

SCHEME OF ARRANGEMENT AND AMALGAMATION

15

**UNDER SECTIONS 391 TO 394 READ WITH SECTION 100 TO 105
OF THE COMPANIES ACT, 1956**

BETWEEN

**KIRLOSKAR ROADRAILER LIMITED
(THE "TRANSFEROR COMPANY I")**

AND

**PNEUMATIC HOLDINGS LIMITED
(THE "TRANSFEROR COMPANY II")**

AND

**KIRLOSKAR PNEUMATIC COMPANY LIMITED
(THE "TRANSFeree COMPANY")**

AND

THEIR RESPECTIVE SHAREHOLDERS

GENERAL

A. Description of Companies and Background

- I. KIRLOSKAR ROADRAILER LIMITED, (CIN: U35990PN2008PLC132445) is a company incorporated under the Companies Act, 1956 having its registered office at Hadapsar Industrial Estate, Pune 411013 (hereinafter referred to as the "Transferor Company I"). The Transferor Company I is presently setting up business of carrying on multimodal transport business using RoadRailer technology of the Transferee Company. The Transferor Company I is 100% subsidiary of the Transferee Company.
- II. PNEUMATIC HOLDINGS LIMITED, (CIN: L65993PN2014PLC152566) is a company incorporated under the Companies Act, 1956 having its



registered office at Survey No 13, 156 Kothrud, Pune 411038 (hereinafter referred to as the "**Transferor Company II**"). The main operations of the Transferor Company II are that of Investment and majority of the Investments of the Company are in the nature of strategic Investments in Kirloskar group companies and leasing. The main source of revenue for the Company presently is in the form of dividends. The shares of the Transferor Company II are listed with BSE Limited and National Stock Exchange of India Limited.

- III. KIRLOSKAR PNEUMATIC COMPANY LIMITED, (CIN: L29120PN1974PLC110307) is a company incorporated under the Companies Act, 1956 having its registered office at Hadapsar Industrial Estate, Pune- 411013 (hereinafter referred to as the "**Transferee Company**"). The Transferee Company is engaged in the business of manufacturing and selling air, gas and refrigeration compressors and packages thereof, hydraulic & mechanical transmission including gears and gear box and RoadRailer equipments. The Transferee Company is a subsidiary of the Transferor Company II. Presently 54.45% shares of the Transferee Company are held by the Transferor Company II. The Shares of the Transferee Company are listed with BSE Limited.
- IV. This Scheme of Amalgamation provides for the amalgamation of the Transferor Companies with the Transferee Company pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and applicable provisions of the Companies Act, 2013.

B. Rationale for the Scheme

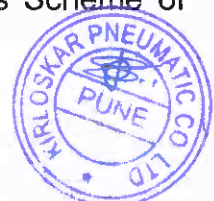
The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- (a) The amalgamation of the Transferor Company I with the Transferee Company shall integrate RoadRailer manufacturing technology with RoadRailer service operations thereby providing complete business solution.
- (b) The amalgamation of the Transferor Company I with the Transferee Company shall provide greater financial strength to the RoadRailer service operations.



- (c) The amalgamation of the Transferor Companies with the Transferee Company shall create a diversified company having a portfolio of manufacturing and service businesses.
- (d) The amalgamation of the Transferor Company II with the Transferee Company will result in an increase in the public float of the Transferee Company's shares by approximately 15%. This will in turn increase the trading stock of the shares of the Transferee Company.
- (e) Increase in the public float and trading stock of the shares of the Transferee Company will positively impact the liquidity of the shares of the Transferee Company.
- (f) The amalgamation will result in the promoter group of the Transferee Company directly holding shares in the Transferee Company, which will lead not only to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group's direct commitment to and engagement with the Transferee Company.
- (g) Pursuant to the Scheme, all the shareholders of the Transferor Company II will get shares of the Transferee Company and there will be no change in economic interest of any of the shareholders of the Transferee Company pre and post scheme.
- (h) Pursuant to the scheme number of shares in the paid-up share capital of the Transferee Company shall remain same, thus not affecting economic interest of other shareholders of the Transferee Company.
- (i) Cost savings are expected to flow from more focused operational efforts, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- (j) The amalgamation of the companies shall result in achieving economies of scale.

In view of the aforesaid, the Board of Directors of the Transferor Companies and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Companies with the Transferee Company in order to benefit the stakeholders of all companies. Accordingly, the Board of Directors of the Transferor Companies and the Transferee Company have formulated this Scheme of



Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Companies with and into the Transferee Company pursuant to the provisions of Section 391 to Section 394 and other relevant provisions of the Act.

C. Parts of the Scheme:

This Scheme of Amalgamation is divided into following parts:

- (i) **Part I** deals with definitions of the terms used in this Scheme of Amalgamation and sets out the share capital of the Transferor Companies and the Transferee Company;
- (ii) **Part II** deals with the transfer and vesting of the Undertaking (as hereinafter defined) of the Transferor Companies to and in the Transferee Company;
- (iii) **Part III** deals with the issue of new equity shares by the Transferee Company to the Equity Shareholders of the Transferor Company II, as applicable and reduction of share capital of the Transferee Company;
- (iv) **Part IV** deals with the accounting treatment for the amalgamation in the books of the Transferee Company and dividends;
- (v) **Part V** deals with the dissolution of the Transferor Companies and the general terms and conditions applicable to this Scheme of Amalgamation and other matters consequential and integrally connected thereto.

- D.** The amalgamation of the Transferor Companies with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with the relevant provisions of the Income Tax Act, 1961 including but not limited to Section 2(1B) and Section 47 thereof. If any of the terms or provisions of this Scheme are found or interpreted to be inconsistent with the provisions of the said sections and other related provisions at a later date including due to result from an amendment of law or for any other reason whatsoever up to the Effective Date, the provisions of the said sections and other related provisions of the Income Tax Act 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) and other relevant provisions of the Income Tax Act 1961.



PART I
DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

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

- 1.1. "Act"** means the Companies Act, 1956, or the Companies Act, 2013 as in force from time to time. As on the date of approval of this Scheme by the respective Board of Directors of the Transferor Companies and the Transferee Company, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956 unless stated otherwise. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall unless a different intention appears, be construed as references to the provisions so re-enacted;
- 1.2. "Appointed Date"** For the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means 1st April, 2016;
- 1.3. "Board of Directors" or "Board"** means the board of directors of the Transferor Company I or the Transferor Company II or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof;
- 1.4. "Effective Date"** means the last of the dates on which the certified or authenticated copy of the orders of the High Court sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Companies and by the Transferee Company. Any references in this Scheme to the date of "**coming into effect of this Scheme**" or "**effectiveness of this Scheme**" or "**Scheme taking effect**" shall mean the Effective Date;
- 1.5. "Governmental Authority"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, or

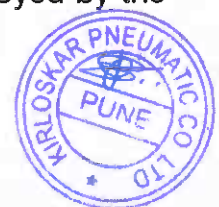


instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India;

- 1.6. **"High Court"** means the High Court of Judicature at Bombay having jurisdiction in relation to the Transferor Companies and the Transferee Company, as the context may admit and shall, if applicable, include the National Company Law Tribunal ;
- 1.7. **"Record Date"** means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the names of the equity shareholders of the Transferor Company II, as applicable, who shall be entitled to shares of the Transferee Company under Clause 10.2 hereto, upon coming into effect of this Scheme;
- 1.8. **"Scheme"** means this Scheme of Arrangement and Amalgamation between the Transferor Companies and the Transferee Company and their respective shareholders as submitted to the High Court together with any modification(s) approved or directed by the High Court;
- 1.9. **"Stock Exchanges"** means the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE);
- 1.10. **"Transferor Company I"** means KIRLOSKAR ROADRAILER LIMITED, a company incorporated under the Companies Act, 1956 having its registered office at Hadapsar Industrial Estate, Pune 411013 ;
- 1.11. **"Transferor Company II"** means PNEUMATIC HOLDINGS LIMITED, a company incorporated under the Companies Act, 1956 having its registered office at Survey No 13, 156 Kothrud, Pune 411038 ;
- 1.12. **"Transferor Companies"** means both the Transferor Company I and the Transferor Company II;
- 1.13. **"Transferee Company"** means KIRLOSKAR PNEUMATIC COMPANY LIMITED, a company incorporated under the Companies Act, 1956 having its registered office at Hadapsar Industrial Estate , Pune-411013;
- 1.14. **"Undertaking"** means the whole of the undertaking and entire business of the Transferor Companies as a going concern, including (without limitation):



- I. All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Companies, including but not limited to, plant and machinery, equipment, buildings and structures, offices, residential and other premises, vehicles, sundry debtors, furniture, fixtures, office equipment including computers, laptops, printers and servers, appliances, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), and interests in its subsidiaries, cash in hand, balances and deposits with banks, loans, advances, disbursements, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Companies, financial assets, leases (including lease rights), hire purchase contracts and assets, leasing contracts and assets lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, good will, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, websites, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits), easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the Transferor Companies and advantages of whatsoever nature and wheresoever situated in India or abroad, 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 Transferor Companies or in connection with or relating to the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies, whether in India or abroad;



- II. All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Companies, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised;
 - III. All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, assignments, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the business activities and operations of the Transferor Companies;
 - IV. All records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Companies;
 - V. All permanent employees engaged by the Transferor Companies as on the Effective Date.
- 1.15.** All capitalized terms not defined but used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations and byelaws, as the case may be, or any statutory amendment(s) or re-enactment thereof, for the time being in force.
- 1.16.** The words importing the singular shall include the plural and words importing any gender shall include every gender.



2. SHARE CAPITAL

2.1. Transferor Company I:

The authorised, subscribed and paid-up share capital of the Transferor Company I as on March 31, 2016 was as under:

Particulars	Rs.
Authorised Share Capital:	
15,000,000 Equity Shares of Rs. 10/- each	150,000,000
Issued, and Subscribed	
15,000,000	150,000,000
Paid up Share Capital:	
Fully Paid Up	
100,000 equity shares of Rs. 10/- each	1,000,000
Partly Paid Up	
14,900,000 Equity Shares of Rs 10/- each Rs 3/- paid	44,700,000
	45,700,000

Subsequent to balance sheet date Paid up Share Capital of the Transferor Company I has undergone a change and position as on September 30, 2016 is as stated below :

Paid up Share Capital:	Rs.
Fully Paid Up	
100,000 equity shares of Rs. 10/- each	1,000,000
Partly Paid Up	
14,900,000 Equity Shares of Rs 10/- each Rs 5/- paid	74,500,000
	75,500,000

The Transferor Company I is a 100% subsidiary of the Transferee Company.

2.2. Transferor Company II:

The authorised, subscribed and paid-up share capital of the Transferor Company II as on March 31, 2016 was as under:



Particulars	Rs.
Authorised Share Capital:	
7,500,000 equity shares of Rs.10/- each	75,000,000
Subscribed and Paid up Share Capital:	
5,288, 718 equity shares of Rs.10/- each	52,887,180

Subsequent to balance sheet date there is no change in capital structure of the Transferor Company II. The equity shares of the Transferor Company II are, at present, listed on the NSE and the BSE.

2.3. Transferee Company:

The authorised, subscribed and paid-up share capital of the Transferee Company as on March 31, 2016 was as under:

Particulars	Rs.
Authorised Share Capital:	
15,000,000 Equity Shares of Rs. 10/- each.	150,000,000
Subscribed and Paid up Share Capital:	
12,844, 338 Equity Shares of Rs. 10/- each	128,443,380

Subsequent to balance sheet date there is no change in capital structure of the Transferee Company. The equity shares of the Transferee Company are, at present, listed on the BSE.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

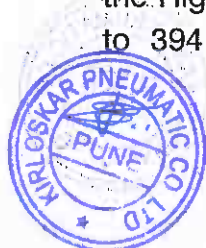
The Scheme set out herein in its present form or with any modifications approved or imposed or directed by the High Court shall be operative from the Appointed Date but shall be effective from the Effective Date.

PART II

TRANSFER AND VESTING OF UNDERTAKING

4. TRANSFER OF UNDERTAKING

- 4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Undertaking, pursuant to the sanction of this Scheme by the High Court under and in accordance with the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, shall stand



transferred to and be vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

4.2 **Transfer of Assets:**

4.2.1 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

4.2.1.1 All the assets and properties comprised in the Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.

4.2.1.2 Without prejudice to the provisions of Clause 4.2.1.1 above, in respect of such of the assets and properties of the Undertaking as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Companies and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertaking, without requiring any separate deed or instrument or conveyance for the same.

4.2.1.3 In respect of movables other than those dealt with in Clause 4.2.1.2 above including sundry debts, receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee



Company.

- 4.2.1.4 All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether before or after the Appointed Date, 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, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- 4.2.2 The Transferor Companies shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by the High Court under and in accordance with Sections 391 and 394 and all other applicable provisions, if any, of the Act, the said debtors should pay to the Transferee Company the debt, loan or advance or make the same on account of the Transferor Companies and the right of the Transferor Companies to recover or realize the same stands vested in the Transferee Company.
- 4.2.3 All assets and properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of the respective Transferor Company, and all assets and properties which are acquired by the Transferor Companies 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 Transferee 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 and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme. Provided however that no onerous assets shall have been acquired by the Transferor Companies after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

4.3 **Transfer of Liabilities:**

4.3.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Companies of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "**Liabilities**"), shall, pursuant to the sanction of this Scheme by the High Court under and in accordance with the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies, and the Transferee Company shall 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 Liabilities have arisen in order to give effect to the provisions of this Clause.

4.3.2 All debts, liabilities, duties and obligations of the Undertaking as on the Appointed Date, whether or not provided in the books of the respective Transferor Company, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.



- 4.3.3 Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.
- 4.3.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

4.4 Encumbrances

- 4.4.1 The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under Clauses 4.1 and 4.2 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.
- 4.4.2 All the existing securities, mortgages, charges, encumbrances or liens (the "**Encumbrances**"), if any, as on the Appointed Date and created by the Transferor Companies after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Companies, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company, provided however that no Encumbrances shall have been created by the Transferor Companies over its assets after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.
- 4.4.3 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date

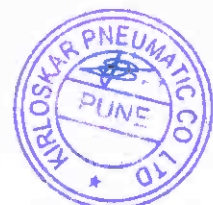


shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Undertaking transferred to and vested in the Transferee Company by virtue of this Scheme.

- 4.4.4 Any reference in any security documents or arrangements (to which the Transferor Companies are a party) to the Transferor Companies and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Companies transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Companies and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required.
- 4.4.5 Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.
- 4.4.6 It is expressly provided that, no other term or condition of the Liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 4.4.7 The provisions of this Clause 4.4 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

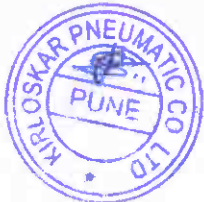
4.5 **Inter - se Transactions:**

Without prejudice to the provisions of Clauses 4.1 to 4.4, with effect from the Appointed Date, all inter-party transactions between the Transferor Companies and the Transferee Company shall be considered as intra-party transactions for all purposes.



5. CONTRACTS, DEEDS, ETC.

- 5.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.
- 5.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Companies are a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies.
- 5.3 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, powers of attorney given by, issued to or executed in favour of the Transferor Companies shall without any further act or deed, stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee 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 Transferee Company. The Transferee Company shall receive relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.



6. LEGAL PROCEEDINGS

- 6.1 On and from the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and / or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. On and from the Effective Date, the Transferee Company shall have the right to initiate, defend, compromise or otherwise deal with any legal proceedings relating to the Undertaking, in the same manner and to the same extent as would or might have been initiated by the Transferor Companies as the case may be, had the Scheme not been made. If any suit, appeal or other proceedings relating to the Undertaking, of whatever nature by or against the Transferor Companies be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Undertaking or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made.

7. CONDUCT OF BUSINESS

- 7.1 With effect from the Appointed Date and up to and including the Effective Date:
- 7.1.1 The Transferor Companies shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for, the Transferee Company.
- 7.1.2 All the profits or income accruing or arising to the Transferor Companies, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Companies shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company.



7.1.3 Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Companies shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

7.2 With effect from the date of filing of this Scheme with the High Court and up to and including the Effective Date:

7.2.1 The Transferor Companies shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group companies or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances:

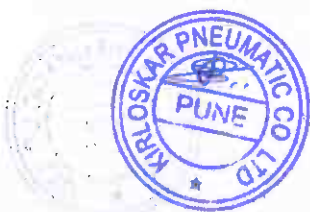
7.2.1.1 if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or

7.2.1.2 if the same is permitted by this Scheme; or

7.2.1.3 if consent of the Board of Directors of the Transferee Company has been obtained.

7.2.2 The Transferor Companies shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations (ii) any agreement or transaction; and (iii) such other matters as the Transferee Company may notify from time to time save and except in each case in the following circumstances:

7.2.2.1 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



7.2.2.2 if the same is permitted by this Scheme; or

7.2.2.3 if consent of the Board of Directors of the Transferee Company has been obtained.

7.2.3 Without prejudice to the generality of Clause 7.2.2 above, the Transferor Companies shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares) decrease, reduction, reclassification, subdivision or consolidation, re-organisation, or in any other manner except by way of making calls on partly paid shares to make them as fully paid, which may, in any way, affect the Share Exchange Ratio (as provided in Clause 10.2 below), except under any of the following circumstances:

7.2.3.1 by mutual consent of the Board of Directors of the Transferor Companies and of the Transferee Company; or

7.2.3.2 as may be permitted under this Scheme.

7.3 Treatment of Taxes

7.3.1 Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956, any other state Sales Tax / Value Added Tax laws, service tax, luxury tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "**Tax Laws**") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

7.3.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.) paid or payable by the Transferor Companies in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.), whether



by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

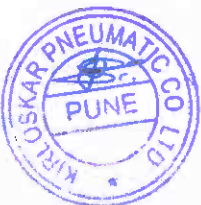
7.3.3 Any refund under the Tax Laws due to the Transferor Companies consequent to the assessments made on the Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

7.3.4 Without prejudice to the generality of the above, all benefits including that of withholding tax (TDS) under the income tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc., to which the Transferor Companies are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

8. EMPLOYEES

8.1 Upon the coming into effect of this Scheme:

8.1.1 All the permanent employees of the Transferor Companies who are in its employment as on the Effective Date shall become the permanent employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the respective Transferor Company. It is clarified that the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the employees of the Transferee Company), unless otherwise determined by the Board of Directors of the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the Transferor Companies with any union/employee of the Transferor Companies (as may be recognized by the Transferor Companies). After the Effective Date, the



Transferee Company shall be entitled to vary the terms and conditions as to employment and remuneration of the employees of the Transferor Companies on the same basis as it may do for the employees of the Transferee Company.

- 8.1.2 The existing provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits created by the Transferor Companies or any other special funds created or existing for the benefit of the concerned permanent employees of the Transferor Companies (collectively referred to as the "**Funds**") and the investments made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Companies or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing Funds separately and contribute thereto, until such time as the Transferee Company creates its own funds at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Companies shall be transferred to such funds of the Transferee Company.

9. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Companies under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Companies on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.



PART III**10. ISSUE OF EQUITY SHARES BY THE TRANSFEREE COMPANY**

10.1 The provisions of this Part III shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.

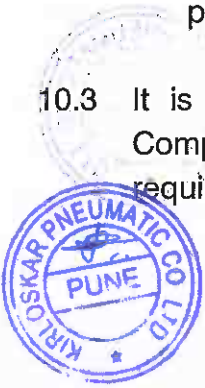
10.2 Issue of new equity shares by the Transferee Company

10.2.1 Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Undertaking of the Transferor Company II in the Transferee Company, in terms of this scheme, the Transferee Company shall without any further application or deed, be required to issue and allot to the equity shareholders of the Transferor Company II whose names appear in the register of members of the Transferor Company II as on the Record Date, 53 (Fifty Three) fully paid-up equity shares of the face value of Rs.10/- each in the Transferee Company, (hereinafter referred to as the "New Equity Shares") for every 40 (Forty) fully paid-up equity shares of the face value of Rs. 10/- each held in the Transferor Company II.

10.2.2 The equity shares of the Transferee Company are listed and admitted to trading on the BSE. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with applicable laws and regulations for complying with the formalities of the BSE with respect to the issue of the new equity shares under this Scheme. On such formalities being fulfilled, the BSE shall list and/or admit such new equity shares issued pursuant to this Scheme, for the purpose of trading.

10.2.3 The Transferee Company will make application for approval, if applicable or filings to Foreign Investment Promotion Board / Reserve Bank of India / authorized dealer or appropriate authority, for its approval under the provisions of the Foreign Exchange Management Act, 1999, for the issue and allotment of Equity Shares in the Transferee Company to non-resident shareholder of the Transferor Company II in accordance with the provisions of the Scheme.

10.3 It is clarified that no special resolution under Section 62(1) (c) of the Companies Act, 2013 and any other applicable provisions of the Act will be required to be passed by the Transferee Company separately in a general



meeting for issue of shares to the shareholders of the Transferor Company II under this Scheme and on the members of the Transferee Company approving this Scheme, it shall be deemed that they have given their consent to the issue of new equity shares of the Transferee Company to the shareholders of the Transferor Company II in the Share Exchange Ratio.

- 10.4 The New Equity Shares of the Transferee Company allotted to the shareholders of the Transferor Company II in lieu of lock-in shares held by them in the Transferor Company II, shall be locked-in for the remaining period.
- 10.5 No fractional certificates shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the equity shareholders of the Transferor Company II may be entitled. The Board of Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the shareholders of the Transferor Company may be entitled to, and shall without any further application, act, instrument or deed, issue and allot equity shares in lieu thereof to an individual trustee, board of trustees, or a corporate trustee (Trustee) who shall hold the same, with all additions or accretions thereto in trust for those entitled to the fractions and sell the same in the market at such price and at such time as the Trustee may deem fit at its sole discretion decide and distribute the net sale proceeds to all the equity shareholders of the Transferor Company entitled to the same in proportion to their fractional entitlements.
- 10.6 The shares held by the Transferee Company in the Transferor Company I, shall stand cancelled upon the Scheme becoming effective without any further application, act or deed and there would be no issuance of equity shares by the Transferee Company pursuant to this Scheme in relation to such shareholding.
- 10.7 **Amendment to Memorandum of Association and Articles of Association of the Transferee Company**

10.7.1 Increase in authorised, share capital of the Transferee Company

Upon the Scheme coming into effect, the authorised share capital of the Transferee Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to



Registrar of Companies, by an amount of Rs. 22,50,00,000 (Rupees Twenty Two Crores Fifty Lacs only), and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 16, Section 31, Section 94 or any other applicable provisions of the Companies Act 1956 (corresponding Sections 13, 14, 61, 64 and any other applicable provisions of the Companies Act 2013), would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Companies on their respective authorised share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the authorised share capital so increased.

Accordingly, in terms of this Scheme, the authorised share capital of the Transferee Company shall stand enhanced to an amount of Rs. 37,50,00,000 (Rupees Thirty Seven Crores Fifty Lacs only) divided into 3,75,00,000 (Three Crores Seventy Five Lacs) equity shares of Rs. 10 each. The capital clause being Clause V of the Memorandum of Association and Clause 3(a) of the Articles of Association of the Transferee Company shall on the Effective Date stand substituted to read as follows:

"The Authorised Share Capital of the Company is Rs. 37,50,00,000 (Rupees Thirty Seven Crores Fifty Lacs) Only divided into 3,75,00,000 (Three Crores Seventy Five Lacs) equity shares of Rs. 10 each."

10.7.2 Amendment to the Object Clause of the Transferee Company

With effect from the Appointed date and upon the Scheme becoming effective, the object clause of the Memorandum of Association of the Transferee Company shall stand amended without any act, instrument or deed and stand altered, modified and amended pursuant to applicable provisions of the Act to include the following and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this alteration to the object clause of the Memorandum of Association and no further resolution(s)



under Section 16 or any other applicable provisions of the Companies Act 1956 (corresponding section 13 or any other applicable provisions of the Companies Act 2013), would be required to be separately passed:

In Clause III(A) of the Memorandum of Association of the Transferee Company new Sub Clause no. 12 shall be inserted to read :

“12. To carry on the business of owning, furnishing, letting, leasing executive cabins, conferences facilities and rendering various services including computer services, telex services, telephone services, executive centers, secretarial services, travel services and other facilities to executives and business of leasing, hire purchase, factoring, bill discounting, supplier credit, import and export finance, venture capital, seed capital and generally financing of all industrial, commercial and domestic ventures, enterprises and items such as plant, machinery, vehicles, ships, aircrafts, office equipment's and machines, gas cylinders, domestic equipment, refrigerators, air conditioners, television, radio and music equipment, furniture and fixtures, equipment for the supply, storage, distribution, treatment and use of water, petroleum products, gases, chemicals, effluents and other liquids and solids, compressors and compressor packages of air, gas & refrigeration, gears & gearboxes, chillers including vapour absorption chillers, other engineering products and for this purpose to buy, take on lease or otherwise acquire and hold for improvement, investment, development or trade, and sell, lease or otherwise impose of, however all or any of the aforesaid things.”

The Transferee Company will file amended copy of Memorandum and Articles of Association with the concerned Registrar of Companies.

10.8 General provisions:

10.8.1 Issue of shares in dematerialized and physical form :

Upon the issue of new equity shares as provided in this Scheme, the equity shares of the Transferor Company II both in dematerialized and physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date.



The new equity shares to be issued by the Transferee Company pursuant to Clause 10.2 above shall be issued in dematerialized form, provided that the relevant members of the Transferor Company II have an account with a depository participant and provided details thereof and such other confirmations as may be required are furnished by such members of the Transferor Company II to the Transferee Company on or before the Record Date.

Wherever the shares are held in physical form, the Share Certificates held by the Shareholders of the Transferor Company II shall automatically stand cancelled without any necessity of them being surrendered to the Transferee Company. The new Share Certificates for the requisite number of shares shall be issued by the Transferee Company.

10.8.2 Pending share transfers, etc.:

10.8.2.1 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company II, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or the transferee of equity shares in the Transferor Company II, after the effectiveness of this Scheme;

10.8.2.2 The new equity shares to be issued by the Transferee Company pursuant to this Scheme in respect of any equity shares of the Transferor Company II which are held in abeyance under the provisions of Section 206A of the Companies Act, 1956 (corresponding Section 126 of the Companies Act, 2013) or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Transferee Company.

10.8.3 New Equity Shares subject to same terms:

The new equity shares issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall *inter-se* rank *pari passu* in all respects with the then existing



equity shares of the Transferee Company, including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date;

11. CANCELLATION OF SHARES

- 11.1. Upon the Scheme becoming effective, the Equity Shares held by the Transferor Company II in the Transferee Company shall stand cancelled and accordingly, the Paid-up Equity Share Capital of the Transferee Company shall stand reduced to that extent.
- 11.2. The cancellation and the consequent reduction of the share capital of the Transferee Company as provided in Clause 11.1 shall be done as an integral part of the Scheme and not in accordance with Sections 100-105 of the Act as the same does not involve either diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital and the order of the High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.

PART IV

ACCOUNTING TREATMENT AND DIVIDENDS

12. ACCOUNTING TREATMENT

- 12.1 Upon the Scheme becoming effective and with effect from the Appointed Date, for the purpose of accounting for and dealing with the value of the assets and liabilities in the books of the Transferee Company, the Transferee Company shall record all the assets and liabilities including reserves of the Transferor Companies transferred to and vested in the Transferee Company pursuant to this Scheme, in accordance with Pooling of Interest Method at their respective book values as appearing in the books of the Transferor Companies.
- 12.2 The Transferee Company shall credit to its share capital account the aggregate face value of the new equity shares issued and allotted pursuant to clause 10.2 above.
- 12.3 After giving effects to clause 12.1 above, the difference between the value of New Equity Shares issued by the Transferee Company to the members of the Transferor Company II and the value of Share Capital



of the Transferor Company II before the Scheme, shall be debited to Capital Reserve Account in the books of the Transferee Company.

- 12.4 After giving effects to clause 12.1 & 12.3 above, the difference in the book value of Investments of the Transferor Company II held in the shares of the Transferee Company, and the face value of shares pursuant to Clause 11.1, of the Scheme shall be adjusted first against Capital Reserve and balance against General Reserves of the Transferee Company.
- 12.5 Upon coming into effect of this Scheme, to the extent that there are inter-corporate loans or balances between the Transferor Companies (inter-se), or between the Transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferor Companies and the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 12.6 In order to ensure that consistent Accounting Policies of the Transferee Company are reflected in the financial statements, differences, if any, in the Accounting Policies between the Transferor Companies and the Transferee Company, shall be ascertained and the impact of the same till the Amalgamation will be quantified and adjusted in the reserves of the Transferee Company.
13. Subject to provisions of this Scheme, the Transferee Company shall abide by Accounting Standard AS-14 as per Section 133 of the Act.

14. DECLARATION OF DIVIDEND

- 14.1. During the period between the Appointed Date and up to and including the Effective Date, the Transferor Company II, subject to prior consent of the Transferee Company, may declare and pay any dividend to its shareholders, whether interim or final, out of its profits and available cash.
- 14.2. For the avoidance of doubt, it is hereby declared that nothing in the Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the Record Date for the purpose of dividend and the shareholders of the Transferor Companies shall not be entitled to dividend, if any,



declared by the Transferee Company prior to the Effective Date.

- 14.3. For the avoidance of doubt, it is also clarified that the aforesaid provisions in respect of declaration of dividends of the Transferor Companies and the Transferee Company are enabling provisions only and shall not be deemed to confer any right on any member of the respective companies to demand or claim dividend which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the respective companies.

PART V

DISSOLUTION OF THE TRANSFEROR COMPANIES AND GENERAL TERMS AND CONDITIONS

15. DISSOLUTION OF THE TRANSFEROR COMPANIES

On the coming into effect of this Scheme, the Transferor Companies shall stand dissolved without winding-up, and the Board of Directors and any committees thereof of the Transferor Companies shall without any further act, instrument or deed be and stand dissolved.

16. VALIDITY OF EXISTING RESOLUTIONS, ETC.

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

17. MODIFICATION OF SCHEME

- 17.1. Subject to approval of the High Court, the Transferor Companies and the Transferee Company by their respective Board of Directors or any director/executives or any committee authorised in that behalf (hereinafter referred to as the "**Delegate**") may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which the High Court or any authorities under law may deem fit to approve of or may impose and which the Board of Directors of the



Transferor Companies and the Transferee Company may in their discretion accept, such modification(s) or addition(s) as the Board of Directors of the Transferor Companies and the Transferee Company as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme. The Transferor Companies and the Transferee Company by their respective Boards of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible in law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme. In the event that any conditions are imposed by the High Court or any Governmental Authorities, which the Board of Directors of the Transferor Companies or the Transferee Company find unacceptable for any reason, then the Transferor Companies and the Transferee Company shall be at liberty to withdraw the Scheme.

- 17.2 For the purpose of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates (acting jointly) of the Transferor Companies and Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders or depositors, if any, of the Transferor Companies) or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme. For the avoidance of doubt it is clarified that where this Scheme requires the approval of the Board of Directors of the Transferor Companies or the Transferee Company to be obtained for any matter, the same may be given through their Delegates.



18. FILING OF APPLICATIONS

The Transferor Companies and the Transferee Company shall use their best efforts to make and file all applications and petitions under Sections 391 to 394 and other applicable provisions of the Act, before the High Court having jurisdiction for sanction of this Scheme under the provisions of law, and shall apply for such approvals as may be required under law.

19. APPROVALS

The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Companies.

20. SCHEME CONDITIONAL UPON SANCTIONS, ETC.

20.1 This Scheme is conditional upon and subject to:

20.1.1 The Scheme being agreed to by the requisite majority of the respective classes of members of the Transferor Companies and of the Transferee Company as required under the Act and the requisite orders of the High Court being obtained; and

20.1.2 The requisite consents, approvals or permissions if any of the Government Authority or any other Statutory Agencies, Stock Exchanges, SEBI which by law may be necessary for the implementation of this Scheme.

20.1.3 In terms of SEBI Circular dated 30th November 2015 bearing No. CIR/CFD/CMD/16/2015 approval of shareholders of the Transferor Company II and the Transferee Company shall be obtained by a resolution passed through postal ballot and e-voting after disclosure of all material facts in the explanatory statement in relation to such resolution and such resolution 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 the public shareholders against it.

20.1.4 The authenticated/certified copies of the orders of the High Court sanctioning this Scheme being filed with the Registrar



Companies, Pune, Maharashtra.

20.2 In the event of this Scheme failing to take effect finally by June 30, 2018, or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company or their respective Delegates, this Scheme shall become null and void and be of no effect and in that event no rights and liabilities whatsoever shall accrue to or be incurred or claimed inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each company shall bear its own costs, charges and expenses or as may be mutually agreed.

21. COSTS, CHARGES, EXPENSES AND STAMP DUTY

All costs, charges and expenses (including any taxes and duties) incurred or payable by the Transferor Companies and the Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company in pursuance of this Scheme, including stamp duty on the orders of the High Court, if any and to the extent applicable and payable, shall be paid by the Transferee Company out of the funds made available by the Transferor Company II and shall be debited to General Reserve.

