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info@suncitysheets.com
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CIN : U27107RJ1981PTC090529
Tel. No. : +91 291 2741103

SUNCITY METALS AND TUBES PRIVATE LIMITED

Registered Office: Plot No 27A/68 Adarsh Society Light Industrial Area,
Near ITI circle, Jodhpur Shastri Nagar, Jodhpur -342003, Rajasthan

CIN: U27107RJ1981PTC090529

E-mail: cs@suncitysheets.com

Website: www.suncitysheets.com

NOTICE – UNSECURED CREDITORS

(Convened pursuant to order dated May 17, 2024, passed by the
Hon'ble National Company Law Tribunal, Jaipur Bench)

MEETING DETAILS

Day:	Monday
Date:	July 15, 2024
Time:	12:30 P.M.
Venue:	Through Video Conferencing / Other Audio-Visual means
Link of the Meeting to be conducted through VC/OAVM	www.evotingindia.com

E-VOTING DETAILS

Cut-off date	January 31, 2024
Remote e-voting start date and time	Thursday, July 11, 2024, at 09:00 a.m. (IST)
Remote e-voting end date and time	Sunday, July 14, 2024, at 05:00 p.m. (IST)

SUNCITY METALS AND TUBES PRIVATE LIMITED

(Formerly Known as "Suncity Sheets Private Limited")

Registered Office : Plot No. 27-A / 66-68, 2nd Floor, Adarsh Society, Near ITI Circle, Jodhpur-342 003, Rajasthan, India
Plant Address : Plot No. 862, 863, 864, 866, and 867, IV Phase, Boranada Industrial Area, Boranada, Jodhpur-342 012, Rajasthan, India
: 503/2, 520/P2, Guntha, Gundala, Gandhidham Mundra Highway, Mundra (Kutch)-370 410, Gujarat, India



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INDEX

Sr. No.	Content	Pg. No.
1.	Notice for convening meeting of the unsecured creditors of Suncity Metals and Tubes Private Limited as per the directions of the National Company Law Tribunal, Jaipur for seeking their consent and approval for Composite Scheme of Arrangement Amongst Bhuvée Stenovate Private Limited (Bhuvée or Transferor Company) and Suncity Metals And Tubes Private Limited (Suncity or Transferee company 1) and Laser Power & Infra Private Limited (Laser Power or Transferee Company 2) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 (The Scheme)	3
2.	Instructions for E-Voting	7
3.	Explanatory Statement under Section 230(3), 232 and 102 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.	10
4.	Annexure-1: The Scheme	30
5.	Annexure-2: Share Entitlement Ratio Report, dated 14th March 2024 obtained from registered Valuer, Mr. Soumil Sanghvi	61
6.	Annexure-3: NCLT Order dated May 17, 2024	72
7.	Annexure-4: Board Resolution - authorisation for representation	87
8.	Annexure-5: Letter of Authorisation	88

FORM CAA.2

(Pursuant to Section 230(3) and Rule 6 & 7)

Before the National Company Law Tribunal
Jaipur Bench, Jaipur
CA (CAA) No. 03/230-232/JPR/2024

IN THE MATTER OF SECTION 230-232 OF THE COMPANIES ACT, 2013 READ WITH
THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS)
RULES, 2016

AND

IN THE MATTER OF SCHEME OF COMPROMISE AND/ OR ARRANGEMENT
BETWEEN

BHUVEE STENOVATE PRIVATE LIMITED

...TRANSFEROR COMPANY

AND

SUNCITY METALS AND TUBES PRIVATE LIMITED

... TRANSFEREE COMPANY 1

AND

LASER POWER & INFRA PRIVATE LIMITED

... TRANSFEREE COMPANY 2

**NOTICE CONVENING MEETING OF THE UNSECURED CREDITORS OF
SUNCITY METALS AND TUBES PRIVATE LIMITED**

To,
**Unsecured Creditors,
Suncity Metals and Tubes Private Limited,
Jodhpur**

Notice is hereby given that by the Order dated May 17, 2024, the Hon'ble National Company Law Tribunal, Jaipur Bench, whereby it has directed to hold a meeting of Unsecured Creditors of SUNCITY METALS AND TUBES PRIVATE LIMITED (**TRANSFEREE COMPANY 1**) be convened and held through Video Conferencing/Other Audio Visual Means ("VC/OAVM") for the purpose of considering, and if thought fit, approving with or without modification, the ("Scheme") of arrangement amongst Bhuvée Stenovate Private Limited (Bhuvée or Transferor company) and Suncity Metals and Tubes Private Limited (Suncity or Transferee Company 1) and Laser Power & Infra Private Limited (Laser Power or Transferee Company 2) and their respective shareholders and creditors under sections 230 to 232 of the Companies Act, 2013 ("the Act").

In pursuance of the Order and as directed therein further, this Notice is hereby given that a meeting of the unsecured creditors of the Suncity will be held on Monday, 15 July 2024 at 12:30 p.m. IST through video conference (VC) or other audio-visual means (OVAM) in



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compliance with the provisions of applicable law. The Unsecured Creditors of the Transferee Company 1 are requested to attend, consider and, if thought fit, to pass the following resolution:

“RESOLVED THAT pursuant to Sections 230 and 232 of the Companies Act, 2013 (the Act) and Companies (Compromise, Arrangement and Amalgamation) Rule 2016 and the National Company Law Tribunal Rules 2016 (the Rules) and other applicable provisions, if any, of the Act and the Rules and subject to sanction by the Hon’ble National Company Law Tribunal, Jaipur Bench (“Hon’ble Tribunal”) and other requisite concerns and approvals, if any, being obtained and subject to such terms and conditions and modification(s) as may be imposed, prescribed or suggested by the Hon’ble Tribunal or other appropriate authorities, the Composite Scheme of Arrangement (the "Scheme") amongst Bhuvée Stenovate Private Limited (“Bhuvée” or “Transferor Company”), Suncity Metals and Tubes Private Limited (“Suncity” or “Transferee Company 1”) and Laser Power & Infra Private Limited (“Laser Power” or “Transferee Company 2”) and their respective shareholders and creditors, which provides for the demerger of the Demerged Undertaking 1 (as defined in the Scheme) of the Transferor Company into Transferee Company 1, with effect from 1st April, 2023 ("Appointed Date"), placed before the meeting and initialled by the Chairperson for the purpose of identification, be and is hereby approved by the Unsecured Creditors of Suncity.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and to effectively implement the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon’ble NCLT while sanctioning the Demerger embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to make and/ or consent to any modifications, alterations or amendments in the scheme, which are desired, directed or imposed by the Hon’ble Tribunal and to take all such steps as may be necessary and desirable to implement the Scheme and to give effect to this resolution.”

Dated: 13 June 2024
Place: Jodhpur

Sd/-
Shri Ganga Prasad Gupta
Chairperson appointed for the Meeting



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Notes:

1. Copies of the said scheme and explanatory statement under section 230, 232 and 102 of the Companies Act, 2013 read with rules made thereunder along with all necessary documents, can be obtained free of charge by the Unsecured Creditors as on January 31, 2024 within one day of requisition made by them, at the registered office of the Company at Plot No 27A/68 Adarsh Society Light Industrial Area, Near ITI circle, Jodhpur Shastri Nagar, Jodhpur -342003, Rajasthan on all weekdays except Saturday, Sunday and Public Holidays, from 10:00 a.m. to 05:00 p.m., the same can also be downloaded from the website of the Transferee Company 1 at www.suncitysheets.com/.
2. Since this Meeting is held pursuant to the Order passed by Hon'ble NCLT, Jaipur Bench through VC/OAVM, physical attendance of the Unsecured creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the unsecured creditors will not be available for this Meeting and hence, the Proxy Form, Route Map and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Act, authorized representatives of institutional/ corporate unsecured creditors may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting, provided that such corporate unsecured creditor sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., within the timeline specified in this Notice, authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting and/or to vote through remote e-voting.
3. The instructions for remote e-voting are appended to the Notice. The Unsecured Creditors can vote on resolutions through remote e-voting facility or through voting during the meeting. Only those Unsecured Creditors, who will be present in the Meeting through VC/OAVM Facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the Meeting.
4. The Unsecured Creditors are required to notify the change in their address, e-mail address and mobile number, if any, to the company immediately.
5. The notice of the meeting of the Unsecured Creditors of the Company is also displayed/ posted on the website of the Company (www.suncitysheets.com).
6. The Hon'ble National Company Law Tribunal, Jaipur bench has appointed Shri Ganga Prasad Gupta, Advocate as the Chairman and Shri Akshit Kr. Jangid, Practicing Company Secretary as the Scrutinizer, for the meeting of the Unsecured Creditors. The Scheme, if approved at the meeting, will be subject to the subsequent approval of the Hon'ble Tribunal.



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7. The notice convening the meeting has been published through advertisement in English in “Times of India” in Jaipur Edition and in Hindi in “Rajasthan Patrika” in Jodhpur Edition.
8. A copy of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.
9. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the Unsecured Creditors at the Corporate office of the Transferee Company 1 at Plot No 27A/68 Adarsh Society Light Industrial Area, Near ITI circle, Jodhpur Shastri Nagar, Jodhpur -342003, Rajasthan.

INSTRUCTIONS FOR E-VOTING

1. General Instructions

- a. The meeting is proposed to be convened through video conferencing in terms of the order passed by the Hon'ble Tribunal, following the Companies Act, 2013, and applicable Rules & Guidelines. Hence, the Notice is being sent to all Unsecured Creditors, whose name appeared as Unsecured Creditors as on January 31, 2024, to attend and participate in the ensuing meeting through VC/OAVM.
- b. The Company has provided the facility to the Unsecured Creditors of the Transferee Company 1 to vote by electronic means both through remote e – voting and e-voting during the Unsecured Creditors meeting.
- c. The Unsecured Creditors may refer to the Notes to this Notice for further details on voting through E-voting at meeting and Remote e-voting.
- d. Unsecured Creditors joining the meeting through VC/OAVM, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the meeting. The Unsecured Creditors who have cast their vote by remote e-voting prior to the meeting may also join the meeting through VC/OAVM but shall not be entitled to cast their vote again.
- e. The facility of casting votes by Unsecured Creditors using remote e-voting as well as the e-voting system on the date of the meeting will be provided by Central Depository Services (India) Limited (“CDSL”).

2. Instructions for Unsecured Creditors for Remote E-Voting are as under:

- a. The voting period begins on Thursday, July 11, 2024 (9:00 a.m. IST) and ends on Sunday, July 14, 2024 (5:00 p.m. IST). During this period Secured Creditors, as on the cut-off date January 31, 2024, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter.
- b. Voters should log on to the e-voting website www.evotingindia.com during the voting period.
- c. Click on Shareholders/ Members.
- d. Enter your User ID.
- e. Next enter the Image Verification as displayed and Click on Login.
- f. Enter your password.
- g. After entering these details appropriately, click on “SUBMIT” tab.
- h. Select the EVSN of Suncity Metals and Tubes Private Limited << as registered in the e-Voting system (www.evotingindia.com)>> on which you choose to vote.
- i. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.



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- j. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- k. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- l. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- m. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

3. Instructions for Unsecured Creditors attending the meeting through VC/OAVM are as under:

- a. Unsecured Creditors will be provided with a facility to attend the Unsecured Creditors meeting through VC/OAVM through the CDSL e-Voting system. Unsecured Creditors may access the same using Remote voting credentials. The link for VC/OAVM will be available in Unsecured Creditors login where the EVSN of Company will be displayed.
- b. Unsecured Creditors are encouraged to join the meeting through laptops / iPad for better experience.
- c. Further Unsecured Creditors will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
- d. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- e. Unsecured Creditors who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to Unsecured Creditors meeting mentioning their name, member id, email id, mobile number at cs@suncitysheets.com. The questions should be restricted with respect to the scheme of amalgamation only. The Unsecured Creditors who do not wish to speak during the meeting but have queries may send their queries in advance 5 days prior to Unsecured Creditors meeting mentioning their name, member id, mobile number at cs@suncitysheets.com. These queries will be replied to by the Transferee Company 1 suitably by email.
- f. Those Unsecured Creditors who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

4. Instructions for Unsecured Creditors for E-Voting during the meeting are as under:

- a. The procedure for e-Voting on the day of the meeting of Unsecured Creditors of Transferee Company 1 is same as the instructions mentioned above for Remote e-voting.



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- b. Only those Unsecured Creditors, who are present in the meeting through VC/OAVM facility and have not casted their vote on the Resolution through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the Unsecured Creditors meeting and said facility is available for 15 minutes after the conclusion of the Meeting.
- c. If any votes are cast by the Unsecured Creditors through e-voting available during the Unsecured Creditors meeting and if the same Unsecured Creditors have not participated in the meeting through VC/OAVM facility, then the votes cast by such Unsecured Creditors shall be considered invalid as the facility of e-voting during the meeting is available only to the Unsecured Creditors attending the meeting.
- d. Unsecured Creditors who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the Unsecured Creditors meeting.

In case of any query or grievance pertaining to remote e-voting, e-voting during the Meeting and joining the Meeting through VC or OAVM, Unsecured Creditors may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

The results of the votes cast through remote e-voting and e-voting during the meeting will be announced within 2 days from the date of conclusion of the meeting at the registered office of the Transferee Company 1. The results along with the report of the Scrutinizer shall be displayed at the registered office of the Transferee Company 1 at Plot No 27A/68 Adarsh Society Light Industrial Area, Near ITI circle, Jodhpur Shastri Nagar, Jodhpur -342003, Rajasthan and its website www.suncitysheets.com and CDSL’s website www.evotingindia.com.

(Pursuant to Section 230(3) and Rule 6 & 7)

Before the National Company Law Tribunal
Jaipur Bench, Jaipur
CA (CAA) No. 03/230-232/JPR/2024

IN THE MATTER OF SECTION 230-232 OF THE COMPANIES ACT, 2013 READ WITH
THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS)
RULES, 2016

AND

IN THE MATTER OF SCHEME OF COMPROMISE AND/ OR ARRANGEMENT
BETWEEN

BHUVEE STENOVATE PRIVATE LIMITED

...TRANSFEROR COMPANY

AND

SUNCITY METALS AND TUBES PRIVATE LIMITED

... TRANSFeree COMPANY 1

AND

LASER POWER & INFRA PRIVATE LIMITED

... TRANSFeree COMPANY 2

**EXPLANATORY STATEMENT UNDER SECTION 230(3) OF THE COMPANIES
ACT, 2013 AND RULES 6 OF THE COMPANIES (COMPROMISES,
ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. Suncity Metals and Tubes Private Limited (Suncity or Transferee Company 1) and Bhuvée Stenovate Private Limited (Bhuvée of Transferor Company) had jointly filed an Application with the Hon'ble National Company Law Tribunal, Jaipur Bench for Order to dispense with convening, holding and conducting a meeting of the Equity Shareholders and Preference Shareholders of the Company and convening, holding and conducting a meeting of the Secured Creditors and Unsecured Creditors for the purpose of considering and approving the Scheme of arrangement. The Hon'ble Tribunal, Jaipur Bench under Application CA (CAA) No. 03/230-232/JPR/2024 vide Order dated May 17, 2024, had dispensed with convening, holding and conducting a meeting of the Equity Shareholders and Preference Shareholders and directed for convening, holding and conducting meeting of Secured Creditors and Unsecured Creditors of Transferee Company 1.
2. Transferee Company 1 is a private limited company incorporated under the provisions of the Companies Act, 1956 and presently having its registered office at Plot No 27A/68 Adarsh Society Light Industrial Area, Near ITI circle, Jodhpur Shastri Nagar, Jodhpur - 342003, Rajasthan. Suncity was originally incorporated as a private limited company on September 10, 1981, under the name and style of 'Bhansali Rubber Private Limited' under the Companies Act, 1956 as per the Certificate of



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Incorporation issued by the Registrar of Companies, Jaipur, Rajasthan. The name of the Company was changed to Suncity Sheets Private Limited, and the Company obtained fresh Certificate of Incorporation from the Registrar of Companies, Jaipur on May 30, 2003 after complying with the relevant provisions of the Companies Act, 1956. Later on, the name of the Company was further changed to Suncity Metals and Tubes Private Limited and the Company obtained fresh Certificate of Incorporation from the Registrar of Companies, Jaipur on November 21, 2023, after complying with the relevant provisions of the Companies Act, 2013. The Company shifted its registered office from Rajasthan state to Gujarat state vide the Regional Director's order dated August 8, 2018. Further the Company has shifted its registered office from Gujarat state to Rajasthan State vide Regional Director's order dated June 14, 2023. Suncity is registered with the RoC, Jaipur having CIN U27107RJ1981PTC090529. Its PAN with the Income Tax Department is AAHCS3761Q. The email address of the Transferee Company 1 is cs@suncitysheets.com.

3. Transferee Company 1 was incorporated *inter alia*:

- a. To manufacture cut corrugate hot rolled cold, rolled., sheets, coated plain sheets, coated corrugated sheets and to manufacture import roll, re-rolled, draw cast and deal in all kind of stainless steel, iron and steel, alloy steel, ferrous and nonferrous metals including ingots, blooms billets, bars, wires, and to carry on business of iron, steel and stainless steel founders, steel makers, steel converters, and to establish stainless steel, rolling mill and re rolling in their respective branches, furnace proprietors, scrap dealers, metals and alloy welders, fabricators, molders and job workers, plating of hardware items and bearing components all kinds of utensils and steels metal products, kitchen ware, packing products, machinery and parts thereof, agricultural implements, hospital equipments and aggrotech farmings, casting products and their parts.
- b. To carry on the business of manufacturers, designers, fabricators-assemblers, processors exporters, importers, buyers, sellers and contractors in all type of handicrafts items of iron, wooden, brass, copper or any other metal items and its allied products.
- c. To carry on business of manufacturing, producing, processing, generating, accumulating, distributing, transferring, preserving, mixing, supplying, contracting as consultants, importers, exporters, buyers, sellers, assemblers, hirers, repairers, dealers, distributors, stockiest, wholesalers, retailers, jobbers, traders, agents, brokers, representatives, collaborators for merchandising, marketing, managing, leasing, renting, utilizing of electricity, steam power, solar energy, wind energy, biomass energy, geothermal energy, hydel energy, tidal and wave energy, and other conventional, nonconventional and renewal energy sources, waste treatment plants of all kinds and equipment thereof in India and outside India.
- d. To carry on the business of leasing, hire purchase and finance in all its branches in respect of automobiles, property, household appliances, industrial equipment, machineries, films.



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4. Transferee Company 2 is a private limited company incorporated under the Companies Act 2013 having its registered office at 4A Pollock Street, Kolkata 700001. The Resulting Company was incorporated on 07th January 1988 under the name and style of M/s Laser Cables Private Limited under the Companies Act 1956 as per the Certificate of Incorporation issued by the Registrar of Companies, West Bengal on 07.01.1988. Thereafter, on 31st January 2011, the provisions of its Memorandum of Association with respect to its objects were altered and the same was certified by the Ministry of Corporate Affairs, Registrar of Companies, West Bengal. Further, the name of the M/s Laser Cables Private Limited was changed to Laser Power & Infra Private Limited with effect from 03rd February 2016. Again, on 26th March 2024, the provisions of its Memorandum of Association with respect to its objects were altered and the same was certified by the Ministry of Corporate Affairs, Central Processing Centre, Manesar, Gurgaon, Haryana. The Transferee Company 2 is registered with the RoC, Kolkata, having CIN U14220WB1988PTC043591. Its PAN with the Income Tax Department is AAACL4776D. The email address of the Transferee Company 2 is navin@laserpowerinfra.com.
5. Transferee Company 2 was incorporated *inter alia*:
 - a. To carry on the business as manufacturers, processors, semi-processors, assemblers, manipulators, extruders, moulders, founders, miners, traders, dealers, distributors, stockists, agents, merchants, brokers, commission agents, exporter, importer, Representatives, engineers, alters, exchangers, improvers, buyers, sellers of PVC insulated copper and aluminium conductors, cables, wires, steel-core and aluminium conductors, Cables, wire, steel-core wire, and their allied products. PVC compounds, G.I. wires and strips, aluminium and copper wires and other Electrical & Electronics goods for industrial, commercial, and domestic purpose, ferrous and non-ferrous casting and their products, dyes, organic and inorganic chemicals, plastics and their allied products and machines, tools, parts and other accessories, all raw materials, machinery, and other produces required in connection therewith.
 - b. To carry on the business of manufacturing, buying, selling, re-selling, exporting, exchanging, altering, improving, indenting, processing, semi-processing, assembling, repairing, order supplying of and let on hire or otherwise dealing in the field of all kinds of Electronics and/or Electrical Equipments, Transformers and Machineries of all types and kinds, such as motors, Dynamos, alternators of all voltages and capacities, Electric Switch gears both of high and low tension, suitable for altering current and direct current electrical wiring and accessories and of all types of lamps and tubes, etc.
 - c. To carry on all or any of the business of electrical engineers and contractors, electricians, mechanical engineers and contractors, structural engineers and contractors, civil engineers and contractors including planning, design, consultancy, erection, construction, commission of equipments, plants and machinery, Electric power, light in any industry, works establishment, factory and supply in all its branches and maintenance, repairs, remodel, reconstruction, and in particular to lay down, establish fix and carry out all



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necessary power stations, cables, wires, lines, accumulators, Lamps and any electrical work and to generate acquire and purchase in bulk, accumulate, distribute and supply electricity and light and power to cities, streets, dock, markets, buildings and in places both public and private in India and elsewhere.

- d. To carry on business of Mining of Bauxite and other metals.
 - e. To carry on in India or elsewhere the business of manufacturing, producing, processing, melting, converting, manipulating, treating and to act as agent, broker; buyer, seller, trader, importer, exporter, distributor, stockiest, metallurgist, engineer, consultant, foundry man, job worker, supplier, contractor otherwise to deal in alloy steel, carbon steel, high chromested, hot die steel, Iron & steel rolled, forged, fabricated products & parts, ferro alloys of all grades and forms including powder from such as ferro silicon, fem chrome, silicon manganese, silico calcium, silico chrome, ferro molybdenum, ferro vanadium, ferro tungsten, fem-silico magnesium, ferro manganese, ferro columbium, ferro niobium, ferro titanium or other ferro alloys present future and other allied items and to establish turnkey projects from civil to all activities including Manufacturing, Refurnishing, reconditioning of all sorts land & Machineries and execution of the same project.
6. Transferor Company is a private limited company incorporated under the Companies Act, 1956 and having its registered office at Room No. 307, Swaika Centre 4A Pollock Street, Kolkata - 700001. Bhuevee was constituted as a private limited company on November 7, 2007, under the name and style of Integerated Equipments & Infraserivices Private Limited under the Companies Act, 1956 as per the Certificate of Incorporation issued by the Registrar of Companies, West Bengal. The name of the Company was changed to Bhuevee Stenovate Private Limited with effect from August 13, 2014. Bhuevee is registered with the Registrar of Companies, West Bengal having CIN U27100WB2007PTC120297. Its PAN with the Income Tax Department is AABC19428C. The email address of the Transferor Company is info.bhuevee@gmail.com.
7. Transferor Company was incorporated *inter alia*:
- a. To carry on in India or elsewhere the business of manufacturing, producing, processing, melting, converting, manipulating, treating and to act as agent, broker; buyer, seller, trader, importer, exporter, distributor, stockiest, metallurgist, engineer, consultant, foundry man, job worker, supplier, contractor otherwise to deal in alloy steel, carbon steel, high chromested, hot die steel, Iron & steel rolled, forged, fabricated products & parts, ferro alloys of all grades and forms including powder from such as ferro silicon, fem chrome, silicon manganese, silico calcium, silico chrome, ferro molybdenum, ferro vanadium, ferro tungsten, fem-silico magnesium, ferro manganese, ferro columbium, ferro niobium, ferro titanium or other ferro alloys present future and other allied items and to establish turnkey projects from civil to all activities including Manufacturing, Refurnishing, reconditioning of all sorts land & Machineries and execution of the same project .

8. Details of the Capital Structure of the Transferee Companies and the Transferor Company:

Transferee Company 1 (Suncity Metals and Tubes Private Limited)

As on January 31, 2024:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
1,90,000 Equity Shares of INR 1,000 each	19,00,00,000
<i>Preference Shares</i>	
50,000 Preference Shares of INR 1,000 each	5,00,00,000
Total	24,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
1,64,845 Equity Shares of INR 1,000 each.	16,48,45,000
<i>Preference Shares</i>	
30,000 Preference Shares of INR 1,000 each	3,00,00,000
Total	19,48,45,000

After filing the petition of Demerger with NCLT, Jaipur, the capital structure of the Transferee Company 1 has been changed. The latest capital structure of Transferee Company 1 is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
2,10,000 Equity shares of INR 1,000 each	21,00,00,000
<i>Preference Shares</i>	
30,000 Preference Shares of INR 1,000 each	3,00,00,000
Total	24,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
1,65,249 equity shares of INR 1,000 each.	16,52,49,000
Total	16,52,49,000

Transferee Company 2 (Laser Power & Infra Private Limited)



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As on January 31, 2024:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
8,50,000 Equity Shares of INR 100 each	8,50,00,000
Total	8,50,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
6,39,118 Equity Shares of INR 100 each.	6,39,11,800
Total	6,39,11,800

After filing the petition of Demerger with NCLT, Jaipur, the capital structure of the Transferee Company 2 has been changed. The latest capital structure of the Transferee Company 2 is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
53,39,500 Equity Shares of INR 100 each	53,39,50,000
10,00,000 Preference Shares of INR 10 each	1,00,00,000
Total	54,39,50,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
6,39,118 Equity Shares of INR 100 each.	6,39,11,800
Total	6,39,11,800

Transferor Company (Bhuvée Stenovate Private Limited)

As on January 31, 2024:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
53,10,00,000 Equity Shares of INR 10 each	531,00,00,000
Total	531,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
10,00,000 Equity Shares of INR 10 each.	1,00,00,000
Total	1,00,00,000

There is no change in the Capital structure of the Transferor Company as on this date.

9. Details of the Promoters of the Transferee Companies and the Transferor Company are:

Transferee Company 1 (Suncity Metals and Tubes Private Limited)

Sr. No.	Promoter	Address	Shareholding
1.	Mukesh Agarwal	A 320 B Shastri Nagar, Jodhpur, Rajasthan, 342003	19.55%
2.	Harish Agarwal	D-17, Shastri Nagar, Jodhpur, Rajasthan, 342001	19.09%
3.	Mahaveer Agarwal	C-30, Shastri Nagar, Nr. MDM Hospital, Jodhpur, 342001, Rajasthan	15.19%
4.	Shrikant Agarwal	D-17, Shastri Nagar, Jodhpur, Rajasthan, 342001	0.1%

Transferee Company 2 (Laser Power & Infra Private Limited)

Sr. No.	Promoter	Address	Shareholding
1.	Deepak Goel	4 Alipore Park Place, 2nd Floor, Kolkata, West Bengal, India, 700027	38.05%

Transferor Company (Bhuvée Stenovate Private Limited)

Sr. No.	Promoter	Address	Shareholding
1.	Laser Solar LLP	307, Swaika Centre, 4a Pollock Street, Kolkata - 700001, West Bengal	40%
2.	Devesh Goel	4 Alipore Park Place, 2nd Floor, Kolkata, West Bengal, India, 700027	15%
3.	Akshat Goel	4 Alipore Park Place, 2nd Floor, Kolkata, West Bengal, India, 700027	15%
4.	Mahaveer Agarwal	C-30, Shastri Nagar, Nr. MDM Hospital, Jodhpur, 342001, Rajasthan	15%
5.	Mukesh Agarwal	A 320 B Shastri Nagar, Jodhpur, Rajasthan, 342003	15%

10. Details of Directors of the Transferee Company 1 and the Transferor Company as on 31st January 2024 are:

Transferee Company 1 (Suncity Metals and Tubes Private Limited)

Sr. No.	Director	DIN	Address	Designation	Date of Appointment
1.	Mukesh	00383379	A 320 B Shastri	Director	11/08/2003



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	Agarwal		Nagar, Jodhpur, Rajasthan, 342003		
2.	Harish Agarwal	00383427	D-17, Shastri Nagar, Jodhpur, Rajasthan, 342001	Director	01/04/2012
3.	Shrikishan Agarwal	08739807	C-30, near MDM Hospital, Shastri Nagar, Jodhpur, Rajasthan, India, 342001	Director	01/10/2020
4.	Mahaveer Agarwal	00383302	C-30, Shastri Nagar, Nr. MDM Hospital, Jodhpur, 342001, Rajasthan	Managing Director	31/10/2022

Transferee Company 1 (Laser Power & Infra Private Limited)

Sr. No.	Director	DIN	Address	Designation	Date of Appointment
1.	Navin Kumar Saffar	03107852	Natural City Complex 43, Shyam Nagar Road, Block- A, Flat NO-2C, Bangur Avenue, lake town North 24 Parganas, West Bengal - 700055	Whole Time Director	17/10/2017
2.	Deepak Goel	00673430	4 Alipore Park Place, 2nd Floor, Kolkata, West Bengal, India, 700027	Director	17/01/1988

Transferor Company (Bhuvée Stenovate Private Limited)

Sr. No.	Director	DIN	Address	Designation	Date of Appointment
1.	Devesh Goel	02992306	4 Alipore Park Place, 2nd Floor, Kolkata, West Bengal - 700027	Director	08/07/2022
2.	Akshat Goel	06465043	4 Alipore Park Place, 2nd Floor, Kolkata, West Bengal - 700027	Director	08/07/2022

11. The board of directors of the Transferee Companies and the Transferor Company approved the scheme in their board meeting held on March 16, 2024, respectively. The resolution was passed unanimously by the directors of the Transferee Company 1,

Mukesh Agarwal, Harish Agarwal, Shrikishan Agarwal and Mahaveer Agarwal in the board meeting.

12. Effect of the Scheme on Various Parties is as under:

Sr. No.	Stakeholder	Effect of the Scheme on Stakeholders
1.	Shareholders	Transferee Company 1 has one class of equity shareholders and has one class of preference shareholders. The Scheme is expected to have several benefits for the Company, as indicated in the rationale to the Scheme, as set out above and is expected to be in the best interests of the shareholders of the Company.
2.	Promoter Shareholder	Please refer to point (1) above for details regarding effect on the shareholders.
3.	Non-Promoter Shareholders	Please refer to point (1) above for details regarding effect on the shareholders.
4.	Key Managerial Personnel	The KMPs of the Transferee Company 1 shall continue as key managerial personnel after effectiveness of the Scheme and there will be no change in the KMP of the Transferee Company 1 pursuant to the Scheme.
5.	Creditor/Debenture Holder/Debenture Trustee	There shall be no effect on the Creditors of the Transferee Company 1.
6.	Director Interest	Please refer to point (1) above for details regarding the effect on the Director who are the shareholders of the Transferee Company 1.
7.	Employees	Employees working in the Demerged Undertaking 1 of the Transferor Company, if any, shall become the employees of the Transferee Company 1 without any break or interruption in service and on terms of service not less favorable than those enjoyed by them There shall be no effect on the employees of the Transferee Company 1.
8.	Depositors and Deposit Trustee	Not Applicable.

13. Relationship between the Companies: Laser Solar LLP holds 40% equity shares of Transferor Company. The ownership of Laser Solar LLP lies with the promoters of Transferee Company 1 and Transferee Company 2.

There is no relationship between the Transferee Company 1 and the Transferee Company 2.

14. The quorum of the meeting of the Unsecured Creditors shall be 33% in Value. In case the quorum as noted above for the meetings of the Transferee Company 1 is not



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present at the specified time, then the meeting shall be adjourned by half an hour, and thereafter the persons present and voting, including authorised representatives, shall be deemed to constitute the quorum.

15. The Following documents will be available for obtaining extract from or for making or obtaining copies of or for inspection by Unsecured Creditors at the registered office of the Transferee Company 1 at Plot No 27A/68 Adarsh Society Light Industrial Area, Near ITI circle, Jodhpur Shastri Nagar, Jodhpur -342003, Rajasthan on any weekday except Saturday, Sunday and public holidays, from 10:00 a.m. to 05:00 p.m. up to the date of the meeting and are also available on the website of the Company i.e. www.suncitysheets.com:

- a. Copy of the order passed by the Hon'ble NCLT in Company Application CA (CAA) No. 03/230-232/JPR/2024, dated May 17, 2024 directing the Transferee Company 1 to, inter-alia, convene the meetings of the Secured Creditors and Unsecured Creditors;
- b. Copy of the Memorandum and Articles of Association of all the Companies;
- c. Copy of the Audited Financial Statements of all the Companies as on March 31, 2023;
- d. Copy of the Management Certified Unaudited Financial Statements of the Transferee Company for the ten months period ended as on January 31, 2024;
- e. Copy of the Statutory Auditor's Certificates, to the effect that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Act issued by the Auditors of all the Companies;
- f. Copy of the Board Resolution approving the Scheme of Demerger passed by all the Companies;
- g. Valuation Report dated March 14, 2024 issued by Registered Valuer Soumil Singhvi; and
- h. Copy of the Scheme;

16. None of the Directors of the companies involved in the Scheme has any material Interest in the said Scheme except as the Shareholders in general, to the extent of which it will appear from the Registrar if the Director's shareholding maintained by the companies involved in the Scheme.

17. None of the KMPs of the companies involved in the Scheme has any material Interest in the said Scheme except as employees in general.

18. A copy of the draft scheme has been filed with the Registrar of Companies.

19. Transferee Company 1 will carry out all the prescribed approvals, sanctions or no-objection(s), if any, from regulatory or any other government authorities required, for the purpose scheme of compromise or arrangement, at the relevant time.



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20. No investigation or proceedings have been instituted or are pending under applicable provisions of Companies Act, 2013 or erstwhile provisions of Companies Act, 1956 against any of the Transferee Company 1.
21. No winding up petition has been admitted against any of the Transferee Company 1.
22. Upon approval of the Scheme by the respective Tribunals and with effect from the Appointed Date as defined above, the Undertaking of the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company 1 and Transferee Company 2 under the provisions of Section 230 to 232 and all other applicable provisions, if any, of the Act and also, in accordance with Section 2(18) of the Income Tax Act, 1951, without any further deed or act.

THE SALIENT FEATURES OF THE SCHEME ARE AS FOLLOWS:

Sr. No.	Particulars	Particulars
1.	Parties involved in the Scheme	(a) Bhuvée Stenovate Private Limited (Bhuvée or Transferor Company) (b) Suncity Metals and Tubes Private Limited (Suncity or Transferee Company 1) (c) Laser Power & Infra Private Limited (Laser Power or Transferee Company 2)
2.	Appointed Date	Appointed Date for the Demerger means 1 st April 2023 or such other date(s) as the board of directors of the Transferor Company and the Transferee Companies may fix or such other date(s) as the NCLT - Kolkata Bench or Jaipur Bench, or such other competent authority may approve / fix.
3.	Effective Date	Effective Date means the date on which the certified copies of the Order(s) or last of the Order(s), as the case may be, of the NCLT(s) sanctioning the Scheme, are filed with the respective Registrar of Companies ("RoC"). Any references in the Scheme to the words "date of coming into effect of the Scheme" or "upon the Scheme becoming effective" or "Scheme coming into effect" shall mean the "Effective Date."
4.	Amount Due to Secured and Unsecured Creditors as on January 31, 2024	Suncity: Secured Creditors - INR2,95,31,83,916 Unsecured Creditors – INR17,78,68,160 Laser Power Secured Creditors – INR 5,87,77,73,298 Unsecured Creditors – INR4,22,08,34,714



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		Bhuvee Secured Creditors – INR Nil Unsecured Creditors – INR71,13,97,807
5.	Summary of Share Entitlement Ratio Report pursuant to the Scheme, dated March 14, 2024, obtained from registered Valuer, Mr. Soumil Sanghvi.	The Registered Valuer used the Net Assets method for the purpose of valuating the Demerged Undertaking 1 and 2 of the Transferor Company. <u>PART C – DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 1 OF TRANSFEROR COMPANY INTO THE TRANSFEREE COMPANY 1</u> <i>In consideration of the demerger of the Demerged Undertaking 1 of the Transferor Company into the Transferee Company 1, the Transferee Company 1 shall, without any further act or deed, issue and allot 10 (Ten) Suncity RPS of INR 1,000 (Rupees One Thousand only) each credited as fully paid-up of the Transferee Company 1 for every 1,167 (One Thousand One Hundred and Sixty Seven) equity shares of INR 10 (Rupee Ten only) each fully paid-up held by the equity shareholders in the Transferor Company, as on the Record Date.</i> <u>PART D – DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 2 OF TRANSFEROR COMPANY INTO THE TRANSFEREE COMPANY 2</u> <i>In consideration of the demerger of the Demerged Undertaking 2 of the Transferor Company into the Transferee Company 2, the Transferee Company 2 shall, without any further act or deed, issue and allot 701 (Seven Hundred and One) Laser Power RPS of INR 10 (Rupees Ten only) each credited as fully paid-up of the Transferee Company 2 for every 800 (Eight Hundred) equity shares of INR 10 (Rupees Ten only) each fully paid-up held by the equity shareholders in the Transferor Company, as on the Record Date.</i>



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6.	Rationale of the Scheme or the benefits of the Scheme as perceived by the Board of Directors of the Company to the Company, Shareholders, Creditors and Others	(a) Laser Solar LLP is owned by the promoters of Suncity and Laser Power. (b) Suncity is an established business entity having stainless steel manufacturing facilities in Rajasthan and Gujarat. One of the existing product lines of Suncity is manufacturing stainless steel circle and stainless-steel sheet packets. Both these products are primarily used for manufacturing kitchen utensils and sinks. Accordingly, demerger of Demerged Undertaking 1 being more synergistic to existing manufacturing operations of Suncity, would result into forward extension / integration of existing business of Suncity and also give significant boost to the kitchen utensils and sink manufacturing business of Bhueve. (c) On the other hand, Laser Power is, inter alia, engaged in the business of manufacturing cables, conductors, rods, wires and other power transmission and distribution equipment for domestic and international markets wherein steel, iron and other metals are key raw material / ingredients. Further, Laser Power is having business presence in Kolkata for decades, with its own sales & marketing team, skilled employees, access to capital and banking facilities etc., is contemplating to diversify its business operations through expansion and making investments into various sectors. (d) Accordingly, it is contemplated to perform demerger of Demerged Undertaking 2 of Bhueve into Laser power. This would help better utilization of machinery, utilization of common pool of resources, access to capital and credit line from suppliers for expansion of business in Kolkata. (e) Bhueve shall continue to undertake certain manufacturing and trading activities. (f) Management considers that demerger of business units into these companies would ensure better utilization of existing assets and resources. (g) The combination of demerged undertakings and the transferee companies is a strategic fit for serving the existing market and for catering to additional volume linked to new customers. (h) It would result into enhanced competitive
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		strength, achieve cost reduction, efficiencies and productivity gains by pooling the technologies and resources of Suncity, Laser Power and Bhuvée, thereby significantly contributing to future growth and maximization of shareholder value, in line with the intent of IBC, by revival of the transferor company and / or its business. (i) The scheme will also enable Bhuvée and the Transferee companies to focus and enhance its respective businesses by streamlining operations and its management structure, ensuring better and more efficient management control. (j) The Scheme is in the best interests of the shareholders, employees, and the creditors of each of the parties.
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DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 1 OF TRANSFEROR COMPANY INTO THE TRANSFEE COMPANY 1

23. With effect from the Appointed Date and upon the Scheme becoming effective, the Demerged Undertaking 1 (as defined in clause 1.6 of the Scheme) shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company 1, as a going concern, in accordance with Section 2(19AA) of the Income Tax Act, 1961 and in the manner as follows:

24. Transfer of Assets

- a. Upon the Scheme becoming effective and subject to any agreement between the parties.
 - i. all the Assets relating primarily to the Demerged Undertaking 1 and capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed as the case may be to the Transferee Company 1 and shall become the property of the Transferee Company 1 in pursuance of the provisions of Section 232 of the Act, without



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- requiring any deed or instrument of conveyance for transfer of the same.
- ii. in respect of the Assets relating to the Demerged Undertaking 1 other than those specified in Clause 5.2.1.i of the Scheme, the same shall, on and from the Appointed Date, stand transferred to the Transferee Company 1 and to the extent such Asset is a debt, loan, receivable, advance or deposit, appropriate entries should be passed in their respective books to record the aforesaid change, without any notice or other intimation to such debtors. Provided that the Transferee Company 1 may itself, at its sole discretion and shall, at any time after coming into effect of this Scheme in accordance with the provisions hereof and shall, if so required under any law, give notices in such form as it may deem fit and proper, to each person, as the case may be, that pursuant to the Scheme becoming effective, the said debt, loan receivable, advance or deposit stands transferred and vested in the Transferee Company 1 and be paid or made good or held on account of the Transferee Company 1 as the person entitled thereto.
 - iii. the Assets relating to the Demerged Undertaking 1 that are immovable in nature shall be vested in and/or be deemed to have been vested in the Transferee Company 1, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company 1. With effect from the Effective Date, the Transferee Company 1 shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent and Taxes and fulfil 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 1 by the Appropriate Authorities pursuant to the sanction of this Scheme by the NCLT and upon the Scheme becoming effective in accordance with the terms hereof, and
 - iv. for purposes of taking on record the name of the Transferee Company 1 in the records of the Appropriate Authorities in respect of transfer of immovable properties to the Transferee Company 1 pursuant to this Scheme, the Boards of the Transferor Company and the Transferee Company 1 may approve the execution of such documents or deeds as may be necessary, including deed of assignment of lease or leave or license (as the case may be) by the Transferor Company in favour of the Transferee Company 1.

25. Transfer of Liabilities

- a. Upon the Scheme becoming effective, without any further act or deed, all the Liabilities, relating to the Demerged Undertaking 1 shall be transferred or deemed to be transferred to the Transferee Company 1 so as to become as and from the Appointed Date, the debts, liabilities, duties, obligations of the Transferee Company 1 which it undertakes to meet, discharge and satisfy to



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the exclusion of Transferor Company such that except as may be otherwise agreed between the Parties, the Transferor Company shall in no event be responsible or liable in relation to any such Liabilities relating to the Demerged Undertaking 1 and it shall not be necessary to obtain the consent of any person in order to give effect to the provisions of this Clause.

- b. The provisions of this Clause 5.3 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing to which the relevant Liability relates or the terms of sanction or issue or any security document, all instruments, deeds, or writings shall stand modified by the foregoing provisions, provided that the provisions of this Clause shall be subject to any agreement entered into amongst the Parties.

26. Legal Proceedings

- a. If any legally valid, actionable and enforceable suits, actions and proceedings of whatsoever nature (hereinafter referred to as the “Proceedings”) by or against the Transferor Company in connection with or pertaining to or relatable to the Demerged Undertakings, are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the Scheme or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company, as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.

27. Employees

- a. All the employees of the Demerged Undertaking 1 and such other employees as identified by the Board of Directors of the Transferor Company, in service on the Effective Date shall, on and from the Effective Date, become the employees of the Transferee Company 1 on terms and conditions not less favorable as applicable to them on the Effective Date.
- b. On and from the Effective Date, the services of the employees will be treated as having been continuous, without any break, discontinuance, or interruption, for the purpose of membership and the application of the rules or byelaws of the various Funds (as defined herein below).
- c. As far as any provident fund liability, gratuity liability or any other liability in respect of the employees is concerned (hereinafter referred to as the “Employee Liability”) of the Demerged Undertaking 1, the part of Employee Liability relatable to the employees of the Demerged Undertaking shall be the liability of the Transferee Company 1.

28. Permits

- a. All governmental approvals and other consents, permissions, quotas, rights, authorizations entitlements, no-objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be entitled to use and



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which may be required to carry on the operations of the Demerged Undertaking 1, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and, effect in favour of the Transferee Company 1 and may be enforced as fully and effectually as if, the Transferee Company 1 had been a party, a beneficiary or an obligee thereto.

- b. The Transferee Company 1 shall be entitled to undertake and carry out the business pertaining to the Demerged Undertaking 1 pursuant to the effectiveness of the Scheme on its own account, pending the transfer of any approvals and other consents, permissions, quotas, rights, authorizations, entitlements, no-objection certificates and licenses, privileges, powers and facilities of every kind and description, that may be required under Applicable Law in the name of the Transferee Company 1 and would be entitled to make any applications, requests and the like in this regard.

29. Taxes and Taxation

- a. Upon the Scheme becoming effective, the Transferor Company and the Transferee Company 1 are expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961, Goods and Service Tax Act, 2017 and other Tax laws, and to claim refunds and/or credit for Taxes paid (including, tax deducted at source, tax collected at source, etc.) and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- b. Without prejudice to the generality of the above, all benefits, incentives, losses, credits (including, without limitation, in respect of income tax, tax deducted at source, tax collected at source, goods and service tax, etc.) to which the Transferor Company is entitled in terms of Applicable Laws in relation to the Demerged Undertaking 1, shall be available to and vest in the Transferee Company 1, upon this Scheme coming into effect.
- c. This Scheme complies with the conditions relating to "Demerger" as defined under Section 2(19AA), Section 47, Section 72A and other relevant sections and provisions of the Income Tax Act, 1961 and is intended to apply accordingly. If any terms or clauses of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions (including the conditions set out therein) at a later date whether as a result of a new enactment or any amendment or coming into force of any provision of the Income Tax Act, 1961 or any other law or any judicial or executive interpretation or for any other reason whatsoever, Parties shall negotiate in good faith to modify this Scheme in a mutually satisfactory manner that ensures compliance of this Scheme with such provisions.

30. Consideration

- a. In consideration of the demerger of the Demerged Undertaking 1 of the Transferor Company into the Transferee Company 1, the Transferee Company 1 shall, without any further act or deed, issue and allot 10 (Ten) Suncity RPS of INR 1,000 (Rupees One Thousand only) each credited as fully paid-up of the Transferee Company 1 for every 1,167 (One Thousand One Hundred and



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- Sixty Seven) equity shares of INR 10 (Rupee Ten only) each fully paid-up held by the equity shareholders in the Transferor Company, as on the Record Date.
- b. In respect of fractional entitlements, if any:
 - i. Where a shareholder of the Transferor Company is entitled to only a fraction of one share i.e., less than one share to be allotted to him on Demerger, the said shareholder will be allotted the minimum of one Suncity RPS.
 - ii. In other cases, the fractional entitlement would be rounded off to nearest integer for determining his entitlement to Suncity RPS in the Transferee company 1.
 - c. Suncity RPS to be issued by the Transferee Company 1 shall be issued in physical form to the Shareholders of the Transferor Company entitled thereto.
 - d. Approval of this Scheme by the shareholders of Transferee Company 1 shall be deemed to be in due compliance of the provisions of Section 42, Section 55 and Section 62 of the Act, and other relevant and applicable provisions of the Act and rules made thereunder for the issue and allotment of Suncity RPS by Transferee Company 1 as provided in this Scheme.

31. Accounting Treatment for the Demerger

- a. Upon scheme become effective, Transferor Company and Transferee Company 1 shall account for the Demerger in their respective books of account in accordance with the method of accounting as prescribed in the applicable Accounting Standards and/or Indian Accounting Standards notified under the section 133 of the Act and other relevant provisions of the Act read with the rules made thereunder and other Generally Accepted Accounting Principles in India. The detailed description is provided below in clauses 7.2 and 7.3 below.
- b. Accounting treatment in the books of the Transferor Company:
 - i. Notwithstanding anything contained in any other clause in the Scheme, Transferor Company shall give effect to the demerger in its books of account as per the applicable accounting principles and as on date as prescribed under Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Act, as notified from time to time.
- c. Accounting treatment in the books of the Transferee Company 1:
 - i. The assets and liabilities of the Demerged Undertaking 1 shall be recorded in the books and account of the Transferee Company 1 at their values as appearing in the books of account of the Transferor Company immediately before the Appointed Date.
 - ii. The paid-up share capital shall be increased by the face value of the fully paid RPS of the Transferee 1 Company issued in terms of clause 6 of the Scheme.
 - iii. Subject to the aforesaid, the Board of Directors of the Transferor and Transferee Company 1 shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by

them in the respective books of account of the said companies, while complying with generally accepted accounting standards as applicable.

32. Agreements, Contracts and Deeds

- a. All contracts, deeds, bonds, agreements, arrangements, incentives, licenses, engagements, approvals and registrations and other instruments of whatsoever nature in connection with or pertaining to or relatable to the Demerged Undertaking 1 to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company 1 as the case may be, and may be enforced by or against the Transferee Company 1 as fully and effectually as if, instead of the Transferor Company, the Transferee Company 1 had been a party or beneficiary thereto.
- b. The Transferee Company 1 shall, if and to the extent required by law, enter into and / or issue and / or execute deeds, writings or confirmations, to give formal effect to the provisions of this clause and to the extent that the Transferor Company is required, prior to the Effective Date, to join in such deeds, writings or confirmations, the Transferee Company 1 shall be entitled to act for and on behalf of and in the name of the Transferor Company.

33. Conduct Of Business till Effective Date

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

- a. The Transferor Company shall be deemed to have been carrying on and shall carry on the business of the Demerged Undertaking 1 and related activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the respective assets of the Demerged Undertaking 1 for and on account of, and in trust for the Transferee Company 1. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- b. The Transferor Company shall carry on the business of the Demerged Undertaking 1 and related activities with reasonable diligence, business prudence and shall not (without the prior written consent of the Transferee Company 1) alienate, create any charge, mortgage, encumber or otherwise deal with or dispose of the assets or any part thereof related to the Demerged Undertaking 1 (except in the ordinary course of business).
- c. All the profits or income, taxes (including advance tax, tax deducted at source) or any costs, charges, expenditure accruing to the Transferor Company in connection with or pertaining to or relatable to the Demerged Undertaking 1 or expenditure or losses arising or incurred or suffered by the Transferor Company in connection with or pertaining to or relatable to the Demerged Undertaking 1 from the Appointed Date shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company 1, as the case may be.
- d. Until the Effective Date, the Transferor Company shall not without the prior written approval of the Board of Directors of the Transferee Company 1 and

except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise.

34. Saving of Concluded Transactions

- a. The transfer of the assets and liabilities of the Demerged Undertaking 1 under clause 5 above, the continuance of Proceedings under clause 5 above and the effectiveness of contracts and deeds under clause 8 above, shall not affect any transaction or Proceedings already concluded by the Transferor Company in respect of the Demerged Undertaking 1 on or before the Effective Date, to the end and intent that the Transferee Company 1 accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

- 35.** This Statement may be treated as an Explanatory Statement under Sections 230(3) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.

Dated: 13 June 2024
Place: Jodhpur

Sd/-
Ganga Prasad Gupta
Chairperson appointed for the Meeting

**COMPOSITE SCHEME OF ARRANGEMENT
AMONGST**

BHUVEE STENOVAE PRIVATE LIMITED
(Bhuvée or Transferor Company)

AND

SUNCITY METALS AND TUBES PRIVATE LIMITED
(Formerly known as Suncity Sheets Private Limited)
(Suncity or Transferee Company 1)

AND

LASER POWER & INFRA PRIVATE LIMITED
(Laser Power or Transferee Company 2)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013



PART – A GENERAL

I. PREAMBLE AND OVERVIEW OF THE SCHEME

- (a) This Composite Scheme of Arrangement ("Scheme", as more particularly defined below) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with section 2(19AA) and other applicable provisions of the Income Tax Act, 1961 amongst Bhuvée Stenovate Private Limited ("Bhuvée" or "Transferor Company"), and Suncity Metals and Tubes Private Limited ("Suncity" or "Transferee Company 1") and Laser Power & Infra Private Limited ("Laser Power" or "Transferee Company 2") collectively known as "Transferee Companies" and their respective shareholders and creditors.
- (b) This Scheme provides for the following:
- (i) the transfer by way of a demerger of the **Demerged Undertaking 1** (as defined below) of the Transferor Company to the Transferee Company 1, and the consequent issue of Suncity RPS (as defined below) by the Transferee Company 1 to the Shareholders of Transferor Company in accordance with Clause 6 below.
 - (ii) the transfer by way of a demerger of the **Demerged Undertaking 2** (as defined below) of the Transferor Company to the Transferee Company 2, and the consequent issue of Laser Power RPS (as defined below) by the Transferee Company 2 to the Shareholders of Transferor Company in accordance with Clause 12 below, and
 - (iii) various other matters consequential or otherwise integrally connected therewith.

II. INTRODUCTION

- (a) Bhuvée Stenovate Private Limited ("Bhuvée" or "Transferor Company") is a private limited company incorporated under the Companies Act, 1956 and having its registered office at Room No. 307, Swaika Centre 4A Pollock Street, Kolkata - 700001, West Bengal. Bhuvée is, inter alia, engaged in the business of manufacturing and sale of kitchen appliances including but not limited to tableware, cookware, cutlery, bakeware and manufacturing sinks and various other steel products of general utility. Shareholding pattern of Bhuvée as on 1 April 2023 is as under:

Shareholder	Shareholding %
Laser Solar LLP	40
Devesh Goel	15
Akshat Goel	15
Mahaveer Agarwal	15
Mukesh Agarwal	15
Total	100



- (b) **Suncity Metals and Tubes Private Limited** ("Suncity" or "Transferee Company 1"), is a private limited company incorporated under the Companies Act, 1956 and having its registered office at Plot No 27A/68 Adarsh Society Light Industrial Area, Near ITI circle, Jodhpur Shastri Nagar, Jodhpur - 342003, Rajasthan. Suncity changed its name from Suncity Sheets Private Limited to Suncity Metals and Tubes Private Limited on 21.11.2023. Suncity is engaged in the business of manufacturing steel products including stainless steel pipes, packets, tubes and circles. It is recognized for its exceptional engineering, robust construction, durability, and global quality standard. It has established market presence and serves as a preferred partner for various industries such as Furniture, Kitchenware, Automobile & Ancillaries, Heat Exchanger and Fabrication, Textile and Food Industry, Railways, Industrial Engineering, Oil and Gas. Shareholding pattern of Suncity as on 1 April 2023 is as under:

Shareholder	Shareholding %
Mukesh Agarwal	19.55
Harish Agarwal	19.09
Golden Era Merchant Pvt Ltd	17.95
Mahaveer Agarwal	15.19
Ramavtar Agarwal HUF	6.67
Others (holding less than 5% shares)	21.55
Total	100.00

- (c) **Laser Power & Infra Private Limited** ("Laser Power" or "Transferee Company 2") is a private limited company incorporated under the Companies Act, 1956 and having its registered office at 4A, Pollock Street 3rd Floor, Kolkata - 700001, West Bengal. Laser Power is, *inter alia*, engaged in the business of manufacturing cables, conductors, rods, wires and other power transmission and distribution equipment for domestic and international markets. It operates under the brand name "LASER" and offers a wide range of products like aerial bunched cables, control cables, and aluminum rods. Shareholding pattern of Laser Power as on 1 April 2023 is as under:

Shareholder	Shareholding %
Deepak Goel	38.05
Rakhi Goel	13.45
Devesh Goel	25.00
Akshat Goel	16.13
Purushottam Dass Goel HUF	5.33
Others (holding less than 5% shares)	2.04
Total	100.00

III. BACKGROUND AND RATIONALE OF THIS SCHEME

- Bhuvée was incorporated on 7th November 2007, having its registered office at Kolkata, West Bengal. It is engaged in the business of manufacturing and trading of steel products.



Due to financial distress, insufficiency of funds and continuing default in repayment of borrowing, Hon'ble National Company Law Tribunal ('NCLT'), Kolkata Bench, passed an order for initiation of Corporate Insolvency Resolution Process ('CIRP') against Bhuvée on 12th March 2019 upon petition preferred by corporate creditors.

- In compliance with the Insolvency and Bankruptcy Code, 2016 ('IBC') and in accordance with the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation, 2016, the Liquidator invited offers for the sale of Bhuvée on going concern basis. Thereafter, vide the order dated 16th June 2022 passed by Hon'ble NCLT (and subsequently upheld by Hon'ble National Company Law Appellate Tribunal vide order dated 25th January 2023) confirmed the sale by private treaty in favour of the highest bidder, i.e., Laser Solar LLP, being the higher bidder in the auction process.
- Bhuvée is engaged in manufacturing and sale of i) Kitchen Appliances which includes tableware, cookware, cutlery, bakeware and manufacturing and ii) manufacturing and sale of Sink and related accessories.
- Since the inception of CIRP, the business operations of Bhuvée have been impacted significantly with an almost negligible amount of manufacturing and sales operations over the last 5 years. Additionally, most of the plant & machinery items have remained idle on account of loss of business opportunities and lack of trust and creditworthiness among the suppliers and bankers.
- Considering the above bottlenecks, steps have been taken by new management to revive the business operations to reach optimum utilization of assets. However, considering the experience from the acquisition of Bhuvée till date, Management of Bhuvée feels that it would take a significant amount of time to revive the business operations of the company even after additional infusion of funds. Further, till the business operations are revived, the existing plant & machinery would have reached their useful life leading to further erosion of net worth and losses for stakeholders.
- Accordingly, in line with the object of IBC i.e. to revive the entity and / or its business operations and to ensure the optimum utilization of existing factory building, plant & machinery and various other assets of Bhuvée, the management has agreed to undertake the demerger of existing business of Bhuvée in such a manner that each group entity / promoters, would be able to contribute towards expansion of business by optimum utilization of existing assets through internal corporate reorganization in the form of demerger of identified business undertakings of Bhuvée, as follows
 - Laser Solar LLP is owned by the promoters of Suncity and Laser Power.
 - Suncity is an established business entity having stainless steel manufacturing facilities in Rajasthan and Gujarat. One of the existing product lines of Suncity is manufacturing stainless steel circle and stainless-steel sheet packets. Both these products are primarily used for manufacturing kitchen utensils and sinks.



Accordingly, demerger of Demerged Undertaking 1 being more synergistic to existing manufacturing operations of Suncity, would result into forward extension / integration of existing business of Suncity and also give significant boost to the kitchen utensils and sink manufacturing business of Bhuvée.

- On the other hand, Laser Power is, *inter alia*, engaged in the business of manufacturing cables, conductors, rods, wires and other power transmission and distribution equipment for domestic and international markets wherein steel, iron and other metals are key raw material / ingredients. Further, Laser Power is having business presence in Kolkata for decades, with its own sales & marketing team, skilled employees, access to capital and banking facilities etc., is contemplating to diversify its business operations through expansion and making investments into various sectors.
- Accordingly, it is contemplated to perform demerger of Demerged Undertaking 2 of Bhuvée into Laser power. This would help better utilization of machinery, utilization of common pool of resources, access to capital and credit line from suppliers for expansion of business in Kolkata.
- Bhuvée shall continue to undertake certain manufacturing and trading activities.
- Management considers that demerger of business units into these companies would ensure better utilization of existing assets and resources.
- The combination of demerged undertakings and the transferee companies is a strategic fit for serving the existing market and for catering to additional volume linked to new customers.
- It would result into enhanced competitive strength, achieve cost reduction, efficiencies and productivity gains by pooling the technologies and resources of Suncity, Laser Power and Bhuvée, thereby significantly contributing to future growth and maximization of shareholder value, in line with the intent of IBC, by revival of the transferor company and / or its business.
- The scheme will also enable Bhuvée and the resulting companies to focus and enhance its respective businesses by streamlining operations and its management structure, ensuring better and more efficient management control.

The Scheme is in the best interests of the shareholders, employees, and the creditors of each of the parties.



IV. PARTS OF THE SCHEME

Though this Scheme is divided into various parts for the purpose of convenience, it is to be implemented as a single inseparable comprehensive Composite Scheme of Arrangement. This Composite Scheme of Arrangement is divided into the following parts:

- (a) Part A deals with the Background of the Parties and Rationale and Benefits of the Scheme.
- (b) Part B deals with the Definitions, Interpretation and Share Capital.
- (c) Part C deals with Demerger of the Demerged Undertaking 1 as going concern into the Transferee Company 1, in compliance with Section 2(19AA) of the Income Tax Act, 1961.
- (d) Part D deals with Demerger of the Demerged Undertaking 2 as going concern into the Transferee Company 2, in compliance with Section 2(19AA) of the Income Tax Act, 1961.
- (e) Part E deals with General Terms and Conditions applicable to the Scheme.



PART B – DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless repugnant to or inconsistent with the meaning or context thereof, the following expressions shall have the following meanings:

- 1.1. "Act" or "the Act" means the Companies Act, 2013, the rules made thereunder and shall include any modifications or re-enactment thereof for the time being in force.
- 1.2. "Appointed Date" for the Demerger means 1st April 2023 or such other date(s) as the board of directors of the Transferor Company and the Transferee Companies may fix or such other date(s) as the NCLT - Kolkata Bench or Jaipur Bench, or such other competent authority may approve / fix.
- 1.3. "Board of Directors" or "Board" in relation to a company, means the Board of Directors of such company, and shall have the same meaning as prescribed under the Act.
- 1.4. "Demerger" means the transfer by of demerger in accordance with the provisions of section 2(19AA) of the Income Tax Act, 1961 of the Demerged Undertaking 1 and Demerged Undertaking 2 of the Transferor Company, to the Transferee Company 1 and Transferee Company 2, respectively.
- 1.5. "Demerged Undertakings" mean Demerged Undertaking 1 and Demerged Undertaking 2.
- 1.6. "Demerged Undertaking 1" means the undertaking of the Transferor Company which is engaged in the business of manufacturing of Sink and Other kitchen apparatus including cookware and utility products for sale in India, as a going concern (as on the Appointed Date and as modified and altered from time-to-time upto the Effective Date) along with all property and assets, liabilities, employees including the following:
 - 1.6.1. All identified assets and liabilities of the Transferor Company pertaining to the Demerged Undertaking 1, however, excluding the assets and liabilities of the Transferor Company which do not form part of the Demerged Undertaking 1.
 - 1.6.2. The freehold and leasehold properties (and properties under leave and license arrangements) that are used in relation to the Demerged Undertaking 1.
 - 1.6.3. Without prejudice to the generality of the provisions of clause (1.6.1) above, the Demerged Undertaking 1 shall include all debts, liabilities, contingent liabilities, duties, obligations and provisions and all other assets and properties, present or contingent and including but without being limited to vehicles, fixed assets, current assets, unbilled revenues, provisions, funds, leases, licenses, hire purchase and lease arrangements, computers, office equipment, telephones, telexes, facsimile



connections, communication facilities, equipment and installations, permits, authorizations, quota rights, trademarks, copyrights, patents and intellectual properties, benefits of agreements, contracts and arrangements, inter alia, with architects, civil / structural engineers, brokers and other vendors of materials and services, labor contractors, rights, title, interest in and all obligations relating to or in connection with all applications for approvals / NOC's made by the Transferor Company to all statutory / local Authorities in connection with the Demerged Undertaking 1 and all other interests in connection with or relating to the business of manufacturing of kitchen utensils and sink and in particular the certifications, registrations with government / local authorities / statutory bodies, public sector undertakings, other industrial units, permits, allotments and other statutory registrations, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, advances, receivables, benefits, concessions, reliefs (including but not limited to the benefit/s in terms of various statutes and/ or schemes of Union, State and Local Governments / bodies and / or otherwise) and all other rights, claims and powers of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company in connection with or pertaining or relatable to the Demerged Undertaking 1 and all earnest money and / or deposits including security deposits paid by the Transferor Company in connection with or relating to the Demerged Undertaking 1.

1.6.4. Further, the Assets includes Specified Tax benefits, MAT Credit, CENVAT credits, Goods and Services Tax credits, other indirect Tax credits, brought forward accumulated tax losses, unabsorbed depreciation, privileges, advantages, benefits and all other rights and facilities of every kind, nature and description, whatsoever, in relation to the foregoing and pertaining to the Demerged Undertaking 1.

1.6.5. For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Undertaking 1 include:

1.6.5.1. The liabilities which arise out of the activities or operations of the Demerged Undertaking 1.

1.6.5.2. Specific loans and borrowings raised, incurred and utilized solely, if any for the activities or operation of the Demerged Undertaking 1.

1.6.5.3. Liabilities other than those referred to in 1.6.5.1 and 1.6.5.2 above and not directly relatable to the Residual Undertaking being the amounts of general or multipurpose borrowings of the Transferor Company shall be allocated to the Demerged Undertaking 1 in the same proportion in which the value of the assets transferred under this clause bears to the total value of the assets of the Transferor Company immediately before giving effect to this Scheme.

1.6.6. All employees of the Transferor Company employed in the Demerged Undertaking 1, and such other employees as identified by the Board of Directors of the Transferor



Company, as on the Effective Date.

- 1.6.7. All books, records, files, papers, directly or indirectly relating to the Demerged Undertaking 1.
- 1.6.8. Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking 1 or whether it arises out of the activities or operations of the Demerged Undertaking 1 shall be decided by mutual agreement between the Board of Directors of the Transferor Company and Suncity.
- 1.7. "Demerged Undertaking 2" means the undertaking of the Transferor Company which is engaged in the business of manufacturing of kitchen utensils and other steel products including Coils, as a going concern (as on the Appointed Date and as modified and altered from time-to-time up to the Effective Date) along with all property and assets, liabilities, employees including the following:
- 1.7.1. All identified assets and liabilities of the Transferor Company pertaining to the Demerged Undertaking 2, however, excluding the assets and liabilities of the Transferor Company which do not form part of the Demerged Undertaking 2.
- 1.7.2. The freehold and leasehold properties (and properties under leave and license arrangements) that are used in relation to the Demerged Undertaking 2.
- 1.7.3. Without prejudice to the generality of the provisions of clause 1.7.1 above, the Demerged Undertaking 2 shall include all debts, liabilities, contingent liabilities, duties, obligations and provisions and all other assets and properties, present or contingent and including but without being limited to vehicles, fixed assets, current assets, unbilled revenues, provisions, funds, leases, licenses, hire purchase and lease arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations, permits, authorizations, quota rights, trademarks, copyrights, patents and intellectual properties, benefits of agreements, contracts and arrangements, inter alia, with architects, civil / structural engineers, brokers and other vendors of materials and services, labor contractors, rights, title, interest in and all obligations relating to or in connection with all applications for approvals / NOC's made by the Transferor Company to all statutory / local Authorities in connection with the Demerged Undertaking 2 and all other interests in connection with or relating to the business of real estate development and in particular the certifications, registrations with government / local authorities / statutory bodies, public sector undertakings, other industrial units, permits, allotments and other statutory registrations, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, advances, receivables, benefits, concessions, reliefs (including but not limited to the benefit/s in terms of various statutes and/ or schemes of Union, State and Local Governments / bodies and / or otherwise) and all other rights, claims and powers of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company in



connection with or pertaining or relatable to the Demerged Undertaking 1 and all earnest money and / or deposits including security deposits paid by the Transferor Company in connection with or relating to the Demerged Undertaking 1.

- 1.7.4. Specified Tax benefits, MAT Credit, CENVAT credits, Goods and Services Tax credits, other indirect Tax credits, brought forward accumulated tax losses, unabsorbed depreciation, privileges, advantages, benefits and all other rights and facilities of every kind, nature and description, whatsoever, in relation to the foregoing and pertaining to the Demerged Undertaking 2.
- 1.7.5. For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Undertaking 2 include:
- 1.7.5.1. The liabilities which arise out of the activities or operations of the Demerged Undertaking 2.
- 1.7.5.2. Specific loans and borrowings raised, incurred and utilized solely, if any for the activities or operation of the Demerged Undertaking 2.
- 1.7.5.3. Liabilities other than those referred to in (a) and (b) above and not directly relatable to the Residual Undertaking being the amounts of general or multipurpose borrowings of the Transferor Company shall be allocated to the Demerged Undertaking 2 in the same proportion in which the value of the assets transferred under this clause bears to the total value of the assets of the Transferor Company immediately before giving effect to this Scheme.
- 1.7.6. All employees of the Transferor Company employed in the Demerged Undertaking 2, and such other employees as identified by the Board of Directors of the Transferor Company, as on the Effective Date.
- 1.7.7. All books, records, files, papers, directly or indirectly relating to the Demerged Undertaking 2.
- 1.7.8. Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking 2 or whether it arises out of the activities or operations of the Demerged Undertaking 2 shall be decided by mutual agreement between the Board of Directors of the Transferor Company and Laser Power.
- 1.8. "Effective Date" means the date on which the certified copies of the Order(s) or last of the Order(s), as the case may be, of the NCLT(s) sanctioning the Scheme, are filed with the respective Registrar of Companies ("RoC"). Any references in the Scheme to the words "date of coming into effect of the Scheme" or "upon the Scheme becoming effective" or "Scheme coming into effect" shall mean the "Effective Date."
- 1.9. "Laser Power RPS" means fully paid-up redeemable, non-participating, non-cumulative preference shares of face value INR 10 (Rupees Ten only) each in the share capital of Transferee Company 2 and having the terms set forth in Schedule A.



- 1.10. "NCLT" means the concerned Bench of the National Company Law Tribunal at Kolkata or at Jaipur or both, as the case may be, or such other Court / Tribunal empowered to sanction the Scheme as per the provisions of the Act.
- 1.11. "Parties" shall mean the Transferor Company, Transferee Company 1 and Transferee Company 2, collectively.
- 1.12. "Record Date" shall be the same date as the Effective Date for determining the names of the Shareholders of the Transferor Company who shall be entitled to receive shares of the Transferee Companies upon the Scheme coming into effect.
- 1.13. "Residual Undertaking" means all the business, undertakings, divisions, assets and liabilities of the Transferor Company other than the Demerged Undertaking 1 and Demerged Undertaking 2 transferred to, and vested in, the Transferee Company 1 and Transferee Company 2 respectively, pursuant to this Scheme.
- 1.14. "Scheme" or "the Scheme" or "this Scheme" means this Composite Scheme of Arrangement presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 in its present form or with any modification(s) made under clause 20 of this Scheme or any modifications approved or directed by the NCLT.
- 1.15. "Suncity RPS" means fully paid-up redeemable, non-participating, non-cumulative preference shares of face value INR 1,000 (Rupees One Thousand only) each in the share capital of Transferee Company 1 and having the terms set forth in Schedule B.
- 1.16. "Transferor Company" shall have the meaning set out in Preamble I (a).
- 1.17. "Transferee Companies" means Transferee Company 1 and Transferee Company 2, collectively.
- 1.18. "Transferee Company 1" shall have the meaning set out in Preamble I (a).
- 1.19. "Transferee Company 2" shall have the meaning set out in Preamble I (a).

2. INTERPRETATION

- 2.1. References to clauses and schedules, unless otherwise provided, are to clauses and schedules of and to this scheme.
- 2.2. The headings herein shall not affect the construction or interpretation of this Scheme.
- 2.3. 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 law or 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.



- 2.4. 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.
- 2.5. References to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether having separate legal personality or not).
- 2.6. An asset, contract, proceeding, resource, or other matter that is mutually agreed in writing by the Parties to be or not to be primarily relatable to or used in a Demerged Undertakings shall be deemed for the purposes of this Scheme to be or not be (respectively) primarily relatable to or used in a Demerged Undertakings.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

This Scheme will be operative and effective from the Appointed Date.



4. SHARE CAPITAL

4.1. As on 31st January 2024, the share capital of Bhuvée is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
53,10,00,000 Equity Shares of INR 10 each	531,00,00,000
Total	531,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<u>Equity Shares</u>	
10,00,000 equity shares of INR 10 each.	1,00,00,000
Total	1,00,00,000

There is no change in the Capital structure of the Transferor Company as on this date.

4.2. As on 31st January 2024, the share capital of Suncity is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
1,90,000 Equity shares of INR 1,000 each	19,00,00,000
<u>Preference Shares</u>	
50,000 Preference Shares of INR 1,000 each	5,00,00,000
Total	24,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<u>Equity Shares</u>	
1,64,845 equity shares of INR 1,000 each.	16,48,45,000
<u>Preference Shares</u>	
30,000 Preference Shares of INR 1,000 each	3,00,00,000
Total	19,48,45,000

The Transferee Company 1 in its shareholder's meeting held on 08.03.2024 has passed the Ordinary Resolution for reclassification of authorized share capital. The revised authorized share capital is as under:

"The Authorized Share Capital of the Company is INR 24,00,00,000 (Rupees Twenty-Four Crores only) Comprising of INR 21,00,00,000 (Rupees Twenty-One Crores only) divided into 2,10,000 Equity shares of INR 1,000 (Rupees One Thousand only) each and INR 3,00,00,000 (Rupees Three Crores only) divided 30,000 Preference Shares of INR 1,000 (Rupees One Thousand only) each."



To give the effect of the above changes, the Transferee Company 1 has filed Form No. SH-7 (Notice to Registrar of any alteration of share) before the Registrar of Companies, Jaipur.

Further, the Transferee Company 1 in its Board meeting held on 16.03.2024 has passed the Board Resolution for conversion of 30,000 Preference Shares of INR 1,000 (Rupees One Thousand only) each total amounting of INR 3,00,00,000 (Rupees Three Crores only) into Equity Shares. Accordingly, the issued, subscribed and paid-up Capital of the Transferee Company has been changed to INR 19,48,45,000 (Rupees Nineteen Crores Forty Eight Lakhs Forty Five Thousand only) divided into 1,94,845 Equity shares of INR 1,000 (Rupees One Thousand only) each.

Further, the Transferee Company 1, in its Board meeting held on 16.03.2024, passed a resolution approving the buy-back of upto 41,211 equity shares face value of INR 1,000 (Rupees One Thousand only) each valued at INR 1,000 (Rupees One Thousand only), constituting up to 25% of the total existing paid-up equity share capital of the company. This resolution was subsequently approved by the shareholders in their extra ordinary general meeting held on 22.03.2024, through a special resolution.

4.3. As on 31st January 2024, the share capital of Laser Power is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
8,50,000 Equity shares of INR 100 each	8,50,00,000
Total	8,50,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
6,39,118 equity shares of INR 100 each.	6,39,11,800
Total	6,39,11,800

There is no change in the Capital structure of the Transferee Company 2 as on this date.



**PART C – DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 1 OF
TRANSFEROR COMPANY INTO THE TRANSFEREE COMPANY 1**

**5. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 1 IN THE
TRANSFEREE COMPANY 1**

5.1. With effect from the Appointed Date and upon the Scheme becoming effective, the Demerged Undertaking 1 (as defined in clause 1.6) shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company 1, as a going concern, in accordance with Section 2(19AA) of the Income Tax Act, 1961 and in the manner as follows:

5.2. Transfer of Assets

5.2.1. Upon the Scheme becoming effective and subject to any agreement between the parties.

- i. all the Assets relating primarily to the Demerged Undertaking 1 and capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed as the case may be to the Transferee Company 1 and shall become the property of the Transferee Company 1 in pursuance of the provisions of Section 232 of the Act, without requiring any deed or instrument of conveyance for transfer of the same.
- ii. in respect of the Assets relating to the Demerged Undertaking 1 other than those specified in Clause 5.2.1.i above the same shall, on and from the Appointed Date, stand transferred to the Transferee Company 1 and to the extent such Asset is a debt, loan, receivable, advance or deposit, appropriate entries should be passed in their respective books to record the aforesaid change, without any notice or other intimation to such debtors. Provided that the Transferee Company 1 may itself, at its sole discretion and shall, at any time after coming into effect of this Scheme in accordance with the provisions hereof and shall, if so required under any law, give notices in such form as it may deem fit and proper, to each person, as the case may be, that pursuant to the Scheme becoming effective, the said debt, loan receivable, advance or deposit stands transferred and vested in the Transferee Company 1 and be paid or made good or held on account of the Transferee Company 1 as the person entitled thereto.
- iii. the Assets relating to the Demerged Undertaking 1 that are immovable in nature shall be vested in and/or be deemed to have been vested in the Transferee Company 1, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company 1. With effect from the Effective Date, the Transferee Company 1 shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent and Taxes and fulfil 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 1 by the Appropriate Authorities pursuant to the sanction of this Scheme by the NCLT and upon the Scheme becoming effective in accordance with the terms hereof, and

- iv. for purposes of taking on record the name of the Transferee Company 1 in the records of the Appropriate Authorities in respect of transfer of immovable properties to the Transferee Company 1 pursuant to this Scheme, the Boards of the Transferor Company and the Transferee Company 1 may approve the execution of such documents or deeds as may be necessary, including deed of assignment of lease or leave or license (as the case may be) by the Transferor Company in favour of the Transferee Company 1.

5.3. Transfer of Liabilities

5.3.1. Upon the Scheme becoming effective, without any further act or deed, all the Liabilities, relating to the Demerged Undertaking 1 shall be transferred or deemed to be transferred to the Transferee Company 1 so as to become as and from the Appointed Date, the debts, liabilities, duties, obligations of the Transferee Company 1 which it undertakes to meet, discharge and satisfy to the exclusion of Transferor Company such that except as may be otherwise agreed between the Parties, the Transferor Company shall in no event be responsible or liable in relation to any such Liabilities relating to the Demerged Undertaking 1 and it shall not be necessary to obtain the consent of any person in order to give effect to the provisions of this Clause.

5.3.2. The provisions of this Clause 5.3 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing to which the relevant Liability relates or the terms of sanction or issue or any security document, all instruments, deeds, or writings shall stand modified by the foregoing provisions, provided that the provisions of this Clause shall be subject to any agreement entered into amongst the Parties.

5.4. Legal Proceedings

5.4.1. If any legally valid, actionable and enforceable suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "Proceedings") by or against the Transferor Company in connection with or pertaining to or relating to the Demerged Undertakings, are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the Scheme or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company, as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.



5.5. Employees

- 5.5.1. All the employees of the Demerged Undertaking 1 and such other employees as identified by the Board of Directors of the Transferor Company, in service on the Effective Date shall, on and from the Effective Date, become the employees of the Transferee Company 1 on terms and conditions not less favorable as applicable to them on the Effective Date.
- 5.5.2. On and from the Effective Date, the services of the employees will be treated as having been continuous, without any break, discontinuance, or interruption, for the purpose of membership and the application of the rules or byelaws of the various Funds (as defined herein below).
- 5.5.3. As far as any provident fund liability, gratuity liability or any other liability in respect of the employees is concerned (hereinafter referred to as the "Employee Liability") of the Demerged Undertaking 1, the part of Employee Liability relating to the employees of the Demerged Undertaking shall be the liability of the Transferee Company 1.

5.6. Permits

- 5.6.1. All governmental approvals and other consents, permissions, quotas, rights, authorizations entitlements, no-objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be entitled to use and which may be required to carry on the operations of the Demerged Undertaking 1, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of the Transferee Company 1 and may be enforced as fully and effectually as if, the Transferee Company had been a party, a beneficiary or an obligee thereto.
- 5.6.2. The Transferee Company 1 shall be entitled to undertake and carry out the business pertaining to the Demerged Undertaking 1 pursuant to the effectiveness of the Scheme on its own account, pending the transfer of any approvals and other consents, permissions, quotas, rights, authorizations, entitlements, no-objection certificates and licenses, privileges, powers and facilities of every kind and description, that may be required under Applicable Law in the name of the Transferee Company 1 and would be entitled to make any applications, requests and the like in this regard.



5.7. Taxes and Taxation

- 5.7.1. Upon the Scheme becoming effective, the Transferor Company and the Transferee Company 1 are expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961, Goods and Service Tax Act, 2017 and other Tax laws, and to claim refunds and/or credit for Taxes paid (including, tax deducted at source, tax collected at source, etc.) and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- 5.7.2. Without prejudice to the generality of the above, all benefits, incentives, losses, credits (including, without limitation, in respect of income tax, tax deducted at source, tax collected at source, goods and service tax, etc.) to which the Transferor Company is entitled in terms of Applicable Laws in relation to the Demerged Undertaking 1, shall be available to and vest in the Transferee Company 1, upon this Scheme coming into effect.
- 5.7.3. This Scheme complies with the conditions relating to "Demerger" as defined under Section 2(19AA), Section 47, Section 72A and other relevant sections and provisions of the Income Tax Act, 1961 and is intended to apply accordingly. If any terms or clauses of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions (including the conditions set out therein) at a later date whether as a result of a new enactment or any amendment or coming into force of any provision of the Income Tax Act, 1961 or any other law or any judicial or executive interpretation or for any other reason whatsoever, Parties shall negotiate in good faith to modify this Scheme in a mutually satisfactory manner that ensures compliance of this Scheme with such provisions.

6. CONSIDERATION

- 6.1. In consideration of the demerger of the Demerged Undertaking 1 of the Transferor Company into the Transferee Company 1, the Transferee Company 1 shall, without any further act or deed, issue and allot 10 (Ten) Suncity RPS of INR 1,000 (Rupees One Thousand only) each credited as fully paid-up of the Transferee Company 1 for every 1,167 (One Thousand One Hundred and Sixty Seven) equity shares of INR 10 (Rupee Ten only) each fully paid-up held by the equity shareholders in the Transferor Company, as on the Record Date.
- 6.2. In respect of fractional entitlements, if any:
- 6.2.1. Where a shareholder of the Transferor Company is entitled to only a fraction of one share i.e., less than one share to be allotted to him on Demerger, the said shareholder will be allotted the minimum of one Suncity RPS.
- 6.2.2. In other cases, the fractional entitlement would be rounded off to nearest integer for determining his entitlement to Suncity RPS in the Transferee company.



6.3. Suncity RPS to be issued by the Transferee Company 1 shall be issued in physical form to the Shareholders of the Transferor Company entitled thereto.

6.4. Approval of this Scheme by the shareholders of Transferee Company 1 shall be deemed to be in due compliance of the provisions of Section 42, Section 55 and Section 62 of the Act, and other relevant and applicable provisions of the Act and rules made thereunder for the issue and allotment of Suncity RPS by Transferee Company 1 as provided in this Scheme.

7. ACCOUNTING TREATMENT FOR THE DEMERGER

7.1. Upon scheme become effective, Transferor Company and Transferee Company 1 shall account for the Demerger in their respective books of account in accordance with the method of accounting as prescribed in the applicable Accounting Standards and/or Indian Accounting Standards notified under the section 133 of the Act and other relevant provisions of the Act read with the rules made thereunder and other Generally Accepted Accounting Principles in India. The detailed description is provided below in clauses 7.2 and 7.3 below.

7.2. Accounting treatment in the books of the Transferor Company:

7.2.1. Notwithstanding anything contained in any other clause in the Scheme, Transferor Company shall give effect to the demerger in its books of account as per the applicable accounting principles and as on date as prescribed under Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Act, as notified from time to time.

7.3. Accounting treatment in the books of the Transferee Company 1:

7.3.1. The assets and liabilities of the Demerged Undertaking 1 shall be recorded in the books and account of the Transferee Company 1 at their values as appearing in the books of account of the Transferor Company immediately before the Appointed Date.

7.3.2. The paid-up share capital shall be increased by the face value of the fully paid RPS of the Transferee 1 Company issued in terms of clause 6 of the Scheme.

7.3.3. Subject to the aforesaid, the Board of Directors of the Transferor and Transferee Company 1 shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in the respective books of account of the said companies, while complying with generally accepted accounting standards as applicable.

8. AGREEMENTS, CONTRACTS AND DEEDS

8.1. All contracts, deeds, bonds, agreements, arrangements, incentives, licenses, engagements, approvals and registrations and other instruments of whatsoever nature in connection with or pertaining to or relating to the Demerged Undertaking 1 to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or



in favour of the Transferee Company 1 as the case may be, and may be enforced by or against the Transferee Company 1 as fully and effectually as if, instead of the Transferor Company, the Transferee Company 1 had been a party or beneficiary thereto.

- 8.2. The Transferee Company 1 shall, if and to the extent required by law, enter into and / or issue and / or execute deeds, writings or confirmations, to give formal effect to the provisions of this clause and to the extent that the Transferor Company is required, prior to the Effective Date, to join in such deeds, writings or confirmations, the Transferee Company 1 shall be entitled to act for and on behalf of and in the name of the Transferor Company.

9. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

- 9.1. The Transferor Company shall be deemed to have been carrying on and shall carry on the business of the Demerged Undertaking 1 and related activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the respective assets of the Demerged Undertaking 1 for and on account of, and in trust for the Transferee Company 1. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 9.2. The Transferor Company shall carry on the business of the Demerged Undertaking 1 and related activities with reasonable diligence, business prudence and shall not (without the prior written consent of the Transferee Company 1) alienate, create any charge, mortgage, encumber or otherwise deal with or dispose of the assets or any part thereof related to the Demerged Undertaking 1 (except in the ordinary course of business).
- 9.3. All the profits or income, taxes (including advance tax, tax deducted at source) or any costs, charges, expenditure accruing to the Transferor Company in connection with or pertaining to or relating to the Demerged Undertaking 1 or expenditure or losses arising or incurred or suffered by the Transferor Company in connection with or pertaining to or relating to the Demerged Undertaking 1 from the Appointed Date shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company 1, as the case may be.
- 9.4. Until the Effective Date, the Transferor Company shall not without the prior written approval of the Board of Directors of the Transferee Company 1 and except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise.

10. SAVING OF CONCLUDED TRANSACTIONS

- 10.1. The transfer of the assets and liabilities of the Demerged Undertaking 1 under clause 5 above, the continuance of Proceedings under clause 5 above and the effectiveness of contracts and deeds under clause 8 above, shall not affect any transaction or Proceedings already concluded by the Transferor Company in respect of the Demerged Undertaking 1 on or before the Effective Date, to the end and intent that the Transferee Company 1 accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.



**PART D – DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 2 OF
TRANSFEROR COMPANY INTO THE TRANSFEREE COMPANY 2**

**11. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 2 IN THE
TRANSFEREE COMPANY 2**

11.1. With effect from the Appointed Date and upon the Scheme becoming effective, the Demerged Undertaking 2 (as defined in clause 1.7) shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company 2, as a going concern, in accordance with Section 2(19AA) of the Income Tax Act, 1961 and in the manner as follows:

11.2. Transfer of Assets

11.2.1. Upon the Scheme becoming effective and subject to any agreement between the parties.

- i. all the Assets relating primarily to the Demerged Undertaking 2 and capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed as the case may be to the Transferee Company 2 and shall become the property of the Transferee Company 2 in pursuance of the provisions of Section 232 of the Act, without requiring any deed or instrument of conveyance for transfer of the same.
- ii. in respect of the Assets relating to the Demerged Undertaking 2 other than those specified in Clause 11.2.1.i above the same shall, on and from the Appointed Date, stand transferred to the Transferee Company 2 and to the extent such Asset is a debt, loan, receivable, advance or deposit, appropriate entries should be passed in their respective books to record the aforesaid change, without any notice or other intimation to such debtors. Provided that the Transferee Company 2 may itself, at its sole discretion and shall, at any time after coming into effect of this Scheme in accordance with the provisions hereof and shall, if so required under any law, give notices in such form as it may deem fit and proper, to each person, as the case may be, that pursuant to the Scheme becoming effective, the said debt, loan receivable, advance or deposit stands transferred and vested in the Transferee Company 2 and be paid or made good or held on account of the Transferee Company 2 as the person entitled thereto.
- iii. the Assets relating to the Demerged Undertaking 2 that are immovable in nature shall be vested in and/or be deemed to have been vested in the Transferee Company 2, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company 2. With effect from the Effective Date, the Transferee Company 2 shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent and Taxes and fulfil 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 2 by the Appropriate Authorities pursuant to the sanction of this Scheme by the NCLT and upon the Scheme becoming effective in accordance with the terms hereof, and

- iv. for purposes of taking on record the name of the Transferee Company 2 in the records of the Appropriate Authorities in respect of transfer of immovable properties to the Transferee Company 2 pursuant to this Scheme, the Boards of the Transferor Company and the Transferee Company 2 may approve the execution of such documents or deeds as may be necessary, including deed of assignment of lease or leave or license (as the case may be) by the Transferor Company in favour of the Transferee Company 2.

11.3. Transfer of Liabilities

11.3.1. Upon the Scheme becoming effective, without any further act or deed, all the Liabilities, relating to the Demerged Undertaking 2 shall be transferred or deemed to be transferred to the Transferee Company 2 so as to become as and from the Appointed Date, the debts, liabilities, duties, obligations of the Transferee Company 2 which it undertakes to meet, discharge and satisfy to the exclusion of Transferor Company such that except as may be otherwise agreed between the Parties, the Transferor Company shall in no event be responsible or liable in relation to any such Liabilities relating to the Demerged Undertaking 2 and it shall not be necessary to obtain the consent of any person in order to give effect to the provisions of this Clause.

11.3.2. The provisions of this Clause 11.3 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing to which the relevant Liability relates or the terms of sanction or issue or any security document, all instruments, deeds, or writings shall stand modified by the foregoing provisions, provided that the provisions of this Clause shall be subject to any agreement entered into amongst the Parties.

11.4. Legal Proceedings

11.4.1. If any legally valid, actionable and enforceable suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "Proceedings") by or against the Transferor Company in connection with or pertaining to or relatable to the Demerged Undertakings, are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the Scheme or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company, as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.



11.5. Employees

- 11.5.1. All the employees of the Demerged Undertaking 2 and such other employees as identified by the Board of Directors of the Transferor Company, in service on the Effective Date shall, on and from the Effective Date, become the employees of the Transferee Company 2 on terms and conditions not less favorable as applicable to them on the Effective Date.
- 11.5.2. On and from the Effective Date, the services of the employees will be treated as having been continuous, without any break, discontinuance, or interruption, for the purpose of Membership and the application of the rules or byelaws of the various Funds (as defined herein below).
- 11.5.3. As far as any provident fund liability, gratuity liability or any other liability in respect of the employees is concerned (hereinafter referred to as the "Employee Liability") of the Demerged Undertaking 2, the part of Employee Liability relating to the employees of the Demerged Undertaking 2 shall be the liability of the Transferee Company 2.

11.6. Permits

- 11.6.1. All governmental approvals and other consents, permissions, quotas, rights, authorizations, entitlements, no-objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be entitled to use and which may be required to carry on the operations of the Demerged Undertaking 2, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of the Transferee Company 2 and may be enforced as fully and effectually as if, the Transferee Company had been a party, a beneficiary or an obligee thereto.
- 11.6.2. The Transferee Company 2 shall be entitled to undertake and carry out the business pertaining to the Demerged Undertaking 2 pursuant to the effectiveness of the Scheme on its own account, pending the transfer of any approvals and other consents, permissions, quotas, rights, authorizations, entitlements, no-objection certificates and licenses, privileges, powers and facilities of every kind and description, that may be required under Applicable Law in the name of the Transferee Company 2 and would be entitled to make any applications, requests and the like in this regard.

11.7. Taxes and Taxation

- 11.7.1. Upon the Scheme becoming effective, the Transferor Company and the Transferee Company 2 are expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act,



1961, Goods and Service Tax Act, 2017 and other Tax laws, and to claim refunds and/or credit for Taxes paid (including, tax deducted at source, tax collected at source, etc.) and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.

11.7.2. Without prejudice to the generality of the above, all benefits, incentives, losses, credits (including, without limitation, in respect of income tax, tax deducted at source, tax collected at source, goods and service tax, etc.) to which the Transferor Company is entitled in terms of Applicable Laws in relation to the Demerged Undertaking 2, shall be available to and vest in the Transferee Company 2, upon this Scheme coming into effect.

11.7.3. This Scheme complies with the conditions relating to "Demerger" as defined under Section 2(19AA), Section 47, Section 72A and other relevant sections and provisions of the Income Tax Act, 1961 and is intended to apply accordingly. If any terms or clauses of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions (including the conditions set out therein) at a later date whether as a result of a new enactment or any amendment or coming into force of any provision of the Income Tax Act, 1961 or any other law or any judicial or executive interpretation or for any other reason whatsoever, Parties shall negotiate in good faith to modify this Scheme in a mutually satisfactory manner that ensures compliance of this Scheme with such provisions.

12. CONSIDERATION

12.1. In consideration of the demerger of the Demerged Undertaking 2 of the Transferor Company into the Transferee Company 2, the Transferee Company 2 shall, without any further act or deed, issue and allot 701 (Seven Hundred and One) Laser Power RPS of INR 10 (Rupees Ten only) each credited as fully paid-up of the Transferee Company 2 for every 800 (Eight Hundred) equity shares of INR 10 (Rupees Ten only) each fully paid-up held by the equity shareholders in the Transferor Company, as on the Record Date.

12.2. In respect of fractional entitlements, if any:

12.2.1. Where a shareholder of the Transferor Company is entitled to only a fraction of one share i.e., less than one share to be allotted to him on Demerger, the said shareholder will be allotted the minimum of one equity share.

12.2.2. In other cases, the fractional entitlement would be rounded off to nearest integer for determining his entitlement to the equity shares in the Transferee company.

12.3. Laser Power RPS to be issued by the Transferee Company 2 shall be issued in physical form to the Shareholders of the Transferor Company entitled thereto.

12.4. Approval of this Scheme by the shareholders of Transferee Company 2 shall be deemed to be in due compliance of the provisions of Section 42, Section 55 and Section 62 of the Act, and



other relevant and applicable provisions of the Act and rules made thereunder for the issue and allotment of Laser Power RPS by Transferee Company 2 as provided in this Scheme.

13. ACCOUNTING TREATMENT FOR THE DEMERGER

13.1. Upon scheme become effective, Transferor Company and Transferee Company 2 shall account for the Demerger in their respective books of account in accordance with the method of accounting as prescribed in the applicable Accounting Standards and/or Indian Accounting Standards notified under the section 133 of the Act and other relevant provisions of the Act read with the rules made thereunder and other Generally Accepted Accounting Principles in India. The detailed description is provided below in clause 13.2 and 13.3.

13.2. Accounting treatment in the books of the Transferor Company:

13.2.1. Notwithstanding anything contained in any other clause in the Scheme, Transferor Company shall give effect to the demerger in its books of account as per the applicable accounting principles and as on date as prescribed under Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Companies Act, 2013, as notified from time to time.

13.3. Accounting treatment in the books of the Transferee Company 2:

13.3.1. The assets and liabilities of the Demerged Undertaking 2 shall be recorded in the books and account of the Transferee Company 2 at their values as appearing in the books of account of the Transferor Company immediately before the Appointed Date.

13.3.2. The paid-up share capital shall be increased by the face value of the fully paid Laser power RPS of the Transferee Company 2 issued in terms of clause 12 of the Scheme.

13.3.3. Subject to the aforesaid, the Board of Directors of the Transferor and Transferee Company 2 shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in the respective books of account of the said companies, while complying with generally accepted accounting standards as applicable.

14. AGREEMENTS, CONTRACTS AND DEEDS

14.1. All contracts, deeds, bonds, agreements, arrangements, incentives, licenses, engagements, approvals and registrations and other instruments of whatsoever nature in connection with or pertaining to or relatable to the Demerged Undertaking 2 to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company 2 as the case may be, and may be enforced by or against the Transferee Company 2 as fully and effectually as if, instead of the Transferor Company, the Transferee Company 2 had been a party or beneficiary thereto.



14.2. The Transferee Company 2 shall, if and to the extent required by law, enter into and / or issue and / or execute deeds, writings or confirmations, to give formal effect to the provisions of this clause and to the extent that the Transferor Company is required, prior to the Effective Date, to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company.

15. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

15.1. The Transferor Company shall be deemed to have been carrying on and shall carry on the business of the Demerged Undertaking 2 and related activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the respective assets of the Demerged Undertaking 2 for and on account of, and in trust for the Transferee Company 2. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

15.2. The Transferor Company shall carry on the business of the Demerged Undertaking 2 and related activities with reasonable diligence, business prudence and shall not (without the prior written consent of the Transferee Company 2) alienate, create any charge, mortgage, encumber or otherwise deal with or dispose of the assets or any part thereof related to the Demerged Undertaking 2 (except in the ordinary course of business).

15.3. All the profits or income, taxes (including advance tax, tax deducted at source) or any costs, charges, expenditure accruing to the Transferor Company in connection with or pertaining to or relating to the Demerged Undertaking 2 or expenditure or losses arising or incurred or suffered by the Transferor Company in connection with or pertaining to or relating to the Demerged Undertaking 2 from the Appointed Date shall for all purposes be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company 2, as the case may be.

15.4. Until the Effective Date, the Transferor Company shall not without the prior written approval of the Board of Directors of the Transferee Company 1 and except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise.

16. SAVING OF CONCLUDED TRANSACTIONS

16.1. The transfer of the assets and liabilities of the Demerged Undertaking 2 under clause 11 above, the continuance of Proceedings under clause 11 above and the effectiveness of contracts and deeds under clause 14 above, shall not affect any transaction or Proceedings already concluded by the Transferor Company in respect of the Demerged Undertaking 2 on or before the Effective Date, to the end and intent that the Transferee Company 2 accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.



17. RECLASSIFICATION / REORGANIZATION OF THE AUTHORIZED SHARE CAPITAL OF THE TRANSFEREE COMPANY 2

17.1. Upon this Scheme becoming effective, the authorized share capital of the Transferee Company 2 shall be reclassified/. reorganized as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
8,50,000 Equity shares of INR 100 each	8,50,00,000
<i>Preference Shares</i>	
10,00,000 Preference Shares of INR 10 each	1,00,00,000
Total	9,50,00,000

17.2. Approval of this Scheme by the shareholders of Transferee Company 2 shall be deemed to be due compliance of the provisions of Section 13 and Section 61 of the Act, and other relevant and applicable provisions of the Act and rules made thereunder for the reclassification of the authorized share capital envisaged under Clause 17.1 above.

17.3. Clause V of the Memorandum of Association of the Transferee Company 2 shall stand amended to give effect to the relevant provisions of this Scheme.



PART E – GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

18. APPLICATIONS TO THE NCLT

- 18.1. The Transferor Company, the Transferee Company 1 and Transferee Company 2 shall, with all reasonable dispatch, make applications to the NCLT, for sanctioning this Scheme for an order or orders thereof for carrying this Scheme into effect.

19. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 19.1. The Transferor Company, the Transferee Company and Transferee Company 2 by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may make and / or consent to any modifications / amendments to the Scheme or to any conditions or limitations that the NCLT or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferor Company, the Transferee Company and Transferee Company 2 by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.
- 19.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the authorized person(s) of the Transferor Company, the Transferee Company and Transferee Company 2 may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question or doubt or difficulty that may arise 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 this Scheme.

20. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional upon and subject to:

- 20.1. Approval of the Scheme by the requisite majority of the respective Shareholders and such class of persons of the Transferor Company and the Transferee Companies as may be directed by the NCLT(s).
- 20.2. Sanctions and Orders under the provisions of Section 230 to 232 of the Act being obtained by the Transferor Company and the Transferee Companies from the NCLT(s).
- 20.3. Certified Copy of the order of the NCLT(s) sanctioning the Scheme being filed with the Registrar of the Companies having jurisdiction over the Parties.
- 20.4. All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.



21. COSTS AND EXPENSES

- 21.1. All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or NCLT(s)'s order including this Scheme or in relation to or in connection with negotiations leading up to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by the Parties in such manner as may be mutually agreed.

22. RESIDUAL PROVISIONS

- 22.1. The consent of the shareholders and creditors of each of the Parties to the Scheme in accordance with the Act, as applicable, shall be deemed to be sufficient for purposes of effecting all the actions set out in this Scheme and no additional actions of the Parties shall be separately required.

23. REVOCATION OF THE SCHEME

- 23.1. In the event of any of the said sanctions and approvals referred to in clause 20 above not being obtained and / or complied with and / or satisfied and / or this Scheme not being sanctioned by the NCLT(s) and / or order or orders not being passed as aforesaid, 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 and the Transferee Companies 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 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 and the Transferee Companies shall be entitled to revoke, cancel and declare the Scheme to be of 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 or filing of the drawn up orders with any authority could have adverse implication on all/any of the companies.

24. POWER TO REMOVE DIFFICULTIES

- 24.1. The authorised signatories of the Parties, either by themselves or through a committee appointed by them in this behalf, may jointly and as mutually agreed in writing, including without limitation through any definitive agreement(s) that may be entered into between the relevant Parties in relation to the Scheme:

- 24.1.1. give such directions (acting jointly) as may be mutually agreed in writing by the Parties as they may consider necessary to settle any question or difficulty arising 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, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those.



24.1.2. do all acts, deeds and things as may be necessary, desirable, or expedient for carrying the Scheme into effect, and

24.1.3. make any inclusions or exclusions (including without limitation in relation to Assets, Liabilities, Excluded Litigations and/ or the like) to the Demerged Undertakings.

25. SEVERABILITY

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

26. RESIDUAL UNDERTAKING

26.1. The Residual Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and remain vested in the Transferor Company.

26.2. All legal, taxation or other proceedings whether civil or criminal (including proceedings before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Residual Undertaking (including those relating to any property, right, power, liability, obligation or duties of the Transferor Company in respect of the Residual Undertaking) shall be continued and enforced by or against the Transferor Company.

26.3. With effect from the Appointed Date and upto and including the Effective Date:

26.4. The Transferor Company shall continue and shall be deemed to have been carrying out all business and activities relating to the Residual Undertaking for and on its own behalf.

26.4.1. all profits accruing to the Transferor Company thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Residual Undertaking shall, for all purposes, be treated as the profits or losses of the Transferor Company; and

26.4.2. All assets and properties acquired by the Transferor Company in relation to the Residual Undertaking on and after the Appointed Date shall belong to and continue to remain vested in the Transferor Company.



Schedule A

1	Dividend	10% Per annum
2	Face Value	INR 10 (Rupees Ten only)
3	Term and Redemption	Redeemable at the option of the shareholder at par, either at the end of 36 months from the date of issuance or at any time thereafter until the expiration of 20 years.
4	Transferability	Transferable (as per Articles of Association of the Company)
5	Voting / non-voting	Voting (only in respect of rights affecting preference shareholders). No voting rights in respect of matters pertaining to equity shareholders.

Schedule B

1	Dividend	10% Per annum
2	Face Value	INR 1,000 (Rupees One Thousand only)
3	Term and Redemption	Redeemable at the option of the shareholders at par, either at the end of 36 months from the date of issuance or at any time thereafter until the expiration of 20 years.
4	Transferability	Transferable (as per Articles of Association of the Company)
5	Voting / non-voting	Voting (only in respect of rights affecting preference shareholders). No voting rights in respect of matters pertaining to equity shareholders.



Strictly Private and Confidential

Date: 14th March 2024

To,

Board of Directors

Bhuvée Stenovate Private Limited

Room No. 307,

Swaika Centre 4A Pollock Street,

Kolkata - 700001, West Bengal

Board of Directors

Suncity Metals and Tubes Private Limited

Plot No 27A/68 Adarsh Society Light Industrial Area,

Near ITI circle, Jodhpur Shastri Nagar,

Jodhpur -342003, Rajasthan

Board of Directors

Laser Power & Infra Private Limited

4A, Pollock Street 3rd Floor,

Kolkata - 700001, West Bengal

Sub: Recommendation of Share Entitlement Ratio pursuant to the Composite Scheme of Arrangement Amongst Bhuvée Stenovate Private Limited, Suncity Metals and Tubes Private Limited and Laser Power & Infra Private Limited and their Respective Shareholders and Creditors ("The Scheme")

Dear Sir / Madam,

We refer to the engagement letters dated 4th March 2024 received from Bhuvée Stenovate Private Limited wherein we have been appointed to recommend the share entitlement ratio in the Composite Scheme of Arrangement Amongst Bhuvée Stenovate Private Limited, Suncity Metals & Tubes Private Limited, Laser Power & Infra Private Limited and their Respective Shareholders.

1. CONTEXT AND PURPOSE

1.1. Bhuvée Stenovate Private Limited

Bhuvée Stenovate Private Limited or "Bhuvée or Transferor Company" is engaged in the business of manufacturing and trading in kitchen utensils, sinks and various other steel products of general utility.

1.2. Suncity Metals and Tubes Private Limited

Suncity Metals and Tubes Private Limited or "Suncity or Transferee Company 1" is a major manufacturer of steel products including stainless steel pipes, tubes, and circles. It is



recognized for its exceptional engineering, robust construction, durability, and global quality standard. The company has established market presence and serves as a preferred partner for various industries such as Furniture, Kitchenware, Automobile & Ancillaries, Heat Exchanger and Fabrication, Textile and Food Industry, Railways, Industrial Engineering, Oil and Gas.

1.3. Laser Power & Infra Private Limited

Laser Power & Infra Private Limited or "Laser Power or Transferee Company 2" manufactures and markets cables, conductors, rods, wires and other power transmission and distribution equipment for domestic and international markets. It operates under the brand name "LASER" and offers a wide range of products like aerial bunched cables, control cables, and aluminum rods.

1.4. Specified Companies

"Specified Companies" means Transferor Company, Transferee Company 1 and Transferee Company 2.

1.5. Proposed transaction

We understand that the Management of the Specified Companies are contemplating a Proposed Transaction wherein there would be a demerger of business of manufacturing of sink and other kitchen apparatus in India (Demerged Undertaking 1) of Bhuvée into Suncity and business of manufacturing of kitchen utensils and other steel products including Coils (Demerged Undertaking 2) of Bhuvée into Laser Power.

As a consideration for the Proposed demerger of the Demerged Undertaking 1 of the Transferor Company into the Transferee Company 1, the Transferee Company 1 shall, without any further act or deed, issue and allot 10 (Ten) Suncity RPS of INR 1,000 (Rupees One Thousand only) each credited as fully paid-up of the Transferee Company 1 for every 1,167 (One Thousand One Hundred and Sixty Seven) equity shares of INR 10 (Rupees Ten only) each fully paid-up held by the equity shareholders in the Transferor Company, as on the Record Date and

As a consideration for the Proposed demerger of the Demerged Undertaking 2 of the Transferor Company into the Transferee Company 2, the Transferee Company 2 shall, without any further act or deed, issue and allot 701 (Seven Hundred and One) Laser Power RPS of INR 10 (Rupees Ten only) each credited as fully paid-up of the Transferee Company 2 for every 800 (Eight Hundred) equity shares of INR 10 (Rupees Ten only) each fully paid-up held by the equity shareholders in the Transferor Company, as on the Record Date

For the previously mentioned purpose, the Management of the Specified Companies have requested Mr. Soumil Singhvi, Registered Valuer, to submit the Report recommending the Share Entitlement Ratio in connection with the Proposed Transaction. The scope of our services is to conduct valuation in accordance with accepted professional standards for the purpose of the Proposed Transaction.

This Report is our deliverable for the above engagement.



This Report is subject to the scope, assumptions, exclusions, limitations, and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

2. SOURCES OF INFORMATION

For determining the share entitlement ratio of the proposed transactions, we have used the following information received from the Management and/or gathered from public domain:

- 2.1. Shareholding pattern of Bhuvée, Suncity and Laser Power as on 1st April 2023.
- 2.2. Information on the nature of business carried on by Bhuvée, Suncity and Laser and profile provided by the Management.
- 2.3. Audited Financial statements of Bhuvée, Suncity and Laser for the year ended 31st March 2023
- 2.4. Draft Composite Scheme of Arrangement.
- 2.5. International database, World Wide Web.
- 2.6. Correspondence with the management of all the three companies.
- 2.7. Other information which is considered relevant for determining the share entitlement ratio for the demerger.

3. APPROACH TO VALUATION ENGAGEMENT AND VALUATION METHODS FOLLOWED

3.1. Discussions with the Specified Companies to:

- 3.1.1. Understand the business and fundamental factors that affect its income-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance of the Demerged Undertaking 1 and Demerged Undertaking 2.
- 3.1.2. Enquire about business plan and future performance estimates of the Demerged Undertaking 1 and Demerged Undertaking 2.

3.2. Undertook industry analysis:

- 3.2.1. Research publicly available market data including market rates of real estate properties that may impact the valuation.
- 3.2.2. Other publicly available information.
- 3.2.3. Analysis of information.
- 3.2.4. Selection of appropriate internationally accepted valuation methodologies after deliberations Determination of value of the Demerged Undertaking 1 and Demerged Undertaking 2 to arrive at the Share Entitlement Ratio.

4. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

- 4.1. Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due



diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

- 4.2. The recommendation contained herein is not intended to represent value at any time other than valuation date of 1st April 2023 ('Valuation Date').
- 4.3. This Report, its contents and the results herein are (i) specific to the purpose of valuation agreed as per the terms of our engagement; (ii) the Valuation Date and (iii) are based on the data detailed in Section 2 - Sources of Information. An analysis of this nature is necessarily based on the financial, economic, and other conditions in general and industry trends in particular, and the information made available to us as of the Valuation Date. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.
- 4.4. The recommendation rendered in this Report only represent our recommendation based upon information till date, furnished by the Management (or its respective representatives) and other sources and the said recommendation shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).
- 4.5. The determination of a Share Entitlement Ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. There is, therefore, no single undisputed Share Entitlement Ratio. While we have provided our recommendation of the Share Entitlement Ratio based on the information available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for the determination of the Share Entitlement Ratio at which the Proposed Transaction shall take place will be with the Board of Directors of the Specified Companies who should consider other factors such as their own assessment of the Proposed Transaction and input of other advisors.
- 4.6. During the valuation, we were provided with both written and verbal information, including information as detailed in the section - Sources of Information. We have not audited, reviewed, or otherwise investigated the financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the Specified Companies, we have been given to understand by the Specified Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusions are based on the assumptions and information given by/on behalf of the Specified Companies. The Management has indicated to us that they understand that any omissions, inaccuracies, or misstatements may materially affect our valuation analysis/results. Also, we assume no responsibility for technical information furnished by the Specified Companies. However, nothing has come to our attention to indicate that the information provided was materially mis-stated/ incorrect or could not afford reasonable grounds upon which to base the Report. We do not imply, and it should not be construed, that we have verified any of the information provided to us, or that our inquiries could have verified any matter which a more extensive examination might disclose.
- 4.7. The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to



the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/unaudited balance sheet of the Companies. Our conclusion of value assumes that the assets and liabilities of the Companies and their subsidiaries, reflected in their respective latest balance sheets remain intact as of the Report date.

- 4.8. This Report does not investigate the business/ commercial reasons behind the Proposed Transaction nor the benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction or other alternatives or whether such alternatives could be achieved or are available.
- 4.9. No investigation / inspection of the Companies' claims to title of assets has been made for the purpose of this Report and the Companies' claim to such rights has been assumed to be valid. No consideration has been given to lines or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 4.10. This Report is subject to the laws of India.
- 4.11. The Report should be used in connection with the Scheme.

5. SHARE HOLDING PATTERN OF COMPANIES

5.1. Bhuvée Stenovate Private Limited

As on 1st April 2023, the share capital of Bhuvée (as per audited financial statements) is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
53,10,00,000 Equity Shares of Rs. 10 each	531,00,00,000
Total	531,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
10,00,000 equity shares of INR 10 each.	1,00,00,000
Total	1,00,00,000

There has been no change in the capital structure of the Transferor Company since 1st April 2023 till 9th March 2024

5.2. Suncity Metals & Tubes Private Limited

As on 1st April 2023, the share capital of Suncity (as per audited financial statements) is as under:



Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
1,90,000 Equity shares of INR 1,000 each	19,00,00,000
<i>Preference Shares</i>	
50,000 Preference Shares of INR 1,000 each	5,00,00,000
Total	24,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
1,64,845 equity shares of INR 1,000 each.	16,48,45,000
<i>Preference Shares</i>	
30,000 Preference Shares of INR 1,000 each	3,00,00,000
Total	19,48,45,000

Suncity has changed its authorized share capital on 8th March 2024, accordingly its revised share capital as on 9th March 2024 is as:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
2,10,000 Equity shares of INR 1,000 each	21,00,00,000
<i>Preference Shares</i>	
30,000 Preference Shares of INR 1,000 each	3,00,00,000
Total	24,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
1,64,845 equity shares of INR 1,000 each.	16,48,45,000
<i>Preference Shares</i>	
30,000 Preference Shares of INR 1,000 each	3,00,00,000
Total	19,48,45,000

5.3. Laser Power & Infra Private Limited

As on 1st April 2023, the share capital of Laser Power (as per audited financial statements) is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
8,50,000 Equity shares of INR 100 each	8,50,00,000
Total	8,50,00,000



Issued, Subscribed and Paid-up Capital	
<i>Equity Shares</i>	
6,39,118 equity shares of INR 100 each.	6,39,11,800
Total	6,39,11,800

There has been no change in the capital structure of Transferee Company 2 since 1st April 2023 till 9th March 2024.

6. APPROACH & METHODOLOGY

6.1. The Scheme contemplates the demerger of Demerged Undertaking 1 of Bhuvée into Suncity and of Demerged undertaking 2 into Laser Power. Arriving at the Share Entitlement Ratio for the Proposed Transaction would require determining the value of Demerged Undertaking 1 and 2 of Bhuvée. The Scheme contemplates the Proposed Transaction pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

6.2. There are several commonly used and accepted methods for determining the Share Entitlement ratio for the proposed demerger of Demerged Undertaking 1 and Demerged Undertaking 2 into Suncity and Laser Power, which have been considered in the present case, to the extent relevant and applicable, including:

- 6.2.1. Market Approach:
- 6.2.2. Market Price method
- 6.2.3. Comparable Companies Multiples
- 6.2.4. Comparable Transaction Multiple Method
- 6.2.5. Income Approach: Discounted Cash Flows Method
- 6.2.6. Cost Approach: Net Asset Value Method

6.3. As discussed below for the Proposed Transaction we have considered these methods, to the extent relevant and applicable.

6.4. This valuation could fluctuate with lapse of time, changes in prevailing market conditions and prospects, industry performance and general business and economic conditions financial and otherwise, of the Companies, and other factors which influence the valuation of companies and their assets.

6.5. We have relied on the judgment of the Management as regards contingent and other liabilities.

6.6. The valuation methodologies, as may be applicable, which have been used to arrive at the value of the Demerged Undertaking 1 and 2 are discussed hereunder:

6.6.1. Market Price (MP) Method

The market price of an equity shares as quoted on a stock Exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.



Equity shares of Bhuvée are not listed on any stock exchange, hence this method is not applicable.

6.6.2. Comparable Companies Market Multiple ("CCM") Method

Under this method, the value of the equity shares of a company/ business undertaking is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. Since in the absence of a good benchmark to determine the value of the subject company, we have not used this method of valuation.

6.6.3. Comparable Companies Transaction Multiple ("CTM") Method

Under CTM method, value of the equity shares of a company/ business undertaking is arrived at by using the prices implied by reported transactions/ deals of comparable companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Like the CCM Method, it is difficult to find similar transactions to benchmark. We have therefore not used this method of valuation.

6.6.4. Discounted Cash Flows (DCF) Method

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.

Using the DCF analysis involves determining the following:

6.6.4.1. Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to all providers of the company's capital — both debt and equity.

6.6.4.2. Appropriate discount rate to be applied to cash flows i.e., the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighed by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

As we have been given understanding that Bhuvée was acquired under the Insolvency and Bankruptcy Code, 2016 ('IBC') and in accordance with the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation,



2016. The main purpose of the said acquisition was to revive Bhuvée and its business. Since the inception of CIRP, the business operations of Bhuvée have been impacted significantly with an almost negligible amount of manufacturing and sales operations over the last 5 years. Additionally, most of the plant & machinery items have remained idle on account of loss of business opportunities and lack of trust and creditworthiness among the suppliers and bankers.

Considering the context provided, it is our understanding that the management is unable to ascertain the long-term cash flows, and the management has potential continuity issues. Hence, we have not considered DCF method for valuation.

6.6.5. Net Assets Value (NAV) Method

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. The Net Assets Method is particularly suitable for businesses where the value is primarily derived from the underlying tangible and intangible assets.

Hence, the Net Assets Method is used for valuation of the Demerged Undertakings 1 and 2.

7. BASIS OF SHARE ENTITLEMENT RATIO

- 7.1. The basis of the Proposed Transaction would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. The Share Entitlement Ratio is based on the various methodologies explained herein earlier and various qualitative factors relevant to the Demerged Undertakings 1 and 2 and the business dynamics and growth potentials of the business of the Demerged Undertakings 1 and 2, having regard to information base, key underlying assumptions, and limitations.
- 7.2. As considered appropriate, we have applied the methodologies discussed above and arrived at an assessment of the value of the Demerged Undertakings 1 and 2 as mentioned in **Annexure A**.
- 7.3. In consideration of the proposed demerger of the Demerged Undertaking 1 of the Transferor Company into the Transferee Company 1, the Transferee Company 1 shall, without any further act or deed, issue and allot 10 (Ten) Suncity RPS INR 1,000 (Rupees One Thousand only) each credited as fully paid-up of the Transferee Company 1 for every 1,167 (One Thousand One Hundred and Sixty Seven) equity shares of INR 10 (Rupees Ten only) each fully paid-up held by the equity shareholders in the Transferor Company, as on the Record Date.
- 7.4. In consideration of the demerger of the Demerged Undertaking 2 of the Transferor Company into the Transferee Company 2, the Transferee Company 2 shall, without any further act or deed, issue and allot 701 (Seven Hundred and One) Laser Power RPS of INR 10 (Rupees Ten



only) each credited as fully paid-up of the Transferee Company 2 for every 800 (Eight Hundred) equity shares of INR 10 (Rupees Ten only) each fully paid-up held by the equity shareholders in the Transferor Company, as on the Record Date.

- 7.5. Considering the coupon rate, terms of redemption and the current market value of similar instruments, we understand the value of the Preference Shares can be considered similar to its Face value.

8. CONCLUSION

Based on the forgoing, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, pursuant to demerger of Demerged Undertaking 1 of Bhuvée into Suncity and Demerged Undertaking 2 of Bhuvée into Laser Power, we recommend the following Share Entitlement Ratio for consideration by Suncity and Laser Power to the shareholders of Bhuvée:

- 10 (Ten) redeemable, non-participating, non-cumulative preference shares of INR 1,000 (Rupees One Thousand only) each fully paid-up of Suncity to be issued for every 1167 (One Thousand One Hundred and Sixty Seven) equity share of INR 10 (Rupees Ten only) each fully paid up of Bhuvée as on the record date as defined in the Scheme, pursuant to the demerger of Demerged Undertaking 1 of Bhuvée into Suncity; and
- 701 (Seven Hundred and One) redeemable, non-participating, non-cumulative preference shares of INR 10 (Rupees Ten only) each fully paid-up of Laser Power to be issued for every 800 (Eight Hundred) equity share of INR 10 (Rupees Ten only) each fully paid up of Bhuvée as on the record date as defined in the Scheme, pursuant to the demerger of Demerged Undertaking 2 of Bhuvée into Laser Power.



Mr. Soumil Singhvi
Registered Valuer with IBBI-IBBI/RV/06/2020/13047
ICAIRVO/06/RV-P00355/2019-20
ICAI Membership NO.: 163972
UDIN: 24163972BKFWW8203

Annexure: A

Valuation of Demerged Undertakings by using Net Assets Value (NAV) Method as on 1st April 2023 and computation of Exchange Ratio thereon.

Sr. No	Particulars	Demerged Undertaking 1 (INR)	Demerged Undertaking 2 (INR)
A	Property, Plant and Equipment	26,65,06,018	25,27,87,278
B	Other Non-Current Asset	31,25,896	31,25,896
C	Current Assets	7,08,09,072	8,53,56,829
D	Total Assets (A to C)	34,04,40,986	34,12,70,003
E	Loans / Borrowings	31,76,62,973	31,84,36,523
F	Non-current liability	27,959	15,068
G	Current Liabilities	1,41,81,902	1,40,55,889
H	Total Liabilities (E to G)	33,18,72,834	33,25,07,480
I	Net Assets Value (D - H)	85,68,152	86,62,523
J	Face Value of Preference Shares to be issued by Suncity and Laser Power	1,000	10
K	No. of Shares to be issued by Suncity and Laser Power (Rounded Off) (I / J)	8,568	8,76,252



Sr. No. 813/2024

By Registered Post



NATIONAL COMPANY LAW TRIBUNAL

G-6/7, Corporate Bhawan, Residency Area, Civil Lines, Jaipur-302001

Email Id- registrar.jpr@nclt.gov.in, Ph. No. 0141-2220190

Sr. No. 147/2024

20.05.2024

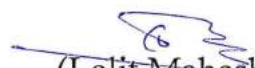
To, Suncity Metals and Tubes Pvt. Ltd. R/o- Plot No. 27A/68 Adarsh Society Light Industrial Area, Near ITI circle, Jodhpur, Shastri Nagar, Jodhpur- 342003, Rajasthan	To, Bhuvée Stenovate Pvt. Ltd. R/o- Room No. 307, Swaika Centre 4A Pollock Street, Kolkata- 700001, West Bengal
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Subject:- Order Dated 17.05.2024 in the matter of Suncity Metals and Tubes Pvt. Ltd. (Formerly known as Suncity Sheets Pvt. Ltd.) and Bhuvée Stenovate Pvt. Ltd. in CA(CAA) No. 03/230-232/JPR/2024.

Sir/Madam,

The certified copy of the order of the NCLT, Jaipur Bench dated 17.05.2024 in respect of application filed under Section 230-232 of Companies Act, 2016 is enclosed herewith for your reference.

Yours Faithfully,


(Lalit Maheshwari)
Designated Registrar

Encl: - Certified copy of order Dated 17.05.2024.

Sr. No. 147/2024

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IN THE NATIONAL COMPANY LAW TRIBUNAL
AT JAIPUR

CORAM: SHRI DEEP CHANDRA JOSHI,
HON'BLE JUDICIAL MEMBER

SHRI RAJEEV MEHROTRA,
HON'BLE TECHNICAL MEMBER

CA (CAA) No. 03/230-232/JPR/2024

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

IN THE MATTER OF SCHEME OF AMALGAMATION OF

M/S SUNCITY METALS AND TUBES PVT. LTD.

(Formerly known as Suncity Sheets Pvt. Ltd.)

(Applicant Company 1/ Resulting Company)

AND

M/S BHUVEE STENOVATE PVT. LTD.

(Applicant Company 2/ Transferor Company)

MEMO OF PARTIES

M/S SUNCITY METALS AND TUBES PVT. LTD.

(Formerly known as Suncity Sheets Pvt. Ltd.)

Plot No. 27A/68, Adarsh Society Light
Industrial Area, Near ITI Circle, Jodhpur
Shastri Nagar, Jodhpur- 342003
(Rajasthan)

**...Applicant Company 1/
Resulting Company**

AND

M/S BHUVEE STENOVATE PVT. LTD.

Room No. 307, Swaika Centre 4A
Pollock Street, Kolkata- 700001 (West
Bengal)

**...Applicant Company 2/
Transferor Company**

COUNSEL FOR APPLICANT(S): Aditya V. Adv.

CA (CAA) No. 03/230-232/JPR/2024



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(Signature)
Assistant Registrar
National Company Law Tribunal
Jaipur

Order Pronounced on: 17.05.2024

ORDER

Per: Shri Deep Chandra Joshi, Judicial Member

1. This Application has been filed jointly by the Applicant Companies, namely, *M/s Suncity Metals and Tubes Private Limited* ('Resulting Company' / 'Applicant Company 1') and *M/s Bhuvée Stenovate Pvt. Ltd* ('Transferor Company' / 'Applicant Company 2'), under Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ('Rules') in relation to the Scheme of Arrangement by way of Demerger ('Scheme') proposed between the Applicants. The said scheme is annexed as Annexure-16 of the Application.
2. The Applicant Companies have preferred the instant Application *inter alia* seeking the following reliefs:
 - a) *Appropriate directions may kindly be issued for dispensing with the requirement of holding of meeting of equity shareholders of the Applicant Resulting Company and Applicant Transferor Company;*
 - b) *Appropriate directions may kindly be issued for convening the meeting of the Secured Creditors of the Applicant Resulting Company. Further, in case this Hon'ble Tribunal directs for holding of the meeting, the notices for the same be serve on the secured creditors of both the companies through their E-mails or*

CA (CAA) No. 03/230-232/JPR/2024

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Whatsapp and the meeting be also convened through Video Conferencing.

- c) *Appropriate directions may kindly be issued for convening the meeting of the Unsecured Creditors of the Applicant Resulting Company and the Applicant Transferor Company, Further, in case this Hon'ble Tribunal directs for holding of the meeting, the notices for the same be served on the unsecured creditors of both the companies through their E-Mails or Whatsapp and the meeting be also convened through Video Conferencing.*

3. Affidavits in support of the Application sworn for and on behalf of the Resulting Company and the Transferor Company have been filed by their authorised signatories, namely, *Mr. Mahaveer Agarwal* and *Mr. Devesh Goel*, respectively. The Learned Advocate for the Applicants has drawn the attention of this Tribunal to the averments made in the Application as well as the set of documents annexed therewith. It was submitted that the joint Application filed by the Applicants is maintainable in view of Rule 3(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. Further, the Registered Office of the Resulting Company falls within the purview of the Registrar of Companies, Jaipur. Therefore, this Tribunal has the necessary territorial jurisdiction to entertain this Application.
4. It is stated that *M/s Bhuvtee Stenovate Pvt. Ltd.* (Transferor Company) is demerged into two Resulting Companies i.e., *Suncity Metals and Tubes*

CA (CAA) No. 03/230-232/JPR/2024

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Pvt. Ltd., and *Laser Power & Infra Pvt. Ltd.* Since the Registered office of *M/s Laser Power & Infra Pvt. Ltd.* is situated in *West Bengal*, a similar application is being filed at NCLT, Kolkata.

5. It has been submitted that the Applicant Company 1/Resulting Company, *M/s Suncity Metals and Tubes Private Limited* is a Private Limited Company incorporated on 10.09.1981 under the provisions of the Companies Act, 1956. The name of the company was changed to *Suncity Sheets Pvt. Ltd.* and the company obtained a fresh certificate of incorporation from RoC, Jaipur on 30.05.2003. Subsequently, the name was changed to *Suncity Metals and Tubes Pvt. Ltd.* and the company obtained another fresh certificate of incorporation on 21.11.2023.
6. The Applicant Company 2/ Transferor Company, *M/s Bhuvée Stenovate Private Limited*, is a Private Limited Company incorporated under the provisions of the Companies Act, 1956. It was constituted on 07.11.2007 under the name and style of *M/s Integrated Equipments & Infrservices Pvt. Ltd.* and the name was later changed to *M/s Bhuvée Stenovate Pvt. Ltd.* and the company obtained fresh Certificate of Incorporation from the RoC, Kolkata on 13.08.2017.
7. A perusal of the Application filed by the Applicant Companies indicates the details of the capital structure of the Applicant Companies as on 31.01.2024, which is tabulated below for reference:

CA (CAA) No. 03/230-232/JPR/2024



Sr. No.	Name of the Company	Authorized Share Capital	Issued, paid up and Subscribed Share Capital
1.	M/s Suncity Metals & Tubes Pvt. Ltd. (Resulting Company)	Rs. 24,00,00,000/- divided into 1,90,000 Equity Shares of INR 1000/- each and 50,000 Preference Shares of INR 1000/- each	Rs. 19,48,45,000/- divided into 1,64,845 Equity Shares of INR 1000/- each and 30,000 Preference Shares of INR 1000/- each
2.	M/s Bhuvée Stenovate Pvt. Ltd. (Transferor Company)	Rs. 531,00,00,000/- divided into 53,10,00,000 Equity Shares of INR 10/- each	Rs. 1,00,00,000/- divided into 10,00,000 Equity Shares of INR 10/- each

8. The Applicant Companies have also filed their respective Memorandum and Articles of Association, inter alia delineating their object clauses and the same are annexed as Annexure- 3 & 13 of the Application. The Applicant Companies have filed Copy of the Audited Financial Statements for the year ending 31.03.2023.
9. The Board of Directors of the Applicant Companies have approved the Scheme of Demerger *vide* their Resolution dated 16.03.2024. Copies of the Board Resolutions dated 16.03.2024 are annexed with the Application as Annexure- 17 & 18 (Colly). It was pointed out that the Scheme does not involve any reduction in Share Capital or Corporate Debt Restructuring. Further, no investigation, enquiry, or inspection proceedings have been initiated or are pending against the Applicant Companies.

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CA (CAA) No. 03/230-232/JPR/2024

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10. The Applicants have furnished the details of the Shareholders, Secured and Unsecured Creditors of the Resulting Company and the Transferor Company, which are tabulated below:

	<i>Resulting Company/ Applicant Company 1</i>	<i>Transferor Company/ Applicant Company 2</i>
<i>Equity Shareholders</i>	20	5
<i>Preference Shareholders</i>	2	-
<i>Secured Creditors</i>	3	0
<i>Unsecured Creditors</i>	108	21

11. The Applicant Companies have complied with Section 230 (7) and Section 232(3) of the Act by filing the certificate of the company's auditor concerning compliance with the Accounting Standards under Section 133 of the Companies Act, 2013.
12. Taking into consideration the Application filed by the Applicant Companies and the documents filed therewith, this Tribunal hereby issues the following directions with respect to calling, convening and holding of the meetings of the Equity Shareholders, Secured and Unsecured Creditors or dispensing with the same as well as issue of notices, including by way of paper publication, as follows:

In relation to Applicant Resulting Company -

(i) *With respect to Equity Shareholders:*

Since it is represented that there are 20 (Twenty) Equity Shareholders in the Resulting Company, and it is seen that their

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CA (CAA) No. 03/230-232/JPR/2024

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consent affidavits have been placed on record as Annexure 20 (Colly), therefore, the necessity of convening and holding a meeting of the Equity Shareholders for the approval of the Scheme is dispensed with.

(ii) *With respect to Preference Shareholders:*

Since it is represented that there are 2 (Two) Preference Shareholders in the Resulting Company, and it is seen that their consent affidavits have been filed as Annexure 20 (Colly), therefore, the necessity of convening and holding a meeting of the Preference Shareholders is dispensed with.

(iii) *With respect to Secured Creditors:*

There are 3 (Three) Secured Creditors in the Resulting Company, and their consent is not on record; therefore, this Tribunal is of the view that a meeting of the Secured Creditors of the Applicant Company 1/ Resulting Company is required to be held through VC & OAVM subject to notice of the meeting being issued through post, courier or e-mail ids registered with the Applicant Company 1.

(iv) *With respect to Unsecured Creditors:*

As per the Application, there are 108 unsecured Creditors in the Resulting Company, and it is seen that their consent is not on record; therefore, this Tribunal is of the view that a meeting of the

CA (CAA) No. 03/230-232/JPR/2024



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Unsecured Creditors of the Applicant Company 1/ Resulting Company is required to be held through VC & OAVM subject to notice of the meeting being issued through post, courier or e-mail ids registered with the Applicant Company 1.

In relation to Applicant Transferor Company -

(i) *With respect to Equity Shareholders:*

Since it is represented that there are 5 (Five) Equity Shareholders in the Transferor Company, and it is seen that their consent affidavits have been placed on record as Annexure- 26 (Colly), therefore, the necessity of convening and holding a meeting to consider the approval of the Scheme is dispensed with.

(ii) *With respect to Secured Creditors:*

Since it is represented that there are no Secured Creditors in the Transferor Company, therefore, there is no requirement of convening and holding a meeting of Secured Creditors to consider the approval of the Scheme.

(iii) *With respect to Unsecured Creditors:*

Since it is represented that there are 21 (Twenty One) Unsecured Creditors in the Transferor Company, and it is seen that their consent is not on record; therefore, this Tribunal is of the view that a meeting of the Unsecured Creditors of the Applicant Company 2/ Transferor Company is required to be held through VC & OAVM

CA (CAA) No. 03/230-232/JPR/2024



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subject to notice of the meeting being issued through post, courier or e-mail ids registered with the Applicant Company 2.

13. Directions for the Meeting to be held are issued as under: -

Considering the prevalent norms, the above-stated meetings of the Applicant Companies shall be called, convened and conducted through VC & OAVM, subject to the notice of the meeting being issued through post/courier/e-mail, as specified below:

- (i) Holding the meetings and conclusion of the voting of the Secured and Unsecured Creditors of the Applicant Companies as directed above shall be done through VC & OAVM, within sixty days of passing of this Order, following the Companies Act, 2013, and applicable Rules & Guidelines. The quorum of the meeting of the Secured and Unsecured Creditors shall be 33% in value.
- (ii) In case the quorum as noted above for the aforesaid meetings of the Applicant Companies is not present at the specified time, then the meeting shall be adjourned by half an hour, and thereafter the persons present and voting, including authorized representatives, shall be deemed to constitute the quorum. The Scrutinizer is duty-bound to record all proceedings of the meeting conducted through VC & OAVM. The Applicant Companies shall endeavour to attain at least the quorum fixed, if not more, concerning the Scheme's approval.

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CA (CAA) No. 03/230-232/JPR/2024

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- (iii) *Shri Ganga Prasad Gupta*, Advocate, having an email address i.e., gagan.gupta@gmail.com and contact no. 9414032025, is appointed as the Chairperson, and *Shri Akshat K Jangid, C.S.*, having contact no. 7737196496, is appointed as the Scrutinizer, for meetings of the Secured and the Unsecured Creditors of the Applicant Companies through VC & OAVM, which are directed by this Tribunal to be called, convened, conducted and concluded.
- (iv) The honorarium of the Chairperson for the aforesaid meetings of the Secured and the Unsecured Creditors of the Applicant Companies shall be Rs. 75,000/- (Rupees Seventy Five Thousand Only) and the honorarium of the Scrutinizer shall be Rs. 50,000/- (Rupees Fifty Thousand Only) in addition to the reimbursement of their incidental and out of pocket expenses. The Chairperson and Scrutinizer shall file their report within a week of the conclusion of the meetings. They shall be fully assisted by the authorized representative/ Company Secretary and other relevant staff of the Applicant Companies.
- (v) Individual notice(s) of the above said meeting shall be sent by the Applicant Companies to the Secured and Unsecured Creditors on record of the company through registered post or speed post or courier or e-mail, 30 days in advance before the scheduled date of the meeting, indicating the day, date, time and link to meeting

CA (CAA) No. 03/230-232/JPR/2024

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through VC & OAVM as aforesaid, together with a copy of the Scheme, a copy of the explanatory statement required to be sent along with any other documents as prescribed under the Companies Act, 2013, and Rules/ Guidelines thereunder and also any information/document as specified in this order which shall also be duly sent with the notice.

- (vi) It is further directed that along with the notice, the Applicant Companies shall also send a statement(s) explaining the effect of the Scheme on the creditors, key managerial personnel, promoters and non-promoter members, *etc.*, along with the effect of the arrangement for demerger on any material interests of the directors of the company(s), as provided under sub-section 3 of Section 230 of the Companies Act, 2013.
- (vii) The Applicant Companies shall publish an advertisement indicating the day, date, time and link of the meeting to be conducted through VC & OAVM as aforesaid, with a gap of at least 30 clear days before holding of the meeting/conference. Such meeting notice shall be published in two leading daily newspapers with a large circulation in the area, in English and in vernacular, stating that the copies of the Scheme and the Explanatory Statement that are required to be furnished according to Section 230 of the Companies Act, 2013 shall be available and provided free of charge at the

CA (CAA) No. 03/230-232/JPR/2024



registered office of the Applicant Companies to eligible persons.

The Applicant Companies shall publish the notice on its website if any.

- (viii) The Applicant Companies shall further furnish a copy of the Scheme free of charge within one day of any requisition for the Scheme made by any Shareholder, Secured Creditor, and Unsecured Creditor of the Applicant Companies entitled to vote as aforesaid.
- (ix) The authorized representative of the Applicant Companies shall furnish an affidavit of service of notice of meeting and publication of advertisement and compliance with all directions contained herein at least a week before the proposed meetings.
- (x) The Chairperson shall be responsible to report the result of the meetings of secured and unsecured creditors of Applicant Companies held in compliance of the instant Order to the Tribunal in Form No. CAA – 4, as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within seven days of the conclusion of the aforesaid meetings. The Chairperson would be fully assisted by the authorised representative/ Company Secretary of the Applicant Companies, and the Scrutinizer will assist the Chairperson in preparing and finalising the reports of the meetings.

CA (CAA) No. 03/230-232/JPR/2024



14. All the aforesaid directions are to be complied with strictly in accordance with the applicable law, including forms and formats contained in the Companies (Companies, Arrangements, Amalgamations) Rules, 2016, as well as the provisions of the Companies Act, 2013. The Applicant Company is directed to send notice individually along with a copy of the Scheme to the Income Tax Authorities (indicating the respective PAN Nos.), ROC concerned, Official Liquidator and Regional Director (North Western Region), Reserve Bank of India, Competition Commission of India as well as other sectoral regulators or authorities, if applicable, as an advance notice for their representation/ observation, if any. The Applicant Companies shall file affidavit regarding sectoral regulators that may be concerned and include a specific prayer with respect to notices to relevant regulators and authorities also at the stage of second motion.
15. The Applicant Companies shall file the petition for issuance of notice and fixing date for the approval of the Scheme in due course.
16. Hence, this Application bearing CA (CAA) No. 03/230-232/JPR/2024 stands allowed on the aforesaid terms.



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(Signature)
Assistant Registrar
National Company Law Tribunal
Jaipur

(Signature)
DEEP CHANDRA JOSHI
JUDICIAL MEMBER

(Signature)
RAJEEV MEHROTRA
TECHNICAL MEMBER

CA (CAA) No. 03/230-232/JPR/2024

1. 2. 3.
4. 5. 6.
7. 8. 9.

ANNEXURE-5

BOARD RESOLUTION - AUTHORISATION FOR REPRESENTATION

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF _____ HELD ON ____ DAY OF _____ 2024 AT ____ AM AT THE REGISTERED OFFICE OF THE COMPANY

AUTHORISATION FOR REPRESENTATION

“RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 (the Act) and any other applicable provisions of the Act read with Rules thereunder consent of the board be and is hereby accorded to authorize Mr/Ms. _____, to act as representative of our organization and to attend and vote in respect of all items of business at the Unsecured Creditors meeting to be held on Monday, 15 July 2024 at 10:30 a.m. IST through video conference (VC) or other audio-visual means (OVAM).

RESOLVED FURTHER that representative is hereby authorized to sign and submit all the necessary papers, letters, forms, etc. to be submitted by the company in connection with the meeting. The acts done and documents shall be binding on the company”.

For _____

Name of the director _____

Designation _____

DIN:

Date

Place:

ANNEXURE-6

LETTER OF AUTHORIZATION

To,

Chairperson

Suncity Metals and Tubes Private Limited
Plot No 27A/68 Adarsh Society Light Industrial Area,
Near ITI circle, Jodhpur Shastri Nagar,
Jodhpur -342003, Rajasthan

Sub: Authorization letter to attend and vote in the Unsecured Creditors Meeting

Dear Sir,

We M/s _____ do hereby authorize _____ to represent us to attend and vote at the meeting of Unsecured Creditors to be held on Monday, 15 July, 2024 at 10:30 a.m. IST through video conference (VC) or other audio-visual means (OVAM) and exercise any rights and the powers in the same manner as we could exercise as a unsecured creditor of Suncity Metals and Tubes Private Limited and any adjournment thereof.

Authorised Person

PLACE:

DATE: