

SCHEME OF ARRANGEMENT AND AMALGAMATION

BETWEEN

KIRTI INVESTMENTS LIMITED

(‘KIL’ OR ‘THE TRANSFEROR COMPANY’)

AND

KEDIA CONSTRUCTION COMPANY LIMITED

(‘KCCL’ OR ‘THE TRANSFEREE COMPANY’)

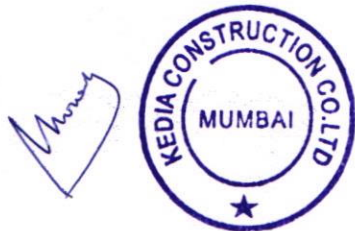
AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)

(A) PREAMBLE

The Scheme of Amalgamation and Arrangement is presented under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013, rules and regulations including any statutory modifications or re-enactments made thereunder and amendments thereof for a) reduction of the face value of the equity share capital of the Transferee Company; and b) amalgamation of Kirti Investments Limited (‘KIL’ or ‘The Transferor Company’) with Kedia Construction Company Limited (‘KCCL’ or ‘The Transferee Company’) (‘Scheme’). The Scheme is in the best interest of the companies involved and their respective shareholders, creditors, employees and all other stakeholders. The Scheme



also provides for various other matters consequential or otherwise integrally connected therewith.

(B) DESCRIPTION OF THE COMPANIES WHO ARE PARTIES TO THE SCHEME

a) Kirti Investments Limited or the Transferor Company

1. The Transferor Company is a listed entity incorporated on 14 October 1974 under the provisions of the Companies Act, 1956.
2. The Transferor Company is having its registered office at 202, 2nd Floor, A-Wing, Bldg. No.3, Sir M.V. Road, Rahul Mittal Industrial Estate, Andheri East Mumbai - 400059 and is engaged in the business of providing estate agency and consultancy services.
3. The equity shares of the Transferor Company are listed on Metropolitan Stock Exchange of India Limited.

b) Kedia Construction Company Limited or the Transferee Company

1. The Transferee Company is a listed entity incorporated on 25 August 1981 under the provisions of the Companies Act, 1956.
2. The Transferee Company is having its registered office address at 202, 2nd Floor, A-Wing, Bldg. No.3, Sir M.V. Road, Rahul Mittal Industrial Estate, Andheri East Mumbai - 400059 and is primarily engaged in the business of Construction, Builders, Construction Contractors and Land Developers.
3. The equity shares of Transferee Company are listed on BSE Limited.



(C) OPERATION OF THE SCHEME

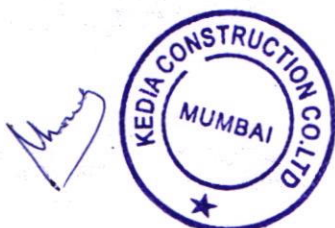
The Scheme provides for:

- (i) Reduction of face value of the equity share capital of the Transferee Company in the manner as provided in this Scheme; and
- (ii) Amalgamation of the Transferor Company with the Transferee Company in the manner as provided in this Scheme;

(D) RATIONALE OF THE SCHEME

Reduction of capital of the Transferee Company in the manner set out in this Scheme can provide benefits to the shareholders and stakeholders as under:

- The Transferee Company will represent its true and fair financial position with an efficient capital structure so that post-amalgamation capital structure is in line with the size of the business operations;
- The Transferee Company will have more efficient capital structure;
- The proposed reduction of equity share capital would not have any impact on the shareholding pattern of the Transferee Company except on account on amalgamation of the Transferor Company with the Transferee Company; and
- It does not involve any financial outlay and therefore, would not affect the ability or liquidity of the Transferee Company to meet its obligations or commitments in the normal course of business. Further, it would also not in any way adversely affect the ordinary operations of the Transferee Company



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As a part of the overall restructuring exercise, it is desired to merge the Transferor Company with the Transferee Company.

The amalgamation would have the following benefits:

- Enhancement of operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources;
- Unification and streamlining of legal and regulatory compliances currently required to be carried out by both, the Transferor Company and the Transferee Company;
- Elimination of multiple record keeping, thus resulting in reduced expenditure and significant reduction in the multiplicity of regulatory compliances; and
- Improved organizational capability and leadership, arising from the pooling of human capital that has diverse skills, talent and vast experience to compete in increasingly competitive industry.

(E) PARTS OF THE SCHEME

This Scheme of Amalgamation is divided into following parts:

- (i) **PART I** deals with Definitions and Share Capital;
- (ii) **PART II** deals with reduction of the face value of the equity share capital of the Transferee Company; and
- (iii) **PART III** deals with amalgamation of the Transferor Company with the Transferee Company;
- (iv) **PART IV** deals with general terms and conditions applicable to this Scheme



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PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

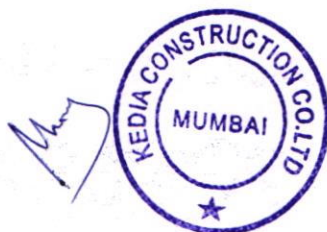
In this Scheme (as defined hereunder), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 **“Act” or “The Act”** means the Companies Act, 2013, as applicable, and rules and regulations made thereunder and shall include any statutory modifications, amendments or re-enactment thereof for the time being in force;
- 1.2 **“Applicable Law(s)”** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force;
- 1.3 **“Appointed Date”** means 01st April, 2024, or such other date as may be fixed or approved by the National Company Law Tribunal at Mumbai or such other date as may be determined by the Board of Directors of Transferor Company and the Transferee Company with approval of NCLT or such other date as the NCLT may direct;
- 1.4 **“Appropriate Authority”** means any applicable central, state, or local government, legislative body, regulatory, administrative, or statutory authority, agency or commission or department or public or judicial body



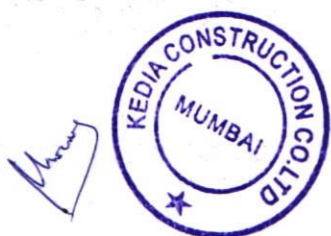
or authority, including, but not limited, to Securities and Exchange Board of India (SEBI), Stock Exchanges, Registrar of Companies, Regional Director and National Company Law Tribunal;

- 1.5 **“Board of Directors” or “Board”** means the Board of Directors of the Transferor Company and the Transferee Company and shall include a duly constituted committee thereof;
- 1.6 **“BSE”** means BSE Limited;
- 1.7 **“Effective Date” or “upon the scheme becoming effective” or “effectiveness of the scheme”** means the date on which the certified or authenticated copies of the order sanctioning this Scheme, passed by the National Company Law Tribunal at Mumbai are filed with the Registrar of Companies;
- 1.8 **“Governmental Authority”** means any governmental or statutory or regulatory or administrative authority, government department, agency, commission, board, tribunal or court or other entity authorised to make laws, rules or regulations or pass directions, having or purporting to have jurisdiction over any state or other sub-division thereof or any municipality, district or other sub-division thereof pursuant to Applicable Law;
- 1.9 **“INR” or “Rupee(s)”** means Indian Rupee, the lawful currency of Republic of India;
- 1.10 **“KCCL” or “the Transferee Company”** means Kedia Construction Company Limited, (CIN: L45200MH1981PLC025083) a company incorporated under the Companies Act, 1956 and having its registered office at 202, 2nd Floor, A-Wing, Bldg. No.3, Sir M.V. Road, Rahul Mittal Industrial Estate, Andheri East Mumbai - 400059;
- 1.11 **“KIL” or “the Transferor Company”** means Kirti Investments Limited, (CIN: L99999MH1974PLC017826) a company incorporated under the



Companies Act, 1956 and having its registered office at 202, 2nd Floor, A-Wing, Bldg. No.3, Sir M.V. Road, Rahul Mittal Industrial Estate, Andheri East Mumbai - 400059;

- 1.12 “**LODR Regulations**” means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended);
- 1.13 “**MSE**” means Metropolitan Stock Exchange of India Limited;
- 1.14 “**NCLT**” or “**Tribunal**” or “**Competent Authority**” means the National Company Law Tribunal, Mumbai bench;
- 1.15 “**New Equity Shares**” has the meaning given to it in Clause 13.2 of Part II;
- 1.16 “**Parties**” means the Transferor Company and the Transferee Company, collectively;
- 1.17 “**Record Date 1**” means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the shareholders of the Transferee Company to whom Reduced Face Value Equity Shares will be allotted pursuant to the capital reduction;
- 1.18 “**Record Date 2**” means the date to be fixed by the Board of Directors of the Transferee Company after mutual agreement on the same between the Transferee Company and the Transferor Company, for the purpose of determining the shareholders of the Transferor Company to whom the New Equity Shares will be allotted pursuant to this Scheme;
- 1.19 “**Reduced Face Value Equity Shares**” has the meaning given to it in Clause 11.2 of Part II;
- 1.20 “**Registrar of Companies**” means the Registrar of Companies, Mumbai, Maharashtra, India;
- 1.21 “**Scheme**” or “**the Scheme**” or “**this Scheme**” means this Scheme of Amalgamation in its present form or with any modification(s)/



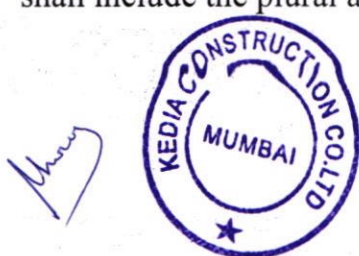
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amendment(s) made under Clause 27 of this Scheme as approved or directed by the NCLT;

- 1.22 “SEBI” means the Securities Exchange Board of India;
- 1.23 “SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015” means the regulations issued by SEBI for adherence of a listed company hereinafter referred as ‘Listing Regulations’ as amended from time to time.
- 1.24 “SEBI Circulars” means, together (a) circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017; (b) circular no. CFD/DIL3/CIR/2017/26 dated 23 March 2017; (c) circular no. CFD/DIL3/CIR/2017/105 dated 21 September 2017; (d) circular no. CFD/DIL3/CIR/2018/2 dated 3 January 2018; (e) circular no. SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated 12 September 2019; (f) circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated 3 November 2020; (g) circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/0000000657 dated 16 November 2021; (h) circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/0000000659 dated 18 November 2021; (i) circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 or any other circulars issued by SEBI applicable to this Scheme; and

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

Reference to clauses, recitals and annexures, unless otherwise provided, are to clauses, recitals and annexures of and to this Scheme. The singular shall include the plural and vice versa.



2. INTERPRETATION

In this Scheme:

- 2.1 words denoting singular shall include plural and vice versa;
- 2.2 the headings are used for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- 2.3 any references to the word “include”, “includes” or “including” shall be interpreted in a manner as though the words “without limitation” immediately followed the same;
- 2.4 a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- 2.5 reference to; any document or agreement includes a reference to that document or agreement as varied, amended, supplemented, substituted, novated or assigned, from time to time, in accordance with the provisions of such a document or agreement;
- 2.6 the words “other”, “or otherwise” and “whatsoever” shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters expressly referred to;



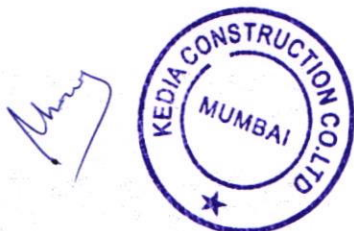
2.7 word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively under the Act and other applicable laws, rules, regulations and byelaws applicable, including any statutory modification or re-enactment thereof from time to time; and

2.8 reference to any legislation, statute, regulation, rule, notification, or any other provision of law means and includes references to such legal provisions as amended, supplemented, or re-enacted from time to time, and any reference to legislation or statute includes any subordinate legislation made from time to time under such a legislation or statute and regulations, rules, notifications or circulars issued under such a legislation or statute;

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

3.1 The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by NCLT or made as per Clause 27 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

3.2 Any reference in this Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “upon the coming into effect of the Scheme” shall mean the Effective Date.



4. SHARE CAPITAL

4.1 The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on 31 March 2024 is as under:

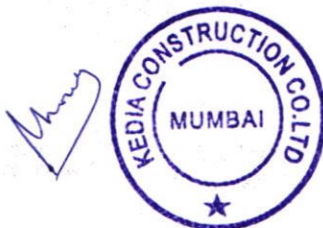
Particulars	Amount(INR)
Authorised Share Capital	
2,20,00,000 Equity Shares of INR 5 each	11,00,00,000
1,00,000 Preference Shares 6% Non-Cumulative of INR 10 each	10,00,000
Total	11,10,00,000
Issued, Subscribed and Paid-up Share Capital	
2,20,00,000 equity shares of INR 5 each	11,00,00,000
Total	11,00,00,000

Subsequent to the above date and till the date of approval of the Scheme by the Board of Directors of the Companies, there has been no change in the authorized, issued, subscribed and paid-up equity share capital of the Transferor Company. The equity shares of the Transferor Company are currently listed on the Metropolitan Stock Exchange of India Limited.

4.2 The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 31 March 2024 is as under:

Particulars	Amt (INR)
Authorised Share Capital	
30,00,000 Equity Shares of INR 5 each	1,50,00,000
Total	1,50,00,000
Issued, Subscribed and Paid-up Share Capital	
30,00,000 Equity Shares of INR 5 each	1,50,00,000
Total	1,50,00,000

Subsequent to the above date and till the date of approval of the Scheme by the Board of Directors of the Companies, there has been



no change in the authorized, issued, subscribed and paid-up equity share capital of the Transferee Company.

The Transferor Company holds 2,98,000 Equity Shares of the Transferee Company representing 9.93% of the total equity share capital of the /Transferee Company.

The equity shares of the Transferee Company are currently listed on the BSE Limited.

PART II

REDUCTION OF SHARE CAPITAL OF THE TRANSFEEE COMPANY

5. REDUCTION OF FACE VALUE OF EQUITY SHARES

5.1 On the Scheme becoming effective, the issued, subscribed and paid-up share capital of the Transferee Company shall stand reduced from Rs. 1,50,00,000 (Rupees One Crore Fifty Lacs Only) divided into 30,00,000 (Thirty Lacs) equity shares with face value of Rs. 5/- (Rupees Five Only) per equity share to Rs. 30,00,000 (Rupees Thirty Lacs Only) divided into 30,00,000 (Thirty Lacs) equity shares with face value of Rs. 1/- (Rupees One Only) without payment of any consideration or any other distribution/payment being made by the Transferee Company to the holders of such equity shares in lieu of such reduction in face value of equity shares of the Transferee Company. The reduction and reorganization of authorized, issued, subscribed and paid-up share capital of the Transferee Company made as aforesaid is an integral and inalienable part of the Scheme.



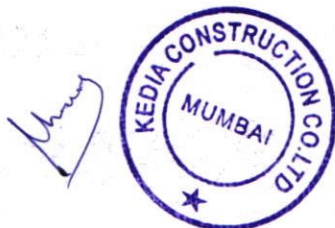
5.2 The reduction and cancelation of share capital of the Transferee Company as provided in Clause 5 above shall be effected as an integral part of the Scheme without having to follow the process under section 66 and the orders of the NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the reduction and no separate sanction under Section 66 of the Act will be necessary as provided for in the explanation to Section 230(12) of the Act. Notwithstanding the reduction of capital of the Transferee Company in pursuance of Clause 5 of this Scheme, the Transferee Company shall not be required to add the words 'and reduced' as a suffix to its name consequent upon such reduction.

5.3 The reduction and reorganization of authorized, issued, subscribed and paid-up share capital of the Transferee Company in terms of the Part II of this Scheme, shall be given effect prior to giving effect to the amalgamation of the Transferor Company with the Transferee Company in terms of the Part III of this Scheme.

6. REORGANIZATION OF AUTHORISED SHARE CAPITAL

6.1 Pursuant to reduction in face value of equity shares as per Clause 5, the authorized share capital of the Transferee Company would be reclassified as under:

Particulars	Amount (INR)
Authorised Capital	
1,50,00,000 Equity Shares of INR 1 each	1,50,00,000
Total	1,50,00,000



6.2 Consequently, the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorised 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, whether at a meeting or otherwise, shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14 and 61 of the Companies Act, 2013 and other applicable provisions of the Act would be required to be separately passed.

6.3 Pursuant to reduction in face value of equity shares as per Clause 5, the relevant provisions of the memorandum of association of the Transferee Company (relating to the authorised share capital) shall, without any requirement of any further act, instrument or deed, be and stand altered, modified and amended as under:

“The Authorised Share Capital of the Transferee Company is INR 1,50,00,000 (Rupees One Crore Fifty Lacs) divided into 1,50,00,000 (Rupees One Crore Fifty Lacs) Equity Shares of INR 1/- (Rupees One) each fully paid up.”

7. ACCOUNTING TREATMENT

7.1 Upon the Scheme becoming effective, the reduction of share capital under this Part shall be accounted for by the Transferee Company in accordance with the Indian Accounting Standards issued under section 133 of the Act and other generally accepted accounting principles in India.



8. IMPACT ON EMPLOYEES

8.1 The employees of the Transferee Company shall, in no way, be affected by the proposed reduction in face value of equity shares, as there is no transfer of employees of the Transferee Company under the Scheme. On the Scheme becoming effective, all the employees of the Transferee Company shall continue with their employment without any break or interruption in their services, on the same terms and conditions on which they are engaged as on the Effective Date.

9. IMPACT ON CREDITORS

9.1 The creditors shall not be affected in any manner by the proposed reduction in face value of equity shares. as there is no reduction in the amount payable to any of the creditors and no compromise or arrangement is contemplated with the creditors and generally one may be benefited since true financial position of the Transferee Company would be improved and made clear. Further, in absence of any payment to the equity shareholders pursuant to the proposed capital reduction, it does not alter, vary, or affect the rights of the creditors in any manner and thus there is no effect on the outstanding dues to the creditors and the charge on the assets of the Transferee Company shall continue in favour of the secured creditors, if any.

10. IMPACT ON LEGAL PROCEEDINGS

10.1 All legal proceedings of whatsoever nature by or against the Transferee Company, pending and/ or arising shall not abate or be discontinued or be in anyway prejudicially affected by reason of the Scheme or by



anything contained in this Part of the Scheme but shall be continued and enforced by or against the Transferee Company , in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferee Company prior to the Scheme.

11. ISSUANCE MECHANICS

11.1 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferee Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 1 to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date 1, in order to remove any difficulties arising to the transferor or transferee of the shares in the Transferee Company. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company on account of difficulties faced in the transition period.

11.2 Upon the Scheme becoming effective and from the Record Date 1 as may be fixed by the Board of Directors of the Transferee Company, equity shares held by the existing equity shareholders of the Transferee Company i.e., before giving effect to Part III of this Scheme, shall automatically stand cancelled without any necessity of them being surrendered to the Transferee Company. The Transferee Company shall issue equity shares (hereinafter referred to as 'Reduced Face Value Equity Shares') (as adjusted for Clause 5) to the existing equity shareholders of the Transferee Company, before giving effect to Part III of this Scheme, whose names appear in the Register of Members as on

