

**Court Convened Meeting of the Equity Shareholders of
KRBL Limited &
Postal Ballot and E-Voting**

Day : Saturday
Date : September 12, 2015
Time : 11:00 a.m.
Venue : FICCI K. K. Birla Auditorium, 1, Tansen Marg, New Delhi-110001

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IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)
COMPANY APPLICATION (M) NO 127 OF 2015
IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF APPLICATION UNDER SECTION 391 – 394 OF
THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF AMALGAMATION

BETWEEN
RADHA RAJ ISPAT PRIVATE LIMITED APPLICANT COMPANY I
AND
KRBL LIMITED APPLICANT COMPANY II

NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF KRBL LIMITED

To,

The Equity Shareholders of

KRBL Limited, the Applicant Company II

TAKE NOTICE that in the above Company Application (M) No 127 of 2015, by an Order dated July 13, 2015 pronounced on August 3, 2015, the Hon'ble High Court of Delhi at New Delhi has directed that a Meeting of the Equity Shareholders of the Applicant Company II i.e. KRBL Limited be convened and held for the purpose of considering and if thought fit, approving with or without modifications, the arrangement embodied in the Scheme of Amalgamation of Radha Raj Ispat Private Limited ('Radha Raj' or 'Applicant Company I') and KRBL Limited ('KRBL' or 'Applicant Company II').

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a Meeting of the Equity Shareholders of the Applicant Company II will be held at FICCI K. K. Birla Auditorium, 1, Tansen Marg, New Delhi-110001 on Saturday, September 12, 2015, at 11:00 am under the supervision of the Hon'ble Court appointed Chairperson Mr. Abhijat, Advocate which you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said Meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your Authorized representative is deposited at the Registered Office of the Company at 5190, Lahori Gate, Delhi-110006 not later than 48 hours before the Meeting.

The Hon'ble Court has appointed Mr. Abhijat, Advocate as Chairperson and failing him, Ms. Damini Khaira, Advocate as Alternate Chairperson of the said Meeting.

A copy of the Scheme of Amalgamation, the Explanatory Statement under Section 393 of the Companies Act, 1956, Observation letter Issued by BSE and NSE, Fairness Opinion Report, Complaint Report, Form of Proxy and the Attendance Slip are enclosed.

Sd/-
Damini Khaira, Advocate
Alternate Chairperson appointed for the Meeting

Dated this August 4, 2015

Registered Office: 5190, Lahori Gate, Delhi-110006

Note:

1. All alterations made in the Form of Proxy should be initialed.
2. Only registered members of the Company may attend and vote (either in person or by proxy) at the Shareholders Meeting. The Authorized representative of a body corporate which is a registered Equity Shareholder of the Company may attend and vote at the Equity Shareholders Meeting provided a certified true copy of the Resolution of the Board of Directors or other governing body of the body corporate is deposited at the Registered Office of the Company not later than 48 hours before the Meeting authorizing such representative to attend and vote at the Equity Shareholders Meeting.
3. Members who hold Shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.
4. Members are informed that in case of joint holders attending the Meeting; only such joint holder whose name stands first in the Register of Members of the Company in respect of such joint holding will be entitled to vote.
5. **The members / authorised representatives / proxies are advised to bring original photo identity for verification.**

Enclosed – As above

NOTICE OF POSTAL BALLOT AND E-VOTING

(Notice pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 further read with Clause 35B of the Listing Agreement)

Sub: Passing of Resolution(s) by Postal Ballot and E-Voting

Dear Shareholder(s),

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement executed by the Company with BSE Limited and National Stock Exchange of India Limited to consider, and if thought fit, to pass the Resolution set out below through Postal Ballot and e-voting, as may be amended from time to time, to consider, and, if thought fit, approve the arrangement embodied in the proposed Scheme of Amalgamation between Radha Raj Ispat Private Limited ('Radha Raj') with KRBL Limited ('KRBL' or 'the Company') and their respective shareholders and creditors ('the Scheme') through Postal Ballot and E-Voting.

The Postal Ballot Form along with the instructions for voting is also enclosed herewith. You are requested to carefully read the instructions printed on the Postal Ballot Form and return the Postal Ballot Form duly completed in the enclosed self-addressed, postage pre-paid envelope so as to reach the Scrutinizer on or before the close of working hours i.e. 05:30 p.m. on, the September 11, 2015. Postal Ballot Forms received after this date will be considered as invalid.

E-Voting Option

We are pleased to offer E-Voting facility, as an alternate for Postal Ballot, to our members which would enable you to cast your votes electronically, instead of Physical Postal Ballot form. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating E-Voting to enable the shareholders to cast their votes electronically instead of dispatching Postal Ballot Form. Please carefully read and follow the instructions on E-Voting printed in this Notice.

The Scrutinizer will submit his report to the Chairman of the Company upon completion of scrutiny, in a fair and transparent manner, of voting through e-voting platform not later than September 15, 2015 and of Postal Ballots not later than September 15, 2015. The Chairman shall announce the results of E-Voting and Postal Ballot including the votes casted at Court Convened Meeting on Wednesday, the September 16, 2015 at the Registered Office of the Company. The Result will also be displayed at the notice board at Registered Office of the company and posted on the Company's website, besides communicating the same to the National Stock Exchange of India Limited and BSE Limited.

Items of business requiring approval of shareholders through Postal Ballot and E-voting as Special Business:

ITEM NO. 1

SCHEME OF AMALGAMATION

To consider and if thought fit to pass, with or without modification(s) the following resolution:

"RESOLVED that pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 and the corresponding applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactments thereof) for the time being in force, and subject to the relevant provisions of the Memorandum & Articles of Association of the Company and subject to the requisite approvals and permissions of the Hon'ble High Court of Delhi or such competent authority, as the case may be and in accordance with the regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India or any other relevant authority from time to time to the extent applicable and subject to such approvals, consents, permissions and sanctions as may be necessary/required and subject to such conditions as may be prescribed, directed or made by any of them while

granting such approvals, consents and permissions, merger of Radha Raj Ispat Private Limited ('Radha Raj') with KRBL Limited ('KRBL') through a Court approved Scheme of Amalgamation ("Scheme"), be and is hereby approved.

RESOLVED further that the Board and/or the Restructuring Committee constituted by the Board be and is hereby authorised to do and perform all such acts, deeds, steps, as may be necessary or desirable in connection with or incidental to giving effect to the purpose of the above resolution or to otherwise give effect to the Scheme, to make or accept such alterations or changes or modifications in the Scheme as may be expedient or necessary for satisfying the requirement or condition(s) imposed by the High Court and / or other regulatory authority/(ies), or as may be required for the purpose of resolving any doubts or difficulties that may arise in carrying out the Scheme."

Approval to the said Scheme is sought by this notice of postal ballot and e-voting in addition to approval to the said Scheme by shareholders of KRBL Limited at their physical meeting to be held on **Saturday, September 12, 2015 at 11:00 am**, in terms of the Order dated July 13, 2015 pronounced on August 3, 2015, by the Hon'ble High Court of Delhi at New Delhi in Company Application (M) No. 127 of 2015 ("Court Convened Meeting"). The notice of the Court Convened Meeting with the documents accompanying the same, being the copy of the Scheme, Statement under Section 393 of the Companies Act, 1956, observation letters from BSE and NSE, complaints report, fairness opinion and proxy form are attached herewith.

The said statement under section 393 of the Companies Act, 1956 is annexed hereto as aforesaid and may also be treated as the explanatory Statement under Section 102 of the Companies Act, 2013, setting out the material facts and the reasons for the Resolutions

The Company has appointed Mr. Deepak Kukreja , Partner, DMK Associates, FCS No. F4140, CP No. 8265, Practicing Company Secretaries, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

It is clarified that votes may be cast by shareholders either by Postal Ballot or E-Voting and casting of votes by Postal Ballot or E-Voting does not disentitle them from attending the Court Convened Meeting. It is further clarified that votes cast by Postal Ballot cannot be permitted through a proxy.

By Order of the Board of Directors
For KRBL Limited

Place: New Delhi
Dated: August 4, 2015

Sd/-
Raman Sapra
Company Secretary
M. No. A29044

Registered Office: 5190, Lahori Gate, Delhi-110006
Phone: 011-23968328, Fax: 011-23968327
Email- investor@krblindia.com
Website: www.krblrice.com
CIN: L01111DL1993PLC05284

Notes:

1. Voting period for Postal Ballot will end on September 11, 2015.
2. The Explanatory Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, stating all material facts, disclosure of interest, if any and reasons thereof for the proposals is annexed hereto and forms part of this Notice.
3. The Company has appointed Mr. Deepak Kukreja, Partner, DMK Associates, FCS No. F4140, CP No. 8265, Practicing Company Secretaries, as the "Scrutinizer" to conduct the Postal Ballot process in a fair and transparent manner.
4. The Postal Ballot Form and the self-addressed postage prepaid envelope are enclosed for the use of members.
5. All relevant documents referred to in the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and public holidays) between 10:00 A.M. to 5:30 P.M. up to Friday, the September 11, 2015 (i.e. the last date for receiving of postal ballots).

INSTRUCTIONS FOR VOTING

Kindly note that each member can opt for only one mode for voting i.e. either by Physical Postal Ballot or by E-Voting. If you opt for E-Voting, then please do not vote by Physical Postal Ballot and vice versa. In case Member(s) do cast their vote via both modes i.e. Physical Postal Ballot as well as E-Voting, then voting done through E-Voting shall prevail and Physical Postal Ballot of that member shall be treated as invalid.

E-Voting

In compliance with provisions of Section 110 of the Companies Act, 2013 read with rule 22 of the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Equity Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited, the Company is pleased to offer E-Voting facility as an alternate, for its Members, to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. The procedure and instructions for E-Voting are as follows:

1. The voting period begins on September 8, 2015 at 10:00 a.m. and ends on September 11, 2015 at 5:30 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 5, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The shareholders should log on to the e-voting website www.evotingindia.com.
3. Click on Shareholders.
4. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
5. Next enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions

contained in this Notice.

10. Click on the EVSN for KRBL Limited to vote which is 150805025.
11. 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.
12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details
13. 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.
14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
16. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. Note for Non – Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you 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

IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)
COMPANY APPLICATION (M) NO 127OF 2015
IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF APPLICATION UNDER SECTION 391 – 394 OF
THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
BETWEEN
RADHA RAJ ISPAT PRIVATE LIMITED APPLICANT COMPANY I
AND
KRBL LIMITED APPLICANT COMPANY II

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956 AND SECTION 102 AND 110 OF THE COMPANIES ACT, 2013 FOR THE COURT CONVENED MEETING OF EQUITY SHAREHOLDERS OF KRBL LIMITED & POSTAL BALLOT AND E-VOTING

1. Pursuant to an Order dated July 13, 2015, pronounced on August 3, 2015, by the Hon'ble High Court of Delhi at New Delhi in the Company Application referred to hereinabove, a Meeting of the Equity Shareholders of the Applicant Company II will be convened and held at FICCI K. K. Birla Auditorium, 1, Tansen Marg, New Delhi-110001 on **Saturday, September 12, 2015 at 11:00 am** for the purpose of considering and if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of Radha Raj Ispat Private Limited ('Radha Raj' or 'Applicant Company I') and KRBL Limited ('KRBL' or 'Applicant Company II').
2. The proposed Scheme envisages Amalgamation of Radha Raj with KRBL pursuant to Sections 391 to 394 read with Section 100 to 103 and other applicable provisions, if any, of the Companies Act, 1956 and corresponding Sections of the Companies Act, 2013 (as and when such corresponding Sections are notified in the Official Gazette by the Central Government) and other applicable provisions of the Companies Act, 1956.
3. A copy of the Scheme setting out in detail the terms and conditions of the proposed Scheme of Amalgamation, which has been approved by the Board of Directors of the Applicant Companies at their respective Meetings, held on February 18, 2015, is attached herewith and forms a part of this Statement.
4. **Background of the Companies**
- 4.1 **Radha Raj Ispat Private Limited (i.e. Applicant Company I)**
 - (a) The Applicant Company I was incorporated on 21st day of July, 1994 under the provisions of the Companies Act, 1956 under the name and style of 'Radha Raj Ispat Private Limited'.
 - (b) The Applicant Company I has its Registered Office at 5190, Lahori Gate, Delhi - 110006.
 - (c) The Applicant Company I is an Equity Shareholder of KRBL.
 - (d) The Share Capital of Applicant Company I as on March 31, 2014, was as under:

Particulars	Rs.
Authorized Capital	
20,000 Equity Shares of Rs.10/- each	2,00,000
Total	2,00,000
Issued, Subscribed and Paid-up Capital	
10,520 Equity Shares of Rs.10/- each fully Paid up	1,05,200
Total	1,05,200

Subsequent to the above date and till the date of approval by the Board of Directors to the said Scheme there

has been no change in the Share Capital of Applicant Company I.

- (e) Post the sanction of the proposed Scheme, the Applicant Company I shall stand dissolved and its Shares shall get extinguished.
- (f) The Equity Shares of the Applicant Company I are not listed on any Stock Exchange.

4.2 KRBL Limited (i.e. Applicant Company II)

- (a) The Applicant Company II was incorporated on 30th day of March, 1993 under the name and style of “Khushi Ram Behari Lal Limited”. On February 1, 2000, the name of the company was changed to “KRBL Limited”.
- (b) The Applicant Company II has its Registered Office at 5190, Lahori Gate, Delhi - 110006.
- (c) The Applicant Company II is engaged in the business of marketing of grains and agro processing, with a rice milling capacity of 195 MT/hour.
- (d) The Share Capital of Applicant Company II as on March 31, 2014, was as under:

Particulars	Rs.
Authorized Capital	
30,00,00,000 Equity Shares of Rs.1/- each	30,00,00,000
Total Authorized Capital	30,00,00,000
Issued and Subscribed Capital	
23,62,44,892 Equity Shares of Re.1/- each	23,62,44,892
Total Issued and Subscribed Capital	23,62,44,892
Paid-up Share Capital	
23,53,89,892 Equity Shares of Rs.1/- each and Fully Paid up	23,53,89,892
Add: Amount received on 8,55,000 Equity Shares of Rs. 1/- each Forfeited	4,28,618
Total Paid-up Share Capital	23,58,18,510

Subsequent to the above date and till the date of approval by the Board of Directors to the said Scheme there has been no change in the Share Capital of Applicant Company II.

- (e) Post the sanction of the proposed Scheme, the indicative Capital structure of Applicant Company II would be as set out below:

Particulars	Rs.
Authorized Capital	
30,00,00,000 Equity Shares of Rs.1/- each	30,00,00,000
Total Authorized Capital	30,00,00,000
Issued and Subscribed Capital	
23,62,44,892 Equity Shares of Re.1/- each	23,62,44,892
Total Issued and Subscribed Capital	23,62,44,892
Paid-up Share Capital	
23,53,89,892 Equity Shares of Rs.1/- each and Fully Paid up	23,53,89,892
Add: Amount received on 8,55,000 Equity Shares of Rs. 1/- each Forfeited	4,28,618
Total Paid-up Share Capital	23,58,18, 510

- (f) The Equity Shares of the Applicant Company II are listed on BSE Limited and National Stock Exchange of India Limited.

5. Rationale for the Scheme of Amalgamation

This Scheme of Amalgamation (hereinafter called '**Scheme**') has been propounded under Sections 391 to 394 read with Section 100 to 103 and other applicable provisions, if any, of the Companies Act, 1956 and corresponding sections of the Companies Act, 2013 (as and when such corresponding sections are notified in the

Official Gazette by the Central Government) for amalgamation of Radha Raj having its registered office at 5190, Lahori Gate, Delhi – 110006 with KRBL, having its registered office at 5190, Lahori Gate, Delhi – 110006.

Radha Raj forms part of the Promoter Group of KRBL. It presently holds 2,79,13,892 equity shares in KRBL constituting 11.86% of KRBL's paid-up equity share capital. Pursuant to the proposed amalgamation, individual promoters of KRBL ('Promoters') would directly hold shares in KRBL.

This amalgamation would not only lead to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group's direct commitment to and engagement with KRBL.

There would be no change in the promoter shareholding of KRBL. The promoters would continue to hold the same percentage of shares in KRBL, pre and post the amalgamation of Radha Raj into KRBL.

All costs, charges, taxes including duties, levies and all other expenses, if any, arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Promoters and / or Radha Raj. No cost, charges, taxes pertaining to the Scheme shall be borne by KRBL.

Further, the Scheme also provides that Promoters shall indemnify KRBL and keep KRBL indemnified for any contingent liabilities and obligations including all demands, claims, suits, proceedings and the like which may be made or instituted by any third party(ies) including Governmental Authorities on KRBL and are directly relatable to Radha Raj or which may devolve on KRBL on account of this Amalgamation.

6. The Scheme is not prejudicial to the interests of the Shareholders as well as Creditors of any of the Companies involved in the Scheme.
7. The Board of Directors of the Applicant Companies in their respective Meetings held on February 18, 2015 have approved the Share exchange ratio based on the Valuation Report Issued by M/s J.N. Sharma & Co, Chartered Accountants dated February 16, 2015.
8. It is therefore proposed to amalgamate Radha Raj with KRBL by way of a Scheme of Amalgamation under Sections 391 to 394 read with Section 100 to 103 and other applicable provisions, if any, of the Companies Act, 1956 and corresponding Sections of the Companies Act, 2013 (as and when such corresponding Sections are notified in the Official Gazette by the Central Government).

9. **Salient features of the Scheme**

- (a) The Scheme envisages Amalgamation of Radha Raj with KRBL pursuant to Sections 391 to 394 read with Section 100 to 103 and other applicable provisions, if any, of the Companies Act, 1956 and corresponding Sections of the Companies Act, 2013 (as and when such corresponding Sections are notified in the Official Gazette by the Central Government).
- (b) **“Appointed Date”** means April 1, 2015 or such other date as may be fixed or approved by the Hon'ble High Court of Delhi at New Delhi or National Company Law Tribunal or any other appropriate authority.
- (c) **“Effective Date”** means the date on which certified copy(s) of the Order of the Hon'ble High Court of Delhi at New Delhi or National Company Law Tribunal or any other appropriate authority sanctioning this Scheme are filed with the Registrar of Companies, NCT of Delhi.
- (d) On the Scheme becoming effective, all staff, workmen and employees of Radha Raj in service on the Effective Date shall be deemed to have become staff, workmen and employees of the KRBL with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service and the terms and conditions of their employment with the KRBL shall be the same as their existing terms of employment in Radha Raj respectively, on the Effective Date.
- (e) Pursuant to the provisions of Sections 391 to 394 read with Section 100 to 103 and other applicable provisions, if any, of the Companies Act, 1956 and corresponding Sections of the Companies Act, 2013 (as and when such corresponding Sections are notified in the Official Gazette by the Central Government) and the Order of the High Court or NCLT or other appropriate authority, if any, sanctioning the Scheme, without any further act, deed, matter or thing, entire assets and liabilities of Radha Raj stand transferred to and vested in and/ or deemed to be transferred to and vested in KRBL at values appearing in the books of Radha Raj and in accordance with Section 2(1B) of the Income Tax Act, 1961;
- (f) 2,79,13,892 (Two Crore Seventy Nine Lacs Thirteen Thousand Eight Hundred and Ninety Two) fully paid up Equity Shares of face value of Re. 1/- each of KRBL to be Issued and allotted to the Shareholders of Radha Raj in the proportion of the number of Equity Shares held by the Shareholders in Radha Raj upon the effectiveness of the Scheme.

The fractional entitlement, if any, to which Shareholders of the Radha Raj may become entitled to upon issue of New Equity Shares pursuant to clause (f) above would be rounded off by the KRBL to the nearest integer. However, in no event, the number of New Equity Shares to be allotted by the KRBL to the Shareholders of the Radha Raj shall exceed the total number of Equity Shares held by the Radha Raj in KRBL.

This Scheme is and shall be conditional upon and subject to:

- i. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/ or Creditors of Radha Raj and KRBL as prescribed under the Act or as may be directed by the High Court or NCLT or any other appropriate authority as may be

applicable;

- ii. Approval and agreement by the public Shareholders of KRBL through Resolution passed through postal ballot and e-voting (after disclosure of all material facts in the explanatory statement sent to the Shareholders in relation to such Resolution) and the votes cast by public Shareholders in favour of the proposal are more than the number of votes cast by public Shareholders against it in accordance with the SEBI circular no. CIR/CFD/DIL/5/2013 issued on February 04, 2013 and SEBI circular no. CIR/CFD/DIL/8/2013 issued on May 21, 2013 subject to modification, if any, in accordance with any subsequent circulars and amendment that may be issued by SEBI from time to time;
 - iii. The sanction of this Scheme by the High Court or NCLT or any other appropriate authority under Sections 391 to 394 read with Section 100 to 103 and other applicable provisions, if any, of the Companies Act, 1956 and corresponding Sections of the Companies Act, 2013 (as and when such corresponding Sections are notified in the Official Gazette by the Central Government) in favour of Radha Raj and KRBL;
 - iv. Certified or authenticated copy of the Order of the High Court or NCLT or any other appropriate authority sanctioning the Scheme being filed with the Registrar of Companies, NCT of Delhi & Haryana by Radha Raj and KRBL respectively; and
 - v. The requisite consent, approval or permission of the Central Government or other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.
- (g) The Scheme also provides for:
- i. The manner of vesting and transfer of the assets of Radha Raj to KRBL;
 - ii. The transfer of contracts, deeds, bonds, agreements, arrangements, assurances and other instruments of whatsoever nature of Radha Raj to KRBL;
 - iii. The transfer of all debts, liabilities, duties, and obligations of Radha Raj to KRBL;
 - iv. The transfer of all legal proceedings by or against of Radha Raj to KRBL;
 - v. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of Radha Raj and KRBL arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by Promoters and/or Radha Raj. No cost, charges, taxes pertaining to the Scheme shall be borne by KRBL; and
 - vi. Promoters shall indemnify KRBL and keep KRBL indemnified for any contingent liabilities and obligations including all demands, claims, suits, proceedings and the like which may be made or instituted by any third party(ies) including Governmental Authorities on KRBL and are directly relatable to Radha Raj or which may devolve on KRBL on account of this Amalgamation.

The features set out above being only the salient features of the Scheme of Amalgamation, the Equity Shareholders of KRBL Limite dare requested to read the entire text of the Scheme of Amalgamation to get themselves fully acquainted with the provisions thereof.

10. No investigation proceedings have been instituted or are pending in relation to the Applicant Company II under sections 237, 243, 247(1A), 250A and 251 or any other applicable provisions of the Companies Act, 1956 or under Sections 210, 211, 212(1) to (7) & (11) to (17), 214, 215, 216(1) & (3), 217, 219, 220, 223, 224(1), (3) and (4) and 225 or any other applicable provisions of the Companies Act, 2013.
11. The indicative Pre and Post arrangement Shareholding of the Applicant Company II based on July 24, 2015 Shareholding would be as detailed below:

Category of Shareholder	No. of Shares held		Total Shareholding as % of total no. of Shares	
	Pre merger	Post merger (indicative)	Pre merger	Post merger (indicative)
Promoter				
Individuals / Hindu Undivided Family	11,05,26,024	13,84,39,916	46.95%	58.81%
Bodies Corporate	2,79,13,892		11.86%	
Trusts	-		-	
Non Promoter				
Institutions	1,40,94,054	1,40,94,054	5.99%	5.99%
Bodies Corporate	43,65,733	43,65,733	1.86%	1.86%
Public (Individuals)	3,80,65,102	3,80,65,102	16.17%	16.17%
Others (NRI/CM/Trust / HUF)	4,04,25,087	4,04,25,087	17.17%	17.17%
Total	23,53,89,892	23,53,89,892	100.00%	100.00%

12. KRBL has obtained the approval to the Scheme, in terms of Clause 24(f) of the Listing Agreement from National Stock Exchange of India Limited vide their letter dated 22nd April, 2015 with Ref No: NSE/LIST/23395 and from BSE Limited vide their letter dated 23rd April, 2015 with Ref No: DCS/AMAL/PS/24(f)/028/2015-16.
13. The Directors of the Applicant Company I and II may be deemed to be concerned and/ or interested in the Scheme to the extent of their Shareholding in the Companies, or to the extent the said Directors are common Directors in the Companies, or to the extent the said Directors are the partners, directors, members of the Companies, firms, association of persons, bodies corporate and/or beneficiary of trust, that hold Shares in any of the Companies.
14. List of Directors of the Applicant Companies is as follows:

RADHA RAJ	KRBL
Anil Kumar Mittal	Anil Kumar Mittal
Arun Kumar Gupta	Arun Kumar Gupta
Anoop Kumar Gupta	Anoop Kumar Gupta
Priyanka Mittal	Priyanka Mittal
Anulika Gupta	Ashok Chand
Binita Gupta	Dr. Narpinder Kumar Gupta
	Vinod Ahuja
	Ashwani Dua
	Shyam Arora
	Devender Kumar Agarwal

15. The details of Shareholding of Directors in the Applicant Companies is as follows:

Name of the Directors	RADHA RAJ	KRBL
Anil Kumar Mittal	-	7.86%
Arun Kumar Gupta	-	8.14%
Anoop Kumar Gupta	-	8.03%
Priyanka Mittal	-	0.11%
Anulika Gupta	33.34%	2.36%
Binita Gupta	33.32%	2.85%
Ashok Chand	-	-
Dr. Narpinder Kumar Gupta	-	0.01%
Vinod Ahuja	-	-
Ashwani Dua	-	-
Shyam Arora	-	-
Devender Kumar Agarwal	-	-

16. The rights and interests of the Members and Creditors of Radha Raj and KRBL will not be prejudicially affected by the Scheme as no sacrifice or waiver at all called from them, nor is their rights sought to be modified in any manner.
17. This statement may also be treated as an Explanatory Statement under Section 102 and 110 of the Companies Act, 2013 (Corresponding to Section 173 and 192A of the Companies Act, 1956).
18. On the Scheme being approved by the requisite majority of the Shareholders and Creditors (secured and unsecured), the Applicant Company II shall file a petition with the Hon'ble High Court of Judicature at Delhi for sanction of the Scheme under Sections 391-394 and other applicable provisions of the Act.
19. The following documents are available for inspection by the Equity Shareholders of KRBL Limited at the Registered Office of the Company upto one day prior to the date of the Meeting between 10.00 A.M to 5.30 P.M on all working days (except Saturdays, Sundays and public holidays)
- (a) Copy of the Order dated July 13, 2015, pronounced on August 3, 2015, of the High Court of Delhi at New Delhi passed in Company Application (M) No. 127 of 2015 directing the convening of the Meeting of the Equity Shareholders of KRBL Limited.

- (b) Scheme of Amalgamation.
- (c) Memorandum and Articles of Association of Radha Raj and KRBL.
- (d) Annual Report of Radha Raj and KRBL for the financial year ending March 31, 2014.
- (e) Audited financials of Radha Raj and KRBL for the financial year ending March 31, 2015.
- (f) Valuation Report dated February 16, 2015 Issued by J.N. Sharma & Co., Chartered Accountants.
- (g) Fairness Opinion dated February 16, 2015 Issued by Corporate Professionals Capital Private Limited on the Valuation Report issued by M/s J.N. Sharma & Co., Chartered Accountants.
- (h) Copy of Observation Letter dated April 23, 2015 from BSE and April 22, 2015 from NSE conveying no objection for filing the Scheme with the Delhi High Court.
- (i) Copy of Complaints Report dated March 23, 2015 submitted by the Company to BSE and NSE and also uploaded on the Company Website

By Order of the Board of Directors
For KRBL Limited

Place: New Delhi
Dated: August 4, 2015

Sd/-
Raman Sapra
Company Secretary
M. No. A29044

Registered Office: 5190, Lahori Gate, Delhi-110006
Phone: 011-23968328, Fax: 011-23968327
Email- investor@krblindia.com
Website: www.krblrice.com
CIN: L01111DL1993PLC052845

**SCHEME OF AMALGAMATION
BETWEEN
RADHA RAJ ISPAT PRIVATE LIMITED
AND
KRBL LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

PREAMBLE

(A) BACKGROUND AND DESCRIPTION OF COMPANIES WHO ARE PARTIES TO THE SCHEME

1. **Radha Raj Ispat Private Limited** (hereinafter called '**Radha Raj**'), has its registered office at 5190, Lahori Gate, Delhi – 110006. Radha Raj holds shares of KRBL Limited and it is not listed on any stock exchange. Entire share capital and management control of Radha Raj is with the promoters of KRBL Limited.
2. **KRBL Limited** (hereinafter called '**KRBL**'), has its registered office at 5190, Lahori Gate, Delhi – 110006. KRBL is engaged in the business of marketing of grains and agro processing, with a rice milling capacity of 195 MT/hour. The equity shares of KRBL are presently listed on the National Stock Exchange of India Limited (hereinafter called 'NSE') and the BSE Limited (hereinafter called 'BSE').

(B) PURPOSE AND RATIONALE OF THE SCHEME OF AMALGAMATION

This Scheme of Amalgamation (hereinafter called '**Scheme**') has been propounded under Sections 391 to 394 read with Section 100 to 103 and other applicable provisions, if any, of the Companies Act, 1956 and corresponding sections of the Companies Act, 2013 (as and when such corresponding sections are notified in the Official Gazette by the Central Government) for amalgamation of Radha Raj having its registered office at 5190, Lahori Gate, Delhi – 110006 with KRBL, having its registered office at 5190, Lahori Gate, Delhi – 110006.

Radha Raj forms part of the Promoter Group of KRBL. It presently holds 2,79,13,892 equity shares in KRBL constituting 11.86% of KRBL's paid-up equity share capital. Pursuant to the proposed amalgamation, individual promoters of KRBL ('Promoters') would directly hold shares in KRBL.

This amalgamation would not only lead to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group's direct commitment to and engagement with KRBL.

There would be no change in the promoter shareholding of KRBL. The promoters would continue to hold the same percentage of shares in KRBL, pre and post the amalgamation of Radha Raj into KRBL.

All costs, charges, taxes including duties, levies and all other expenses, if any, arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Promoters and / or Radha Raj. No cost, charges, taxes pertaining to the Scheme shall be borne by KRBL.

Further, the Scheme also provides that Promoters shall indemnify KRBL and keep KRBL indemnified for any contingent liabilities and obligations including all demands, claims, suits, proceedings and the like which may be made or instituted by any third party(ies) including Governmental authorities on KRBL and are directly relatable to Radha Raj or which may devolve on KRBL on account of this amalgamation.

In consideration of the above mentioned rationale and related benefits, this Scheme between Radha Raj and KRBL is being proposed in accordance with the terms set out hereunder.

(C) PARTS OF THE SCHEME OF AMALGAMATION:

This Scheme of Amalgamation is divided into the following parts:

1. **PART I** - Definitions and Share Capital;
2. **PART II** - Amalgamation of Radha Raj Ispat Private Limited with KRBL Limited; and
3. **PART III** - General Terms and Conditions.

PART – I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned therein below:

- 1.1 **“Act” or “The Act”** means the Companies Act, 1956, including the rules and regulations made thereunder and will include any statutory modifications, re-enactments and / or amendments thereof and also mean and refer to corresponding sections of the Companies Act, 2013 as and when such corresponding sections are notified in the Official Gazette by the Central Government.
- 1.2 **“Appointed Date”** means April 1, 2015 or such other date as may be fixed or approved by the Hon'ble High Court of Delhi at New Delhi or National Company Law Tribunal or any other appropriate authority.
- 1.3 **“Appropriate Authority”** means any government, statutory, regulatory, departmental or public body or authority with in the territories of Delhi, including Registrar of Companies, NCT of Delhi and Haryana, New Delhi, High Court, Securities and Exchange Board of India (SEBI) and Stock Exchange(s) where the shares of KRBL are listed.
- 1.4 **“Board of Directors”** in relation to the Amalgamated Company and the Amalgamating Company, as the case may be, means the

Board of Directors of such company and include a duly authorised committee of the Board constituted for the implementation of this Scheme.

- 1.5 **“Effective Date”** means the date on which certified copy(s) of the Order of the Hon'ble High Court of Delhi at New Delhi or National Company Law Tribunal or any other appropriate authority sanctioning this Scheme are filed with the Registrar of Companies, NCT of Delhi and Haryana, New Delhi.
- 1.6 **“High Court”** or **“Court”** means the High Court of Delhi at New Delhi, and shall include National Company Law Tribunal (“NCLT”), if applicable.
- 1.7 **“KRBL”** or **“the Amalgamated Company”** means KRBL Limited, a company incorporated under the Act and having its registered office at 5190, Lahori Gate, Delhi – 110006.
- 1.8 **“Radha Raj”** or **“the Amalgamating Company”** means Radha Raj Ispat Private Limited, a company incorporated under the Act and having its registered office at 5190, Lahori Gate, Delhi – 110006.
- 1.9 **“Record Date”** means the date to be fixed by the Board of Directors or its committee thereof of the Amalgamating Company and the Amalgamated Company for the purpose of determining the members of the Amalgamating Company to whom shares will be allotted pursuant to Clause 5.1 of this Scheme.
- 1.10 **“Scheme”** or **“the Scheme”** or **“this Scheme”** means this Scheme of Amalgamation, in its present form or with any modification(s) made or to be made and approved under Clause 18 of this Scheme.
- 1.11 In this Scheme, unless the context otherwise requires:
- references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
 - the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
 - words in the singular shall include the plural and vice versa;
 - any references in the Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date; 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 and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or directed by the High Court or any other Appropriate Authority shall be operative from the Appointed Date but shall be effective from the Effective Date.

3. SHARE CAPITAL

- 3.1 The Share Capital structure of Radha Raj as on March 31, 2014 is as under:

Particulars	As at 31.03.2014 (Rs.)
Authorized Share Capital	
20,000 Equity Shares of Rs. 10/- each	200,000
Total	200,000
Issued, Subscribed and Paid-up Share Capital	
10,520 Equity Shares of Rs. 10/-each fully paid up	105,200
Total	105,200

Subsequent to the above Balance Sheet Date and till the date of approval by the Board of Directors of Amalgamating Company to the Scheme there is no change in the Share Capital structure set out above.

- 3.2 The Share Capital structure of KRBL as on March 31, 2014 is as under:

Particulars	As at 31.03.2014 (Rs.)
Authorized Share Capital	
30,00,00,000 Equity Shares of Rs. 1/- each	30,00,00,000
Total	30,00,00,000
Issued and Subscribed Share Capital	
23,62,44,892 Equity Shares of Re. 1/- each	23,62,44,892
Total	23,62,44,892
Paid-up Share Capital	
23,53,89,892 Equity Shares of Rs. 1/- each and Fully Paid up	23,53,89,892
Add: Amount received on 8,55,000 Equity Shares of Rs. 1/- each Forfeited	4,28,618
Total	23,58,18,510

Subsequent to the above Balance Sheet Date and till the date of approval by the Board of Directors of Amalgamated Company to the Scheme there is no change in the Share Capital structure set out above.

PART – II
AMALGAMATION OF RADHA RAJ WITH KRBL

4. TRANSFER AND VESTING OF BUSINESS AND UNDERTAKING

- 4.1 With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and whole of the undertaking(s), property and liabilities of the Amalgamating Company shall, pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, and pursuant to the order of the High Court or other Appropriate Authority, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and / or deemed to be transferred to and vested in the Amalgamated Company, so as to become the properties and liabilities of the Amalgamated Company in accordance with Section 2(1B) of the Income Tax Act, 1961.
- 4.2 Without prejudice to the generality of the above said Clause:
- 4.2.1 With effect from the Appointed Date, all the assets, rights and properties of the Amalgamating Company (whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, present or future, existing or contingent, tangible or intangible) of whatsoever nature and wheresoever situate, of or belonging to or in the possession or control of the Amalgamating Company, as on the Appointed Date including but not limited to data processing equipment, computers and servers, computer software, furniture and fixtures, investments, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, any registrations, copyrights, permits, approvals, all rights or title or interest in property(ies) by virtue of any court order or decree, contractual arrangement, allotment, grant, lease, possession or otherwise, memorandum of understandings, tenancy rights, hire purchase contracts, lending contracts, permissions, incentives, tax registrations, advance tax credit, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Amalgamating Company, industrial and other licenses, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, computer programs, manuals, data, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever, shall under the provisions of Sections 391 to 394 of the Act and any other applicable provisions of the Act, and pursuant to the order of the High Court or any other Appropriate Authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges, if any affecting the same, as on the Effective Date be transferred to and / or deemed to be transferred to and vested in the Amalgamated Company, so as to become the properties and assets of the Amalgamated Company.
- 4.2.2 With respect to such assets and properties of the Amalgamating Company as on the Effective Date, as are movable in nature and are capable of transfer by physical delivery or endorsement and delivery or novation and delivery, including cash in hand, the same shall be so transferred to the Amalgamated Company and deemed to have been handed over by physical delivery or by endorsement and delivery or novation and delivery, as the case may be, to the Amalgamated Company to the end and intent that the property and benefit therein passes to the Amalgamated Company with effect from the Appointed Date.
- 4.2.3 In respect of the movable assets owned by the Amalgamating Company as on the Effective Date, other than those mentioned in Clause 4.2.2 above, including actionable claims, sundry debtors, outstanding loans, advances, whether recoverable in cash or kind or for value to be received and deposits, if any, with the local and other authorities, body corporate(s), customers etc., the Amalgamating Company shall, if so required by the Amalgamated Company, and / or the Amalgamated Company may, issue notices or intimations in such form as the Amalgamated Company may deem fit and proper, stating that pursuant to the High Court having sanctioned this Scheme, the debt, loan, advance or other asset, be paid or made good or held on account of the Amalgamated Company, as the person entitled thereto, to the end and intent that the right of the Amalgamating Company to recover or realize the same stands transferred to the Amalgamated Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 4.2.4 All assets and properties which are acquired by the Amalgamating Company on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of the Amalgamated Company and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to be transferred to and vested in the Amalgamated Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 of the Act and all other applicable provisions of the Act, provided however that no onerous asset shall have been acquired by the Amalgamating Company after the Appointed Date without the prior written consent of the Amalgamated Company.
- 4.3 With effect from the Appointed Date, all reserves, debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of the Amalgamating Company shall be transferred or be deemed to have been transferred to the Amalgamated Company, to the extent they are outstanding on the Effective Date, without any further act, deed, matter or thing and the same shall be assumed by the Amalgamated Company so as to become, on and from the Appointed Date, the liabilities and obligations of the Amalgamated Company on the same terms and conditions as were applicable to the Amalgamating Company. The Amalgamated Company shall undertake to meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.
- 4.4 Where any of the debt, liabilities (including contingent liabilities), duties and obligations of the Amalgamating Company as on the Appointed Date, deemed to be transferred to the Amalgamated Company, have been discharged by the Amalgamating Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the

Amalgamated Company, and all loans raised and used and all liabilities and obligations incurred by the Amalgamating Company after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Amalgamated Company, and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing shall stand transferred to the Amalgamated Company and shall become the liabilities and obligations of the Amalgamated Company on same terms and conditions as were applicable to the Amalgamating Company. The Amalgamated Company shall undertake to meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such loans and liabilities have arisen in order to give effect to the provisions of this Clause.

5. CONSIDERATION

5.1 Upon this Scheme becoming effective and in consideration for the transfer and vesting of the undertaking comprising of assets and liabilities of the Amalgamating Company into the Amalgamated Company, the Amalgamated Company shall, without any further application or deed, issue and allot Equity Shares to Equity shareholders of the Amalgamating Company or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title, as may be recognized by the Board of Directors or its committee thereof of the Amalgamated Company and approved by them, and whose names appear in the Register of Members of the Amalgamating Company on the Record Date, equity shares in its share capital at par, (hereinafter referred as New Equity Shares) in the following proportion:

“2,79,13,892 (Two Crore Seventy Nine Lacs Thirteen Thousand Eight Hundred and Ninety Two) fully paid up Equity Shares of the face value of Re. 1/- (Rupee One) each credited as fully paid up in the share capital of the Amalgamated Company in the proportion of the Equity Shareholders' holding in the Amalgamating Company.”

5.2 The fractional entitlement, if any, to which shareholders of the Amalgamating Company may become entitled to upon issue of New Equity Shares pursuant to Clause 5.1 above would be rounded off by the Amalgamated Company to the nearest integer. However, in no event, the number of New Equity Shares to be allotted by the Amalgamated Company to the shareholders of the Amalgamating Company shall exceed the total number of equity shares held by the Amalgamating Company in the Amalgamated Company.

5.3 The New Equity Shares in the Amalgamated Company, to be issued to the members of the Amalgamating Company pursuant to Clause 5.1 above, shall be subject to the Memorandum and Articles of Association of the Amalgamated Company and shall rank pari passu, with the existing equity shares of the Amalgamated Company.

5.4 Upon New Equity Shares being issued and allotted by the Amalgamated Company to the shareholders of the Amalgamating Company, in accordance with Clause 5.1 above, the investment held by the Amalgamating Company in the share capital of the Amalgamated Company shall, without any further application, act, instrument or deed stand cancelled. The shares held by the Amalgamating Company in dematerialized form shall be extinguished, on and from such issue and allotment of New Equity Shares.

5.5 Such reduction of share capital of Amalgamated Company as provided in Clause 5.4 above shall be effected as an integral part of the Scheme and the orders of the High Court sanctioning the Scheme shall be deemed to be an order under Section 100-103 and any other applicable provisions of the Act confirming the reduction. The Amalgamated Company shall not be required to add the words “and reduced” as a suffix to its name consequent upon such reduction.

5.6 Upon New Equity Shares being issued and allotted by the Amalgamated Company to the members of the Amalgamating Company, in accordance with Clause 5.1, the share certificates in relation to the shares held by the said members in the Amalgamating Company shall be deemed to have been cancelled and extinguished and be of no effect on and from such issue and allotment.

5.7 New Equity Shares to be issued by the Amalgamated Company pursuant to Clause 5.1 above shall be issued in dematerialized form by the Amalgamated Company. In that relation, the members of the Amalgamating Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event any member has not provided the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required or if the details furnished by any member do not permit electronic credit of the shares of the Amalgamated Company, then the Amalgamated Company shall issue New Equity Shares in physical form to such member or members.

5.8 New Equity Shares of the Amalgamated Company issued in terms of Clause 5.1 of this Scheme will be listed and/ or admitted to trading on the NSE and BSE where the shares of the Amalgamated Company are listed and/or admitted to trading in terms of the Listing Agreement.

5.9 The Amalgamated Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges. On such formalities being fulfilled the said Stock Exchanges shall list and/or admit such New Equity Shares for the purpose of trading.

5.10 The issue and allotment of equity shares by the Amalgamated Company to the members of the Amalgamating Company pursuant to Clause 5.1 above is an integral part of this Scheme.

5.11 The approval of this Scheme by the members of the Amalgamated Company shall be deemed to be due compliance of the provision of 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by the Amalgamated Company to the members of the Amalgamating Company, as provided in this Scheme.

6. ACCOUNTING TREATMENT

With effect from the Appointed Date and upon the Scheme becoming effective, the Amalgamated Company shall account for the amalgamation of the Amalgamating Company in its books of accounts as per the 'Purchase Method', as described in Accounting Standard – 14 “Accounting for Amalgamations” issued by the Institute of Chartered Accountants of India, such that:

6.1 The investments in the equity share capital of the Amalgamated Company as appearing in the books of accounts of the Amalgamating Company shall stand cancelled and accordingly, the issued and paid up equity share capital of the Amalgamated Company shall stand reduced to the extent of the face value of the equity shares held by Amalgamating Company in the Amalgamated Company.

- 6.2 The Amalgamated Company shall, record all the assets and liabilities, of the Amalgamating Company, vested in the Amalgamated Company pursuant to this Scheme, at their existing carrying amounts.
- 6.3 The Amalgamated Company shall credit the aggregate face value of equity shares issued by it to the members of the Amalgamating Company pursuant to Clause 5.1 of this Scheme to its Equity Share Capital Account in its books of accounts.
- 6.4 The difference between the excess of Net Assets of the Amalgamating Company as per Clause 6.2 above over the amount credited by the Amalgamated Company to the Share Capital Account as per Clause 6.3 above and adjusted for cancellation as mentioned in Clause 6.1 above, would be recorded as Capital Reserve. The shortfall, if any shall be debited to the Goodwill Account of the Amalgamated Company.
- 6.5 In case of any difference in accounting policy between the Amalgamating Company and the Amalgamated Company, the accounting policies followed by the Amalgamated Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the Capital Reserve / Goodwill Account to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy.

7. STAFF, WORKMEN AND EMPLOYEES

- 7.1 On the Scheme becoming effective, all staff, workmen and employees of the Amalgamating Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Amalgamated Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Amalgamated Company shall not be less favorable than those applicable to them with reference to the Amalgamating Company, on the Effective Date.
- 7.2 It is expressly provided that, on the Scheme becoming effective, Provident Fund, Gratuity Account, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of the Amalgamating Company shall be transferred to and shall get consolidated with the corresponding funds or accounts of the Amalgamated Company. The Amalgamated Company shall have the obligation to make contributions to the said Fund or account or Funds or accounts in accordance with the provisions thereof or as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Amalgamating Company in relation to such Fund or account or Funds or accounts shall become those of the Amalgamated Company. It is clarified that the services of the staff, workmen and employees of the Amalgamating Company will be treated as having been continuous for the purpose of the said Fund or account or Funds or accounts. Until such time that the Amalgamated Company creates or arranges for its own funds or accounts, the Amalgamated Company may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Amalgamating Company to the relevant fund or accounts of the Amalgamating Company. Such contributions and other balances pertaining to the employees of the Amalgamating Company shall be transferred to the funds or accounts created by the Amalgamated Company on creation of relevant funds or arrangements or accounts by the Amalgamated Company.

8. LEGAL PROCEEDINGS

- 8.1 All legal proceedings of whatsoever nature by or against the Amalgamating Company, pending and / or arising on or after the Appointed Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in the Scheme but shall be continued and enforced by or against the Amalgamated Company as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Company.
- 8.2 The Amalgamated Company undertakes to have all legal and / or other proceedings initiated by or against the Amalgamating Company referred to in Clause 8.1 above, transferred in its name and to have the same continued, prosecuted and enforced by or against the Amalgamated Company, to the exclusion of the Amalgamating Company.
- 8.3 After the Effective Date, the Promoters undertake to keep harmless and indemnify and keep indemnified from time to time the Amalgamated Company from and against any contingent liabilities and obligations relating to the Amalgamating Company including all demands, claims, suits, proceedings and the like which have, shall or may be made or instituted by any person, authority, Government of India, firm, company, body corporate or organisation against the Amalgamated Company, directly relating to the Amalgamating Company and / or against any financial liability/claim that may arise against the Amalgamated Company by virtue of transfer and vesting of the Amalgamating Company into the Amalgamated Company under and pursuant to this Scheme.

9. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC

- 9.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements, insurance policies, indemnities, guarantees and other instruments of whatsoever nature in relation to the Amalgamating Company, or to the benefit of which the Amalgamating Company may be eligible, and which are subsisting or having effect on or immediately before the Effective Date, shall be in full force and effect, on or against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto or thereunder.
- 9.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, power of attorney, if any given by, issued to or executed in favour of the Amalgamating Company shall stand transferred to the Amalgamated Company, as if the same were originally given by, issued to or executed in favour of the Amalgamated Company, and the Amalgamated Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Amalgamated Company. The Amalgamated Company shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.
- 9.3 The Amalgamated Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Amalgamating Company to which the Amalgamating Company is a party in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances,

referred to above, on behalf of the Amalgamating Company.

10. OTHER ENTITLEMENTS

All cheques and other negotiable instruments, payment orders received in the name of the Amalgamating Company after the Effective Date shall be accepted by the bankers of the Amalgamated Company and credited to the account of the Amalgamated Company. Similarly, the bankers of the Amalgamated Company shall honour cheques issued by the Amalgamating Company, which are presented after the Effective Date.

11. TREATMENT OF TAXES/DUTIES/CESS ETC.

11.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by the Amalgamating Company from the Appointed Date onwards shall be treated as the tax liability of the Amalgamated Company. Similarly all credits for tax deduction at source on income of the Amalgamating Company shall be given to the Amalgamated Company; or obligation for deduction of tax at source on any payment made by or to be made by the Amalgamated Company shall be made or deemed to have been made and duly complied with if so made by the Amalgamating Company. Similarly any advance tax payment required to be made by specified due dates in the tax laws shall also be deemed to have been made correctly if so made by the Amalgamating Company.

11.2 All taxes of any nature, duties, cess or any other like payment or deductions made by the Amalgamating Company to any statutory authorities such as Income Tax, Sales Tax, Service Tax etc. or any tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or paid by the Amalgamated Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the passing of the orders on this Scheme by the Court and upon relevant proof and documents being provided to the said authorities.

11.3 Upon the Scheme becoming effective, the Amalgamated Company is also expressly permitted to revise its income tax, withholding tax, service tax and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax and withholding tax credits, etc. pursuant to the provisions of this Scheme. The Amalgamated Company shall be entitled to refund and/or set off all amounts paid by the Amalgamating Company or the Amalgamated Company under Income Tax or any other disputed amount under appeal, if any, upon this scheme being effective.

12. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

12.1 The Amalgamating Company undertakes to preserve and carry on the business with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:

- (a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or
- (b) if the same is expressly permitted by this Scheme; or
- (c) if prior written consent of the Board of Directors or its committee thereof of the Amalgamated Company has been obtained.

12.2 The Amalgamating Company shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest of the Amalgamating Company for and on account of, and in trust for the Amalgamated Company.

12.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes, if any, thereon), by the Amalgamating Company, shall for all purposes, be treated as the profits or cash or losses, of the Amalgamated Company.

12.4 All accretions and depletions to the Amalgamating Company shall be for and on account of the Amalgamated Company.

12.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by the Amalgamating Company shall be deemed to have been exercised by the Amalgamating Company for and on behalf of, and in trust for and as an agent of the Amalgamated Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Amalgamating Company that have been undertaken or discharged by the Amalgamating Company, shall be deemed to have been undertaken for and on behalf of and as an agent for the Amalgamated Company.

12.6 The Amalgamating Company shall not vary the terms and conditions of service of its employees except in the ordinary course of its business.

13. DIVIDENDS

13.1 Notwithstanding the above Clause 12, the Amalgamating Company and the Amalgamated Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.

13.2 The holders of the shares of the Amalgamating Company and the Amalgamated Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

13.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Amalgamating Company and/or the Amalgamated Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamating Company and the Amalgamated Company respectively, and subject to the approval, if required, of the shareholders of the Amalgamating Company and the Amalgamated Company respectively.

14. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Amalgamating Company, pursuant to this Scheme, and the continuance of the legal proceedings by or against the Amalgamated Company shall not affect any transactions or proceedings

already completed by the Amalgamating Company, on and after the Appointed Date, to the end and intent that the Amalgamated Company accepts all acts, deeds and things done and executed by and / or on behalf of the Amalgamating Company, as acts, deeds and things done and executed by and / or on behalf of the Amalgamated Company.

15. DISSOLUTION OF THE AMALGAMATING COMPANY

On the Scheme becoming effective, the Amalgamating Company shall without any further act or deed stand dissolved without being wound up.

PART – III

GENERAL TERMS AND CONDITIONS

16. APPLICATION TO THE HIGH COURT

The Amalgamating Company and the Amalgamated Company shall, with all reasonable dispatch, make applications or petitions under Sections 391-394 and other applicable provisions of the Act to the High Court or any other Appropriate Authority, for sanction of this Scheme under the provisions of law.

17. APPROVAL OF THE SCHEME THROUGH POSTAL BALLOT

The approval of shareholders of the Amalgamated Company shall be obtained through a Special Resolution passed through Postal Ballot and e-Voting (after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution), The Scheme shall be acted upon only if the votes cast by public shareholders in favour of the proposal are more than the number of votes cast by public shareholders against it in accordance with the Securities and Exchange Board of India ("SEBI") circular no. CIR/CFD/DIL/5/2013 issued on February 04, 2013 and SEBI circular no. CIR/CFD/DIL/8/2013 issued on May 21, 2013 subject to modification, if any, in accordance with any subsequent circulars and amendment that may be issued by SEBI from time to time.

18. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

The Amalgamating Company and the Amalgamated Company, by their respective Board of Directors (or committees of their respective Board of Directors) may assent to any modifications / amendments including withdrawal / termination to the Scheme or to any conditions or limitations that the Court and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the their respective Board of Directors (or committees of their respective Board of Directors). The Amalgamating Company and the Amalgamated Company, by their respective Board of Directors (or committees of their respective Board of Directors), be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, 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. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 19.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and / or creditors of the Amalgamating Company and the Amalgamated Company, as prescribed under the Act and as may be directed by the High Court or any other Appropriate Authority as may be applicable.
- 19.2 The sanction of this Scheme by the High Court or any other Appropriate Authority under Sections 391 to 394 and other applicable provisions, if any of the Act in favour of the Amalgamating Company and the Amalgamated Company.
- 19.3 Certified or authenticated copy of the order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, NCT of Delhi and Haryana, New Delhi by the Amalgamating Company and the Amalgamated Company.
- 19.4 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.

20. SEVERABILITY

If any provision of this Scheme is found to be unworkable for any reason whatsoever or unenforceable under the present or future Laws, then subject to the decision of the Amalgamating Company and the Amalgamated Company, such part shall be severable from the remainder of this Scheme and shall not affect the validity or implementation of the other parts and/or provisions of this Scheme.

21. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 19 not being obtained and / or the Scheme not being sanctioned by the High Court or such other Appropriate Authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Promoters and / or the Amalgamating Company shall bear and pay costs, charges and expenses for and or in connection with the Scheme.

22. COSTS, CHARGES AND EXPENSES

On sanction and approval of the Scheme by the High Court or such other Appropriate Authority, if any, all costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating Company and the Amalgamated Company arising out of or incurred in carrying out and implementing this Scheme (including in relation to issuance of shares by the Amalgamated Company) and matters incidental thereto shall be borne by the Promoters and / or the Amalgamating Company.

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April 23, 2015

The Company Secretary
KRBL Limited
5190, Lahori Gate,
New Delhi, Delhi - 110006

Sub: Observation letter regarding the Scheme of Amalgamation/Arrangement between KRBL Limited and Radha Raj Ispat Private Limited.

We are in receipt of Scheme of Arrangement involving merger of Radha Raj Ispat Pvt. Ltd with the company

As required under SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI vide its letter April 22, 2015 has inter alia given the following comment(s) on the draft scheme of arrangement:

- **Company shall duly comply with various provisions of the Circulars."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

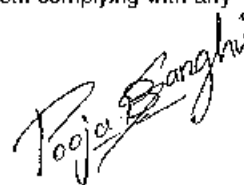
- a. Copy of the High Court approved Scheme;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- d. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- e. Status of compliance with the Observation Letter/s of the stock exchanges;
- f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable;
- g. Complaints Report as per Annexure II of this Circular.
- h. Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations Issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,


Nitin Bujari
Manager


Pooja Sanghvi
Asst. Manager



Ref: NSE/LIST/23395

April 22, 2015

The Company Secretary
KRBL Limited
5190, T.ahori Gate,
Delhi-110006

Kind Attn.: Mr. Raman Sapra

Dear Sir,

Sub: Observation letter for draft Scheme of Amalgamation of KRBL Limited (KRBL) and Radha Raj Ispat Private Limited (RRIPL)

This has reference to draft Scheme of Amalgamation between KRBL Limited and Radha Raj Ispat Private Limited submitted to NSE vide your letter dated February 19, 2015.

Based on our letter reference no Ref: NSE/LIST/19573 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated April 22, 2015, has given following comments on the draft Composite Scheme of Arrangement and Amalgamation:

"The Company shall duly comply with various provisions of the Circulars."

We hereby convey our 'No-objection' with limited reference to those matters having a bearing on listing/delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Company to file the Scheme with Hon'ble High Court.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from April 22, 2015, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

- a. Copy of Scheme as approved by the High Court;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme.



- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per Annexure II of SEBI Circular No. CIR/CFD/D11/5/2013 dated February 4, 2013.

Yours faithfully,
For National Stock Exchange of India Limited

Kamlesh Patel
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL
http://www.nseindia.com/corporates/content/further_issues.htm

FAIRNESS OPINION

KRBL LIMITED



February, 2015



Strictly Private & Confidential

Strictly Private & Confidential

Ref. No: CPC/MB/056/2014-15

Dated 16.02.2015

SEBI Reg. No: INM000011435

To,

The Board of Directors

KRBL Limited

5190, Lahori Gate,

Delhi – 110006

&

Radha Raj Ispat Private Limited

5190, Lahori Gate,

Delhi – 110006

Subject: Fairness Opinion on the valuation undertaken by JN Sharma & Co, Chartered Accountants for the Proposed Scheme of Amalgamation of Radha Raj Ispat Private Limited with KRBL Limited

Dear Sir,

We refer to our appointment for the purpose of arriving at an opinion on the share exchange ratio for the proposed scheme of amalgamation which provides for transfer and vesting of Radha Raj Ispat Private Limited (hereinafter referred to as "RR IPL") with KRBL Limited (hereinafter referred to as "KRBL") on a going concern basis, pursuant to the provisions of Section 391-394 and other applicable provisions of the Companies Act, 1956 and/or Rules/Regulations made there under.

In terms of our engagement letter, we are enclosing our opinion along with this letter. Please note that this is just an opinion on the captioned subject on the basis of the documents submitted to us and does not constitute our independent analysis. All comments as contained herein must be read in conjunction with the Caveats to this opinion.

The opinion is confidential and has been prepared exclusively for the management of KRBL Limited. It should not be used, reproduced or circulated to any other person, in whole or in part, without the prior consent of Corporate Professionals Capital Private Limited, such consent will only be given after full consideration of the circumstance at the time. We are however aware that the conclusion in this report may be used for the purpose of certain statutory disclosures and we provide consent for the same. Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully,

For Corporate Professionals Capital Private Limited

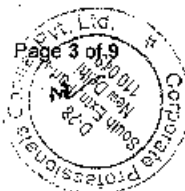

Maneesh Srivastava

[Senior Manager]



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CONTEXT AND BACKGROUND

1. We understand that KRBL Limited is listed at the BSE and NSE in India. The proposed scheme of amalgamation provides for transfer and vesting of Radha Raj Ispat Private Limited (hereinafter referred to as "RRIPL") with KRBL Limited (hereinafter referred to as "KRBL") on a going concern basis, pursuant to the provisions of Section 391-394 and other applicable provisions of the Companies Act, 1956 and/or Rules/Regulations made there under.
2. In accordance with clause 24 (h) of the Listing Agreement and SEBI Circular No CIR/CFDDIL/5/2013, dated February 04, 2013 as clarified by SEBI Circular No CIR/CFDDIL/8/2013 dated May 21, 2013 as applicable to the listed Companies, the listed Company as well as the unlisted Companies getting merged shall each be required to appoint an independent merchant banker for giving a "fairness opinion" on the valuation of assets / shares done by the Valuers for the Company and unlisted companies.

Clause 24(h) reads as below-

"The company agrees that in the explanatory statement forwarded by it to the shareholders u/s 393 or accompanying a proposed resolution to be passed u/s 100 of the Companies Act, it shall disclose the pre and post-arrangement or amalgamation (expected) capital structure and shareholding pattern, and the "fairness opinion" obtained from an Independent merchant bankers on valuation of assets / shares done by the valuer for the company and unlisted company."

3. With reference to the above, Corporate Professionals Capital Private Limited has been appointed as a Merchant Bankers by the management of KRBL Ltd to provide the "fairness opinion" in accordance with the clause 24 of the Listing Agreement.



BRIEF ABOUT COMPANIES

KRBL Limited (herein after referred as "KRBL") was incorporated on March 30, 1993 (as Khushi Ram Behari Lal Limited) with its registered office at 5190, Lahori Gate, Delhi - 110006. With effect from February 01, 2000, the name of the company was changed from "Khushi Ram Behari Lal Limited" to "KRBL Limited". The equity shares of KRBL are presently listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited.

KRBL is engaged in the business of marketing of grains and agro processing, with a rice milling capacity of 195 MT/hour, the largest in the world, the Company is today the world's largest Basmati Rice exporting company.

Radha Raj Ispat Private Limited (here in after referred as "RRIPL") was incorporated on July 21, 1994 and has its registered office at 5190, Lahori Gate, Delhi - 110006. Radha Raj holds shares in KRBL Limited and it is not listed on any stock exchange. Entire share capital and management control of "RRIPL" is with the promoters of KRBL Limited.

The companies "RRIPL" have no other activities other than investment in securities of "KRBL".



KEY FACTS & CERTAIN EXTRACT OF THE SCHEME

"RR IPL" holds investments in "KRBL" and forms part of its Promoter Group. It holds 27,913,892 equity shares in KRBL constituting 11.86% of KRBL's paid-up equity share capital. Pursuant to the proposed Amalgamation, individual promoters of Radha Raj Ispat Private Limited would directly hold shares in "KRBL" post Amalgamation which presently being held by the promoters indirectly through "RR IPL" in KRBL.

There would be no change in the Promoter shareholding of KRBL. The Promoters would continue to hold the same percentage of shares in KRBL, pre and post the amalgamation of Radha Raj Ispat Private Limited into KRBL.



VALUER ANALYSIS

With reference to the Valuation report issued by "JN Sharma & Co ,Chartered Accountants" The share exchange ratio of 27,913,892 fully paid up equity shares of face value of Re 1/- each of 'KRBL" to be issued and allotted to shareholders of "RRIPL" in the proportion of their respective holding in "RRIPL".

The valuer recommended the above share exchange ratio as fair considering that all the shareholders of "RRIPL" who are holding shares in "KRBL" through "RRIPL" will, become beneficial owner of "KRBL" post amalgamation in the same ratio (inter se) as before amalgamation.



CONCLUSION & OPINION

- This amalgamation would not only lead to simplification of the shareholding structure and reduction of layering but also demonstrate the promoter group's direct commitment to and engagement with KRBL.
- As represented by the management the amalgamating companies, RRIPL presently have no other activities other than investment in securities of KRBL, so the share exchange ratio pursuant to Amalgamation as recommended by J.N.Sharma &Co, Chartered Accountants is fair as per our opinion as all the shareholders of RRIPL will, upon amalgamation, remain ultimate beneficial owner of KRBL in the same ratio (inter se) as before amalgamation.
- The pre and post shareholding pattern of the Public Listed Company i.e. KRBL Limited remains unchanged.

"Subject to above read with the caveats as detailed later, we as a Merchant Banker hereby certify that pursuant to Clause 24 of the listing agreement and SEBI circular dated February 04, 2013 we have reviewed the valuation report of the Valuer pursuant to the scheme of Amalgamation and considered it to be fair and reasonable from a financial and commercial point of view and it is not effecting the right of any stakeholder."



CAVEATS

- We wish to emphasize that, we have relied on explanations and information provided by the respective key managements and other public available information while verifying the Scheme of arrangement .Although we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided.
- We have not made an appraisal or independent valuation of any of the assets or liabilities of the companies and have not conducted an audit or due diligence or reviewed/validated the financial data except what is provided to us by the Companies.
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted in this scheme of arrangement, which might be relevant in the context of the transaction and which a wider scope might uncover.
- We have no present or planned future interest in KRBL Limited and the fee payable for this opinion is not contingent upon the opinion reported herein.
- Our Fairness Opinion should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into the proposed transaction.
- The Opinion contained herein is not intended to represent at any time other than the date that is specifically stated in this Report. This opinion is issued on the understanding that the Management of KRBL Limited under the scheme has drawn our attention to all matters of which they are aware, which may have an impact on our opinion up to the date of signature. We have no responsibility to update this report for events and circumstances occurring after the date of this Report.





Complaints report of KRBL Limited

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.
BSE Scrip Code: 530813

Date: 23rd March 2015

Dear Sir,

Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of amalgamation between Radha Raj Ispat Private Limited and KRBL Limited and their respective shareholders and creditors

In connection with the above application, we hereby submit the complaints report as under:

Part A

S.no.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints / comments received (1+ 2)	NIL
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

S.no.	Name of complainant	Date of complaint	Status (Resolved / Pending)
1.	NIL	NIL	NIL

For KRBL Limited



Name: Raman Sapra
Designation: Company Secretary
Date: 23rd March 2015

Regd. Office : 5190, Lahori Gate, Delhi - 110 006, INDIA. Tel. : +91-11-23968328, Fax : +91-11-23968327, CIN No. L01111DL1993PLC052845
Tel. : +91-120-2673400. Fax : +91-120-2674713. E-mail : mails@krblindia.com. Visit us at : www.krblrice.com

WORLD'S LARGEST RICE MILLERS & BASMATI RICE EXPORTERS



Complaints report of KRBL Limited

To,
The General Manager,
Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot-no. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

Date: 23rd March 2015

NSE Scrip Code: KRBL

Dear Sir,

Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of amalgamation between Radha Raj Ispat Private Limited and KRBL Limited and their respective shareholders and creditors

In connection with the above application, we hereby submit the complaints report as under:

Part A

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Part B

S.no.	Name of complainant	Date of complaint	Status (Resolved / Pending)
1.	NIL	NIL	NIL

For KRBL Limited

Name: Raman Sapra
Designation: Company Secretary
Date: 23rd March 2015



Regd. Office : 5190, Lahori Gate, Delhi - 110 006, INDIA. Tel. : +91-11-23968328, Fax : +91-11-23968327, CIN No. L01111DL1993PLC052845
Tel. : +91-120-2673400. Fax : +91-120-2674713. E-mail : mails@krblindia.com. Visit us at : www.krblice.com

WORLD'S LARGEST RICE MILLERS & BASMATI RICE EXPORTERS

IN THE HIGH COURT OF DELHI AT NEW DELHI

(ORIGINAL JURISDICTION)

COMPANY APPLICATION (M) No. 127of 2015

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 read with Sections 100 to 103 and other applicable provisions, if any, of the Companies Act, 1956 and corresponding Sections of the Companies Act, 2013 (as and when such corresponding Sections are notified in the Official Gazette by the Central Government);

AND

In the matter of Scheme of Amalgamation between Radha Raj Ispat Private Limited and KRBL Limited

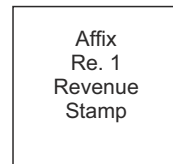
KRBL Limited, a Company incorporated under the Companies Act, 1956 having its Registered Office at 5190, Lahori Gate Delhi – 110006 **Applicant Company II**

FORM OF PROXY

I/We the undersigned, as Equity Shareholder(s) of KRBL Limited, the Applicant Company II hereby appoint _____ of _____ and failing him/her _____ of _____ as my / our proxy, to act for me / us at the meeting of the Equity Shareholders to be held at FICCI K. K. Birla Auditorium, 1, Tansen Marg, New Delhi - 110001 on Saturday, September 12, 2015 at 11:00 a.m., for the purpose of considering and, if thought fit, approving, with or without modification(s), the Scheme of Amalgamation between Radha Raj Ispat Private Limited and KRBL Limited; and at such Meeting, and any adjournment/ adjournments thereof, to vote, for me/us and in my/our name(s) _____ (here if 'for' insert 'for', if 'against' insert 'against' and in the latter case strike out the words "either with or without modifications" after the word "Arrangement") the said arrangement embodied in the Scheme of Amalgamation either with or without modifications as my/our proxy may approve.(strikeout what is not necessary)

Dated this _____ day of _____ 2015

Name of the Equity Shareholder :
Address of the Equity Shareholder :
(for physical holding) :
Registered Folio No. :
(for dematerialized holding) :
DP ID / Client ID :
No. of Share(s) held :



Signature across the Stamp

NOTES:

- 1 Please affix revenue stamp before putting signature.
- 2 The Proxy need not be a Member of the Applicant Company II.
- 3 All alterations made in the Form of Proxy should be initialed.
- 4 The Proxy must be deposited at the Registered Office of the Applicant Company II at 5190, Lahori Gate, Delhi - 110006 at least 48 hours before the time for holding the Meeting.
- 5 In case of multiple proxies, the proxy later in time shall be accepted.

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ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

I hereby record my presence at the Meeting of the Equity Shareholders of the Company, convened pursuant to the Order dated July 13, 2015, pronounced on August 3, 2015 by the Hon'ble High Court of Delhi at New Delhi, at FICCI K. K. Birla Auditorium, 1, Tansen Marg, New Delhi - 110001 on Saturday, September 12, 2015 at 11:00 a.m.

Name and Address of the Equity Shareholder:

Folio No.

DP ID / Client ID*

No. of Share(s) held

Signature

Name of the proxy holder / authorised representative

Signature

*Applicable for Shareholder(s) holding Shares in dematerialised form.

NOTE: Shareholder(s) attending the Meeting in person or by proxy or through authorised representative are requested to complete and bring the Attendance Slip with them and hand it over at the entrance of the Meeting hall.

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