

**SCHEME OF ARRANGEMENT**

**BETWEEN**

**DYANAMIC POWERTECH PRIVATE LIMITED**

**(AS THE TRANSFEROR COMPANY)**

**AND**

**MANGAL ELECTRICAL INDUSTRIES PRIVATE LIMITED**

**(Formerly known as Mangal Electrical Industries)**

**(AS THE TRANSFEREE COMPANY)**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND ALL CONCERNED**

**UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE  
COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER**

**A. Preamble**

This Scheme of Arrangement (**Scheme**) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (**Act**) and the rules and regulations made thereunder, for the amalgamation of Dynamic Powertech Private Limited (DPPL) (**Transferor Company**) with and into Mangal Electrical Industries Private Limited (MEIPL) (**Transferee Company**), the consequent dissolution of the Transferor Company without winding up and matters incidental thereto.

**B. Parts of the Scheme**

This Scheme is divided into the following parts:

- Part I** - Which deals with preliminary matters, definitions of the terms used in the Scheme and sets out the objects, share capital, of the Transferor Company and the Transferee Company and rationale for the Scheme;
- Part II** - Which deals with the amalgamation of the Transferor Company with and into the Transferee Company; and
- Part III** - Which deals with the general terms and conditions applicable to this Scheme.

**PART I – PRELIMINARY, DEFINITIONS AND INTERPRETATIONS**

**1. PRELIMINARY**

- 1.1 The Transferor Company was incorporated on April 09, 2009 as Dynamic Powertech Private Limited under the Companies Act, 1956. The Transferor Company's Corporate Identification Number is U31102RJ2009PTC028629 and its registered office is situated at Plot No. PA-011-008B, Mahindra World City Jaipur Ltd (Engineering Zone) SEZ, Ajmer Road, Kalawada Jaipur-302037, Rajasthan, India.
- 1.2 The Transferee Company was incorporated on April 01, 2008 as Mangal Electrical Industries Private Limited under the Companies Act, 1956. The Transferee Company's

**Dynamic Powertech Private Limited**

**Director**

**Mangal Electrical Industries Private Limited**

**Director**



Corporate Identification Number is U31909RJ2008PTC026255 and its registered office is situated at C-61 (A), Road No. 1-C, V.K.I. Area, Jaipur-302013 Rajasthan, India.

1.3

The main objects of the Transferor Company as set out in its memorandum of association are as under:

**"The main objects to be pursued by the Company on its incorporation are:**

1. To carry on in India or abroad the business as producer, manufacturer, processor, assembler, wirer, supplier, distributor, wholesaler, retailer, buyer, seller, reseller, stockist, agent, consultant, broker, turnkey contractors, jobwork, contractors, or otherwise as dealer in all types of power and control cable, ACSR/ACC conductor, power and distribution transformers, CRGO electrical steel stamping/lamination/transformer core, core assembly and copper wire, electrical overhead transmission and distribution line material, conductors, PCC and joist polls, steel structures, insulators, testing equipments, isolator switch, horn gap fuses, transformers but not limited to, transformers, panel boards, circuits, gadgets and other allied products and things and to carry on the business of manufacturing, trading, marketing, dealing, importing, exporting, fabricating, assembling, chemically, treating, refining, extruding, synthesising, processing, insulating and repairing of all kinds of metallic and non-metallic wires and cable, panel board, CRGO electrical transformer, lamination, DPC/SEM, AC/C 4 wires, AL/C 4 coils, paper/Board insulation, insulating material, electrical motors, motor control centres, process control centres, starters, circuit breakers, control panels, switch-gear of all kinds for generating and distribution of electricity supply, relays, capacitors, dry cells, storage batteries, electric bulbs, fluorescent tube lights sodium and mercury vapour discharger, lamps, electric supply meters, electric insulation material, voltage stabilizers, electrical fittings, transmission structures, transformer parts, transformer oil, refined lube oil, used oil, lubricants, all kinds of electro chemical items, DPC copper/aluminium wire and strips of all sorts of parts, accessories, spares and fittings thereof and to conduct and carry on the business of manufacturing, buying, selling, reselling, altering, importing, exporting, improving, assembling, distributing, hiring on hire purchase system or otherwise dealing in all types of power measuring, converting, regulating or controlling equipments, devices and machineries, insulators, printed circuit board, electrical items, accessories, peripheral parts, electronic panels boards, motor control centres, process control centres, starters, circuit breakers, control panels, single sided or double sided circuits, fixable circulars, multilayer circulars, flush circulars, FBP based panel boards and other present or their parts, components, raw materials, ingredients, consumables and systems.

1.4

The main objects of the Transferee Company as set out in its memorandum of association are as under:

**"The main objects to be pursued by the Company on its incorporation are:**

- 1 To carry on operation of Law under Part IX of Companies Act, 1956 the existing business of partnership firm now being carried on under the name and style of M/S Mangal Electrical Industries, as going concern including all its asserts, movable and immovable rights, debts and liabilities in connection therewith.
- 2 To carry on in India or elsewhere the business to manufacture, produce, prepare, extrude, roll, mould, reroll, draw, blend, cast, insulate, manipulate, pack, repack, grade,

Dynamic Powertech Private Limited

Mangal Electrical Industries Private Limited



import, export, buy, sale, resale, and to act as agent, broker, contractor, job worker, supplier, provider, collaborator, consignor, consultant, stockiest, distributor, trade, C and F agent, del credere agent, or to deal in all kind of cables (including XLPE AB cable, XLPE insulated PVC Sheathed cable, PVC insulated and PVC Sheathed cables) Conductors (including AAAC and ACSR conductors), Aluminum wire(including SE / DPC aluminum wire), Copper wire (including SE/DPC Copper wire), CRGO Electrical Laminations, CRGO Electrical Torrodial Core, Singhal-three phase wound core, transformers and goods, articles and things, their raw materials, intermediates, substances and consumables such as granuals (PVC/XLPE) copper aluminum, aluminium alloy steel, varnish, craft paper, GE wire, GI strips, PVC tape, CRGO Electrical Steel Sheets/Coils/Strips, old and used electrical transformers without oils and other materials and machinery, tools, dies, fixtures, equipment and gauges.

- 3 To carry on the business of e-commerce, online trading, online gaming. Payment through online, development of software & hardware. Home delivery as exporters, importers, buyers, purchasers, seller, traders, distributors, stockiest, franchise, commission agents and all type of marketing and services, brockers, C and F agents, education, jewellery items, agency business industrial and consumer goods, provisions and food stuffs, ceramic and ceramic items, glass, china wares, porcelain wares, crockery wares, pottery, tableware, hotel wares, glass wares, sanitary wares, sanitary systems, decorative wares, garden ware, earth ware, cement glaze, ceramic glaze tiles, FMCG, dry fruits, pharmaceutical, stationary, gift items, handicraft, hand made paper and paper products, paintings, computers, ceramics, sanitary items, medicine, books, optical items, readymade garments, woollen Suits, men and women wear, kids wear, textiles, fabrics, hosiery goods, handicrafts, cotton, scarves, sarees, woolen Items, pillow cover, bed cover, fibers of textile material whether agriculture or animal, or natural products of manmade and other synthetic fibers and filaments and all kinds of, textile machines, textile substances, handloom and powerloom products, carpet, floor covering, furnishings, fabrics, durries all kinds of precious and semi-precious stones, marbles, granites, glass, plywood, furniture, wood and wooden items, cement, steel, pipes, gem and jewellery, curious, plastic and plastic products, toys, leather and leather goods, 'rice and other food grains and processed and preserved food, fresh food, plant seed, dry fruits, eatable, all kinds .of edible and non-edible oils, oil seeds and their products, vegetables, vegetables products, dairy products, brewer, horticultural products, flowers, marine products and sea foods, tea, tobacco and tobacco products, all kinds of electrical and electronic products, wire and cables, goods and appliances, engineering goods, auto parts and machinery parts, software, hardware, all kinds of cosmetic and toiletries items, all kinds of shoe, chhapal, ladies sandal, foot wears, all kinds iron, scalp salts and chemicals.

- 1.5 The Transferor Company is primarily engaged in the business of manufacturing, marketing, distribution and/or sales of power and control cables, ACER/ACC conductor, power and distribution transformers CRGO electrical steel stamping/lamination/transformer core, core assembly and copper wire, electrical overhead transmission and distribution line material conductors, PCC and joist polls, steel structures, insulators, testing equipments, isolator switch, horn gap fuses, transformers and other allied products and things and all kinds of metallic and non-metallic wires and cable, panel board, CRGO electrical transformer, lamination, DPC/SEM, AC/C 4 wires, AL/C coils, paper/Board insulation, Insulating material, electric motors, motor control centres, process control centres, etc.

- 1.6 The Transferee Company is primarily engaged in the business of producing, manufacturing, marketing, distribution and/or sales of all kind of cables, conductors, aluminum wires, copper wires, CRGO Electrical Laminations, CRGO Electrical Torrodial



Core, Singhal-three phase wound core, transformers and goods, articles and things, their raw materials, intermediates, substances and consumables such as granuals copper, aluminum, aluminum alloy steel, varnish, craft paper, GE wire, GI Strips, PVC Tapes, CRGO Electrical Sheets/Coils/Strips, old and used electrical transformers without oils and other materials and machinery, tools, dies, fixtures, equipment and gauges.

## 2. DEFINITIONS

2.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the meanings as set-out hereunder:

2.1.1 **Act** means the Companies Act, 2013 and the rules made thereunder;

2.1.2 **Applicable Law(s)** means central, state, provincial, local or municipal law, common law, ordinance, rule, regulation, order, writ, injunction, directive, judgment, decree, or policy or guideline having the force of law for the time being in the Republic of India;

2.1.3 **Appointed Date** means 01<sup>st</sup> April 2023 or such other date as the Board of Directors of the Transferor Company or the Transferee Company may determine or the Tribunal(s) may direct;

2.1.4 **Appropriate Authority** means any applicable central, state or local government, legislative body, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, including, but not limited, to the Department for Promotion of Industry and Internal Trade, Registrar of Companies, Competition Commission of India, National Company Law Tribunal, Insurance Regulatory and Development Authority of India, Reserve Bank of India and the High Courts;

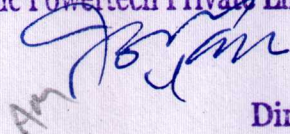
2.1.5 **Board of Directors** or **Board** means the board of directors of the Transferee Company or the Transferor Company, as the case may be, and unless repugnant to the subject, context or meaning thereof, shall be deemed to include every committee (including any committee of directors) or any person authorized by the board of directors or by any such committee;

2.1.6 **CCI** means the Competition Commission of India, as established under the Competition Act, 2002;

2.1.7 **Effective Date** or **coming into effect of this Scheme** or **upon the Scheme becoming effective** or **effectiveness of the Scheme** means the date on which the certified copy of the order of the Tribunal(s) under Sections 230 to 232 of the Act sanctioning the Scheme is filed with the relevant Registrar of Companies. In case the certified copy of the order of the Tribunal(s) are filed with the relevant Registrar of Companies on different dates, then the later of such date of filing(s) will be the Effective Date;

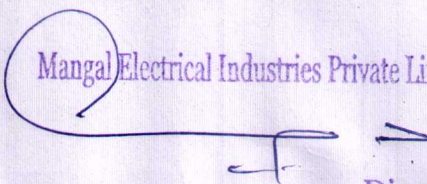
2.1.8 **Encumbrance or Encumbered** means: (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, deposit by way of security, bill of sale, claims, right to acquire, assignment, deed of trust, title, retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any person, including any right granted by any transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law; (ii) a contract to give or refrain from giving any of the foregoing; (iii) any voting agreement, interest, option, right of pre-emption, right of first offer, refusal or transfer restriction in favour of any person; and (iv) any adverse claim as to title, possession or use;

Dynamic Powertech Private Limited



Director

Mangal Electrical Industries Private Limited



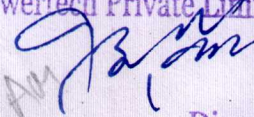
Director



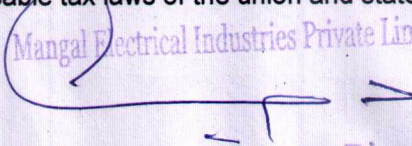
- 2.1.9 **Record Date** means the date to be fixed by the respective Board of Directors of the Transferor Company and the Transferee Company in mutual consultation with each other, to determine the shareholders of the Transferor Company to whom equity shares of the Transferee Company will be issued pursuant to this Scheme;
- 2.1.10 **Registrar of Companies** means the relevant Registrar of Companies having jurisdiction over the Transferor Company and the Transferee Company;
- 2.1.11 **Scheme** means this Scheme of Arrangement in its present form or with any modification(s) and amendments made under Clause 21 of this Scheme from time to time and with appropriate approvals and sanctions as imposed or directed by the Tribunal(s) or such other competent authority, as may be required under the Act, as applicable, and under all other Applicable Law;
- 2.1.12 **Transferee Company** means "Mangal Electricals Industries Private Limited" (MEIPL), a Private Limited Company incorporated under the Companies Act, 1956 and having its registered office at C-61 (A), Road No. 1-C, V.K.I. Area, Jaipur-302013 Rajasthan, India.
- 2.1.13 **Transferor Company** means "Dyanamic Powertech Private Limited" (DPPL), a Private limited Company incorporate under the Companies Act 1956 and having its registered office at Plot No. PA-011-008B, Mahindra World City Jaipur Ltd (Engineering Zone) SEZ, Ajmer Road, Kalawada Jaipur-302037, Rajasthan, India
- 2.1.14 **Transition Period** means the period starting from the date immediately after the Appointed Date and ending on the Effective Date; and
- 2.1.15 **Tribunal(s)** means the relevant bench of National Company Law Tribunal having jurisdiction over the Transferor Company and the Transferee Company.
- 2.1.16 **Undertaking** shall mean and include:

- (A) All the assets (including tangible and intangible), properties and the entire business of DPPL as on the Appointed Date, (hereinafter referred to as "the said assets").
- (B) All the debts, liabilities, contingent liabilities, duties, obligations and guarantees of DPPL as on the Appointed Date, (hereinafter referred to as "the said liabilities").
- (C) Without prejudice to the generality of sub clause (a) and (b), the Undertakings of DPPL include all DPPL's reserves, movable and the immovable properties, all other assets including investment in shares, debentures, bonds, other securities, claims, loans and advances, deposits, ownership rights, lease hold rights, tenancy rights, occupancy rights, time shares, lending contracts, revisions, powers, permits, authorizations, quota rights, registrations, import/export licenses, bids, tenders, letter of intent, connections for water, electricity, and drainage, sanctions, consents, allotments, approvals, electrical installations and equipment, furniture and fittings, software packages, vehicles, interest, benefits, allocations, exemptions, concessions, subsidies, telephones, facsimile, website, e-mail connections, network facilities, and other communication facilities and equipment, investment rights and benefits of all agreements and all other interests, right and power of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals and all necessary records, files, papers, process information, and all books of account, documents and records relating thereof.
- (D) Without prejudice to the generality of the above, all benefits including Income Tax, Excise (including cenvat), sales tax, GST etc. to which the transferor company entitled to in terms of applicable tax laws of the union and state governments.

Dynamic Powertech Private Limited

  
Director

Mangal Electrical Industries Private Limited

  
Director



- 2.2 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other Applicable Law, bye-laws, as the case may be, or any statutory modification or re-enactment thereof for the time being in force.
- 2.3 In this Scheme, unless the context otherwise requires:
- 2.3.1 references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- 2.3.2 the headings are inserted for ease of reference only and shall not affect the construction or interpretation of the relevant provision of this Scheme;
- 2.3.3 any phrase introduced by the terms "including", "include" or any similar expression shall be construed without limitation;
- 2.3.4 references to one gender includes all genders;
- 2.3.5 words in the singular shall include the plural and *vice versa*; and.
- 2.3.6 any reference to any statute or statutory provision shall include:
- all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and
  - such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

### 3. SHARE CAPITAL

- 3.1 The share capital of the Transferee Company as on 31 March 2023 is:

| Particulars  | Amount<br>(in INR)  |
|--|---------------------|
| <b><u>Authorised share capital</u></b>                           |                     |
| 1,75,00,000 equity shares of INR 10 each                         | 17,50,00,000        |
| <b>TOTAL</b>   | <b>17,50,00,000</b> |
| <b><u>Issued, subscribed and fully paid-up share capital</u></b> |                     |
| 1,45,00,000 equity shares of INR 10 each                         | 14,50,00,000        |
| <b>TOTAL</b>   | <b>14,50,00,000</b> |

As on the date of approval of the Scheme by the Board of Directors of the Transferee Company, there is no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company.

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Mangal Electrical Industries Private Limited

AM  
Director

Director



3.2 The share capital of the Transferor Company as on 31 March 2023 is:

| Particulars  | Amount<br>(in INR) |
|--|--------------------|
| <b><u>Authorised share capital</u></b>                           |                    |
| 5,00,000 equity shares of INR 10 each                            | 50,00,000          |
| <b>TOTAL</b>   | <b>50,00,000</b>   |
| <b><u>Issued, subscribed and fully paid-up share capital</u></b> |                    |
| 5,00,000 equity shares of INR 10 each                            | 50,00,000          |
| <b>TOTAL</b>   | <b>50,00,000</b>   |

As on the date of approval of the Scheme by the Board of Directors of the Transferor Company, there is no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company.

4. The Amalgamation of the Transferor Company into the Transferee Company shall be in full compliance with the conditions relating to "amalgamation" as provided under Section 2(1B) and other related provisions of the IT Act such that, inter alia:
- All the properties of the Transferor Company, immediately before the Amalgamation, shall become the properties of the Transferee Company, by virtue of the Amalgamation;
  - All the liabilities of the Transferor Company, immediately before the Amalgamation, shall become the liabilities of the Transferee Company, by virtue of the Amalgamation; and
  - Shareholders holding at least three fourths in value of the shares in the Transferor Company, will become shareholders of the Transferee Company by virtue of the Amalgamation.

5. **RATIONALE FOR THE SCHEME**

5.1.1 The Transferor and Transferee Company's business activities are similar and complement each other, and to achieve inter-alia economies of scale and efficiency, the merger of the Company is being undertaken. The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits.

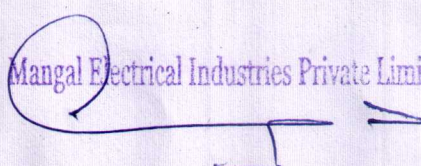
- Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value, and will improve the competitive position of the combined entity.
- Greater efficiency in cash management of the amalgamated entity, unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.

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Director

Mangal Electrical Industries Private Limited



Director



- (c) Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasing competitive industry.
- (d) Greater access by the amalgamated company to different market segments in the conduct of its business.
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardization, and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- (f) Achieving economies of scale.

In view of the aforesaid, the Board of Directors of the Transferor Company and Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Act.

- (g) Simplification of corporate structure through absorption of transferor company by the transferee company.

5.2 [The amalgamation pursuant to the Scheme is in the interest of both the Transferor Company and the Transferee Company, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.]

## 6. EFFECTIVENESS OF THE SCHEME AND OPERATIVE DATE

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

## PART II - AMALGAMATION OF THE TRANSFEROR COMPANY

### 7. TRANSFER AND VESTING OF THE TRANSFEROR COMPANY INTO THE TRANSFEE COMPANY

7.1 Upon the Scheme coming into effect and with effect from the Appointed Date, the Transferor Company together with all its properties, assets, investments, liabilities, rights, benefits, interests, title or power of every kind, nature, description and obligations therein shall, pursuant to the provisions of Sections 230 to 232 of the Act and in accordance with the Income-Tax Act, 1961, without any further act, deed, matter or thing, be and stand merged and transferred to, and vested in, and shall be deemed to be transferred to and vested in the Transferee Company on a going concern basis in the manner described hereunder, and shall become the property of and an integral part of the Transferee Company.

7.2 Without prejudice to the generality of Clause 7.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date, all the assets of, or used for the Transferor Company, as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery including without limitation plant and

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Mangal Electrical Industries Private Limited

Director

Director



machinery, whether leased or otherwise, other fixed assets, vehicles, furniture, fixtures and appliances, computers and office equipment pertaining to the Transferor Company, shall stand vested in the Transferee Company, and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the asset or property being vested, and the title to such asset or property shall be deemed to have been transferred and vested accordingly.

7.3 In respect of movable assets of the Transferor Company, other than those dealt with in Clause 7.2 above, including all current assets, investments in shares and any other securities, sundry debts, receivables, bills, credits, loans and advances related to Transferor Company, if any, whether recoverable in cash or in kind or for value to be received, deposits including accrued interest, bank balances, cash balances, development rights, advances paid to any parties for any business purpose, earnest money, security deposits, retention monies and any deposits with any government, quasi government, local or other authority or body or with customers or any company or other person, upon the coming into effect of this Scheme and with effect from the Appointed Date, the same shall, without any further act, instrument or deed, stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and / or the Transferee Company, and without any approval or acknowledgement of any third party.

7.4 All immovable properties in connection with the Transferor Company, including land together with the buildings and structures thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold (including any right to use) or licensed or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in / or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and / or the Transferee Company, and without any approval or acknowledgement of any third party. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent, charges, and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the Appropriate Authority pursuant to the sanction of this Scheme by the Tribunal(s) in accordance with the terms hereof. The Transferor Company shall take all steps as may be necessary to ensure that lawful and peaceful possession, right, title, interest of such immovable property of the Transferor Company is transferred to and vested in the Transferee Company in accordance with the terms hereof.

7.5 All Immovable properties in connection with the Transferor Company, including land together with the buildings and structures situated in SEZ (Special Economic Zone), RIICO shall be Transferred to and vested in the Transferee Company.

7.6 Without prejudice to the generality of the Clauses above, upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all intellectual property rights, know-how, patents, trademarks and confidential information which are owned by or licensed to the Transferor Company, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world including any and all registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trademarks,

Dynamic Powertech Private Limited

Mangal Electrical Industries Private Limited

Director

Director



appertaining to the Transferor Company, if any, shall stand transferred to and vested in the Transferee Company. The Transferee Company and the Transferor Company shall, post the Effective Date, intimate the Appropriate Authority in relation to the transfer of these intellectual property rights from the Transferor Company to the Transferee Company pursuant to this Scheme, if required under Applicable Law.

- 7.7 Loans, borrowings and other liabilities of the Transferor Company shall, without any further act or deed, become loans, borrowings and liabilities of the Transferee Company, and all rights, powers, duties and obligations in relation thereto shall stand transferred to and vested in, and shall be exercised by or against the Transferee Company as if it had entered into such loans, incurred such borrowings and assumed such liabilities. Thus, the primary obligation to redeem or repay such liabilities upon the Scheme becoming effective shall be that of the Transferee Company.
- 7.8 Any contracts inter-se the Transferor Company and the Transferee Company shall stand cancelled and cease to operate upon the coming into effect of this Scheme.
- 7.9 If and to the extent there are loans, deposits or balances or other remaining outstanding inter-se the Transferor Company and the Transferee Company, the obligations in respect thereof shall, on and from the Effective Date, come to an end and suitable effect shall be given in the books of the Transferee Company.
- 7.10 In so far as the existing security in respect of the loans or borrowings of the Transferor Company and other liabilities of the Transferor Company are concerned, such security shall, without any further act, instrument or deed be continued with the Transferee Company. The Transferor Company and the Transferee Company shall file necessary particulars and/or modification(s) of charge, with the relevant Registrar of Companies to give formal effect to the above provisions, if required.
- 7.11 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all liabilities, duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for the Transferor Company, shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing. The Transferee Company shall, and does hereby undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any.
- 7.12 Where any of the liabilities and obligations attributed to the Transferor Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company.
- 7.13 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferee Company shall, if so required under any Applicable Law or otherwise, execute deeds of confirmation, assignment or novation or other writings or arrangement with any party to any contracts, deeds, bonds, agreements, commitments, understandings, binding arrangements, licenses, purchase orders and all other forms of engagements, arrangements and agreements in relation to the Transferor Company and any offers, tenders, permits, rights, subsidies, concessions, entitlements, clearances, licenses (including the licenses granted to any governmental, statutory or regulatory bodies) or the like and other instruments of whatsoever nature to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the

Dynamic Powertech Private Limited

Mangal Electrical Industries Private Limited



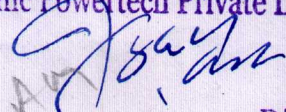
Transferor Company to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company.

- 7.14 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferee Company shall be entitled to secure the record of the change in the legal ownership upon the vesting of the assets of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act.
- 7.15 All licenses, permits, brands, trademarks including rights to use brands / trademarks, any other rights / entitlements, quotas, consents, exemptions, registrations, no-objection certificates, approvals (including, but not limited to, environmental approvals, statutory and regulatory approvals), permissions, registrations and benefits, subsidies, concessions, grants, rights, electricity, gas, water and other service connections, telephone connections, communication facilities, installations, utilities, claims, leases, tenancy rights, liberties, special status and other benefits or 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 before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date the licenses, permits, quotas, consents, exemptions, registrations, no-objection certificates, approvals (including, but not limited to, environmental approvals, statutory and regulatory approvals), permissions, registrations, incentives, accumulated tax losses, tax deferrals and benefits, subsidies, concessions, grants, rights, electricity, gas, water and other service connections, telephone connections, communication facilities, installations, utilities, claims, leases, tenancy rights, 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.

## **8. EMPLOYEES**

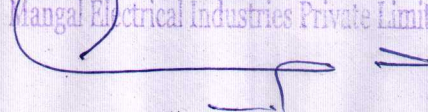
- 8.1 Upon the Scheme becoming effective, all staff and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to their employment in the Transferor Company.
- 8.2 With effect from the date of filing of the Scheme with the Tribunal(s) and up to and including the Effective Date, the Transferee Company agrees that any accumulated balances and benefits standing to the credit of the employees of the Transferor Company in the existing provident fund, gratuity fund and / or superannuation fund of which they are members will be transferred to such provident fund, gratuity fund and superannuation fund nominated by the Transferee Company or to the government provident fund. It is clarified that the services of the staff and employees of the Transferor Company will be treated as having been continuous for the purpose of the said fund or funds. The Transferee Company will also file relevant intimations in respect of the transfer of employees of the Transferor Company with the statutory authorities concerned who shall take the same on record and substitute the name of the Transferor Company with the Transferee Company.
- 8.3 With effect from the date of filing of the Scheme with the Tribunal(s) and up to and including the Effective Date, the Transferor Company shall not vary the terms and

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**Director**

**Mangal Electrical Industries Private Limited**



**Director**



conditions of employment of any of the employees of the Transferor Company except in the ordinary course of business or without prior consent of the Board of Directors of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Company.

## **9. CONSIDERATION AND CANCELLATION OF SHARES**

- 9.1 Upon this Scheme coming into effect and in consideration of the Merger, Transferee shall, without any further application, act, instrument or deed, issue and allot ordinary shares ("New Ordinary Shares") to the equity shareholders of Transferor, whose names are recorded in the register of members of Transferor, as on the Record Date to be fixed by the Board of Directors of Transferee or any committee thereof, in the following ratio ("Share Exchange Ratio"):

*"12 (Twelve) equity shares of the face value of Re. 10/- (Rupee Ten Only) each credited as fully paid-up shares of Transferee to the equity shareholders of Transferor for every 1 (one) equity share of the face value of Rs.10/- (Rupee Ten Only) each fully paid up and held by such shareholders in Transferor whose names are recorded in the Register of Members of Transferor as on the record date. "*

- 9.2 Upon the coming into effect of the Scheme and with effect from Appointed Date, the New Equity Shares of the Transferee Company to be issued and allotted to the shareholders of the Transferor Company as provided in the Scheme shall be subject to the provisions of the Articles of Association of the Transferee Company and shall rank *pari passu* from the date of allotment in all respects with the existing equity share of the Transferee Company including entitlement in respect of dividends.
- 9.3 The equity shares shall be issued in either in dematerialized or physical form to the shareholders of Transferor.
- 9.4 Upon the Scheme coming into effect and with effect from the Appointed Date, the entire issued, subscribed and paid-up equity capital of the Transferor Company shall, *ipso facto*, without any further application, act, deed or instrument stand extinguished and cancelled.

## **10. AGGREGATION OF AUTHORISED CAPITAL**

- 10.1 The provisions of this Clause shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.
- 10.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable, if any, to the relevant Registrar of Companies by the authorized share capital of the Transferor Company as on the Effective Date and the memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme or any dispensation that may be granted by the Tribunal(s), shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the provisions of the Act would be required to be separately passed. For this purpose, the filing fees and stamp duty, if any, already paid by the Transferor Company on its authorized share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorized

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**Director**

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**Director**



share capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the authorized share capital so increased.

- 10.3 Pursuant to the Scheme becoming effective and consequent upon the amalgamation of the Transferor Company into the Transferee Company, the authorized share capital of the Transferee Company will be as under:

| Particulars  | Amount<br>(in INR)  |
|--|---------------------|
| <b><u>Authorized share capital</u></b>                           |                     |
| 2,05,00,000 equity shares of INR 10 each                         | 20,50,00,000        |
| <b>TOTAL</b>   | <b>20,50,00,000</b> |
| <b><u>Issued, subscribed and fully paid-up share capital</u></b> |                     |
| 2,05,00,000 equity shares of INR 10 each                         | 20,50,00,000        |
| <b>TOTAL</b>   | <b>20,50,00,000</b> |

- 10.4 It is clarified that no special resolution under Sections 13 or 14 of the Act shall be required to be passed by the Transferee Company separately in a general meeting for increase in the authorized share capital of the Transferee Company pursuant to the Scheme and Clause V of the memorandum of association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

*"The Authorised Share Capital of the Company is Rs. 20,50,00,000 (Rupees Twenty Crore Fifty Lacs only) divided into [2,05,00,000] (Two Crore Five Lakh) equity shares of Rs. 10 (Rupee TEN only) each, with the right, privileges and conditions attached thereto as are provided by the Regulations of the Company for the time being, with the power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the Regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Regulations of the Company."*

## 11. [ACCOUNTING TREATMENT]

- 11.1 (i) Recognizing that the merger is to be considered as an "amalgamation in the nature of merger" in accordance with the provisions of Accounting Standard 14 "Accounting for Amalgamations" (AS-14), which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the accounting treatment in respect of assets, liabilities and reserves and surplus of Transferor Company in the books of Transferee Company shall be governed by the provisions of AS-14. Accordingly, all the assets and liabilities of Transferor Company shall be recorded at their existing values and in the same form as at the Appointed Date in the books of Transferee Company.

(ii) As on the Appointed Date, the balance lying to the credit/debit of the Statement of Profit and Loss in the books of the Transferor Company shall be credited/debited by Transferee Company to the balance of its Statement of Profit and Loss Account as

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effectively as if the same were created by Transferee Company and credited/debited, as the case may be, by Transferee Company out of its own earned and distributable profits.

(iii) Upon coming into effect of this Scheme, to the extent that there may be inter-company loans, advances, deposits, balances or other obligations as between Transferor Company and Transferee Company, all the rights and obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of Transferee Company.

- 11.2 As the Transferor Company shall stand dissolved without being wound up upon the Scheme becoming effective, hence there is no accounting treatment prescribed under this Scheme in the books of the Transferor Company.

## **12. CONDUCT OF BUSINESS DURING THE TRANSITION PERIOD**

- 12.1 The Transferor Company and the Transferee Company have agreed that during the Transition Period, the business of the Transferor Company and the Transferee Company shall be carried out with diligence and business prudence in the ordinary course consistent with past practice in good faith and in accordance with Applicable Law.

- 12.2 [During the Transition Period:

- a. the Transferor Company shall carry on, and be deemed to have carried on the business, operations or activities of the Transferor Company and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all the assets, properties, rights, title, interest, liabilities, authorities, contracts, investments and decisions relating to Transferor Company for and on account of, on behalf of and / or in trust for, the Transferee Company.
- b. all profits or income accruing or arising to the Transferor Company, or losses arising or expenditure incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), in relation to the Transferor Company, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure, as the case may be, of the Transferee Company. The Transferor Company shall not incur any expenditure except in the ordinary course of business.
- c. any of the rights, powers, authorities, privileges attached to or exercised by the Transferor Company shall be deemed to have been exercised by it for and on behalf of, and in trust for and as an agent of the Transferee Company.
- d. the Transferor Company shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or Encumber or deal, except: (i) when the same is expressly provided in this Scheme; or (ii) when the same is in the ordinary course of business as carried on the date of filing of this Scheme with the Tribunal(s); or (iii) when a written consent of the Transferee Company has been obtained in this regard.

Dynamic Powertech Private Limited

*[Signature]*  
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Director

Mangal Electrical Industries Private Limited

*[Signature]*

Director



- e. all assets howsoever acquired by the Transferor Company for carrying on the business, operations or activities and the liabilities shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company; however, no onerous or extraordinary asset shall have been acquired by, or onerous liability shall be incurred by the Transferor Company after the Appointed Date without prior written consent of the Transferee Company.
- f. the Transferor Company shall not utilize the profits or income, if any, for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of the Transferee Company.]
- g. Transferor may not vary the terms and conditions and employment of permanent employees except in ordinary course of business.
- h. Transferor shall not, without prior written consent of Transferee, undertake any new business.
- i. Transferor shall not, without prior written consent of Transferee, take any major policy decision in respect of management of Transferor and for business of Transferor.
- j. It is clarified that any advance tax paid/TDS credits/TDS certificates received by Transferor shall be deemed to be the advance tax paid by/TDS credit/ TDS certificates of Transferee.

12.3 The Transferor Company shall, pending sanction of the Scheme, apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals, sanctions, registration, exemptions as may be required / granted under any Applicable Law for the time being in force which the Transferor Company and the Transferee Company require in relation to the amalgamation of the Transferor Company into the Transferee Company or which the Transferee Company requires to own the assets and liabilities of the Transferor Company and carrying on the business of the Transferor Company on a going concern basis.

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

12.5 For the sake of clarity, it is confirmed that all assets or investments, properties, right, title or interest acquired by or the liabilities incurred by the Transferor Company after the Appointed Date but prior to the Effective Date in relation to the Transferor Company shall also, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.

13. **LEGAL PROCEEDINGS**  
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*[Signature]*  
Director

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*[Signature]*  
Director



- 13.1 If any suit, appeal and other proceedings of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this merger 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 the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made. In the event that the legal proceedings referred to herein require the Transferor Company and the Transferee Company to be jointly treated as parties thereto, Transferee Company shall be added as party to such proceedings and shall prosecute and defend such proceedings in cooperation with the Transferor Company.
- 13.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in Clause 13.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of Transferor Company.
- 13.3 On and from the Effective Date, the Transferee Company shall, and may, if required, initiate, continue any legal proceedings in relation to the Transferor Company.

**14. CONTRACTS, DEEDS OTHER INSTRUMENTS**

- 14.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements (including agreements for sale of immovable property), commitments, understandings, binding arrangements, licenses, purchase orders and all other forms of engagements, arrangements and agreements and any offers, tenders or the like and other instruments of whatsoever nature to which the Transferor Company is a party, or the benefit to which the Transferor Company may be eligible, subsisting or operative immediately on or before the Effective Date, entered into and which are in effect (in whole or in part) prior to or on the Appointed Date in accordance with the terms and conditions thereof, and those which are entered into by the Transferor Company between the Appointed Date and the Effective Date shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.
- 14.2 Further, without prejudice to the amalgamation of the Transferor Company with and into the Transferee Company, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings, assignment and / or novation or enter into any arrangements, confirmations, on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company, to give effect to the provisions of this Scheme or at any time after this Scheme becomes effective, if so required or becomes necessary. The contracts entered into by the Transferor Company till the Effective Date shall be vested in the Transferee Company and unless required under such contract, the Transferee Company would not be required to carry out assignment of such contracts with any party whatsoever.
- 14.3 As a consequence of the amalgamation of the Transferor Company with and into the Transferee Company in accordance with and pursuant to this Scheme, the recording of change in name in the records of the statutory or regulatory authorities from the Transferor Company to the Transferee Company, whether relating to any license, permit, approval or any other matter, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority.

**15. SAVING OF CONCLUDED TRANSACTIONS**

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Director

Director



The transfer and vesting of business and the continuance of proceedings by or against the Transferor Company, to the extent it relates to the Transferor Company above shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

**16. DISSOLUTION OF THE TRANSFEROR COMPANY**

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound-up. Further, on and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the relevant Registrar of Companies.

**17. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then, the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the limits in the Transferee Company.

**PART III - GENERAL CLAUSES, TERMS AND CONDITIONS**

**18. APPLICATION TO THE TRIBUNAL(S) OR SUCH OTHER COMPETENT AUTHORITY**

The Transferor Company and the Transferee Company shall follow the procedures prescribed under Sections 230 to 234 of the Companies Act, 2013 and/ or other applicable provisions of the Companies Act, 2013, as may be notified and applicable laws of National Company Law (NCLT) and/or any other government authority as applicable, for sanctioning of this Scheme, for carrying this Scheme into effect and for obtaining all approvals as may be required under law.

**19. APPROVAL OF MEMBERS OF THE TRANSFEROR COMPANY AND TRANSFEEE COMPANY**

Subject to any dispensation that may be granted by the Tribunal(s), each of the Transferor Company and the Transferee Company undertake that the approval of the members of each of the Transferor Company and the Transferee Company, respectively, shall be sought for the Scheme, in a meeting of such members with voting occurring through postal ballot and e-voting in accordance with the provisions of the Act. The explanatory statement to the notice sent to the members for convening such meeting shall provide all requisite details as may be material for the members to consider whilst voting on the Scheme.

**20. APPROVAL OF CREDITORS OF THE TRANSFEROR COMPANY AND TRANSFEEE COMPANY**

Subject to any dispensation that may be granted by the Tribunal(s), each of the Transferor Company and the Transferee Company undertake that the approval of the three fourth in value of the creditors of each of the Transferor Company and the Transferee Company, respectively, shall be sought for the Scheme, in a meeting of such creditors. The explanatory statement to the notice sent to the creditors for convening such

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Manga Electrical Industries Private Limited

Director

Director



meeting shall provide all requisite details as may be material for the creditors to consider whilst voting on the Scheme.

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

- 21.1 Subject to the approval of the Tribunal(s), the Transferor Company and the Transferee Company by their respective Board of Directors may make or consent to, on behalf of all persons concerned, any modifications or amendments to the Scheme, or to any conditions or limitations that the Tribunal(s) or any other authority may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate by the respective Board of Directors, including withdrawal of this Scheme and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect. No modification or amendment to the Scheme will be carried out or effected by the Board without the approval of the Tribunal(s).
- 21.2 The Transferor Company and the Transferee Company shall be at liberty to withdraw this Scheme, in case of any condition or alteration imposed by the Tribunal(s) or any other authority or any bank or financial institution is unacceptable to them or otherwise if so mutually agreed.
- 21.3 For the purpose of giving effect to this Scheme or to any modification thereof, the Board of Directors of the Transferor Company and the Transferee Company thereof are authorized severally to give such directions including directions for setting any question of doubt or difficulty that may arise under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.

## **22. CONDITIONALITY OF THE SCHEME**

- 22.1 The Scheme is conditional upon and subject to the following:
- a. the Scheme being approved by the respective requisite majorities of the members and / or creditors of the Transferor Company and the Transferee Company as required under the Act and as may be directed by the Tribunal(s) and / or any other competent authority and it being sanctioned by the Tribunal(s) and / or any other competent authority, as may be applicable, subject to any dispensation granted by the Tribunal(s) from convening meetings of the members and / or creditors received by the Transferor Company and / or the Transferee Company;
  - b. The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
  - c. the certified copy of the order of the Tribunal(s) sanctioning the Scheme, being filed with the relevant Registrar of Companies by the Transferor Company and the Transferee Company.
  - d. In the event of any of the sanctions and/or approvals not being obtained and/or the Scheme not being sanctioned by the Hon'ble NCLT, order not being passed as aforesaid on or before July 31, 2024, or such period as may be agreed upon between the Transferor Company and Transferee Company through their respective Board of Directors, the Scheme shall become null

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Director

Mangal Electrical Industries Private Limited

Director



and void and the Transferee Company shall bear and pay the costs charges and expenses for and/or in connection with the Scheme.

**23. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

In the event of any of the said sanctions and approvals referred to in the preceding Clause 22 not being obtained, or in the event of this Scheme failing to take effect, before September 30, 2024 or such other date as the Board of Directors of the Transferor Company or the Transferee Company may determine or the Tribunal(s) may direct, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise under Applicable Law.

**24. BINDING EFFECT**

Upon the Scheme becoming effective, the same shall be binding on the Transferee Company and all concerned parties without any further act, deed, matter or thing.

**25. EXECUTING DEEDS OR ARRANGEMENTS TO GIVE EFFECT TO THE SCHEME**

The Transferee Company will, at any time after the Transition Period and in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Transferor Company to which any of the Transferor Company is a party in order to give formal effect to the provisions of the Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised 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 behalf of the Transferor Company.

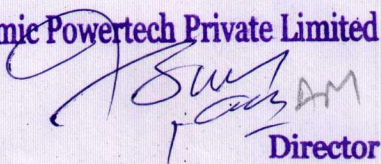
**26. COSTS**

All costs, charges, taxes including duties, levies and all other expenses if any (save as expressly otherwise agreed), incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne solely by the Transferee Company.


**27. SEVERABILITY**

If any part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future Applicable Law, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Transferor Company and the Transferee Company (acting through their respective Boards of Directors) shall attempt to bring about appropriate modification to this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

**Dynamic Powertech Private Limited**

  
**Director**

**Mangal Electrical Industries Private Limited**

  
**Director**

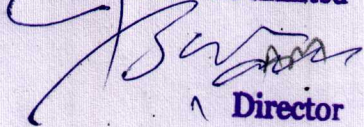


28.

#### ARBITRATION

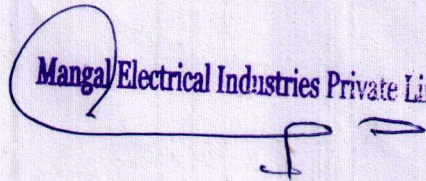
Any dispute, difference or question or any time arising out of the Scheme or any clause, matter or thing herein contained or the rights or liabilities of the parties hereunder which the parties are unable to resolve amicably shall be referred to sole arbitrator, as per the provisions of The Arbitration and Conciliation Act, 1996. The conciliation and arbitration proceeding shall take place at Jaipur. Judgement upon the award may be entered in any court having jurisdiction or an application may be made to such court for a judicial acceptance of the award and an order of enforcement, or the case may be.

Dynamic Powertech Private Limited



Director

Mangal Electrical Industries Private Limited



Director