as the "the Applicant Demerged Company" or "the Demerged Company" or "AIL") is a Listed Public Company (BSE Limited – Main Board) having its CIN: L91110GJ1988PLC010674. The Applicant Demerged Company was originally incorporated as Amrapali Synthetics Private Limited under the Companies Act, 1956 vide certificate of incorporation dated May 10, 1988 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The Company was converted into a public limited company and the name was changed to Amrapali Synthetics Limited vide Fresh certificate of incorporation dated March 4, 1992. Later, the name of the Company was changed to Amrapali Industries Limited vide certificate of incorporation dated April 8, 1992. The Applicant Demerged Company got listed with BSE Limited on February 08, 1994. The Permanent Account Number of the Demerged Company is AABCA8337J. The company is engaged in the business of trading of Commodities and Shares and entertainment business.

- b) The Registered Office of the Demerged Company is situated at Unit No. PO5-02D, 5th Floor Tower A WTC Gift City, Gandhinagar, Gujarat - 382355 and Email Id: ail@amrapali.com
- c) The authorized, issued, subscribed and paid-up share capital of the Demerged Company as on 31<sup>st</sup> March 2021 is as under:

<b>Share Capital</b>	<b>Amounts (in Rs.)</b>
<b>Authorized Share Capital</b>	
5,20,00,000 Equity Shares of Re. 5/- each	26,00,00,000
<b>TOTAL</b>	<b>26,00,00,000</b>
<b>Issued, subscribed and paid-up Share Capital</b>	
5,14,10,564 Equity Shares of Re. 5/- each	25,70,52,820
<b>TOTAL</b>	<b>25,70,52,820</b>

- d) The objects for which the Demerged Company has been established are set out in its Memorandum of Association. They are briefly as given under:
- i. To carry on the business as manufacturers, importers, exporters, wholesalers, retailers and dealers in all kinds of synthetics and man-made yarns and fibres and process all such yarns and fibres and all Articles made therefrom.
  - ii. To manufacture, produce, buy. Sell, distribute, import, export, deal in all kinds of laminated sheets, fibrewood sheets and their products and bye-products
  - iii. To do the business of commodity (including commodity derivatives) broking, trading, and hedging
  - iv. To carry on business as brokers and traders in all commodities and commodity derivatives, and to act as market makers, finance brokers, sub brokers, underwriters, sub underwriters, providers of service for commodity related activities
  - v. To buy, sell, take hold deal in, convert, modify, add value, transfer or otherwise Dispose of commodities and commodity derivatives, and to carry on the above business in India and abroad for and on behalf of the company as well as for others.
  - vi. To apply for and obtain registration as Commodities Broker or Member of any Commodities Exchange anywhere in India and abroad.
  - vii. To do the business of commodity warehousing, processing and consumption

There has been no change in the object clause of the Demerged Company during the last five (5) years.

e) ***Details of change of name, registered office and objects of the Company during the last five years***

- i. **Change of Name:** There has been no change in object clause during last five years.
- ii. **Change of Registered Office:** The company has change its Registered office by way of postal ballot dated October 20, 2020 from Address:- 19,20, 21, Third Floor, Narayan Chambers, B/H Patang Hotel, Ashram Road, Ahmedabad-380 006, Gujarat, India to Address:- Unit No. PO5-02C, PO5-02D, PO5-02E, 5th Floor Tower A, WTC Gift City, Village Ratanpur, Ta. & Dist. Gandhinagar - 382 355, Gujarat, India
- iii. **Change of objects:** There has been no change in object clause during last five years.

**2. AMRAPALI ASSET RECONSTRUCTION COMPANY PRIVATE LIMITED ('THE RESULTING COMPANY' OR 'AARCPL')**

- a) Amrapali Asset Reconstruction Company Private Limited (hereinafter referred to as "AARCPL" or the "Resulting Company") is private limited company, was originally incorporated under the Companies Act, 1956 vide certificate of incorporation dated January 08, 2010 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The Corporate Identification Number of the Company is U65190GJ2010PTC059157. The Permanent Account Number of the Resulting Company is AALCA6130D. The Company is engaged in the business to carry on the business of securitization and/or asset reconstruction and for that purpose to acquire or deal with or dispose off any of assets. The Object no 15 of the (c) Other objects of the Company as per Memorandum of Association allow company to carry on the entertainment business.
- b) The Registered Office of the Resulting Company is situated at 19/20/21 3rd Floor, Narayan Chambers, Ashram Road, Ahmedabad, Gujarat - 380009 and Email Id : ail@amrapali.com
- c) The authorized, issued, subscribed and paid-up share capital of the Resulting Company as on 31<sup>st</sup> March 2021 is as under:

<b>Particulars</b>	<b>Amount in Rs.</b>
<b>Authorised Capital</b>	
1,00,00,000 Equity shares of Re.10 each	10,00,00,000
<b>Total</b>	<b>10,00,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
10,000 Equity shares of Re.10 each	1,00,000
<b>Total</b>	<b>1,00,000</b>

There is no change in the issued, subscribed and paid-up share capital of the Resulting Company subsequent to 31<sup>st</sup> March, 2021.

- d) The objects for which the Resulting Company has been established are set out in its Memorandum of Association. The main objects of the Resulting Company are set out hereunder:
1. To act as a Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and carry on the business of securitization and / or asset reconstruction and for that purpose to acquire and / or deal with and / or dispose off any and all assets, partly or wholly including but not limited to financial assets, property, secured assets, of any nature and otherwise to assist or participate in the securitization, realization or restructuring or reconstruction of financial assets and / or secured assets and for such purpose to mobilize funds in any manner including but not limited to issue of debentures or bonds or other securities and to offer or otherwise issue or deal in security receipts of any nature and tenor to Qualified Institutional Buyers or any other persons, natural or juristic (as may be permitted under the SRFAESI from time to time) and for the purpose aforesaid or in connection with asset reconstruction or securitization, to act as trustees, managers, administrators, receivers, valuers or otherwise and to engage, appoint, discharge any intermediaries or agents or professional or consultants.
  2. To act as trustees for various trusts set up pursuant to any scheme in accordance with the SRFAESI and for that purpose to set up, promote, little, approve and execute trust/s and devise various schemes for raising funds in any manner from Qualified Institutional Buyers or any other persons, natural or juristic (as may be permitted under the SRFAESI form time to time) and / or to float various schemes and to issue Security Receipts and to deploy funds raised and to undertake securitization and reconstruction transactions, including enforcement of security interest and receive fees for services and to hold the property in trust for the benefit of the beneficiaries of the trust, to undertake and carry on the functions

and duties of trustee and to undertake and execute trusts of all kinds, whether public or private, including declaring the company itself as a trustee and to act I furtherance of any trust directions, discretion or other obligation or permission and generally to carry on the trustee business and in particular and without limiting the generality of the above, to act as trustees.

3. To carry on the business of asset reconstruction; acquisition and / or securitization of any or all financial assets, property or secured assets, of any nature, either wholly or partly, to take over of management, sale, lease of the business, secured assets, financial assets, property, rescheduling of debts, creation of security interest, enforcement of security interest, settlement of due and / or taking possession of secured assets, to run, operate and maintain any such secured assets and to distribute the proceeds thereof whether periodically or otherwise, to maintain books of account, to formulate policies on all the above matters, including but not limited to, valuation of assets under each scheme formulated by each trust and declaration of Net Asset Value of Security Receipts, whether in its capacity as a trustee or otherwise.
- e) The object of the Company is to carry on the business of securitization and/or asset reconstruction and for that purpose to acquire or deal with or dispose off any of assets. The Clause 15(c) of the Other objects of the Company as per Memorandum of Association allow company to carry on the entertainment business.

There has been no change in the object clause of the Demerged Company during the last five (5) years.

- f) **Details of change of name, registered office and objects of the Company during the last five years**
  - i. **Change of Name:** There has been no change in object clause during last five years.
  - ii. **Change of Registered Office:** There has been no change in object clause during last five years.
  - iii. **Change of objects:** There has been no change in object clause during last five years.

## **IX. RATIONALE OF THE SCHEME:**

The Applicant Demerged Company has two different divisions namely trading of Commodities and Shares and entertainment business. With a view to achieving operational efficiencies and streamlining its current structure, AIL has decided to demerge its Entertainment Division into AARCPL with primary intention to focus its business synergies on Share and Commodities trading. The transfer and vesting of the Entertainment Division of AIL to AARCPL pursuant to the Scheme is with a view to establishing highest operational standards and to unlock the economic value of the Entertainment Division.

The re-organization exercise would inter alia achieve the following advantages:

- a) Realigning assets to create an integrated business model.
- b) More focused leadership and dedicated management
- c) Greater visibility on the performance of Share and Commodities trading.

Accordingly, the Board of Directors of the Demerged Company and the Resulting Company have formulated the Scheme for the transfer the Entertainment Division of the Demerged Company into the Resulting Company, pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or reenactment or amendment thereof).

## **X. SALIENT FEATURES GIVEN HEREUNDER FOR AS PART OF THE SCHEME:**

- (i) The Scheme is presented under Sections 230-232 and other applicable provisions of the Companies Act, 2013, as may be applicable, the transfer the Entertainment Division of the Demerged Company into the Resulting Company;
- (ii) The Demerged Company and the Resulting Company shall make application(s) and/or petition(s) under Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 to the jurisdictional NCLT, as the case may be for sanction of this Scheme and all matters ancillary or incidental thereto and complied by the respective companies;
- (iii) 'Appointed Date' means 1<sup>st</sup> April 2021;
- (iv) 'Effective Date' means the date last or the last dates on which the Certified copy of the orders of the Tribunal, under Section 232 of the Companies Act, 2013 sanctioning this Scheme is filed by the respective Companies with the Registrar of Companies.

## **THE OTHER SALIENT FEATURES OF THE SCHEME AS FILED WITH NCLT AHMEDABAD BENCH AND AS PER THE RESPECTIVE CLAUSE OF THE SCHEME, ARE AS UNDER:**

### **5. CONSIDERATION**

*5.1. Upon this Scheme becoming effective and upon vesting of the Entertainment Business of Demerged Company in Resulting Company in terms of this Scheme, Resulting company shall without any further application or deed, issue and allot equity shares, credited as fully paid-up, to the extent indicated below, to the equity shareholders of Demerged company and whose names appear in the Register of Members of Demerged Company on the Effective Date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as may be recognized by the Board of Directors of Resulting Company in the following manner:*

*"1 (One) fully paid up Equity Share of Rs. 10/- each of Resulting Company shall be issued and allotted for every 15 (Fifteen) fully paid up Equity Shares of Rs. 5/- each held in Demerged Company."*

*5.2. Any fraction shares arising on issue of Equity Shares as above will be rounded off to the nearest integer.*

*5.3. Mr. Amrish Gandhi, Registered Valuer, Regn. No. IBBI/RV/03/2019/12508, has issued the report on the aforementioned share entitlement ratio. M/s Guinness Corporate Advisors Private Limited., Category-I, Merchant Banker, has provided its fairness opinion on the aforesaid share entitlement ratio. The aforesaid share entitlement ratio and fairness opinion have been duly considered by the Board of the Demerged Company and the Resulting Company;*

*5.4. The New Equity Shares shall be issued and allotted in dematerialized form to the equity shareholders of Demerged Company. If the Resulting Company has received notice from any member that New Equity Shares are to be issued in physical form or if any member has not provided any requisites details relating to his account with a depository participant or other confirmation as may be required or if the details furnished by any member do not permit electronic credit of New Equity Shares, then the Resulting Company shall issue New Equity Shares in physical form to such member or members.*

- 5.5. *The New Equity Shares to be issued and allotted as above shall be subject to the Memorandum and Articles of Association of Resulting Company and shall rank pari passu with the existing equity shares of resulting Company in all respects including dividends, voting rights and for all other benefits and in all other respects.*
- 5.6. *The Resulting Company shall apply for listing of its equity shares including those issued in terms of Clause 5.1 on Stock Exchanges immediately after receipt of the order of Tribunal as per applicable provisions of SEBI Circulars. The Resulting Company shall ensure that steps for listing of equity shares issued in terms of Clause 5.1 of this Scheme are completed and trading in such equity shares commences within sixty days of receipt of the order of the Tribunal, simultaneously on all the Stock Exchanges;*
- 5.7. *The equity shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange;*
- 5.8. *There will be no change in the shareholding pattern of Amrapali Assets Reconstruction Company Private Limited between the record date and the listing Approval.*
- 5.9. *The Board of Directors of Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government/ Regulatory authorities for the issue and allotment of New Equity Share.*
- 5.10. *In the event of there being any pending share transfers with respect to the application lodged for transfer by any shareholder of Demerged Company, the Board of Directors, or failing which the Board of Director of Resulting Company shall be empowered in appropriate case, even subsequent to the Record Date to effectuate such a transfer in Demerged Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or the transferee of the share(s) in Demerged Company and in relation to the Demerged Company Equity Shares after the Schemes becomes effective.*
- 5.11. *New Equity Shares to be issued and allotted by Resulting Company to the equity shareholders of Demerged Company pursuant to Clause 5.1 of this Scheme, in respect of any equity shares in Demerged Company which are held in abeyance under the provisions of Section 126 of the Act, pending allotment or settlement of dispute, by order of court or otherwise, be held in abeyance by Resulting Company.*
- 5.12. *Approval of this Scheme by the equity shareholders of Resulting Company shall be deemed to be due compliance of the provisions of Section 61 of the Act and the other relevant and applicable provisions of the Act for the issue and allotment of New Equity Shares by Resulting Company, as provided in this Scheme.*
- 5.13. *The approval of this Scheme by the equity shareholders of Resulting Company under Sections 230 to 232 of the Act shall be deemed to have the approval under Sections 13, 14 and 62 of Companies Act, 2013 and any other applicable provisions of the Act and any other consents and approvals required in this regard.*

## **6. Accounting Treatment:**

6.1. *The Demerged Company and Resulting Company shall account for the Scheme in their respective books/financial statements in accordance with applicable Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time including as provided herein below:*

6.2. ***In the books of the Demerged Company :***

a) *All the assets, liabilities and reserves pertaining to the Demerged Undertaking, which cease to be the assets, liabilities and reserves of the Demerged Company, will be reduced from the books of accounts of the Demerged Company at their respective book values, as appearing immediately before the Appointed Date.*

*The difference if any, between the value of assets of the Demerged Undertaking and the aggregate of the book values of the liabilities and reserves of the Demerged Undertaking, shall be transferred to the Capital Reserve Account.*

6.3. ***In the books of the Resulting Company:***

a) *The Resulting Company shall record the assets, liabilities and reserves pertaining to the Demerged Undertaking vested in it pursuant to this Scheme, at the respective book values as appearing in the books of the Demerged Company, immediately before the Appointed Date.*

b) *The Resulting Company shall credit to the Share Capital Account, in the books of accounts, the aggregate face value of the new equity shares issued by it to the shareholders of the Demerged Company.*

c) *The difference if any, between the value of assets of the Demerged Undertaking (as recorded pursuant to (a) above) and the aggregate of the book values of the liabilities and reserves of the Demerged Undertaking, the amount credited to the share capital account pursuant to Clause 5 above, after taking into effect the amount of share capital as reduced shall be transferred to the Capital Reserve Account in the books of the Resulting Company. The shortfall, if any, shall be debited to Goodwill account of Resulting Company.*

d) *If considered appropriate for the purpose of application of uniform accounting policies and method or for compliance with the applicable accounting standards, the Resulting Company may make suitable adjustment to the accounting treatment and adjust the effect thereof in the manner determined by the Board of the Resulting Company.*

## **7. TAXATION MATTERS**

7.1. *Upon the Scheme becoming effective and with effect from the Appointed Date, all the taxes, duties, cess paid or payable by the Demerged Company (including under the Income Tax Act, 1961 or any other applicable laws) pertaining to the Entertainment Business including but not limited to IGST, CGST, SGST, GST, advance taxes, tax deducted at source, withholding tax, credits, refunds, claims or interest thereon, if any, shall for all purpose, be treated as IGST, CGST, SGST, GST, advance taxes, tax deducted at sources, withholding tax, credit, refunds, claims or interest of the Resulting Company.*

7.2. *Upon the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company is expressly, permitted to revise and file returns pertaining to the Entertainment Business*

*belonging to Demerged Company, including but not limited to income tax returns, tax deducted at source return, sale tax/ value added tax returns, excise return, service tax returns, IGST, CGST, SGST, GST return and other tax returns filed with the governmental and other authorities.*

7.3. *All expenses incurred by the Demerged Company under Section 43B of the Income Tax Act, 1961, in relation and pertaining to the Entertainment Business shall be claimed as a deduction by the Resulting Company and the transfer of the Demerged Undertaking shall be considered as succession of business by the Resulting Company.*

7.4. *All the expenses incurred by the Demerged Company and the Resulting Company in relation to the Scheme, including stamp duty expenses, if any, shall be allowed as deduction to each of the Demerged Company and the Resulting Company in accordance with Section 35DD of the Income Tax Act, 1961.*

## **8. PROFIT, DIVIDEND, BONUS/RIGHT SHARES**

*Demerged Company shall not utilize profits or income, if any, of the Entertainment Business for any purpose including declaring or paying any dividend in respect of the period falling on and after the Appointed Date. Demerged Company shall also not utilize profits, adjust or claim adjustment of the profits/loss as the case may be earned/ incurred or suffered in respect of the Entertainment Business after the Appointed Date.*

*Until the Effective Date, Demerged Company shall not issue or allot any further equity share either by way of right issue or bonus issue or otherwise.*

## **9. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE**

*With effect from the Appointed Date and upto and including the Effective Date:*

9.1. *Demerged Company shall be deemed to have been carrying on and shall carry on its business and activities relating to Entertainment Business and shall be deemed to have been held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to the Entertainment Business for and on account of and in trust for Resulting Company. Demerged Company hereby undertakes to hold its said assets with utmost prudence until the Effective Date.*

9.2. *Demerged Company shall carry on its business and activities relating to Entertainment Business with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of Resulting Company, alienate charge, mortgage, encumber or otherwise deal with or dispose of Entertainment Business or part thereof.*

9.3. *All the profits or income accruing or arising to Demerged Company or expenditure or losses arising or incurred or suffered by Demerged Company pertaining to the Entertainment Business shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of Resulting Company.*

9.4. *Demerged Company shall not vary the terms and conditions of employment of any of the employees of Entertainment Business except in the ordinary course of business or without the prior consent of Resulting Company or pursuant to any pre-existing obligation undertaken by Demerged Company, as the case may be, prior to the Effective Date;*

9.5. *All loans raised and all liabilities and obligations incurred by the Demerged Company with respect to the Entertainment Business 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 Resulting Company and to the extent they are outstanding on the effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the resulting Company;*

9.6. *Demerged Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which Resulting Company may require pursuant to this Scheme.*

## **10. EMPLOYEES**

10.1. *On the Scheme becoming operative, all staff and employees on the rolls of Demerged Company engaged in the Entertainment Business and who are duly identified or specified as such by the Board of Directors as at the Effective Date shall be deemed to have become staff and employees of Resulting Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Resulting Company shall not be less favorable than those applicable to them with reference to their employment in Demerged Company.*

10.2. *It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, superannuation Fund or any other Special Fund or Trusts, if any, created or existing for the benefit of the staff and employee of Entertainment Business or all purposes whatsoever in relation to the administration or operation of such Fund or Fund or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of Demerged Company in relation to Entertainment Business in relation to such Fund or Funds shall become those of Resulting Company. It is clarified that the services of the staff and employees of Entertainment Business will be treated as having been continuous for the purpose of the said Fund or Funds.*

## **11. LEGAL PROCEEDINGS**

11.1. *If any suit, appeal or other proceeding of whatever nature by or against Entertainment Business is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Resulting Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Entertainment Business as if this Scheme had not been made.*

11.2. *In case of any ligation, suits, recovery proceedings which are to be intimated or may be imitated against Entertainment Business, Resulting Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Resulting Company.*

## **12. CONTRACTS, DEEDS, ETC.**

12.1. Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Demerged Undertaking, shall continue in full force and effect against or in favour of Resulting Company and may be enforced effectively by or against Resulting Company as fully and effectually as if, instead of Demerged Company, Resulting Company had been a party thereto.

12.2. Resulting Company, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Resulting Company shall, be deemed to be authorised to execute any such writings on behalf of Demerged Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of Demerged Company.

### **13. SAVING OF CONCLUDED TRANSACTIONS**

*The transfer of assets, properties and liabilities above and the continuance of proceedings by or against Resulting Company above shall not affect any transaction or proceedings already concluded in Demerged Company, in relation to the Demerged Undertaking on or after the Appointed Date till the Effective Date, to the end and intent that Resulting Company accepts and adopts all acts, deeds and things done and executed by Demerged Company, in relation to the Demerged Undertaking in respect thereto as done and executed on their behalf of Resulting Company.*

## **PART III - GENERAL TERMS AND CONDITIONS**

### **14. APPLICATION TO THE COMPETENT AUTHORITY**

*The Demerged Company and Resulting Company shall make necessary applications before the NCLT, Ahmedabad Bench for the sanction of this Scheme of Arrangement under Sections 230 to 232 read with Sections 52 and 66 of the Act. Any further approval under the Act arising from the Scheme shall be deemed to have been granted, without any application, for any transaction among the Demerged Company and the Resulting Company and/ or its Directors.*

### **15. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

15.1. *The Demerged Company (through its Board of Directors) and the Resulting Company (through its Board of Directors) may, in their full and absolute discretion, assent to any alterations or modifications in this Scheme which the Competent Authority may deem fit to approve or impose and may give such directions as they may consider necessary to settle any questions or difficulty that may arise under the Scheme or in regard to its implementation or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder of the respective Company).*

15.2. *In the event that any conditions are imposed by the Competent Authority which the Demerged Company and/or the Resulting Company find unacceptable for any reason whatsoever then the Demerged Company and/or the Resulting Company shall be entitled to withdraw from the Scheme.*

## **16. CONDITIONALITY OF THE SCHEME:**

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

- 16.1. The requisite consent, approval or permission from the Stock Exchanges and/or SEBI pursuant to Regulation 37 of the Listing Regulations read with SEBI Circulars and Regulation 11 and 94 of the Listing Regulations which by law or otherwise may be necessary for the implementation of this Scheme in compliance with the provisions of SEBI Circulars;*
- 16.2. The scheme is conditional upon scheme being approval by the PUBLIC shareholders through e-voting in terms of para 9 (a) of part I of Annexure I of SEBI circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and the scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.*
- 16.3. The approval of the Scheme by the respective requisite majorities in number and value of the shareholders and/or creditors (where applicable) of the Companies in accordance with Section 230 to 232 of the Act;*
- 16.4. The Scheme being sanctioned by the Tribunal in terms of Sections 230 to 232 and other relevant provisions of the Act and the requisite orders of the Tribunal; and*
- 16.5. Certified copies of the orders of the Tribunal sanctioning this Scheme being filed by the Companies with the Registrar of Companies as per the provisions of the Act.*

## **17. EFFECT OF NON-RECEIPT OF APPROVALS**

- 17.1. 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 Demerged Company and Resulting Company 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*

## **18. EFFECTIVE DATE OF THE SCHEME:**

- 18.1. This Scheme shall become effective when all the following conditions are fulfilled:*
  - i. The Scheme being approved by the requisite majority of the shareholders and creditors of the Demerged Company and the Resulting Company as may be required under the Act and/or the orders of the Competent Authority.*
  - ii. The Scheme is sanctioned by the said Competent Authority under Section 230 to 232 of the Act.*
  - iii. The certified copy of the order of the said Competent Authority sanctioning the Scheme is filed with the Registrar of Companies, Ahmedabad.*

## **19. MISCELLANEOUS**

*In case any doubt or difference or issue arises between the Companies or any of their shareholders, creditors, employees or persons entitled to or claiming any right to any shares in any of the Companies, as to the construction of this Scheme or as to any account, valuation or apportionment to be taken or made in connection herewith or as to any other aspects contained in or relating to or arising out of this Scheme, the same shall be amicably settled among the Board of the respective Companies, and the decision arrived at therein shall be final and binding on all concerned parties.*

## **20. COST, CHARGES AND EXPENSES**

*20.1. Save and except as provided in the Scheme, the Demerged Company shall bear all costs and charges incurred in relation to filing of application, petition, affidavits etc. with the Hon'ble Tribunal, fees of legal counsels, consultants and professionals engaged by the Demerged Company in connection with the implementation of the Scheme and matters incidental thereto, any income tax liability in the hands of the Demerged Company pursuant to the Scheme.*

*20.2. Save and except as provided in the Scheme, the Resulting Company shall bear all costs incurred in relation to fees of legal counsels, consultants and professionals engaged by the Resulting Company, stamp duty payable on the order of Hon'ble Tribunal approving the Scheme, issue of shares to the shareholders of Demerged Company, stamp duty and registration charges on mutation of immovable properties belonging to the Demerged Undertaking, fee for increasing the authorized share capital of the Resulting Company and any income tax liability arising in the hands of Resulting Company in connection with the implementation of the Scheme and matters incidental thereto.*

## **XI. RELATIONSHIP BETWEEN THE DEMERGED COMPANY AND THE RESULTING COMPANY:**

The Demerged Company and the Resulting Company are part of the Amrapali Group.

## **XII. APPROVALS:**

- a) Pursuant to the SEBI Circulars read with Regulation 37 of the SEBI Listing Regulations, the Demerged Company had filed necessary applications before BSE seeking their no-objection to the Scheme. The Demerged Company has received the observation letter from BSE dated 30<sup>th</sup> March 2021 conveying their no-objection to the Scheme (**'Observation Letter'**). Copy of the aforesaid Observation Letter is enclosed herewith as **Annexure E**.
- b) The Scheme along with related documents is available on the website of the Company and BSE Limited and was open for complaints/comments. The Company did not receive any complaint/comment and accordingly a Nil Complaint report was filed with BSE Limited which is annexed herewith as **Annexure D**.

## **XIII. CAPITAL STRUCTURE PRE AND POST AMALGAMATION:**

Upon the Scheme becoming effective and upon Demerger of the Entertainment Division of the Demerged Company into the Resulting Company in terms of the Scheme, the Resulting company shall without any further application or deed, issue and allot equity shares, credited as fully paid-up, to the extent indicated below, to the equity shareholders of Demerged company and whose names appear in the Register of Members of Demerged Company on the Effective Date. The pre and post amalgamation capital structure of the Demerged Company and the Resulting company is provided herein.

## PRE AND POST AMALGAMATION SHAREHOLDING PATTERN

The pre and post Demerger shareholding pattern of the Demerged Company as on 30<sup>th</sup> September 2021 is as follows:

Sr	Description	Name of Shareholder	Pre-arrangement		Post-arrangement	
			No.of shares	%	No.of shares	%
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>					
<b>1</b>	<b>Indian</b>					
	Individuals/ Hindu Undivided Family	Yashwant Thakkar	2,58,17,275	50.22	2,58,17,275	50.22
		Chirag Thakkar	4500000	8.75	4500000	8.75
		Reetaben Thakkar	3500000	6.81	3500000	6.81
		Veena Thakkar	1500000	2.92	1500000	2.92
		Rashmikant Thakkar	279800	0.54	279800	0.54
		Remini Rashmikant Thakkar	64000	0.12	64000	0.12
(b)	Central Government/ State Government(s)		0.00		0.00	
(c)	Bodies Corporate	Amrapali Fincap Limited	1702591	3.31	1702591	3.31
(d)	Financial Institutions/ Banks		0.00	0.00	0.00	0.00
(e)	Any Others		0.00	0.00	0.00	0.00
	<b>Sub Total(A)(1)</b>		<b>37363666</b>	<b>72.68</b>	<b>37363666</b>	<b>72.68</b>
<b>2</b>	<b>Foreign</b>					
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)		0.00	0.00	0.00	0.00
(b)	Bodies Corporate		0.00	0.00	0.00	0.00
(c)	Institutions		0.00	0.00	0.00	0.00
(d)	Any Others		0.00	0.00	0.00	0.00
	<b>Sub Total(A)(2)</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>		<b>37363666</b>	<b>72.68</b>	<b>37363666</b>	<b>72.68</b>
<b>(B)</b>	<b>Public shareholding</b>					
<b>1</b>	<b>Institutions</b>					
(a)	Mutual Funds/ UTI		0.00	0.00	0.00	0.00
(b)	Financial Institutions / Banks		0.00	0.00	0.00	0.00
(c)	Central Government/ State Government(s)		0.00	0.00	0.00	0.00
(d)	Venture Capital Funds		0.00	0.00	0.00	0.00
(e)	Insurance Companies		0.00	0.00	0.00	0.00
(f)	Foreign Institutional Investors		0.00	0.00	0.00	0.00
(g)	Foreign Venture Capital		0.00	0.00	0.00	0.00

	Investors					
(h)	Any Other		0.00	0.00	0.00	0.00
	<b>Sub-Total (B)(1)</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>2</b>	<b>Non-institutions</b>					
(a)	Bodies Corporate		709620	1.38	709620	1.38
(b)	Individuals					
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh		7235930	14.07	7235930	14.07
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.		5596632	10.89	5596632	10.89
(c)	Any Other		504716	0.98	504716	0.98
	<b>Sub-Total (B)(2)</b>		<b>14046898</b>	<b>27.32</b>	<b>14046898</b>	<b>27.32</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>		<b>14046898</b>	<b>27.32</b>	<b>14046898</b>	<b>27.32</b>
	<b>TOTAL (A)+(B)</b>		<b>51410564</b>	<b>100</b>	<b>51410564</b>	<b>100</b>
<b>(C)</b>	Shares held by Custodians and against which DRs have been issued		0.00	0.00	0.00	0.00
	<b>GRAND TOTAL (A)+(B)+(C)</b>		<b>51410564</b>	<b>100</b>	<b>51410564</b>	<b>100</b>

The pre and post amalgamation shareholding pattern of the Resulting Company as on September 30, 2021 is as follows:

Sr	Description	Name of Shareholder	Pre-arrangement		Post-arrangement	
			No. of shares	%	No. of shares	%
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>					
<b>1</b>	<b>Indian</b>					
	Individuals/ Hindu Undivided Family	Yashwant Thakkar	5000	50	1726152	50.22
		Chirag Thakkar			300000	8.73
		Reetaben Thakkar			233333	6.79
		Veena Thakkar			100000	2.91
		Rashmikant Thakkar	5000	50.00	23653	0.69
		Remini Rashmikant Thakkar			4267	0.12
<b>(b)</b>	Central Government/ State Government(s)		0.00		0.00	
<b>(c)</b>	Bodies Corporate	Amrapali Fincap Limited	0.00	0.00	113506	3.30
<b>(d)</b>	Financial Institutions/ Banks		0.00	0.00	0.00	0.00
<b>(e)</b>	Any Others		0.00	0.00	0.00	0.00
	Sub Total(A)(1)		10000	100	2500911	72.76

<b>2</b>	Foreign					
<b>(a)</b>	Individuals (Non-Residents Individuals/ Foreign Individuals)		0.00	0.00	0.00	0.00
<b>(b)</b>	Bodies Corporate		0.00	0.00	0.00	0.00
<b>(c)</b>	Institutions		0.00	0.00	0.00	0.00
<b>(d)</b>	Any Others		0.00	0.00	0.00	0.00
	Sub Total(A)(2)		0.00	0.00	0.00	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		10000	100	2500911	72.76
<b>(B)</b>	Public shareholding					
<b>1</b>	Institutions					
<b>(a)</b>	Mutual Funds/ UTI		0.00	0.00	0.00	0.00
<b>(b)</b>	Financial Institutions / Banks		0.00	0.00	0.00	0.00
<b>(c)</b>	Central Government/ State Government(s)		0.00	0.00	0.00	0.00
<b>(d)</b>	Venture Capital Funds		0.00	0.00	0.00	0.00
<b>(e)</b>	Insurance Companies		0.00	0.00	0.00	0.00
<b>(f)</b>	Foreign Institutional Investors		0.00	0.00	0.00	0.00
<b>(g)</b>	Foreign Venture Capital Investors		0.00	0.00	0.00	0.00
<b>(h)</b>	Any Other		0.00	0.00	0.00	0.00
	Sub-Total (B)(1)		0.00	0.00	0.00	0.00
<b>2</b>	Non-institutions					
<b>(a)</b>	Bodies Corporate		0.00	0.00	47308	1.38
<b>(b)</b>	Individuals					
<b>I</b>	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh		0.00	0.00	482395	14.03
<b>II</b>	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.		0.00	0.00	373109	10.85
<b>(c)</b>	Any Other		0.00	0.00	33648	0.98
	Sub-Total (B)(2)		0.00	0.00	936460	27.24
<b>(B)</b>	Total Public Shareholding (B)= (B)(1)+(B)(2)		0.00	0.00	936460	27.24
	TOTAL (A)+(B)		10000	100	3437371	100
<b>(C)</b>	Shares held by Custodians and against which DRs have been issued		0.00	0.00	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)		10000	100	3437371	100

**XIV. EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

- i) Save as otherwise provided in the Scheme, the Directors and Key Managerial Personnel (KMP) and their respective relatives of the Demerged Company and Resulting Company may be deemed to be concerned and/ or interested in the Scheme only to the extent of their shareholding in their respective Companies, or to the extent the said Directors/KMP are the partners, Directors, Members of the Companies, firms, association of persons, bodies corporate and/or beneficiary of trust that hold shares in any of the Companies. Save as aforesaid, none of the Directors, Managing Director or the Manager or KMP of the Demerged Company and Resulting Company have any material interest in the Scheme.
- ii) The details of the present Directors and KMP of the Demerged Company and their respective shareholdings in the Demerged Company and Resulting Company as on 30<sup>th</sup> September, 2021 are as follows:

Name of Directors/ KMP	Designation	Equity Shares of	
		Demerged Company	Resulting Company
Yashwant Amratlal Thakkar	Promoter & Managing Director	2,58,17,275	5,000
Rashmikant Amratlal Thakkar	Promoter & Whole Time Director	2,79,800	5,000
Hareesh Jashubhai Chaudhari	Independent Director	0	0
Mayur Rajendrabhai Parikh	Independent Director	0	0
Urshita Mittalbhair Patel	Independent Director	0	0
Bhumi Atit Patel	Non Executive Director	0	0
Satish Amratlal Patel	Chief Financial Officer & Chief Executive Officer	0	0
Rajendra Bholabhai Patel	Chief Executive Officer	0	0
Ekta Jain	Company Secretary & Compliance Officer	0	0

- iii) The details of the present Directors and Resulting Company and their respective share holdings in the Demerged Company and the Resulting Company as on 30<sup>th</sup> September, 2021 are as follows:

Name of Directors/KMP	Designation	Equity Shares of	
		Demerged Company	Resulting Company
Yashwant Amratlal Thakkar	Director	2,58,17,275	5,000
Rashmikant Amratlal Thakkar	Director	2,79,800	5,000

## XV. GENERAL:

- The Demerged Company and Resulting Company have made a joint application before the National Company Law Tribunal, Ahmedabad Bench for the sanction of the Scheme under Sections 230- 232 and other applicable provisions of the Companies Act, 2013.
- There are no outstanding Secured Creditors of the Demerged Company as on 30<sup>th</sup> September 2021.
- There is an amount due from the Demerged Company to its Unsecured Creditors is Rs. 62,91,29,977 /- (Rupees Sixty Two Crore Ninty One Lakh Twenty Nine thousand Nine Hundred Seventy Seven only) as on 30<sup>th</sup> September, 2021.
- There are no outstanding Secured Creditors of the Resulting Company as on 30<sup>th</sup> September, 2021
- The amount due from the Resulting Company to its Unsecured Creditors as on 31<sup>st</sup> March 2021 is Rs.11,25,000 /- (Rupees Eleven Lakh Twenty Five Thousand only).

- f. There are no capital/debt restructuring in Demerged Company and Resulting Company.
- g. In relation to the Meeting of the Applicant Company, Unsecured Creditors of the Applicant Company whose names are appearing in the records of the Applicant Company as on September 30, 2021 shall be eligible to attend the Meeting of the Unsecured Creditors of the Applicant Company convened as per the directions of the Tribunal .
- h. The Scheme is not expected to have any adverse effects on the KMP, directors, promoters, non-promoter members, depositors, creditors, debenture holders, deposit trustee, debenture trustee, and employees of the Demerged Company and the Resulting Company, wherever relevant.
- i. The rights and interests of Secured Creditors and Unsecured Creditors of either of the companies, if any, will not be prejudicially affected by the Scheme as no compromise, sacrifice or waiver is, at all called from them nor their rights sought to be modified in any manner and post the Scheme.
- j. Except to the extent of the shares held by the Promoters, Directors and KMP stated under paragraph XV above, none of Directors and KMP of the both the Companies or their respective relatives is any way connected or interested in the aforesaid resolution.
- k. The Audited accounts for the period ended March 31, 2021 indicates that it is in a solvent position, has enough liquidity and would be able to meet liabilities as they arise in the course of business. There is no likelihood that any creditors of the Demerged Company would lose or be prejudiced as a result of this Scheme being passed since no compromise, sacrifice or waiver is at all called for from them nor are their rights sought to be adversely modified in any manner. Hence, the amalgamation will not cast any additional burden on the shareholders or creditors of the Demerged Company, nor will it adversely affect the interest of any of the shareholders or creditors.
- l. There is no winding up proceedings admitted against the Demerged Company and the Resulting Company as of date.
- m. No investigation proceedings are pending or are likely to be pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of the Demerged Company.
- n. The Demerged Company and the Resulting Company will send Notice under Section 230(3) of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 of the Act to seek approvals / sanctions /no-objections from certain regulatory and governmental authorities for the Scheme such as the Income Tax, Registrar of Companies, Regional Director and the Official Liquidator and will obtain the same at the relevant time. In case no representation is received within the stated period of thirty days from the date of receipt of such notice, it shall be presumed that they have no representation to make on the proposed Scheme of Amalgamation.
- o. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.
- p. Names and addresses of the Directors and Promoters and Promoter Group holding shares of the Demerged Company are as under:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Address</b>
1	Yashwant Amratlal Thakkar	128, Satyagrah Chhawani, Jodhpur, Ahmedabad-380015.
2	Rashmikant Amratlal Thakkar	29, Samarpan Bunglows, Jugdes Bunglow, Satellite, Ahmedabad-380015.
3	Haresh Jashubhai Chaudhari	A/110, Jaybhanu Society, Nr. Chanakypuri Over Bridge, Ghatlodia, Ahmedabad – 380061.
4	Mayur Rajendrabhai Parikh	A-52, Shaligram-3, Prahaladnagar Road, Satellite, Ahmedabad – 380 015.
5.	Urshita Mittalbhair Patel	A-19, Tankivalo Vas, Opp. School, Vasai, Ahmedabad-382425.
6.	Bhumi Atit Patel	360, Patel Vas, Gam-Mahijda, Taluka-Daskoi, Mahijda,

	Ahmedabad – 382425.
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Sr. No.	Name of Promoters and Promoter Group holding shares of the Demerged Company	Address
1	Yashwant Amratlal Thakkar	128, Satyagrah Chhawani, Jodhpur, Ahmedabad-380015.
2	Rashmikant Amratlal Thakkar	29, Samarpan Bunglows, Jugdes Bunglow, Satellite, Ahmedabad-380015.
3	Chirag Thakkar	128, Satyagrah Chhawani, Jodhpur, Ahmedabad-380015.
4	Reetaben Rashmikantbhai Thakkar	29, Samarpan Bunglows, Jugdes Bunglow, Satellite, Ahmedabad-380015.
5	Veena Thakkar	128, Satyagrah Chhawani, Jodhpur, Ahmedabad-380015.
6	Remini Rashmikant Thakkar	29, Samarpan Bunglows, Jugdes Bunglow, Satellite, Ahmedabad-380015.
7	Amrapali Fincap Limited	19-20-21, 3rd Floor, Narayan Chambers, B/h. Patang Hotel, Ashram Road, Ahmedabad – 380 009.

- q. Names and addresses of the Directors and Promoters and promoter group holding Equity Shares of the Resulting Company are as under:

Sr. No.	Name of Director	Address
1	Yashwant Amratlal Thakkar	128, Satyagrah Chhawani, Jodhpur, Ahmedabad-380015.
2	Rashmikant Amratlal Thakkar	29, Samarpan Bunglows, Jugdes Bunglow, Satellite, Ahmedabad-380015.

Sr. No.	Name of Promoters and Promoter Group holding Equity Shares of Resulting Company	Address
1	Yashwant Amratlal Thakkar	128, Satyagrah Chhawani, Jodhpur, Ahmedabad-380015.
2	Rashmikant Amratlal Thakkar	29, Samarpan Bunglows, Jugdes Bunglow, Satellite, Ahmedabad-380015.

- r. The Board of Directors of the Demerged Company approved the Scheme on 24<sup>th</sup> February 2020. Details of Directors of the Demerged Company who voted in favour / against / did not participate on resolution passed at the Meeting of the Board of Directors of the Demerged Company are given below:

Sr. No.	Name of Director	Designation	Voted in favour / Against / Did not participate
1.	Yashwant Amratlal Thakkar	Chairman & Managing Director	Voted in favour
2.	Rashmikant Amratlal Thakkar	Whole Time Director	Voted in favour
3.	Komal Parekh	Non Executive Director	Voted in favour
4.	Haresh Jashubhai Chaudhari	Independent Director	Voted in favour
5.	Mayur Rajendrabhai Parikh	Independent Director	Voted in favour
6.	Urshita Mittalbhai Patel	Independent Director	Voted in favour

- s. The Board of Directors of the Resulting Company approved the Scheme on 24<sup>th</sup> February 2020. Details of directors of the Resulting Company who voted in favour / against / did not participate on resolution passed

at the Meeting of the Board of Directors are given below:

Sr. No.	Name of Director	Voted in favour /Against/ Did not participate
1	Yashwant Amratlal Thakkar	Voted in favour
2	Rashmikant Amratlal Thakkar	Voted in favour

- t. For the purpose of **Scheme of Arrangement in the nature of Demerger between Amrapali Industries Limited and Amrapali Asset Reconstruction Company Private Limited**, Mr. Amrish Gandhi, (Registered Valuers) have recommended a fair share exchange ratio of allotment of equity shares as under:

*"1 (One) fully paid up Equity Share of Rs. 10/- each of Resulting Company shall be issued and allotted for every 15 (Fifteen) fully paid up Equity Shares of Rs. 5/- each held in Demerged Company."*

- u. A copy of the Valuation report is available for inspection at the website of the Company [www.amrapalispot.com](http://www.amrapalispot.com)
- v. A report adopted by the Directors of the Demerged Company and Resulting Company, explaining the effect of the Scheme is attached herewith as "**Annexure F**" and "**Annexure G**" respectively. The Demerged Company does not have any debenture holders, deposit trustee and debenture trustee. There will be no adverse effect on account of the Scheme as far as the depositors, employees and creditors of the Demerged Company are concerned.
- w. As far as the employees of the Demerged Company are concerned there would not be any change in their terms of employment on account of the Scheme. Further, no change in the Board of Directors of the Demerged Company is envisaged on account of the Scheme.
- x. The electronic copy of the following documents shall be available for inspection by the Creditors of the Demerged Company in the investor section of the website of the Company as well as at the Registered Offices of the companies. The weblink of the same is: <https://www.amrapalispot.com/investors/>.
- y. Copy of the Order passed by the Hon'ble NCLT in Company Scheme (CAA) No. 64 of 2021, dated September 13, 2021 read with November 16, 2021 of the Demerged Company and the Resulting Company;
- z. Copy of the Memorandum and Articles of Association of the Demerged Company and the Resulting Company;
- aa. Copy of the annual reports of the Demerged Company and resulting for the financial year ended 31<sup>st</sup> March 2021 as "**Annexure H**"
- bb. Copy of Valuation on Report issued by Mr. Amrish Gandhi, Registered Valuer;
- cc. Copy of the Fairness Opinion, issued by M/s. Guinness Capital Advisors Services Limited, to the Board of Directors of the Demerged Company;
- dd. Copy of the Audit Committee Report of the Demerged Company;
- ee. Copy of the resolutions passed by the respective Board of Directors of the Demerged Company and the Resulting Company approving the Scheme;

- ff. Copy of the Statutory Auditors' certificate issued by M/s. Doshi Maru and Associates, Chartered Accountants to the Demerged Company in respect of Accounting Treatment as "**Annexure I**";
- gg. Abridged Prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, including applicable information pertaining to Amrapali Asset Reconstruction Company Private Limited attached herewith as "**Annexure L**";
- hh. Copy of the complaint report submitted by the Demerged Company to BSE Limited;
- ii. Copy of the no adverse observations / no objection letter issued by BSE Limited to the Demerged Company;
- jj. Copy of the Scheme; and
- kk. Copy of the Reports adopted by the Board of Directors of the Demerged Company pursuant to the provisions of Section on 232(2)(c) of the Act.
- ll. Copy of Compliance Report adopted by the Board of Directors of the Demerged Company pursuant to the regulation 2(h) of SEBI Circular : SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 confirming compliance with various regulatory requirements specified for schemes of arrangement and all accounting standards. attached here as "**Annexure J**"

This Statement may be treated as an Explanatory Statement under Sections 230(3) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016. A copy of this Scheme and Explanatory Statement along with all the Annexures may be obtained free of charge on any working day between 11:00 a.m. to 05:00 p.m. (except Saturdays, Sundays and public holidays) prior to the date of the Meeting, from the Registered Office of Demerged Company.

Dated this 24<sup>th</sup> day of November, 2021

**Registered Office:**

Unit No. PO5-02D, 5th Floor Tower A WTC Gift City Gandhinagar, Gujarat 382355

Phone: 079 26581329/30, Fax: 079 26579169/26584313

E-Mail: ail@amrapali.com

Website: www.amrapalispot.com

(CIN: L91110GJ1988PLC010674)