

Date: 18th October, 2019

BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers, 1st Floor,
Dalal Street, Fort,
Mumbai – 400 001

Dear Sirs,

Sub: Compliance under Regulation 37(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed Scheme of Merger by Absorption of Universal Comfort Products Limited (wholly owned subsidiary of Voltas Limited) with Voltas Limited.

We had earlier by our letter dated 27th September, 2019 informed about the approval of Board of Directors of the Company to the Scheme of Merger by Absorption of Universal Comfort Products Limited (Transferor Company), a wholly-owned subsidiary of Voltas Limited with Voltas Limited (Transferee Company). In compliance with Regulation 37(6) of the SEBI (LODR) Regulations, 2015, we are enclosing herewith the following:

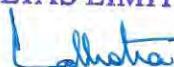
- (i) Certified true copy of the Resolution passed by the Board of Directors of Voltas Limited- the Transferee Company.
- (ii) Certified true copy of the Resolution passed by the Board of Directors of Universal Comfort Products Limited - the Transferor Company.
- (iii) Certified true copy of the Scheme of Merger by Absorption proposed to be filed before the National Company Law Tribunal, Mumbai.
- (iv) Payment of Processing Fee.
- (v) Contact details:
Mr. V. P. Malhotra, Vice President – Taxation, Legal & Company Secretary,
Voltas Limited, Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli,
Mumbai 400 033. E-mail: vpmalhotra@voltas.com
Phone: 022-66656251 / 022-66656258, Mobile: 9821156980

This is for your information and records.

Thanking you,

Yours Faithfully,

VOLTAS LIMITED



(V. P. MALHOTRA)
Vice President - Taxation,
Legal & Company Secretary

Enc.

VOLTAS LIMITED

Corporate Management Office

Registered Office Voltas House 'A' Dr Babasaheb Ambedkar Road Chinchpokli Mumbai 400 033
Tel 91 22 66656251 66656258 Fax 91 22 66656311 e-mail vpmalhotra@voltas.com website www.voltas.com
Corporate Identity Number L29308MH1954PLC009371

A **TATA** Enterprise

Date: 18th October, 2019

National Stock Exchange of India Limited
Exchange Plaza
Bandra-Kurla Complex
Bandra East
Mumbai – 400 051

Dear Sirs,

Sub: Compliance under Regulation 37(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed Scheme of Merger by Absorption of Universal Comfort Products Limited (wholly owned subsidiary of Voltas Limited) with Voltas Limited.

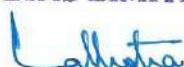
We had earlier by our letter dated 27th September, 2019 informed about the approval of Board of Directors of the Company to the Scheme of Merger by Absorption of Universal Comfort Products Limited (Transferor Company), a wholly-owned subsidiary of Voltas Limited with Voltas Limited (Transferee Company). In compliance with Regulation 37(6) of the SEBI (LODR) Regulations, 2015, we are enclosing herewith the following:

- (i) Certified true copy of the Resolution passed by the Board of Directors of Voltas Limited- the Transferee Company.
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- (iii) Certified true copy of the Scheme of Merger by Absorption proposed to be filed before the National Company Law Tribunal.
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Thanking you,

Yours Faithfully,
VOLTAS LIMITED



(V. P. MALHOTRA)
Vice President - Taxation,
Legal & Company Secretary

Enc.

VOLTAS LIMITED

Corporate Management Office

Registered Office Voltas House 'A' Dr Babasaheb Ambedkar Road Chinchpokli Mumbai 400 033
Tel 91 22 66656251 66656258 Fax 91 22 66656311 e-mail vpmalhotra@voltas.com website www.voltas.com
Corporate Identity Number L29308MH1954PLC009371

A **TATA** Enterprise

18th October, 2019

Certified true copy of the Resolution passed by the Board of Directors of the Company at its Meeting held on 27th September, 2019.

Re: Amalgamation of Universal Comfort Products Limited with Voltas Limited:

“RESOLVED that pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, including any statutory modifications, re-enactment or amendments thereof and subject to the requisite approval of the shareholders/ creditors of Voltas Limited ('the Company'), if so required and/ or any other regulatory body, as the case may be and the sanction of the jurisdictional National Company Law Tribunal or such other competent authority, as may be applicable, consent is hereby accorded to the Scheme of Merger by Absorption of Universal Comfort Products Limited (wholly owned subsidiary of the Company) with the Company (hereinafter referred to as 'the Scheme'), with effect from 1st April, 2019 ('Appointed Date') and the same shall become operative from the 'Effective Date', as defined in the Scheme.

RESOLVED FURTHER that Mr. Pradeep Bakshi, Managing Director & CEO, Mr. Anil George, Deputy Managing Director & CFO and Mr. V. P. Malhotra, Vice President – Taxation, Legal and Company Secretary be and are hereby severally authorized to take all the necessary steps:

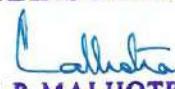
- (a) To consider and approve the certificate from the Auditors of the Company confirming the accounting treatment as required under Section 230(7) of Companies Act, 2013;
- (b) To prepare and sign the Scheme, applications, petitions, affidavits, undertakings, vakalatnamas, declarations, letters, notices, documents, papers, etc. on behalf of the Company in consultation with the consultants appointed for the purpose of giving effect to the said Scheme;
- (c) To file the Scheme and/ or any other information / details with the concerned Stock Exchange or any other body or regulatory authority or agency to obtain approval or sanction to any of the provisions of the Scheme or for giving effect thereto;
- (d) To file and submit the Scheme, necessary applications, petition, affidavits, letters, documents, notices, undertaking, declarations, papers with the National Company Law Tribunal ('NCLT'), Mumbai Bench, Registrar of Companies, Regional Director, Official Liquidator and/or any other authority as may be required pursuant to the relevant provisions of the applicable laws, rules and regulations;

- (e) To do all such acts as may be required to be complied with under the NCLT Rules, 2016, including but not limited to finalization and issue of Notice and Explanatory Statement under Sections 230 to 232 of the Companies Act, 2013, advertisements, appointment of Scrutinizers etc.;
- (f) To evolve, decide upon or bring into effect the Scheme and make and give effect to any modifications, changes, variations, alterations or revision in the Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority or as the Board of Directors may *suo moto* decide in its absolute discretion and to do all such acts, deeds, matters and things whatsoever, including settling any questions, doubt or difficulty that may arise with regard to or in relation to the Scheme as it may in its absolute discretion consider necessary, expedient, fit and proper;
- (g) To make such alterations and changes to the aforesaid Scheme as may be expedient or necessary, particularly for meeting with the requirements or conditions stipulated by the Central Government and/ or Stock Exchanges and/ or SEBI and/ or the NCLT and/or any other competent authority and/ or any such authority as may be required for approving the Scheme or modify the Scheme as may be necessary;
- (h) To declare and file all pleadings, reports and sign and issue public advertisements and notices;
- (i) To obtain approval from such other authorities and parties including the shareholders, creditors, lenders, Registrar of Companies, Regional Director, Income Tax Authorities, Official Liquidator, other Government authorities, etc as may be considered necessary to the said Scheme;
- (j) To settle any question or difficulty that may arise with regard to the implementation of the above Scheme and to give effect to the above Resolution;
- (k) To represent the Company before the NCLT and other regulatory authorities including Central or State Government, Regional Director, Ministry of Corporate Affairs, Registrar of Companies, Official Liquidator and before all Courts of law or Tribunals for the purpose of the proposed Scheme, signing and filing of all the documents, deeds, applications/ documents/ papers for and on behalf of the Company and to do all such acts, deeds, matters and things necessary and convenient for all or any of the purpose aforesaid.

RESOLVED FURTHER that Mr. Pradeep Bakshi, Mr. Anil George and Mr. V. P. Malhotra, be and are hereby severally authorized to appoint professionals, including Consultants, Counsels, Advocates and Lawyers and fix their remuneration and take all such actions as may be considered necessary, proper or expedient.

RESOLVED FURTHER that a copy of the foregoing Resolution certified to be true by a Director/Secretary of the Company, be furnished to the concerned authorities, if so required and they be requested to act thereon.”

VOLTAS LIMITED


(V. P. MALHOTRA)
Vice President - Taxation
Legal & Company Secretary



Universal Comfort Products Limited

A Wholly Owned Subsidiary of **Voltas Ltd.**

18th October, 2019

Certified true copy of the Resolution passed by the Board of Directors of the Company at its Meeting held on 27th September, 2019

Re: Amalgamation of the Company with Voltas Limited (Holding Company):

"RESOLVED that pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, including any statutory modifications, re-enactment or amendments thereof and subject to the requisite approval of the shareholders/ creditors of Universal Comfort Products Limited ('the Company'), if so required and/ or any other regulatory body, as the case may be and the sanction of the jurisdictional National Company Law Tribunal or such other competent authority, as may be applicable, consent is hereby accorded to the Scheme of Merger by Absorption of the Company (wholly-owned subsidiary of Voltas Limited) with Voltas Limited (hereinafter referred to as 'the Scheme'), with effect from 1st April, 2019 ('Appointed Date') and the same shall become operative from the 'Effective Date', as defined in the Scheme.

RESOLVED FURTHER that Mr. Pradeep Bakshi, Mr. Anil George, Mr. V. P. Malhotra and Ms. Kajal Jangid be and are hereby severally authorized to take all the necessary steps:

- (i) To consider and approve the certificate from the Auditors of the Company confirming the accounting treatment, if required under proviso to Section 230(7) of Companies Act, 2013;
- (ii) To prepare and sign the scheme, applications, petitions, affidavits, undertakings, vakalatnamas, declarations, letters, notices, documents, papers, etc. on behalf of the Company in consultation with the consultants appointed for the purpose of giving effect to the said Scheme;
- (iii) To file the Scheme and / or any other information / details with the concerned Regulatory Authority or agency to obtain approval or sanction to any of the provisions of the Scheme or for giving effect thereto;



Universal Comfort Products Limited

A Wholly Owned Subsidiary of **Volta Ltd.**

- (iv) To file and submit the Scheme, necessary applications, petition, affidavits, letters, documents, notices, undertaking, declarations, papers with the National Company Law Tribunal ('NCLT'), Mumbai Bench, Registrar of Companies, Regional Director, Official Liquidator and/or any other authority as may be required pursuant to the relevant provisions of the applicable laws, rules and regulations;
- (v) To do all such acts as may be required to be complied with under the NCLT Rules, 2016, including but not limited to finalization and issue of Notice and Explanatory Statement under Sections 230 to 232 of the Companies Act, 2013, advertisements, appointment of Scrutinizers etc.;
- (vi) To evolve, decide upon or bring into effect the Scheme and make and give effect to any modifications, changes, variations, alterations or revision in the Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority or as the Board of Directors may *suo moto* decide in its absolute discretion and to do all such acts, deeds, matters and things whatsoever, including settling any questions, doubt or difficulty that may arise with regard to or in relation to the Scheme as it may in its absolute discretion consider necessary, expedient, fit and proper;
- (vii) To make such alterations and changes to the aforesaid Scheme as may be expedient or necessary, particularly for meeting with the requirements or conditions stipulated by NCLT and/ or any such authority as may be required for approving the Scheme or modify the Scheme as may be necessary;
- (viii) To declare and file all pleadings, reports and sign and issue public advertisements and notices;
- (ix) To obtain approval from such other authorities and parties including the shareholders, creditors, lenders, Registrar of Companies, Regional Director, Income Tax Authorities, Official Liquidator, other Government authorities, etc. as may be considered necessary to the said Scheme;
- (x) To settle any question or difficulty that may arise with regard to the implementation of the above Scheme and to give effect to the above Resolution;



Universal Comfort Products Limited

A Wholly Owned Subsidiary of **Voltas Ltd.**

- (xi) To represent the Company before the NCLT and other regulatory authorities including Central or State Government, Regional Director, Ministry of Corporate Affairs, Registrar of Companies, Official Liquidator and before all Courts of law or Tribunals for the purpose of the proposed Scheme, signing and filing of all the documents, deeds, applications/ documents/ papers for and on behalf of the Company and to do all such acts, deeds, matters and things necessary and convenient for all or any of the purpose aforesaid.

RESOLVED FURTHER that Mr. Pradeep Bakshi, Mr. Anil George, Mr. V. P. Malhotra and Ms. Kajal Jangid, be and are hereby severally authorized to appoint professionals, including Consultants, Counsels, Advocates and Lawyers and fix their remuneration and take all such actions as may be considered necessary, proper or expedient.

RESOLVED FURTHER that a copy of the foregoing Resolution certified to be true by a Director/Secretary of the Company, be furnished to the concerned authorities, if so required and they be requested to act thereon.”

UNIVERSAL COMFORT PRODUCTS LIMITED

(KAJAL JANGID)
COMPANY SECRETARY

SCHEME OF MERGER BY ABSORPTION

UNIVERSAL COMFORT PRODUCTS LIMITED.... Transferor Company

AND

VOLTAS LIMITED.... Transferee Company

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013

This Scheme of Merger by Absorption (the Scheme) is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof) for merger of Universal Comfort Products Limited with Voltas Limited and their respective shareholders.

A. Description of the Companies

1. **Universal Comfort Products Limited** is a company incorporated under the Companies Act, 1956 with its registered office at Voltas House 'B', T. B. Kadam Marg, Chinchpokli, Mumbai – 400033, Maharashtra, India ("Transferor Company" or "UCPL") [CIN :U29193MH2001PLC249228]. UCPL is engaged in the business of manufacturing room air conditioners. The Transferor Company is a wholly owned subsidiary of the Transferee Company.
2. **Voltas Limited** is a company incorporated under the Indian Companies Act, 1913 with its registered office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai – 400033, Maharashtra, India ("Transferee Company" or "Voltas") [CIN : L29308MH1954PLC009371]. The Transferee Company, is an Indian multinational engaged in the business of air conditioning and provider of engineering solutions specialized in project management. Voltas is engaged in



various businesses, including execution of turnkey projects in the field of Heating, Ventilation and Airconditioning, Water Management and Mechanical, Electrical and Plumbing (MEP) projects in India as well as overseas. Voltas is also engaged in manufacturing, marketing, distribution and selling of wide range of Air conditioners, Commercial Refrigeration Products, Air Purifiers and other Cooling Products and also in the business of Engineering Products and Services for Mining and Construction Equipment and Textile Machinery. Voltas has presence in India and overseas through subsidiaries and branches. The equity shares of Voltas are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

B. Description of the Scheme

1. This Scheme (as defined hereunder) provides, inter alia, for the amalgamation of the Transferor Company with the Transferee Company, by way of merger by absorption and dissolution of the Transferor Company without winding up.
2. The Amalgamation of the Transferor Company into the Transferee Company shall be in full compliance with the conditions relating to "amalgamation" as provided under Section 2 (1B) and other related provisions of the Income Tax Act such that, inter alia
 - (i) all the properties of the Transferor Company, immediately before the amalgamation, shall become the properties of the Transferee Company, by virtue of the amalgamation.
 - (ii) all the liabilities of the Transferor Company, immediately before the amalgamation, shall become the liabilities of the Transferee Company, by virtue of the amalgamation.

C. Rationale of the Scheme

The Transferor Company under this scheme of merger by absorption is a wholly owned subsidiary of Voltas Limited. The merger of Transferor Company will lead to increase in operational synergies with the existing business of Voltas Limited. The merger of the Transferor Company with Transferee Company would inter-alia have the below mentioned broad benefits:



- Enhancing shareholder value and leveraging on synergies in doing business;
- Common governance structure and effective management of compliances;
- Consolidation of business to ensure more focused operational efforts, make functioning more efficient, reduce overhead expenses and align with the business plans which will enable to meet the long term objectives of the Group;
- Streamlining the overall structure by reduction in number of entities, legal and regulatory compliances required at present;
- Rationalizing costs by simplification of structure leading to better administration and significant cost savings and management time;
- Reduce time and efforts for consolidation of financials at Voltas Group level, including audit.

D. Parts of the Scheme

The Scheme of Merger by Absorption is divided into following three parts:

- (i) **Part I** – Deals with the definitions and share capital;
- (ii) **Part II** – Deals with Merger of Universal Comfort Products Limited with Voltas Limited; and
- (iii) **Part III** – Deals with the dissolution of the Transferor Company and General Clauses, Terms and Conditions applicable to the Scheme.

PART I

DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1. Definitions and Interpretation

In this Scheme, unless repugnant to the meaning or context thereof, (i) terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme and (ii) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the following meanings:

- 1.1. '**Act**' or '**the Act**' means the Companies Act, 2013 of India and Rules made thereunder;



- 1.2. '**Applicable Law(s)**' means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority, including any modification or re-enactment thereof for the time being in force;
- 1.3. '**Appointed Date**' means the 1st day of April, 2019;
- 1.4. '**Appropriate Authority**' means any governmental, statutory, regulatory, departmental or public body or authority of India including Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, the National Company Law Tribunal;
- 1.5. '**Board of Directors' or 'Board**' in relation to the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised or individuals authorised for the purposes of matters pertaining to the merger, this Scheme and/or any other matter relating thereto;
- 1.6. '**Effective Date**' means the date on which the last of the consents, approvals, permissions, resolutions and orders as mentioned in Clause 21(a) shall be obtained or passed;
- 1.7. '**Encumbrance**' means any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of setoff, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same and the term "Encumbered" shall be construed accordingly;



- 1.8. '**Employees**' means all the permanent employees of the Transferor Company who are on the pay-roll of the Transferor Company as on the Effective Date;
- 1.9. '**Governmental Authority**' means (i) a national government, political subdivision thereof; (ii) an instrumentality, board, commission, court, or agency, whether civilian or military, of any of the above, however constituted; and (iii) a government-owned/ government-controlled association, organization in the Republic of India;
- 1.10. '**Scheme**' or '**the Scheme**' or '**this Scheme**' means this Scheme of Merger by Absorption in its present form as submitted to the Tribunal with any modification(s) made under Clause 24 of the Scheme as approved or directed by the Tribunal or such other competent authority, as may be applicable;
- 1.11. '**SEBI**' means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.12. '**SEBI Circular**' shall mean the circular issued by the SEBI, being Circular **CFD/DIL3/CIR/2017/21** dated March 10, 2017 as amended by Circular **CFD/DIL3/CIR/2018/2** dated January 3, 2018, and any amendments thereof;
- 1.13. '**Stock Exchanges**' means the BSE Limited and National Stock Exchange of India Limited;
- 1.14. '**Tax**' or '**Taxes**' means any and all taxes (direct or indirect), surcharges, fees, levies, cess, duties, tariffs, imposts and other charges of any kind in each case in the nature of a tax, imposed by any Governmental Authority (whether payable directly or by withholding), including taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales, severance, branch profits, customs duties, excise, CENVAT, withholding tax, self-assessment tax, advance tax, service tax, central goods and services tax, state goods and service tax, integrated goods and service tax, stamp duty, transfer tax, value-added tax, minimum alternate tax,



banking cash transaction tax, securities transaction tax, taxes withheld or paid in a foreign country, customs duty and registration fees (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto);

1.15. '**Tribunal**' means the National Company Law Tribunal, Mumbai Bench as constituted and authorised as per the applicable provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230 to 232 of the Companies Act, 2013, if applicable;

1.16. '**Undertaking**' means all the undertakings and entire business of the Transferor Company, as a going concern and shall include (without limitation)

- (i) All assets and properties (whether movable or immovable, tangible or intangible, present or future, in possession or reversion, of whatsoever nature and wherever situate) of the Transferor Company, including the manufacturing facilities of the Transferor Company at Pantnagar (Uttarakhand) and the underlying movable and immovable properties pertaining to such facilities, including investments of all kinds, securitized assets, receivables and security receipts, mutual fund investments, all cash and bank balances (including cash and bank balances deposited with any banks or entities), money at call and short notice, loans, advances, contingent rights or benefits, reserves, provisions, funds, benefits of all agreements, bonds, lands, buildings, structures and premises, whether leasehold or freehold (including offices, warehouses, godowns, factories) work-in-progress, current assets (including sundry debtors, bills of exchange, loans and advances), fixed assets, vehicles, furniture, fixtures, share of any joint assets, and other facilities;
- (ii) all permits, registrations, rights, entitlements, licenses, permissions, approvals, subsidies, concessions, clearances, credits, awards, sanctions, allotments, quotas, no-objection certificates, subsidies, Tax



deferrals, Tax credits, other claims under Tax laws, incentives (including incentives in respect of income tax, sales tax, value added tax, service tax, customs duties and goods and services tax), benefits, Tax exemptions, Tax refunds (including those pending with any Tax authority), advantages, benefits and all other rights and facilities of every kind, nature and description whatsoever, authorities, consents, deposits, privileges, exemptions available to the Transferor Company, receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, facsimile connections and installations, utilities, email, internet, leased line connections and installations, electricity and other services, provisions and benefits of all engagements, agreements, contracts, letters of intent, memoranda of understanding, cheques and other negotiable instruments (including post-dated cheques), benefit of assets or properties or other interest held in trust, benefit of any security arrangements, expressions of interest whether under agreement or otherwise, and arrangements and all other interests of every kind nature and description whatsoever enjoyed or conferred upon or held or availed of by and all rights and benefits;

- (iii) all contracts, agreements, memoranda of undertakings, memoranda of agreements, arrangements, undertakings whether written or otherwise, deeds, service agreements or other instruments (including all tenancies, leases, and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature along with any contractual rights and obligations, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Appointed Date;
- (iv) all intellectual property rights including patents, copyrights, trade and service names, service marks, trademarks, domain names and other intellectual property of any nature whatsoever, goodwill, receivables, belonging to or utilised for the business and activities of the Transferor Company;



- (v) all records, files, papers, computer programs, software licenses, manuals, data, catalogues, quotations, sales and advertising materials, list of present and former customers, suppliers and employees, customer credit information, customer pricing information, and other records whether in physical or electronic form belonging to or held by the Transferor Company;
- (vi) all present and contingent future liabilities of the Transferor Company including all debts, loans, (whether denominated in rupees or a foreign currency), term deposits, time and demand liabilities, borrowings, bills payable, interest accrued and all other duties, liabilities, undertakings and obligations (including any postdated cheques or guarantees, letters of credit, letters of comfort or other instruments which may give rise to a contingent liability in whatever form); and
- (vii) the Employees of Transferor Company and the Employee Benefit Funds of the Transferor Company, if any.

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 or any statutory modification or re-enactment thereof for the time being in force.

References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.

The headings herein shall not affect the construction of this Scheme.

Unless the context otherwise requires:

- (i) the singular shall include the plural and vice versa, and references to one gender include all genders.



- (ii) references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).
- (iii) reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.

2. Date of Taking Effect and Operative Date

The Scheme set out herein in its present form with or without any modification(s) approved or imposed or directed by the Tribunal or made as per the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

Any references in the Scheme to 'upon the Scheme becoming effective' or 'effectiveness of the Scheme' shall mean the Effective Date.

3. Share Capital

3.1. The share capital of Transferor Company as at March 31, 2019 is as under:

Particulars	Amount (Rupees)
Authorised Capital	
5,00,00,000 equity shares of Rs.10 each	50,00,00,000
Issued	
2,76,42,000 equity shares of Rs.10 each	27,64,20,000
Subscribed and Paid – up	
2,76,42,000 equity shares of Rs.10 each	27,64,20,000

The equity shares of the Transferor Company are not listed on the Stock Exchanges.



Subsequent to March 31, 2019 and up to the date of approval of this Scheme by the Board of the Transferor Company, there has been no change in the authorised, issued, subscribed and paid-up capital of Transferor Company.

There are no existing commitments, obligations or arrangements by the Transferor Company as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities.

3.2. The share capital of Transferee Company as at March 31, 2019 is as under:

Particulars	Amount (Rupees)
Authorised Capital - 60,00,00,000 equity shares of Re. 1 per equity share - 40,00,000 preference shares of Rs. 100 per preference share	60,00,00,000 40,00,00,000
Issued 33,08,84,740 equity shares of Re. 1 each	33,08,84,740
Subscribed and Paid – up 33,07,58,840 equity shares of Re. 1 each Less: Calls-in-Arrears 1,25,900 equity shares of Re. 1 each	33,07,58,840 (1,25,900)

The equity shares of the Transferee Company are listed on BSE and NSE. Subsequent to March 31, 2019 and up to the date of approval of this Scheme by the Board of the Transferee Company, there has been no change in the authorised, issued and subscribed share capital of the Transferee Company.

Subsequent to the close of financial year on March 31, 2019, the Transferee Company had received an amount of Rs.1,800 against Calls-in-Arrears in respect of 1,800 Equity Shares. Accordingly, the Paid-up equity share capital as on 27th September, 2019 is 33,07,60,640 Equity Shares of Re.1 each with Calls-in-Arrears of 1,24,100 Equity Shares of Re.1 each.



There are no existing commitments, obligations or arrangements by the Transferee Company as on the date of approval of this Scheme by the Board of Directors to issue any further shares or convertible securities.

PART II

MERGER OF TRANSFEROR COMPANY WITH TRANSFEE COMPANY

SECTION 1 – TRANSFER AND VESTING

4. Upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to the sanction of this Scheme by the Tribunal and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, the Undertaking of the Transferor Company shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing 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.

5. Vesting of Assets

- (a) Without prejudice to the generality of Clause 4 above, upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of whatsoever nature and where so ever situate shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company, as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company.
- (b) Without limitation, all the immovable properties (whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto), together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company including floor space index, transferable development rights shall be and stand



transferred to and be vested in or be deemed to have been transferred to and be vested in the Transferee Company, as a going concern, without any further act, instrument or deed matter or thing to be made, done or executed upon coming into effect of the Scheme and with effect from the Appointed Date. Without prejudice to the aforesaid, the Transferee Company shall be entitled to and exercise all rights and privileges attached to the immovable properties and shall be liable to pay ground rent, Taxes and to fulfill all obligations in relation to or applicable to such immovable properties. The Transferee Company shall under the provisions of Scheme be deemed to be authorised to execute, if required such instruments, deeds and writing on behalf of the Transferor Company and to implement or carry out all such procedures or compliances to give effect to the provisions of this Scheme. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities upon the Scheme becoming effective, in accordance with the terms hereof, in favour of the Transferee Company. Any inchoate title or possessory title of the Transferor Company shall be deemed to be the title of the Transferee Company. It is clarified for the removal of doubt that the Transferee Company shall be entitled to execute such deeds, agreements, conveyance and/or documents as may be required to ensure mutation of the title to the immovable properties in favour of the Transferee Company by the appropriate authorities upon the Scheme becoming effective.

- (c) Without prejudice to the provisions of Clause 5(a) and (b) above, in respect of such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred or vested by the Transferor Company upon the coming into effect of this Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act, without requiring any deed or instrument of conveyance for transfer or vesting of the same.



- (d) In respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in Clause (b) above) including sundry debtors, receivables, refunds, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- (e) All assets, rights, title, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 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 and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- (f) All the profits or Taxes (including advance tax, tax deducted at source, foreign tax credits and MAT credit), Tax Losses, indirect tax credits or refunds due, GST set off or any costs, charges, expenditure accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, Taxes (namely advance tax, tax deducted at source foreign tax credits and MAT credit), Tax losses, indirect tax credits or refunds due , GST set off, or any costs, charges, expenditure or losses of Transferee Company, as the case may be upon the coming into effect of this Scheme and



with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.

- (g) All the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, Tax deferrals, exemptions, goodwill and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges (including Tax benefits and exemptions) enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, (whether recorded in books of accounts or not), including Tax benefits, Tax refunds and exemptions, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, Tax deferrals, exemptions, goodwill, refunds, 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 upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.

6. Contracts, Deeds, etc.

- (a) Upon the coming into effect of this Scheme with effect from Appointed Date, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, insurance, letters of Intent, undertaking, policies including licenses, lease arrangements/agreements and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on 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 Company concerned, the Transferee Company had been a party or beneficiary or oblige thereto or thereunder.

- (b) Without prejudice to the other provisions of this Scheme and notwithstanding 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 Company is 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, after the Effective Date, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- (c) Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall 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.

7. Transfer and Vesting of Liabilities

- (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts and liabilities of the Transferor Company including all secured and unsecured debts (in whatsoever currency), liabilities (including contingent liabilities), duties and obligations of the Transferor Company of every kind, nature and description whatsoever whether present or future, and howsoever arising, along with any charge, encumbrance, lien or security thereon (herein referred to as the "Liabilities") shall, pursuant to the sanction of this Scheme



by the Tribunal and under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding 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 Company, 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 7, unless otherwise specifically required.

- (b) Where any such debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged by such Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- (c) All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme with effect from Appointed Date and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.



(d) 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 from the Appointed Date to the Effective Date become due between the Transferor Company 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 the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

8. Encumbrances

- (a) The transfer and vesting of the assets comprised in the Undertaking to the Transferee Company under Clause 4, Clause 5 and Clause 6 of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.
- (b) All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date, provided that if any of the assets of the Transferor Company have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- (c) Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and their respective assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, 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, with the Registrar of Companies to give formal effect to the above provisions, if required.

- (d) Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.
- (e) It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
- (f) Subject to necessary consents being obtained, if required, the provisions of this Clause 8 shall operate 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 or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

9. Employees of Transferor Company

- (a) Upon this Scheme becoming effective, all staff, executives, workmen and other employees of the Transferor Company (herein after referred to as 'Employees') as on the Effective Date, shall deemed to have become Employees of the Transferee Company without interruption of service or break in service as a result of the merger of the Transferor Company with the Transferee Company and on the basis of continuity of service with reference to the Transferor Company from the Appointed Date or their respective joining date, whichever is later on same terms and conditions and shall not be less favorable than those on which they are engaged by the Transferor Company. The services of such Employees with the Transferor Company upto the Effective Date shall be taken into account for the purpose of all benefits to which the Employees may be eligible under the Applicable Laws. For the purpose of payment of any compensation, gratuity and other terminal benefits, the uninterrupted past services of such Employees with the Transferor Company and such benefits to which the Employees are entitled in the Transferor Company shall also be



taken into account, and paid (as and when payable) by the Transferee Company.

- (b) Upon this Scheme becoming effective, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of the Employees if any made by the Transferor Company from the Appointed Date to the Effective Date, shall be deemed to be made by Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law.
- (c) It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall be entitled to the employment policies and shall be entitled to avail of any schemes and benefits (including employee stock options, if any) that may be applicable and available to any of the other 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 other employees of the Transferee Company), unless otherwise determined by the Transferee Company from the Effective Date. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Transferor Company with any employee of the Transferor Company.
- (d) Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by the Transferor Company for its Employees or to which the Transferor Company is contributing for the benefit of its Employees (collectively referred to as the "Funds") are concerned, the Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Funds for the benefit of the Employees, accretions thereto and the investments made by the Funds in relation to the Employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. As the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject to the necessary approvals



and permissions and at the discretion of the Transferee Company, be merged with the relevant funds of the Transferee Company.

- (e) In relation to those Employees for whom the Transferor Company is making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Company as the case may be in relation to such schemes/ Funds shall become those of the Transferee Company.

10. Legal, Taxation and other Proceedings

- (a) Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company pending on 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 instituted by or against the Transferee Company.
- (b) If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Transferee Company, as the case may be, 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 Company as if this Scheme had not been made.
- (c) In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company, Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Transferee Company.



- (d) Without prejudice to the provisions of Clauses 4 to 10 , with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

SECTION 2 – CONDUCT OF BUSINESS

11. From the date on which the Boards of Directors of the Transferor Company and the Transferee Company approve this Scheme until the Effective Date:

- (a) the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for and on account of, and in trust for, the Transferee Company;
- (b) The Transferor Company shall carry on their business and activities with due business prudence and diligence and shall not, without prior written consent of the Transferee Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with any part of its assets nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of business.
- (c) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including Taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including Taxes), as the case may be, of the Transferee Company;
- (d) any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and



commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and

- (e) all Taxes paid or payable by the Transferor Company in respect of the operations and/or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the Tax payment, whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect 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.
- (f) Pending sanction of the Scheme, the Transferor Company shall not, except by way of issue of shares / convertible debentures to the Transferee Company, increase its capital by fresh issue of shares, convertible debentures or otherwise.

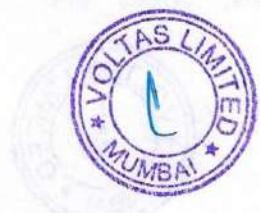
SECTION 3 – CANCELLATION OF SHARE CAPITAL OF TRANSFEROR COMPANY

- 12.** Upon the Scheme coming into effect, all the shares of the Transferor Company held by the Transferee Company (either directly and/or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or no payment/consideration shall be made whatsoever by the Transferee Company in lieu of cancellation of such shares of the Transferor Company.

SECTION 4 - CHANGES TO THE SHARE CAPITAL OF THE TRANSFEROR COMPANY AND THE TRANSFEE COMPANY.

13. Re-organisation of the Authorised Share Capital of the Transferor Company

- (i) As a part of this Scheme, in part or in whole, and as an integral part of the Scheme, the resultant Authorised Share Capital of the Transferor Company shall be reclassified/reorganized such that each equity share of Rs. 10 each of the Transferor Company is reclassified as 10 equity shares of Re. 1 each.



- (ii) It is clarified that the approval of the shareholders of the Transferor Company to this Scheme shall be deemed to be their consent/approval to the reclassification of the Authorised Share Capital envisaged under Clause 13(i) above as required under Sections 13, 61 and other applicable provisions of the Act.
- 14.** (i) As a part of this Scheme, and, upon the coming into effect of this Scheme, the Authorised Share Capital of the Transferee Company shall automatically stand increased, without any further act, instrument or deed on the part of the Transferee Company, if any, including payment of stamp duty and fees payable to Registrar of Companies, by the aggregate Authorised Share Capital of the Transferor Company.
- (ii) Pursuant to the Scheme becoming effective and consequent upon the merger of the Transferor Company into Transferee Company, the Authorised Share Capital of the Transferee Company will be as under:

Authorised Share Capital	Amount (Rupees)
110,00,00,000* Equity Shares of Re.1 each	110,00,00,000
40,00,000 Preference Shares of Rs.100 each	40,00,00,000
Total	150,00,00,000

* Post adjustment of face value of equity shares of Rs.10 of the Transferor Company into face value of equity shares of Re.1 of the Transferee Company.

15. Amendment to the Memorandum of Association and Articles of Association of the Transferee Company

- (i) Pursuant to the reclassification, consolidation and increase of Authorised Share Capital as prescribed under Clauses 13 and 14 above, the Memorandum of Association and Articles of Association of the Transferee Company (relating to the Authorised Share Capital) shall, without any requirement of further act, instrument or deed, be and stand altered, modified and amended, such that Clause V of the Memorandum of Association shall be replaced by the following:



"The Authorised Share Capital of the Company is Rs.150,00,00,000 (Rupees One Hundred Fifty Crores only) divided into 110,00,00,000 (One Hundred Ten Crores) Equity Shares of Re.1/- (Rupee One only) each and 40,00,000 (Forty Lakhs) Redeemable Preference Shares of Rs.100/- (Rupees One Hundred only) each with rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act or provided by the Articles of Association of the Company for the time being."

and Article 5 of the Articles of Association shall be replaced by the following:

"The Authorised Share Capital of the Company is Rs.150,00,00,000 (Rupees One Hundred Fifty Crores only) divided into 110,00,00,000 (One Hundred Ten Crores) Equity Shares of Re. 1/- (Rupee One only) each and 40,00,000 (Forty Lakhs) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred only) each."

- (ii) It is clarified that the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the abovementioned amendments and the increase of Authorised Share Capital of the Transferee Company pursuant to Clauses 13 and 14 and no further resolution (s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Act, if any, would be required to be separately passed.
- (iii) In accordance with Section 232(3)(i) of the Act and Applicable Law, the stamp duties and/or fees (including registration fee) paid on the Authorised Share Capital of the Transferor Company shall be utilized and applied to the increased Authorised Share Capital of the Transferee Company pursuant to



Clauses 13 and 14 above and no stamp duties and/or fees would be payable for the increase in the Authorised Share Capital of the Transferee Company to the extent of the Authorised Share Capital of the Transferor Company. The Transferee Company shall file requisite forms with the Registrar of Companies, Maharashtra, Mumbai.

PART III

DISSOLUTION OF TRANSFEROR COMPANY, GENERAL

CLAUSES, TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

16.(a) Applicability of provisions of Income Tax Act

- (i) The provisions of this Scheme as they relate to the merger of Transferor Company with Transferee Company has been drawn up to comply with the conditions relating to 'amalgamation' as defined under Section 2(1B) of the Income-tax Act, 1961 (hereinafter referred to as Income Tax Act). If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act. Such modification will, however, not affect the other parts of the Scheme.

- (ii) Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act (including for minimum alternate tax purposes, carry forward and set-off of tax losses and tax benefits), service tax law, VAT laws, sales tax laws, excise duty laws, customs duty laws, CGST, SGST, IGST and other tax laws and to claim refunds and/or credits for Taxes paid (including minimum alternate tax), and to claim Tax benefits under the Income Tax Act and other tax laws (including STPI or SEZ benefits) etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.



(b) Tax Treatment

- (i) Upon the Scheme coming into effect, all Taxes (direct and/or indirect)/ cess/ duties payable by or on behalf of the Transferor Company from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with any Governmental Authority and including the right to claim credit for minimum alternate tax, set-off and carry forward of accumulated losses, unabsorbed tax depreciation, book losses, book depreciation, deferred revenue expenditure, deduction, rebate, allowance, amortization benefit, etc. under the Income Tax Act, 1961, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India and unutilized CENVAT credit, VAT credit, input tax credit for CGST, SGST and IGST, etc. shall, for all purposes, be treated as the Tax, liabilities or refunds, claims, accumulated losses and unutilized CENVAT credits, VAT credit, CGST, SGST and IGST credits and rights to claim credit, tax benefits or refund etc. of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns, sales tax returns, excise and CENVAT returns, service tax returns, other statutory returns, CGST returns, SGST returns, IGST returns and to claim refunds/ credits, pursuant to the provisions of this Scheme.

- (ii) The Transferee Company shall also be permitted to claim refunds / credits in respect of any transaction between the Transferor Company and the Transferee Company. Without prejudice to the generality of Clause 16(b)(i) above, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its Tax returns, withholding tax return and related withholding tax certificates, including withholding tax certificates relating to transactions between the Transferor Company and the Transferee Company, and to claim refunds, Tax credits, advance tax and withholding tax credits, benefit of credit for minimum alternate tax and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.



- (iii) The withholding tax/ advance tax/ minimum alternate tax, if any, paid by the Transferor Company under the Income Tax Act, 1961 or any other statute in respect of income of the Transferor Company assessable for the period commencing from the Appointed Date shall be deemed to be the tax deducted from/advance tax paid by the Transferee Company and credit for such withholding tax/advance tax/minimum alternate tax shall be allowed to the Transferee Company notwithstanding that certificates or challans for withholding tax/advance tax are in the name of the Transferor Company and not in the name of the Transferee Company.
- (iv) The service tax, VAT, excise duty, customs duty and sales tax under the pre – GST regime and in the GST regime, CGST, SGST and IGST paid by the Transferor Company under the Finance Act, 1994 and/ or Central Goods and Service Tax Act, Integrated Goods and Service Tax Act and Union Territory Goods and Service Tax Act in respect of services provided by the Transferor Company for the period commencing from the Appointed Date shall be deemed to be the service tax, CGST, SGST, IGST paid by the Transferee Company and credit for such service tax, CGST, SGST, IGST shall be allowed to the Transferee Company notwithstanding that challans for service tax payments, CGST payment, SGST payment, IGST payment are in the name of the Transferor Company and not in the name of the Transferee Company.
- (v) Any Tax liability under the Income Tax Act, 1961 or any other applicable Tax laws or regulations allocable to the Transferor Company whether or not provided for or covered by any Tax provisions in the accounts of the Transferor Company made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for Taxation or duties or levies in the accounts of the Transferor Company including advance tax and tax deducted at source as on the close of business in India on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.



- (vi) All Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company pending or arising as at the Appointed Date shall be continued and/or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in this Scheme.
- (vii) Transferee Company shall be entitled to claim deduction in respect of expenses incurred by the Transferor Company and the Transferee Company in relation to the amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme including stamp duty expenses, if any, as deduction to the Transferee Company in accordance with relevant provisions of the Income Tax Act, 1961.

17. Accounting Treatment

Notwithstanding anything to the contrary contained herein, upon this Scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in relation to the amalgamation in its books of account in accordance with Ind AS 103- 'Business Combinations' read with Appendix C to Ind AS 103- 'Business Combinations'.

- (i) The assets, liabilities and reserves pertaining to the Transferor Company would be recognized at the carrying values.
- (ii) No adjustments shall be made to reflect fair values or recognize any new assets or liabilities. The only adjustments made, will be made so as to harmonize the accounting policies.
- (iii) The balance of the retained earnings and general reserve appearing in the financial statements of the Transferor Company shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company.



- (iv) Inter-Company balances between Transferee Company and Transferor Company, if any, shall stand cancelled.
- (v) The equity share capital of the Transferor Company and the corresponding Investment in equity shares of the Transferor Company made by the Transferee Company shall be cancelled and the difference, if any, shall be transferred to Capital Reserve.
- (vi) The financial information in the financial statements in respect of prior periods shall be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements as required by Ind AS 103.

18. Resolutions

- (a) Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, 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.
- (b) Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 180 of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Company which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.



19. Savings of concluded transactions

The transfer and vesting of undertaking under Clause 4 above and the continuance of proceedings by or against the Transferee Company under Clause 10 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or 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 done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

20. Dissolution of the Transferor Company

- (a) Upon the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up without any further act or deed.
- (b) Even after the Scheme becoming effective, the Transferee Company shall be entitled to operate all bank accounts relating to Transferor Company and realize all monies and complete and enforce all pending contracts and transactions in the name of Transferor Company insofar as may be necessary until the transfer and vesting of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally effected by the parties concerned.

21. Conditions Precedent

- (a) The effectiveness of the Scheme is conditional upon and subject to:
 - (i) The requisite sanction or approval of the Appropriate Authorities from India being obtained and/or granted in relation to any of the matters in respect of which such sanction or approval is required;
 - (ii) This Scheme being approved by the respective requisite majority of shareholders of the Transferor Company and the Transferee Company, if required under the Act and as may be directed by the Tribunal under Sections 230 to 232 of the Act;



- (iii) The certified copy of the order of the Tribunal under Sections 230 to 232 and other applicable provisions of the Act sanctioning the Scheme being filed with the Registrar of Companies, Mumbai by the Transferor and Transferee Company(ies);
 - (iv) Such other approvals and sanctions as may be required by Applicable Law in respect of this Scheme being obtained.
- (b) On the approval of this Scheme by the shareholders of the Transferor Company and the Transferee Company, if required, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the merger set out in this Scheme, related matters and this Scheme itself.

22. Effect of Non Receipt of Approvals/Sanctions

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the Appropriate Authority and / or the Order not being passed as aforesaid within such period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their Board of Directors (and which the Board of Directors of the Transferor Company and Transferee Company are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), 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.

23. Applications

The Transferor Company and the Transferee Company, if required shall, with all reasonable dispatch, make applications/ petitions to the Tribunal under Sections 230 to 232 and other applicable provisions, of the Act, for sanctioning of this Scheme.



The Transferor Company shall take all necessary steps for sanctioning of this Scheme and for its dissolution without winding up, and apply for and obtain such other approvals, if any, required under the law.

24. Modifications or amendments to the Scheme

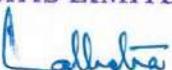
- (a) The Transferor Company and the Transferee Company, through their respective Board of Directors, may assent from time to time on behalf of all the persons concerned to any modifications or amendments or additions to this Scheme subject to approval of the Tribunal or to any conditions or limitations which the Tribunal and/or any other competent authorities, if any, under the law may deem fit and approve of or impose and which the Transferor Company and the Transferee Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise for carrying out this Scheme and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Boards of Directors, a Committee of the concerned Board or any Director, or Executive authorised in that behalf by the concerned Board of Directors (hereinafter referred to as the 'Delegate').
- (b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegate of the Transferor Company or the Transferee Company may give and is hereby authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties in the same manner as if the same were specifically incorporated in this Scheme.

25. Costs, Charge`s and Expenses

All costs, charges, Taxes, including stamp duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company.

CERTIFIED TRUE COPY

VOLTAS LIMITED



(V. P. MALHOTRA)
Vice President - Taxation,
Legal & Company Secretary