

SCHEME OF MERGER

OF

**M/s. RDT Diamond Tools Private Limited
(1st Transferor Company)**

AND

**M/s. Midwest Mining Private Limited
(2nd Transferor Company)**

WITH

**M/s. Midwest Granite Private Limited
(Transferee Company)**


AND

Their Respective Shareholders and Creditors

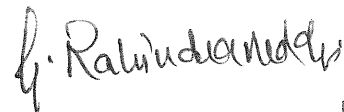
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


K. Rangappa
Director

For MIDWEST GRANITE PRIVATE LIMITED


Director

PREAMBLE

This Scheme of merger is presented under Section 233 and other applicable provisions of the Companies Act, 2013 read with Rule 25 of Companies (Compromise Arrangements and Amalgamations) Rules, 2016 for the merger of M/s. RDT Diamond Tools Private Limited and M/s. Midwest Mining Private Limited with M/s. Midwest Granite Private Limited and their Respective Shareholders.

Rationale of the Scheme

The Transferor Companies are wholly owned subsidiary companies of the Transferee Company and are mostly engaged in the business of manufacturing of Diamond Tools for cutting of Natural Stone and mining activities. The Transferee Company is also engaged in the business of quarrying and extracting the granites, export of granites and other natural stones and minerals. As all the Companies are involved in similar line of business activities, the proposed merger would increase the customer base and market share of the transferee company. Further, this would enable the transferee company to utilize the infrastructure and human resources of the transferor companies, thereby reducing the fixed and overhead costs and improving the productivity at optimum level. As the improved productivity would result in increased turnover, this merger would financially strengthen the transferee company which shall be highly-favorable to all the shareholders, creditors, employees and other stakeholders.

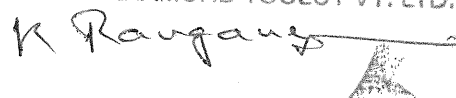
Further, the proposed Merger would also result in following advantages:-

- (i) To achieve greater integration and greater financial strength and flexibility, which may maximise overall shareholder value and improve the competitive position of the combined entity.
- (ii) To achieve strengthened leadership in the industry, in terms of the consolidated asset base, consolidated revenues of the combined entity.
- (iii) To achieve greater efficiency in cash management and unfettered access to cash flows generated by the combined business which can be deployed more effectively to fund organic or inorganic growth opportunities.

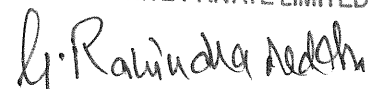
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director

: 3 :

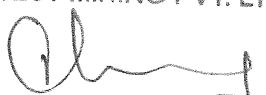
- (iv) Enhancement of net worth of the combined business to capitalise on future growth potential.
- (v) The Merger will result in reduction of multiplicity of regulatory compliances required to be carried out at present.

PART – I

DEFINITIONS

1. In this scheme unless repugnant to the meaning or context thereof the following expressions shall have the following meanings:
 - 1.1 **"Act"** means The Companies Act, 2013 or any amendments thereof.
 - 1.2 **"Appointed Date"** means the 1st day of April 2021.
 - 1.3 **"Central Government"** means the Hon'ble Regional Director, South East Region, Hyderabad and other Government Authorities such as Registrar of Companies, Official Liquidator etc.
 - 1.4 **"Effective Date"** means the last of the dates on which sanctions, approvals, Confirmations or orders specified in the Scheme are obtained and the certified true copies of the Orders of the Hon'ble Regional Director, South East Region, Hyderabad sanctioning/confirming this Scheme are filed with the Registrar of Companies, Telangana.
 - 1.5 **"Scheme"** means the Scheme of Merger of M/s. RDT Diamond Tools Private Limited and M/s. Midwest Mining Private Limited with M/s. Midwest Granite Private Limited and their Respective Shareholders.

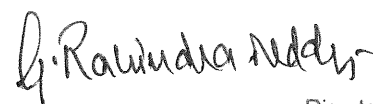
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director

1.6 Transferor Companies:

1.6.1 "RDT Diamond" means M/s. RDT Diamond Tools Private Limited/1st Transferor Company, a wholly owned subsidiary Company of the Transferee Company incorporated under the Companies Act, 1956, having its registered office at "Plot No. 44/C, IDA, Patancheru, Medak, TELENGANA - 502319, INDIA.

1.6.2 "Midwest Mining" means M/s. Midwest Mining Private Limited /2nd Transferor Company, a wholly owned subsidiary Company of the Transferee Company, incorporate under Companies Act, 1956 having its registered office at "No.8-2-684/3/25&26, Road No.12, Banjara Hills, Hyderabad - 500 034.

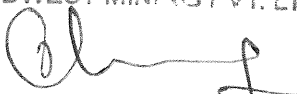
1.7 **"Transferee Company"** means M/s. Midwest Granite Private Limited (hereinafter referred to "Midwest Granite/Transferee company"), a company incorporated under the Companies Act, 1956 having its Registered Office at 8-2-684/3/25&26, Road No. 12, Banjara Hills, Hyderabad - 500 034.

1.8 **"Undertaking"** means the undertaking and entire business of the Transferor Companies and shall include:-


(a) all assets whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal of whatsoever nature, wheresoever situated including buildings, offices, marketing offices, liaison offices, furniture, fixtures, office equipment, appliances, accessories, inventories together with all present and future liabilities (including contingent liabilities) and all cash and bank balances appertaining or relatable to the Transferor Companies;

(b) all permits, quarry and mining leases, rights, entitlements, registrations for carrying on business operations and activities and other mining licenses including approvals, permissions, consents from various authorities including

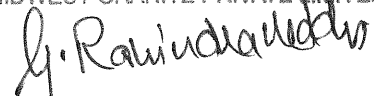
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.,


Director

For MIDWEST GRANITE PRIVATE LIMITED




Director

municipal / statutory bodies (whether granted or pending), receivables, benefit of any deposits, assets, properties or other interests, financial assets including investments of all kinds, funds belonging to or utilized for the Transferor Companies, bank accounts, privileges, all other rights and benefits including any tax, direct or indirect including CENVAT/ Service tax/ GST credit, advance tax paid or any tax deducted in respect of any income received, exemptions, tenancies in relation to office and/or residential properties for the employees, memberships, lease rights, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, internet servers, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements, letters of intent, memorandum of understanding, expressions of interest whether under agreement or otherwise and all other interests in connection with or relating to the Transferor Companies;

- (c) any and all permanent employees of the Transferor Companies engaged in or in relation to this business undertaking at their respective offices, branches, factories, stores, depots, or otherwise at their current terms and conditions, as per the records of the Transferor Companies;
- (d) any and all earnest monies and / or security deposits, or other entitlements in connection with or relating to this business undertaking, as per the records of the Transferor Companies; and
- (e) any and all investments if any, loans and advances including accrued interest, in connection with or relating to such business undertaking, as per the records of the Transferor Companies.

All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

For MIDWEST MINING PVT. LTD.  K Rangay
Director

For MIDWEST GRANITE PRIVATE LIMITED

Director

2. EFFECTIVE DATE AND OPERATIVE DATE

The Scheme though operative from the Effective Date shall be effective from the Appointed Date. However, the Scheme shall not become operative until all necessary CONFIRMATION orders under Section 233 of the Act are duly filed with the Registrar of Companies, Telangana, Hyderabad.

PART – II

3. INCORPORATION, MAIN OBJECTS AND THE SHARE CAPITAL OF TRANSFEROR COMPANIES AND TRANSFEREE COMPANY.

Transferor Companies:-

I) M/s. RDT Diamond Tools Private Limited (hereinafter referred to as "RDT Diamond/1st Transferor Company") was incorporated on 19th April, 2010 in the State of Telangana under the name and style of RDT Diamond Tools Private Limited.

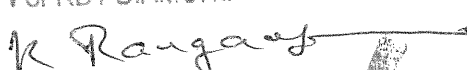
i). The Main Objects of RDT Diamond Tools Private Limited /1st Transferor Company presently enables it to carry on the business of:

a) To carry on the business to manufacture, fabricate, assemble, alter, design, develop, export, import, exchange, job work, produce, purchase, sell, resale, contract, subcontract, service, supply and to act as agent, broker, representative, concessionaires, consultant, adviser, collaborator, contractor, or otherwise deal in all kinds of diamond coated cutting tools, grinding wheels, paste, diamond dressers, drills, PCD tools, Carbide tools, CBN tools, inserts, abrasive grits and grains, silicon carbide and all other kinds of abrasives or any other material of any other kind, and all other materials, goods and ingredients that could be used for cutting, providing, shaping, milling, grooving, boring

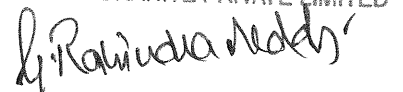
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director

: 7 :


and other related procedures and operations and all other products, allied products, by products and substitutes.

- b) To trade, manufacture, import or deal in and/or undertake process in diamonds, rough diamonds, industrial diamonds, precious and semi precious stones and to export of cutting tools and other articles made out of it and to establish factories to manufacture, cut, cleave, polish, set or otherwise prepare for the market of such rough diamonds, industrial diamonds, precious and semiprecious stones or metals either as principals, agents, brokers or otherwise and to carry on all or any of the business of diamond merchants, importers, exporters, manufactures of traders of all kinds of diamonds, industrial diamonds, precious and semi precious stones.
- c) To carry on the business as manufacturers, dealers, distributors, merchants, exporters, importers, stockiest and agents of all kinds of diamond tools and polishing agents for the processing, finishing of granite stone, marble and other mine and mineral products .
- d) To engage in the business of consultancy services, anywhere in India or abroad by providing, inter-alia, drawings, designs, charts, specifications, estimates, tenders, programs, conduct feasibility studies and to act as advisers, consultants, retainers trainers in all capacities and all matters and problems relating to engineering, technical management, marketing, manufacturing and processing systems, personal operational procedures and techniques relating to the diamond and diamond tool industries.

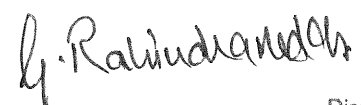
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED



Director

: 8 :

ii). The present Share Capital of RDT Diamond/1st Transferor company is as under:

Particulars	Amount in Rupees
Authorized	
35,00,000 Equity Shares of Rs 10/- each	3,50,00,000/-
Issued, Subscribed and Paid-up:	
25,00, 000 Equity Shares of Rs 10/- each fully paid-up	2,50,00,000/-

II) M/s. Midwest Mining Private Limited (hereinafter referred to as "Midwest Mining/2nd Transferor Company") was incorporated under the name and style of Midwest Mining Private Limited on 13th May, 2010.

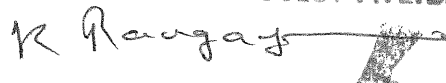
i). The Main Objects of Midwest Mining/2nd Transferor Company presently enables it to carry on the business of:

- a. To carry on the business of prospecting, exploring , opening and working Mines, drill and sink shafts or wells and to pump, refine, raise, dig and quarry for coal, Iron Ore, Gold, Rare Earths, manganese, earth, limestone, aluminum, titanium, mica, apalite, chrome , copper , gypsum, tin, zinc, bauxite and tungsten and other ores and all kinds of granites, marbles and minerals and process the same and for this purpose to acquire quarries and mines of coal, iron ore, Lime Stone, Gold, Rare Earths, Industrial Minerals, Granite Stones and stones of all Kinds, either on lease or purchase from the Government ,Quasi Governments, individuals, firms or companies and quarry the same directly or through contractors and to manufacture materials from waste quarry materials and acquire any manufacturing unit manufacturing processing, developing or otherwise deal with coal, iron

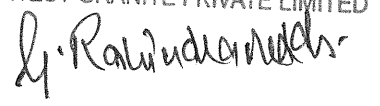
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director

ore, Lime stone, Gold, Rare Earths, industrial Minerals and all other kinds of mines and minerals.

- b. To carry on in India or elsewhere the business to produce, process, convert, commercialize, control, compound, develop, distribute, derive, excavate, grade, release, manipulate, prepare, promote, reclaim, supply, import, export, buy, sell, turn to account and to act as agent, broker, concessionaires, consultants, collaborator, job worker or otherwise to deal in all specifications, descriptions, characteristics and applications of all kinds mines and minerals.
- c. To carry on the business as manufactures, dealers, distributors, merchants, exporters, importers, stockiest and agents of all kinds of chemicals, cutting and polishing agents for the processing and finishing of all kinds of mines and mineral products.

ii) The present Share Capital of Midwest Mining /2nd Transferor company is as under:

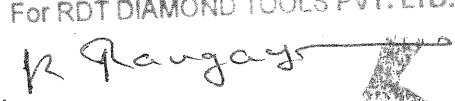
Particulars	Amount in Rupees
Authorized	
10,00,000 Equity Shares of Rs 10/- each	1,00,00,000/-
Issued, Subscribed and Paid-up:	
9,99,800 Equity Shares of Rs 10/- each fully paid-up	99,80,000/-

III) M/s. Midwest Granite Private Limited (hereinafter referred to as "Midwest Granite/Transferee Company") was incorporated under Companies Act, 1956 as a private limited company in the State of Andhra Pradesh on 11th December, 1981 under certificate of Incorporation No.3317 of 1981-82.

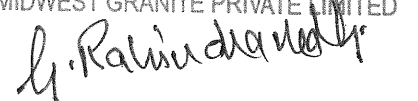
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director

: 10 :

i). The Main Objects of Midwest Granite/Transferee Company presently enables it to carry on the business of:

- a. To carry on the business as manufacturers, excavators of quarries, mines, dealers, distributors, merchants, exporters, importers, stockists and agents of all kinds of Granite Stones raw finished and semi finished including random slabs - polished or flamed tiles, panels flamed or polished and monuments and all kinds of stones and stone products that may be directly or indirectly derived there from or may be discovered in relation there to and to acquire the quarries and mines of Granite Stones and stones of all kinds either on lease or purchase from the Government, Quasi Governments, Individuals, firms or Companies and quarry the same directly or through contractors and to manufacture materials from waste quarry materials for roads *and* buildings.
- b. To acquire any manufacturing unit manufacturing processing, developing or otherwise deal with Granite Stones and Stones of all kinds for running such units on company's account or for leasing out in the manner most beneficial to the interests of the Company and to carry on the business as manufacturers, dealers, distributors, merchants, exporters, importers, stockist and agents of all kinds of cutting and polishing agents and chemicals for the processing finishing of Granite stone and other mine and mineral products.
- c. To carry on the business of prospecting, exploring, opening and working Mines, drill and sink shafts or wells and to pump, refine, raise, dig and quarry for coal, Iron Ore, Gold, Rare Earths, manganese, earth, limestone, aluminum, titanium, mica, apalite, chrome, copper, gypsum, tin, zinc, bauxite and tungsten and other ores and minerals and process the same and to acquire quarries and mines of coal, iron ore, Lime Stone, Gold, Rare Earths, Industrial Minerals, either on lease or purchase from the Government, Quasi Governments, individuals, firms

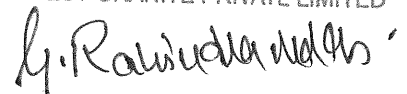
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director

or companies and quarry the same directly or through contractors and to manufacture materials from waste quarry materials.

- d. To carry on the business of and to undertake design, development, manufacture, import, export and/or deal in all kinds of machinery including machinery for Coal, Iron ore, Gold, Rare Earths and natural stone industry and to act as contractors, engineers, surveyors, consultants or advisors in the field and to acquire design or technical know-how and to do the jobs or turnkey projects or otherwise including design and performance testing and to enter into, provide / obtain consultancy on turnkey basis, to have tie-up with any person in or outside India including a firm, company or any organization and to crush, win, get, quarry, metal, calcine, extract, recover, procure, refine, amalgamate, process and prepare for market- ore, metal, mineral and mineral substances of all kinds, whether from the earth, earth-beds, outer-space, river or sea and to carry on any other metallurgical operations.
- e. To carry on any lawful business in India or abroad.

ii). The present Share Capital of Midwest Granite/Transferee company is as under:

Particulars	Amount in Rupees
Authorized	
8,07,000 Equity Shares of Rs 100/- each	8,07,00,000/-
Issued, Subscribed and Paid-up:	
74,313 Equity Shares of Rs 100/- each fully paid-up	74,31,300/-

For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director

PART – III

4. TRANSFER OF UNDERTAKINGS / ASSETS AND LIABILITIES OF THE TRANSFEROR COMPANIES.

- 4.1 With effect from the Appointed Date, the entire business and whole of the undertakings of the Transferor Companies including all assets whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal of whatsoever nature, wheresoever situated including buildings, offices, marketing offices, liaison offices, furniture, fixtures, office equipment, appliances, accessories, inventories together with all present and future liabilities (including contingent liabilities) and all cash and bank balances appertaining or relatable to the Transferor Companies and all permits, quarry and mining leases, rights, entitlements, registrations for carrying on business operations and activities and other mining licenses including approvals, permissions, consents from various authorities including municipal / statutory bodies (whether granted or pending), receivables, benefit of any deposits, assets, properties or other interests, financial assets including investments of all kinds, funds belonging to or utilized for the Transferor Companies, bank accounts, privileges, all other rights and benefits including any tax, direct or indirect including CENVAT/ service tax/ GST credit, advance tax paid or any tax deducted in respect of any income received, exemptions, tenancies in relation to office and/or residential properties for the employees, memberships, lease rights, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, internet servers, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements, letters of intent, memorandum of understanding, expressions of interest whether under agreement or otherwise and all other interests in connection with or relating to the Transferor Companies shall, under the provisions of Section 233 of the Act, and pursuant to the orders of the Central Government or any other

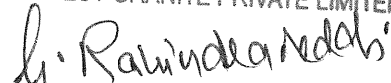
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director


appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and / or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

- 4.2 All the movable assets of the Transferor Companies or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.
- 4.3 With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of the Transferor Companies, as on the Appointed Date whether provided for or not in the books of accounts of the Transferor Companies, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or upto the Effective Date, shall, pursuant to the Orders of the Central Government/Regional Director or such other competent authority as may be applicable under Section 233 and other applicable provisions of the Act and without any further act or deed, be transferred or deemed to be transferred to and vested in and be assumed by the Transferee Company, so as to become, as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies.

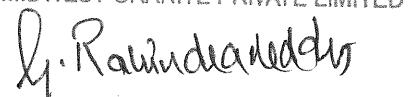
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director

- 4.4 It is hereby clarified that all assets and liabilities of the Transferor Companies shall be transferred at values appearing in their books of accounts as on the Appointed Date which are set forth in their closing balance sheet as of the close of business hours on the date immediately preceding the Appointed Date.
- 4.5 Part III of the Scheme has been drawn up to comply with the conditions relating to "Merger" as specified under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme is/ are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modifications will however, not affect the other parts of the Scheme.

5. CONSIDERATION:


As the Transferor Companies are wholly owned subsidiaries of the Transferee Company, no consideration is required to pay and consequently neither Board nor the members are required to approve the consideration to be paid to the members of Transferor Companies.

- 5.1 Every member of the transferor companies shall surrender their share certificates to the transferee company.
- 5.2 The issue and allotment of equity shares in the transferee company to the members of the transferor companies will not arise since the entire share capital in the Transferor Companies is held by the Transferee Company.
- 5.3 The entire issued, subscribed and paid-up share capital of the Transferor Companies is held by the Transferee Company along with its nominees. Upon the scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Companies and the Paid up share capital of the Transferor Companies shall stand cancelled.

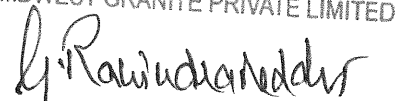
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director


- 5.4 Upon this Scheme becoming effective, the authorized share capital of Transferee Company shall automatically stand increased without any further act, instrument or deed, by the authorised equity share capital of Transferor Companies amounting to Rs. 12,57,00,000/- comprising of 12,57,000 equity shares of Rs 100/- (Rupees Hundred) each.
- 5.5 The memorandum and articles of association of Transferee Company (relating to authorized share capital) shall without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purpose of effecting this amendment, and no further resolution(s) under Sections 13, 14, 61, 64 or any other applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorized capital of Transferor Companies shall be utilised and applied to the increased authorized share capital of Transferee Company and payment of stamp duty and / or fee by Transferee Company for increase in the authorized share capital to that extent in accordance with the applicable provisions of the Companies Act, 2013. It is clarified that the approval of the members of Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Article of Association of Transferee Company as may be required under the Act.
- 5.6 Upon the Scheme becoming effective and consequent upon the merger of Transferor Companies into Transferee Company, Clause V(a) of the Memorandum of Association of Transferee Company shall stand substituted by virtue of the Scheme and be read as follows:

The authorised Share Capital of the Company is Rs. 12,57,00,000/- (Rupees Twelve Crores and Fifty Seven Lakhs Only) divided into 12,57,000/- (Twelve Lakhs and Fifty Seven Thousand Only) Equity shares of Rs. 100/- (Rupees one hundred only) each.

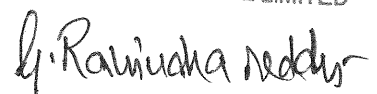
For MIDWEST MINING PVT. LTD.,


Director

For RD T DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director

6. ACCOUNTING TREATMENT IN THE BOOKS OF MIDWEST /TRANSFEE COMPANY


On the Scheme becoming effective, the Transferee Company shall account for the merger in its books of accounts as under:

- 6.1 Notwithstanding anything to the contrary contained in any other clause in the Scheme, the Transferee Company shall give effect to the merger in its books of account in accordance with Appendix C to Ind AS 103 Business Combinations and other accounting principles prescribed under the accounting standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) and on the date determined in accordance with Ind AS.
- 6.2 Upon the Scheme becoming effective, the Transferor Companies stand dissolved and all the assets and liabilities of the Transferor Companies will be recorded at the carrying values in the financial statements of the Transferee Company. No adjustment shall be made to the carrying amount of assets and liabilities as reflected in the books of Transferor Companies, to reflect fair values or recognize any new assets or liabilities. All reserves of the Transferor Companies are deemed to be carried forward and shall be recorded in the books of Transferee Company in the same form in which they appeared in the books of the Transferor Companies. The carrying amount of the Transferee Company of its investment in the shares of the Transferor Companies, which shall stand cancelled in the terms of this scheme, and the aggregate face value of such shares shall, subject to other provisions contained herein, be adjusted and reflected in the Capital Reserves of the Transferee Company.
- 6.3 Further the financial statements of the Transferee Company in respect of prior periods will be restated as if the merger had occurred from the beginning of the preceding period in accordance with Appendix C to Ind AS 103 as the merger is considered to be a common control transaction.

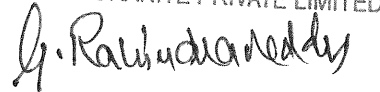
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director

- 6.4 To the extent there are inter-corporate loans or balances between the Transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets and liabilities, as the case may be.
- 6.5 In case of any differences in accounting policy between the Transferor Companies and the Transferee company, the accounting policies, as may be directed by the Board of Directors of the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the Reserves to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.


7. EMPLOYEES, STAFF AND WORKMEN

- 7.1 The employees of the Transferor Companies shall become the employees of the Transferee Company without interruption in service and on the basis of continuity of service and on the terms and conditions not less favorable than those subsisting with reference to the respective Transferor Company as on the said date.
- 7.2 The accumulated balances if any, standing to the credit of the employees or officers of the transferor companies, in the existing Provident Fund, Gratuity Fund and Superannuation Fund of which they are the members will be transferred to such Provident Fund, Gratuity Fund and Superannuation Fund nominated by the Transferee company and / or such new funds to be established and caused to be recognized by the concerned authorities by the said transferee company.

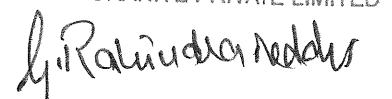
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOL


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director


8. LEGAL PROCEEDINGS:

- 8.1. All legal and other proceedings and actions of whatsoever nature in any Court or Tribunal or before any authority including Sales Tax, income-tax proceedings etc. with which the transferor companies are concerned or to which they are the parties shall not abate or be discontinued or be in any way prejudicially affect by reason of the aforesaid transfer and vesting of the undertaking etc., under **Clause 4** above by anything contained in the Scheme and may be continued and prosecuted by or against transferee company in the same manner and to the same extent as they would have been continued and prosecuted by or against transferor companies if the scheme had not been given effect to.
- 8.2. The aforesaid Transferor Companies and vesting of the undertaking etc., of the transferor companies under Clause above, shall not affect any transaction, proceedings or action already validly concluded, settled or taken by Transferor Companies after the appointed date, pursuant to clause 8.1 hereinabove.
- 8.3. The Transferee Company shall file an application with the Registrar along with the Scheme to be registered, duly approved by majority of the creditors, indicating the revised authorized capital and pay the prescribed fees due on revised capital terms of provisions of Section 233(11) of the Companies Act, 2013 and
- 8.4. The Petitioner Company should ensure Statutory Compliance of all applicable laws and shall not be absolved from any Statutory Liability on approval of the Scheme.

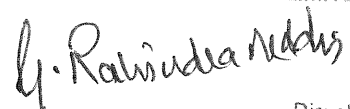
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED



Director

PART – IV

9. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS:

On and from the Appointed Date and subject to the provisions contained in the Scheme, all deeds, bonds, contracts, agreements and other instruments and documents of whatsoever nature to which the Transferor Companies are the parties and which has subsisting effect or enforceable before the appointed date shall remain in full force and effect against or in favor of Midwest Granite/ Transferee Company and may be enforced as fully and effectively by or against Transferee Company as they would have been by or against the respective Transferor company if the scheme had not been given effect to.

10. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANIES TILL THE EFFECTIVE DATE:

With effect from the appointed date and till transferor companies are dissolved, they shall be deemed to have been carrying on and to be carrying on their business for and on behalf of and in trust for the transferee company.

10.1 With effect from the appointed date and upto and including the effective date, the Transferor Companies:

- a) Shall be deemed to have been carrying on and shall carry on all business and activities stand possessed of the properties so to be transferred, for and on account of and in trust for the transferee company, including, but not limited to, operating and marketing activities, advance tax installments of income tax, sales tax, excise and other statutory levies, etc.
- b) All profits or income accruing to transferor companies or losses or expenditure (including payment of penalty, damages or such litigations) arising or incurred by them shall, for all purposes, be treated as the profits

For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD. For MIDWEST GRANITE PRIVATE LIMITED


Director



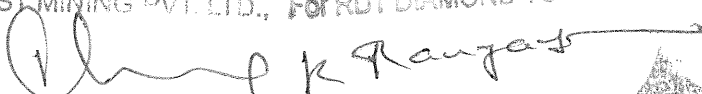
Director

: 20 :

or income or losses or expenditure as the case may be of the transferee company.

- 10.2 The Transferee company shall be entitled, pending the sanction of the Scheme, to apply to the central government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the transferee company may require to own and operate the undertaking.
11. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its income-tax returns, sales tax returns, excise & CENVAT returns, service tax returns, GST returns other tax returns, and to restore as input credit of service tax adjusted earlier or claim refunds / credits.
12. The Transferee Company is also expressly permitted to claim refunds, credits, including restoration of input CENVAT/ service tax/ GST credit, tax deduction in respect of nullifying of any transaction between or amongst the Transferor Companies and Transferee Company.
13. This Scheme has been drawn up to comply with the conditions relating to "Amalgamation/Merger" as specified under the tax laws, including section 2(1B) and other relevant sections of the Income tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Transferor Companies and the Transferee Company, which power shall be exercised reasonably in the best interests of the companies concerned.

For MIDWEST MINING PVT. LTD., For RDT DIAMOND TOOL


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director

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

15. DISSOLUTION OF TRANSFEROR COMPANIES

Upon the Scheme being Confirmed by the Hon'ble Regional Director, South East Region, at Hyderabad under section 233 of the Companies Act and on its becoming effective, the Transferor companies shall stand dissolved without going through the process of winding up, with effect from the appointed date or such other date as may be fixed by the Hon'ble Regional Director, South East Region, Hyderabad.

16. OBLIGATIONS OF THE TRANSFEE COMPANY

- 16.1 The transferee company shall undertake to engage, on and from the effective date, all the permanent employees of Transferor Companies on the same terms and conditions, on which they were engaged on the effective date, without any interruption of service or the terms and conditions of service as a result of the transfer.
- 16.2 The transferee company agrees that the services of all such employees of the Transferor companies up to the effective date shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.

For MIDWEST MINING PVT. LTD.,

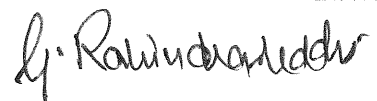

Director

For RDT DIAMOND TOOLS




Director

For MIDWEST GRANITE PRIVATE LIMITED



Director

- 16.3 The accumulated balances, if any, standing to the credit of the employees and officers are being transferred from the existing provident fund, gratuity fund and superannuation fund of the transferor companies, in which they are members, shall be transferred to such provident fund, gratuity fund and superannuation fund as nominated by the transferee company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees and officers would be continued to be deposited in the existing provident fund, gratuity and superannuation funds of the respective companies.

17. EXPENSES AND COSTS:

Midwest / Transferee Company shall on behalf of transferor companies bear all costs, charges and expenses relating to and to be incurred in connection with bringing into effect the scheme and consequent upon merger of the Transferor Companies with M/s. Midwest Granite Private Limited.

The Transferee Company shall apply to the Regional Director, South East Region, Hyderabad for Confirmation of this Scheme under Sec.233 of the Act and for an order or orders under said Sec.233 of the Act for carrying this Scheme into effect and for dissolution without winding up of the said Transferor Companies.


18. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferor Companies and the Transferee Company by their respective Board of Directors, or any person(s) or committee authorised/ appointed by them, may carry out or assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the Regional Director, South East Region, Hyderabad and/ or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e., the Board of Directors or the person/s / committee). The Transferor Companies and the Transferee Company by their

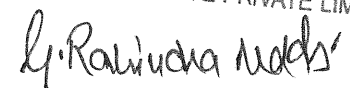
For MIDWEST MINING PVT LTD.,


Director

For RDT DIAMOND TOOLS PVT LTD.,


Director

For MIDWEST GRANITE PRIVATE LIMITED



Director

respective Board of Directors shall be authorised 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. SCHEME OF CONDITIONAL APPROVAL/SANCTIONS

The Scheme is conditional upon and subject to the following:

- a. The scheme being agreed to by the respective requisite majorities of the members and/or creditors of Transferor Companies and Transferee Company and the requisite orders of the Central Government i.e., the Regional Director, South East Region, Hyderabad referred to hereof being obtained.
- b. Such other sanctions and approvals as may be required by law in respect of the scheme being obtained and ;
- c. The certified copies of the orders being filed with the Registrar of Companies, Hyderabad, Telangana by respective Transferor Companies and Transferee Company.


20. EFFECT OF NON RECEIPT OF APPROVAL/SANCTIONS

In the event of any of the said sanctions/confirmation/approval having not been accorded for the merger of any of the Transferor Company/ Transferor Companies, this Scheme shall stand revoked, cancelled and be of no effect for the Transferor Company and these shall not bear any effect on merger of remaining Transferor Company/ Transferor Companies.

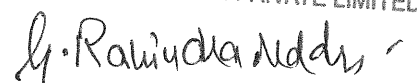
For MIDWEST MINING PVT. LTD.,


Director

For RDT DIAMOND TOOLS PVT. LTD.


Director

For MIDWEST GRANITE PRIVATE LIMITED


Director