SCHEME OF MERGER

BETWEEN

SKAN MARINE SERVICES PRIVATE LIMITED COMPANY
AS TRANSFEROR

AND

TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED
AS TRANSFEREE COMPANY

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTION 233 OF COMPANIES ACT, 2013 AND
OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

TABLE OF CONTENTS

For Skan Marine Services Pvt. Ltd.

Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED

Director

PREAMBLE

A. An overview of the Scheme

- This Scheme of Merger is presented under the provisions of Section 233 of the Companies Act, 2013 read with Rule 25 of the Companies (Compromise, Arrangement & Amalgamation) Rules, 2016 under the fast-track route for the amalgamation of Skan Marine Services Private Limited ("**Transferor Company**") and Taron Material Handling Equipments Private Limited ("**Transferee Company**").

- The Transferor Company is 100% subsidiary of the Transferee Company.

- It is proposed that the Transferor Company be merged with the Transferee Company, followed by the dissolution without winding up of the Transferor Company and the consequent cancellation of equity shares held by the Transferee Company in the Transferor Company, pursuant to Sections 233 of the Companies Act, 2013 and other relevant provisions of the Act, in the manner provided for in the Scheme.

- Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon this Scheme becoming effective, the shares held by the Transferee Company (directly and/or through its nominees), in the Transferor Company will stand cancelled and no consideration whatsoever shall pass from the Transferee Company.

- The merger of the Transferor Company with the Transferee Company pursuant to this Scheme shall take place with effect from the Appointed Date (as defined hereinafter).

B. Background and description of the Companies

- **Skan Marine Services Private Limited,** CIN U61100MH1983PTC031031 is a private limited company originally incorporated under the Companies Act, 1956 and continuing its existence under the Act (as defined hereinafter), having its registered office at Unit No. 310 and 311 Plot No. 61, Sector 11 C B D, Thane 400614, Maharashtra (the "**Transferor Company**"). The Transferor Company is primarily engaged in the business of acquiring, leasing, licensing or renting material handling equipment, mainly forklifts, in its varied forms and functionalities, with or without operators, to its clients and customers and attending to repairs and refurbishing of such equipment.

  Skan Marine Services Private Limited has been incorporated with inter alia, the following main objects:

  - *To carry on business as advisers, technicians, marine engineers, transport operators, loaders and unloaders, cargo dealers, crane and hoist operators in the all matters relating to marine, maritime, shipping, conveyance and transport.*

  - *To carry on business of vessel repairing, ship owning, ship breaking, vessel scrapping, making, assembling and dealing in oil exploration and extraction equipment; machinery and tools, marine equipment, and also supplying or leasing or letting on hire vessels, tankers, barges and various types of vehicles and conveyance including material handling equipment required for loading, unloading, oil exploration and submarine survey.*

- **Taron Material Handling Equipments Private Limited**, CIN: U74999MH2018PTC313884 is a Private limited company incorporated under the Act, having its registered office at 302, 3rd Floor, Ruby Crescent Business Boulevard, Ashok Nagar, Kandivali (East) Mumbai 400101, Maharashtra (the "**Transferee Company**"). The Transferee Company is primarily engaged in the business of acquiring, leasing, licensing or renting material handling equipment, mainly forklifts, in its varied forms and functionalities, with or without operators, to its clients and customers and attending to repairs and refurbishing of such equipment.

For Skan Marine Services Pvt. Ltd.
Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED
Director

Taron Material Handling Equipments Private Limited has been incorporated with interalia, the following main objects:

To carry on the business in India or elsewhere of hire, lease, sale, purchase, import, export, store, forward, trade, market, exchange or otherwise and to act as supplier, service provider, agent, broker, representative, consultant, collaborator or otherwise deal in all types of material handling equipments and all kinds of machinery including but not limited to fork lifts, Hydraulic Hand Pallet Trucks, trailer loader, side loader, fork truck dock leveler, warehouse racking system, and related machinery and equipments used in the form of lifting, lowering, skidding, moving by means of strand jacking, support structures, flat jacking or any other hydraulic, electronic or mechanical means for customers in and outside India whether on its own account or through third party contractors, provision of packaging material/ solutions and to render all types of services incidental to all the above activities and to do all such acts, things and deeds as may be required for the purpose of achievement of the said objects.

C. **Object and Rationale of the Scheme:**

- The Transferor Company is a wholly owned subsidiary of Transferee Company and engaged in the similar nature of business as that of the Transferee Company. In order to consolidate the similar nature of business at one place and effectively manage the Transferor Company and Transferee Company as a single entity, which will provide several benefits including streamlined group structure by reducing the number of legal entities, reducing the multiplicity of legal and regulatory compliances, rationalizing costs, it is intended that the Transferor Company be merged with the Transferee Company.

- The independent operations of the Transferor Company and Transferee Company leads to incurrence of significant costs and the merger would enable economies of scale by attaining critical mass and achieving cost saving. The merger will thus reduce managerial overlaps, which is necessarily involved in running multiple entities and also prevent cost duplication that can erode financial efficiencies in simplified corporate structure of the Transferee Company and its businesses, thereby leading to more efficient utilization of capital and creation of a consolidated base for future growth of the Transferee Company and also enable further expansion of the Transferee Company and provide a strong and focused base to undertake the business more advantageously. Further, this arrangement would bring concentrated management focus integration, streamlining of the management structure, seamless implementation of policy changes and shall also help enhance the efficiency and control of the Transferor Company and Transferee Company.

- The Scheme shall enable the Transferee Company to reap several benefits including:

  (i) synergy of operations for achieving organization effectiveness;

  (ii) optimization of resources, capital, assets and facilities;

  (iii) reduction of statutory and legal compliance requirements;

  (iv) overall cost management;

  (v) greater integration and financial strength;

  (vi) greater level of synergy in the Goods and Service Tax (GST) regime;

  (vii) greater flexibility in respect of supply chain and backend operation;

  (viii) streamlining the group structure and rationalization;

  (ix) developing stronger base for future growth.

  (x) Enhancement of competitive strength.

For Skan Marine Services Pvt. Ltd.

Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED

Director

- The merger of the Transferor Company with the Transferee Company in accordance with this Scheme will be in compliance with the provisions of Section 2(1B) of the Income Tax Act, 1961, such that:

  (i) all the properties of the Transferor Company, immediately before the merger, shall become the property of the Transferee Company, by virtue of the merger; and

  (ii) all the liabilities of the Transferor Company, immediately before the merger, shall become the liabilities of the Transferee Company, by virtue of the merger.

- This Scheme has been drawn up to comply with the conditions relating to merger as included in the definition of "amalgamation" as specified under Section 2(1B) of the Income Tax Act, 1961. If any term or provision of the Scheme is found or interpreted to be inconsistent with the said provisions, including resulting from an amendment of lawor for any other reason whatsoever, the Scheme may be modified in the manner provided in this Scheme to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect other parts of the Scheme.

- This Scheme is divided into the following parts:

  (i) **Part A**, which deals with the definitions and share capital of the Transferor Company and the Transferee Company;

  (ii) **Part B**, which deals with the merger of the Transferor Company with the Transferee Company in accordance with Section 233 of the Companies Act, 2013;

  (iii) **Part C**, which deals with the dissolution without winding up of the Transferor Company and accounting treatment; and

  (iv) **Part D**, which deals with other terms and conditions applicable to this Scheme.

- The Scheme has been drawn up in compliance with the conditions relating to 'Amalgamation' as specified under Section 2(1B) of the Income-tax Act, 1961 ('**IT Act**'). If any of the terms or provisions of the Scheme is / are found or interpreted to be inconsistent with the provisions of Section 2(1B) of the IT Act at a later date, including resulting from an amendment of Law or for any other reason whatsoever, the provisions of Section 2(1B) of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the provisions of Section 2(1B) of the IT Act, 1961. Such modifications will however not affect the other parts of the Scheme.

Part A

1. Definitions and Interpretation

1.1. In the Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

"**Act**" means the Companies Act, 2013 (to the extent of the sections thereof that have been brought into force) and shall include any statutory modification, re-enactment or amendments thereto from time to time;

"**Appointed Date**" means April 1, 2023 or such other date (s) as may be determined by the Boards of Directors of the Transferor Company and the Transferee Company and as fixed or approved by the Central Government or Tribunal or any other competent authority;

"**Board of Directors**" or "**Board**" in relation to each of the Transferor Company and the Transferee Company, as the case may be, means the Board of Directors of such company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the merger, the Scheme and/or any other matter relating thereto;

For Shan Marine Services Pvt. Ltd.
Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED
Director

"**Central Government**" means the government of India and vide Notification No. S. O. 4090 (E) dated 19th December, 2016, Central Government has delegated powers vested in it under Section 233 of the Companies Act, 2013 of the Regional Director, Ministry of Corporate Affairs having jurisdiction.

"**Effective Date**" means the date on which the certified or authenticated copies of the order(s) sanctioning the Scheme, passed by the Regional Director is filed with the Registrar of Companies. Any references in this Scheme to the "date of coming into effect of this Scheme" or "effectiveness of the Scheme" or "Scheme taking effect" shall mean the Effective Date;

"**Employees**" mean the employees, if any, of the Transferor Company, as on the Effective Date;

"**Encumbrance**" means any options, pledge, mortgage, lien, security, interest, claim, charge, preemptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term "Encumbered" shall be construed accordingly;

"**Governmental Authority**" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission includinga stock exchange or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body;

"Official Liquidator" or "OL" means Official Liquidator having jurisdiction over the transferor Company and Transferee Company.

"Regional Director" or "RD" means the Regional Director (Western Region), Ministry of Corporate Affairs at Mumbai, having jurisdiction over the Transferee Company;

"**Registrar of Companies**" or "**RoC**" means the Registrar of Companies, Mumbai;

"**Scheme**" means this scheme of merger, as amended or modified inaccordance with the provisions hereof;

"**Transferee Company**" means Taron Material Handling Equipments Private Limited;

"**Transferor Company**" means Skan Marine Services Private Limited;

"**Tribunal**" or "**NCLT**" means Mumbai Bench of the National Company Law Tribunal constituted under section 408 of the Companies Act 2013; and

"**Undertaking**" shall mean the entire business and the whole of the undertakings of the Transferor Company as a going concern, all its assets, rights, title, interest, benefits licenses and powers, and all its debts, outstandings, liabilities, duties and obligations as on the Appointed Date including, but not in any way limited to, the following:

(i) All the assets and properties (whether movable or immovable, agricultural and non-agricultural land, tangible or intangible, real or personal, present, future or contingent) of the Transferor Company, including, without being limited to, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, office equipment, appliances, vehicles, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, fixed assets, current assets, including inventories, cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, 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, 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,

For Skan Marine Services Pvt. Ltd.
Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED
Director

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, other benefits (including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever 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 the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

(ii) All agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special statusand other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company's business activities and operations;

(iii) Entitlements, including tenancy rights, held by the Transferor Company or which may accrue or become due to it as on the Appointed Date or may become so dueor entitled to thereafter;

(iv) All intellectual property rights, designs developed, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company's business activities and operations;

(v) Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment;

(vi) Right to any claim, whether preferred or made by the Transferor Company or not, in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or Scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, availability of Minimum Alternate Tax credit, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, deferment of sales tax, any benefits under Package Scheme of Incentives under respective state laws as applicable, and the Cenvat / Modvat credit balances under the Central Excise Act, 1944, or any other or like benefits under the said acts or under and in accordance with any lawor act or any law or act which may be enacted in future including but not limited to Goods and Service Tax;

(vii) All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoeverkind, nature and description whatsoever and howsoever arising, raised or incurred or utilized;

(viii) All application monies, advance monies, earnest monies and/ or security deposits paid or deemed to have been paid and payments against other entitlements of the Transferor Company;

(ix) All investments (including shares, scripts, stocks, bonds, debentures, debenture stock, units of mutual funds and other securities), including dividends declared or interest accrued thereon;

(x) All permissions, approvals, consents, subsidies privileges, income tax benefits and exemptions, accumulated tax losses, unabsorbed depreciation, minimum alternate tax credits, indirect tax benefits and exemptions, all other rights, benefits and

For Shan Marine Services Pvt. Ltd.

Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED

Director

liabilities related thereto including licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the company;

(xi) All licenses, approvals, authorizations, permissions including municipal permissions, consents, registrations including import registrations, certifications, no objection certificates, quotas including import quotas, rights, permits including import permits, exemptions, subsidies, tax deferrals, credits (including Cenvat Credits, sales tax credits, Good and Service Tax credits and income tax credits), privileges, advantages and all other rights and facilities of every kind, nature and description whatsoever of the company;

(xii) All other obligations of whatsoever kind, including liabilities in respect of the employees of the Transferor Company with regard to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of voluntary retirement or retrenchment; and

(xiii) Any and all permanent employees, who are on the payrolls of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the company, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company.

1.2. References to Clauses, sub-Clauses and Recitals, unless otherwise provided, are to clauses, sub-clauses and recitals of and to this Scheme.

1.3. The headings herein shall not affect the construction of this Scheme.

1.4. Unless the context otherwise requires, reference to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, or to any lawor any provision which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

1.5. The singular shall include the plural and vice versa; and references to one gender include all genders.

1.6. Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

1.7. Reference to a person includes any individual, firm, body corporate (whether incorporated or not), Governmental Authority, or any joint arrangements, association, partnership, works council or employee representatives' body (whether or not having separate legal personality).

2. **Operative date of the Scheme**

The Scheme set out herein in its present form or with any modification(s) and amendments(s) made in accordance with the provisions hereof shall be effective from the Appointed Date but shall be made operative from the Effective Date.

For Skan Marine Services Pvt. Ltd.
Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED
Director

3. **Share Capital**

3.1. **Transferor Company,**

(i) The share capital structure of the Transferor Company as on March 31, 2023 is as under:

Authorised Share Capital	**Amount in ₹**
5000 Equity Shares of ₹100 each	5,00,000
Total	**5,00,000**

Issued, Subscribed and Paid-up Share Capital	**Amount in ₹**
1000 Equity shares of ₹ 100 each	1,00,000
Total	**1,00,000**

(ii) The Equity shares of the Transferor Company are not listed on any stock exchange.

(iii) All Equity shares of the Transferor Company are held by the Transferee Company (directly and/or through its nominees).

(iv) As on date of the Scheme being approved by the Board of Directors of the Transferor Company, there has been no change in the authorized, issued, subscribed and paid up share capital of the Transferor Company.

3.2. **Transferee Company**

(i) The share capital structure of the Transferee Company as on March 31, 2023, is as under:

Authorised Share Capital	**Amount in ₹**
8,00,000 Equity shares of ₹10 each	80,00,000
2,00,000 Non convertible, Redeemable Preference Share of ₹10 each	20,00,000
Total	**1,00,00,000**

Issued, Subscribed and Paid-up Share Capital	**Amount in ₹**
7,33,270 Equity shares of ₹10 each	73,32,700
2,00,000 Non-convertible, Redeemable Preference Share of ₹10 each	20,00,000
Total	**93,32,700**

(ii) As on date of the Scheme being approved by the Board of Directors of the Transferee Company, there has been no change in the authorized, issued, subscribed and paid up share capital of the Transferee Company.

For Skan Marine Services Pvt. Ltd.

Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED

Director

Part B

Merger of the Transferor Company with the TransfereeCompany

1. **Transfer**

1.1. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the entire business, whole of the Undertaking(s), properties and liabilities of the Transferor Company shall, pursuant to the provisions of Sections 233 and other applicable provisions, if any, of the Act, and pursuant to order of the Reginal Director, Western Region, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in the Transferee Company, as a going concern in accordance with Section 2(1B) and other applicable provisions of the Income Tax Act,1961, without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company, by virtue of and in the manner provided in this Scheme.

1.2. ***Transfer of Assets***

(i) Without prejudice to the generality of Clause 1.1 of Section 1 of Part B of the Scheme, upon the coming into effect of the Scheme and with effect from the Appointed Date, all the estate, assets, properties (including investments in shares, securities, stocks, bonds), rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of whatsoever nature and where so ever situate, whether or not included in the books of the Transferor Company, and all assets and properties which are acquired by the Transferor Company onor after the Appointed Date but prior to the Effective Date, shall, under the provisions of Sections 233 of the Act and all other applicable provisions of applicable law, if any, without any further act, deed or instrument, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in the Transferee Company and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date(or in case of any estate, assets, etc. acquired on a date after the Appointed Date, with effect from such date), the estate, assets, properties (including investments in shares, securities, stocks, bonds), rights, claims, title, interest and authorities of the Transferee Company, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.

(ii) Without prejudice to the provisions of sub-clause (i) above, in respect of such of the assets and properties of the Transferor Company as are movable in nature(including shares, securities, stocks, bonds) or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company upon the coming into effect of the Scheme, and shall, become the assets and propertyof the Transferee Company with effect from the Appointed Date pursuant to theprovisions of Section 233 of the Act and all other applicable provisions of applicable law, if any, without requiring any deed or instrument of conveyance, cost or charge and without any notice or other intimation to any third party for transfer of the same, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.

(iii) In respect of such of the assets and properties belonging to the Transferor Company(other than those referred to in sub-clause (ii) above) including sundry debtors, receivables, bills, credits (including tax credits), loans and advances, ifany, whether recoverable in cash or in kind or for value to be received, bank balances, earnest money and deposits with any Government, quasi government,local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/ or deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Schemeand with effect from the

For Skan Marine Services Pvt. Ltd.

Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED

Director

Appointed Date pursuant to the provisions of Sections 233 of the Act and all other applicable provisions of applicable law, if any.

(iv) Upon the Scheme coming into effect and with effect from the Appointed Date, all immovable property (including but not limited to land, agricultural land, buildings, offices, factories, sites and any other immovable property, including accretions and appurtenances) of the Transferor Company, whether freehold or leasehold, and any document of title, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, as a successor of the Transferor Company, without any act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfill all obligations in relation to or applicable to all such immovable properties. The mutation and/or substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate Governmental Authorities and third parties pursuant to the sanction of the Scheme by the Tribunal and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. It is clarified that the Transferee Company shall be entitled to engage in such correspondence and make such representations as may be necessary for the purposes of the aforesaid mutation and/or substitution.

(v) All the licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefitsor privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, incometax benefits and exemptions, all other rights, exemptions and benefits includingthose acquired by the Transferor Company on or after the Appointed Date, shall,under the provisions of Sections 233 of the Act and all other applicable provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for transfer of the same, on coming into effect of the Scheme and with effect from Appointed Date, be and stand transferred to and vesting and/ or be deemed to be transferred to and vested in and be available to the Transferee Company soas to become licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including salestax and service tax), subsidies, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

(vi) All the rights, remedies, claims and rights of action of the Transferor Company against third parties shall, pursuant to Sections 233 of the Act, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for transfer of the same, be and deemed to berights, remedies, claims and rights of action of the Transferee Company upon the coming into effect of the Scheme and with effect from the Appointed Date.

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

(viii) For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date and till such times the name of the bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the

For Skan Marine Services Pvt. Ltd.

Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED

Director

Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment ordersreceived or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company,if presented by the Transferee Company. The Transferee Company shall be allowed to maintain banks accounts in the name of Transferor Company by the Transferee Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company shall be instituted, or as the case may be, continued, by or against, the Transferee Company after the coming into effect of the Scheme.

1.3. ***Contracts, Deeds etc.***

(i) Upon the coming into effect of this Scheme and with effect from Appointed Date,and subject to the provisions of this Scheme, all contracts, deeds, bonds,agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which theTransferor Company may be eligible for, and which are subsisting or have effectimmediately before the Effective Date, shall, under the provisions of Sections 233 of the Act and all other applicable provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any noticeor other intimation to any third party, continue in full force and effect on or againstor in favour of, as the case maybe, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or oblige thereto or thereunder.

(ii) It is hereby clarified that by virtue of the provisions of the Scheme and pursuant tothe order of the Regional Director sanctioning the Scheme, upon the Scheme coming intoeffect, all rights, services, obligations, liabilities, responsibilities undertaken by orin favour of the Transferor Company under any contractual arrangements shall automatically stand transferred to and vested in and/ or shall be deemed to havebeen transferred to and vested in the Transferee Company and all benefits to which the Transferor Company is entitled to shall be available to and vested in and/or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-interest and the Transferee Company shall be entitled to deal with the same in place and stead of the Transferor Company, as ifthe same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its obligation in respect of the services to be performed/ provided or in respect of payment of service charges under any contractual arrangements instead of the Transferor Company.

(iii) Without prejudice to the other provisions of this Scheme and notwithstanding thefact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of the Scheme,in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to anycontractor arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

(iv) For the avoidance of doubt and without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme and with effect from the Appointed Date,

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Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED

Director

all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to, or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if thesame were originally given by, issued to, or executed in favour of the TransfereeCompany, and the Transferee Company shall be bound by the terms thereof, theobligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

1.4. ***Transfer of Liabilities***

(i) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts and liabilities of the Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), liabilities (including contingent liabilities, deferred tax liabilities and obligations under any licenses or permits or schemes), duties and obligations and undertakings of the Transferor Company of every kind, nature and description what so ever whether present or future, and how so ever arising, raised or incurred or utilized for its business activities and operations along with any charge, Encumbrance, lien or security thereon (herein referred to as the "Liabilities"), whether or not recorded in its books and records, shall, under the provisions of Sections 233 of the Act and other applicable provisions of applicable law, if any, without any further act, instrument, deed, matter or thing, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date and shall become as and from the Appointed Date (or in case of any Liability incurred on a date after the Appointed Date, with effect from such date) the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further 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 Liabilities have arisen in order to give effect to the provisions of this Clause 1.4.

(ii) All Liabilities incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.

(iii) Where any Liabilities of the Transferor Company as on the Appointed Date have been discharged by the Transferor Company on or after the Appointed Date andprior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.

(iv) All Liabilities incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Companyand to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 233 of the Act, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loansand liabilities, duties and obligations of the Transferee Company, which shall meet, discharge and satisfy the same.

(v) Upon coming into effect of the Scheme, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a liability, including contingentliability in whatever form), if any, due or which may at any time in future becomedue between the Transferor Company and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in thatbehalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

For Skan Marine Services Pvt. Ltd.
Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED
Director

(vi) Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and theassets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions,the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

(vii) Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities which have been transferred to it in terms of this Scheme.

(viii) It is expressly provided that, save as herein provided, no other term or conditionof the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.

(ix) The provisions of this Clause 1.4 of Section 1 of Part B of the Scheme shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or theterms of sanction or issue or any security document shall stand modified and/ orsuperseded by the foregoing provisions.

1.5. ***Encumbrances***

(i) The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under Clause 1.2 and Clause 1.3 of Section 1 of Part B of this Scheme shall be subject to the Encumbrances, if any, affecting the same.

(ii) All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to the Liabilities, shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any of the assets of the Transferor Company have not been Encumbered in respect of the Liabilities, such assets shall remain unencumberedand the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.

(iii) The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in theTransferee Company by virtue of the Scheme.

1.6. ***Employees and Directors***

(i) Upon the coming into effect of this Scheme, the Employees, if any, shall, under the provisions of Sections 233 of the Act and other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for their transfer, become the employees of the Transferee Company on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the merger of theTransferor Company with the Transferee Company. For the purpose of paymentof any compensation, gratuity and other term in all benefits, the past services of such Employees with the Transferor

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Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED
Director

Company shall also be taken into account and paid (as and when payable) by the Transferee Company.

(ii) In so far as the provident fund, gratuity fund and superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company for the Employees or to which the Transferor Company is contributing for the benefit of the Employees and other such funds, trusts, the benefits of which the Employees enjoy (collectively referred to as the "**Funds**"), all the contributions made to such Funds for the benefit of the Employees and the accretions thereto and the investments made by the Funds in relation to the Employees shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the Funds referred to above, such contributions, accretions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be transferred to the relevant funds of the Transferee Company. In the event that theTransferee Company does not have its own funds in respect of any of the aboveor if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing Funds separately and contribute there to until such time that the Transferee Company creates its own funds, at which time the Funds and the investments, accretions and contributions pertaining to the Employees shall be transferred to the funds created by the Transferee Company.

(iii) Upon the coming into effect of this Scheme, the directors of the Transferor Company will be entitled to the directorships in the Transferee Company by virtue of the provisions of this Scheme.

1.7. ***Legal Proceeding and Taxation and Other Matters***

(i) Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings (including before any statutory or quasi-judicial authority or tribunal), by or against the Transferor Company, whether pending and/ or arising on or before the Effective Date shall be continued and/ or enforced by/ or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/ or pending and/ or arising by / or against the Transferee Company.

(ii) The Transferee Company shall have all legal, taxation or other proceedings initiated by or against the Transferor Company referred to in sub-clause (i) above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by/ or against the Transferee Company.

(iii) With effect from the Appointed Date, all the profits and income or as the case may be, expenditure or losses accruing or arising to Transferor Company, shall, for all purposes, be treated (including all taxes, if any, paid or accruing in respect of any profits and income) and be deemed to be and accrue as the profits or income or as the case may be, expenditure or loses (including taxes) or Transferee Company. Moreover, Transferee Company shall be entitled to revise its statutory returns relating to indirect taxes like GST / sales tax/service tax/excise etc. and to claim refund /credits and/or set off all amounts under the relevant laws towards the transactions entered into by Transferor Company and Transferor Company which may occur between the Appointed Date and the Effective Date. The right to make such revisions in the sales tax returns and to claim refund / credits are expressly reserved in favour of Transferee Company.

(iv) Upon the Scheme becoming effective, the Transferor Company shall be entitled, wherever necessary and pursuant to the provisions of this Scheme, to file or revise their financials statement, tax returns (direct/indirect), tax deduction at source certificates, tax deduction at source returns and other statutory returns and shall have right to claim refunds, advance tax credits, credit for Minimum Alternate Tax, carry forward of losses and unabsorbed depreciation, deduction, tax holiday benefits or any other credits and/or set off of all amounts paid by the Transferor Company or

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Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED
Director

the Transferee Company under the relevant laws relating to income tax, Value Added Tax, Service Tax, Central Sales Tax, Goods and Service Tax or any other tax, as may be required consequent to the implementation of the Scheme.

(v) It is expressly clarified that with effect from the Appointed Date, all taxes payable by Transferor Company including all or any refunds of the Claims / TDS Certificates shall be treated as the tax liability or refunds/claims/TDS Certificates as the case may be of Transferee Company.

(vi) From the Effective Date and till such time as the name if the Transferee Company would get entered as the account holder in respect of all the bank accounts and demat account of Transferor Company in the relevant bank's / DP books and records, the Transferee Company shall be entitled to operate the bank/demat accounts of Transferor Company in its existing name.

(vii) Since each of the permission, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of Transferor Company shall stand transferred by the order of the Regional Director to transferee Company, Transferee Company shall file the relevant intimations, for the records of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning Regional Director (Central Government).

(viii) On or after the Effective Date, the Transferee Company is expressly permitted to revise, its financial statements and returns along with prescribed forms, filings and annexures under the IT Act (including for the purpose of re-computing minimum alternative tax, and claiming other tax benefits), Service Tax law, VAT law, Goods and Service Tax law and other tax laws, and to claim refunds and / or credits for taxes paid (including tax on book profits, MAT credit and foreign tax credit) and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme notwithstanding that the period of filing / revising such returns / forms may have lapsed and period to claim refund / credit also elapsed upon this Scheme becoming effective.

(ix) Any refund including but not limited to refund under the IT Act, Customs Act 1962, Service Tax laws, Value Added Tax laws, Goods and Service Tax laws or other Applicable Laws / regulations dealing with taxes / duties / levies allocable or related to the business of the Transferor Company and due to the Transferor Company shall also belong to and be received by the Transferee Company.

1.8. ***Inter-se Transactions***

(i) With effect from the Appointed Date, all inter-party transactions between the Transferor Company and Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date and on the coming into effect of this Scheme, the same shall stand cancelled without any further act, instrument or deed. Without prejudice to the aforesaid, all redeemable preference shares or other securities held by the Transferor Company in the Transferee Company shall stand cancelled from the Appointed Date and on the coming into effect of this Scheme.

(ii) Further, it is clarified that the above clause has no impact whatsoever on any taxes in the form of income-tax, goods and service tax, service tax, works contract tax, value added tax etc. paid on account of such transactions. The taxes paid shall be deemed to have been paid by or on behalf of the Transferee Company, as the case maybe, and on its own account and therefore, the Transferee Company, as the case maybe, will be eligible to claim the credit / refund of the same and is also entitled to revise returns, as may be necessary, to give effect to the same.

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Director

2. **Conduct of Business**

2.1. Upon the coming into effect of the Scheme, with effect from the Appointed Date and upto and including the Effective Date:

(i) The Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for, and on account of, and in trustfor, the Transferee Company;

(ii) All profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paidin relation to any profit s or income), for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case maybe, of theTransferee Company;

(iii) Any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments, including compliances such as tax deducted at source / tax collected at source under income-tax laws, compliances under sales tax, service tax, excise and other applicable laws that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company;

(iv) all taxes (including, without limitation , income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/ or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paidby the Transferee Company, and, shall, in all proceedings, be dealt with accordingly; and

(v) With effect from the Appointed Date, all debts, liabilities, duties and obligations of Transferor Company as on the date preceding the Appointed Date, whether or not provided in its boos and all liabilities which arise or accrue in or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of Transferee Company.

2.2. Subject to the terms of the Scheme, the transfer and vesting of the Undertaking as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalfof the Transferee Company.

2.3. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents andapprovals which the Transferee Company may require to carry on the business of the Transferor Company.

2.4. Upon the Scheme coming into effect, Transferee Company shall commence and carry on and shall be authorized to carry on the businesses carried on by the Transferee company.

2.5. For the purpose of giving effect to the vesting order passed under Section 233 of the Act and Rule 25 of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016 in respect of this Scheme by the Regional Director (Central Government), Transferee Company

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Director

For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED

Director

shall, at any time pursuant to the orders on this Scheme, be entitled to get the record of the change in the legal right(s) upon the vesting of the Transferor Company's businesses and undertaking in accordance with the provisions of Section 233 of the Act. Transferee Company shall be authorized to execute any pleadings, applications, forms, etc. as re required to remove any difficulty and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

3. **Consideration and Cancellation of Shares of the Transferor Company**

Upon the Scheme coming into effect, all equity shares of the Transferor Company held by the Transferee Company (directly and/ or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash or in kind whatsoever by the Transferee Company in lieu of such shares of the Transferor Company.

Part C

Dissolution of Transferor Company and Accounting Treatment

1. **Dissolution of Transferor Company**

Upon the coming into effect of the Scheme, the Transferor Company shall standdissolved without winding-up, without any further act or deed.

2. **Consolidation of Authorised Share Capital**

(i) Upon this Scheme becoming effective, the Authorised share capital of the Transferor Company shall be deemed to be added to the Authorised share capital of the Transferee Company without any further act, instrument or deed or procedure or payment of any stamp duty and registration fees.

(ii) Uponcoming into the effect of the Scheme, Clause V of the Memorandum of Association of the Transferee Company shall without any further act, deed or instrument be substituted as follows:

The Equity share capital of the Company is ₹ 85,00,000/- (Rupees Eighty-Five Lakhs) divided into 8,50,000 Equity shares of ₹ 10 (Rupees Ten) each.

The Preference share capital of the Company is ₹ 20,00,000/- (Rupees Twenty Lakhs) divided into 2,00,000 Preference shares of ₹ 10 (Rupees Ten) each.

(iii) It is clarified that upon approval of the Scheme by the Members of Transferee Company pursuant to Section 233 of the Act, it shall be deemed that the members of the Transferee Company have also accorded all relevant consent for the alteration of the Memorandum and Articles of Association of the Transferee Company as required under Sections 13, 14, 61 and other applicable provisions of the Act. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Sections 13, 14 and 61 of the Act for amendment of the Memorandum of Association of the Transferee Company.

3. **Accounting Treatment**

Upon the Scheme becoming effective, the Transferee Company shall account for the merger in its books of accounts in accordance with the "Pooling of Interest Method" as laid down in Appendix C of Indian Accounting Standard 103 (Ind AS 103): (Business combinations of entities under common control), as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015, as may be amended from time to time, as follows:

(i) All assets, liabilities and reserves of the Transferor Company shall be recorded in the books of account of the Transferee Company at the respective book values as appearing in the consolidated financial statements of Transferee Company, being the holding company, in respect of Transferor Company.

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Director

(ii) The amount of any inter-company balances between the Transferor Company and the Transferee Company, if any, along with investments in the shares of the Transferor Company, appearing in the books of Transferee Company, shall stand cancelled without any further act or deed, upon the Scheme coming into effect, and the amounts so cancelled shall not be recorded in the books of account of the Transferee Company.

(iii) The identity of the reserves of Transferor Company, if any, shall be preserved and they shall appear in the financial statements of Transferee Company in the same form and manner, as appearing in the aforesaid consolidated financial statements of the Transferee Company, prior to this Scheme becoming effective. The balance of the "profit & loss account" in the books of account of Transferor Company, if any, will be adjusted / offset against the corresponding balance of the profit & loss account / general reserve appearing in the financial statements of Transferee Company.

(iv) Surplus, if any, arising from the aforesaid merger, between the carrying value of assets, liabilities and reserves recognized as per (i) above, after inter-company adjustments as per (ii) above, over the carrying value of the investments in Transferor Company appearing in the books of the Transferee Company, shall be credited to capital reserve on amalgamation and shall be presented separately from other capital reserves in the books of the Transferee Company. In case of a deficit, as computed above, it shall be adjusted against the existing capital or revenue reserves of the Transferee Company, in that order, and unadjusted remaining amount, if any, would be recorded separately in amalgamation adjustment deficit account.

(v) In case of any differences in accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference shall be adjusted in revenue reserves of the Transferee Company, to ensure that the financial statements reflect the financial position on the basis of consistent accounting policies.

(vi) All costs, charges, stamp duty and expenses incurred in connection with the implementation of the above Scheme shall be debited to the profit & loss account of the Transferee Company.

(vii) The comparative financial information in the financial statements of the Transferee Company in respect of prior periods shall be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements or from the date the transferee company acquired control of the transferor company, whichever is later.

Part D
Other Terms and Conditions

1. **Application to the Regional Director**

1.1. Transferor company and Transferee Company shall, with all reasonable documents dispatch and make application to the Regional Director (Central Government) of relevant jurisdiction, under Section 233 and other applicable provisions of the Act read with Rule 25 of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016, for sanctioning the Scheme with such modifications as may be approved by the Regional Director.

1.2. On the Scheme being agreed by the requisite majority of all the classes of the members and/or creditors of Transferor Company and Transferee Company respectively, the Transferee Company and the Transferor Company shall with all reasonable documents shall dispatch and apply to the Regional Director (Central Government), for sanctioning the Scheme under Section 233 and other applicable provisions of the Act read with Rule 25 of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016, and for such other orders, as the said Regional Director (Central Government) may deem fit for carrying this Scheme into effect and for dissolution of Transferor Company without winding up.

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For TARON MATERIAL HANDLING EQUIPMENTS PRIVATE LIMITED
Director

2. **Conditionality of the Scheme**

The Scheme is conditional upon and subject to:

(i) The observations/objections of Registrar of Companies and Official Liquidator in terms of Section 233 of the Act.

(ii) The Scheme being agreed by the requisite majorities of the members and creditors of the Transferor Company and theTransferee Company as required under the 233 of the Act.

(iii) The Scheme being approved by the Regional Director (Central Government) Western Region at Mumbai / Regional Director (Central Government) of relevant jurisdiction.

(iv) The confirmation order of the Regional Director (Central Government) sanctioning this Scheme being filed with the Registrar of Companies, Mumbai, having jurisdiction over the Transferee Company.

(v) All other sanctions and approvals, as may be required by law, in respect of this Scheme being obtained.

3. **Modifications to the Scheme and Revocation of the Scheme**

(i) The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons as the Board of Directors may authorize, may, in their full and absolute discretion:

(a) Assent to any alteration(s) or modification(s) to the Scheme or any condition or limitation which the Regional Director / Registrar of Companies / Official Liquidator and/ or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary and desirable;

(b) To take such steps and to do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties and questions whether by reason of any order (s) of the Regional Director or of any directive or order (s) of any other authority or otherwise howsoever arising out of, under or by virtue of this Scheme and / or any matters concerning or connected herewith;

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

(ii) In the event of the said sanctions / approvals / conditions referred hereinabove not being obtained and/or complied with and /or satisfied and/or this Scheme not being sanctioned by the Regional Director and/or order or orders not being passed as aforesaid and/or the Scheme failing to be made effective, this Scheme shall stand revoked, cancelled and be of no effect and in that event. No rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Transferor Company or the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant to thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed. Further, the Board of Directors of the Transferor Company or the Transferee Company shall be entitled to revoke, cancel or declare the Scheme to be no effect if such Boards are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme could have adverse implication on all/any of the companies.

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Director

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Director

4. **Costs**

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

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Director

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Director