

**SCHEME OF MERGER
(BY ABSORPTION)**

BETWEEN

**KELBUZZ TRADING PRIVATE LIMITED (Transferor Company-1)
(U51109KA2014PTC077631)**

AND

**LUXQUISITE PARKLAND PRIVATE LIMITED (Transferor Company -
2)
(U51100KA2014PTC077510)**

AND

**SLPKG ESTATE HOLDINGS PRIVATE LIMITED (Transferor
Company-3)
(U70109KA2014PTC077504)**

AND

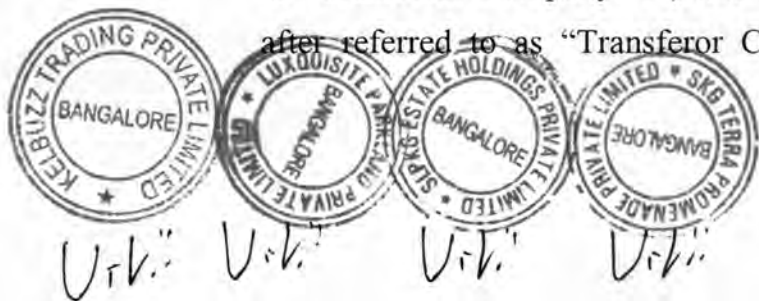
**SKG TERRA PROMENADE PRIVATE LIMITED (Transferor Company-
4)
(U70100KA2014PTC077579)**

AND

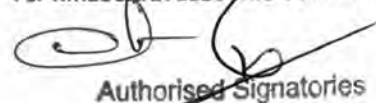
**KIRLOSKAR ELECTRIC COMPANY LTD ((Transferee Company)
(L31100KA1946PLC000415)**

(Under Sections 230 to 232 of the Companies Act, 2013)

This Scheme of merger by Absorption (amalgamation) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, for Amalgamation of Kelbuzz Trading Private Limited (herein after referred to as "Transferor Company -1") and Luxquisite Parkland Private Limited (herein after referred to as "Transferor Company -2") and SLPKG Estate Holdings



For KIRLOSKAR ELECTRIC COMPANY LTD.


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Private Limited (herein after referred to as “Transferor Company -3”) and SKG Terra Promenade Private Limited (herein after referred to as “Transferor Company -4”) with Kirloskar Electric Company Limited (hereinafter referred to as “Transferee Company”) along with arrangement with their respective shareholders

1. The Scheme is divided into following parts:
 - 1.1 Part A deals with the introductions and definitions;
 - 1.2 Part B deals with merger of Kelbuzz Trading Private Limited and Luxquisite Parkland Private Limited and SLPKG Estate Holdings Private Limited and SKG Terra Promenade Private Limited with Kirloskar Electric Company Limited and;
 - 1.3 Part C deals with the general terms and conditions that will be applicable to Part A and Part B of the Scheme.

PREAMBLE

Brief history of Companies Seeking Approval:

Brief History of Kelbuzz Trading Private Limited (KTPL) Transferor Company 1:

Kelbuzz Trading Private Limited, Transferor Company 1, is a private limited company having its registered office at Flat no. A-23, Navarathna Apartment, 17th Cross, Malleswaram west, Bangalore- 560055, CIN: U51109KA2014PTC077631 was incorporated on December 5, 2014, with an objective of realization of certain non-core assets. Therefore, Transferor Company No.1 is engaged in the realisation of fixed and current assets transferred from its holding company.

The management of the board vests with the board of directors namely Shri Vikas Kumar Gandhi, Shri Prakash Purushotham and Shri Ashok Misra. The



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management is professional with all major decisions being taken by its board of directors.

Transferor Company 1 equity shareholders are namely Kirloskar Electric Company Limited (70,19,999 shares) and its nominee Shri Prakash Purushotham (1 share) aggregating to 70,20,000 shares of Rs 10 each amounting to Rs7,02,00,000/-.

Brief History of Luxquisite Parkland Private Limited, Transferor Company

2:

Luxquisite Parkland Private Limited, is a private limited company having its registered office at Flat no. A-23, Navarathna Apartment, 17th Cross, Malleswaram west, Bangalore, - 560055, CIN: U51100KA2014PTC077510 was incorporated on December 2, 2014 with an objective of realization of certain intangible assets. Therefore, Transferor Company 2 is engaged in the realisation of intangible assets transferred from its holding company

The management of the board vests with the board of directors namely Shri Vikas Kumar Gandhi, Shri Prakash Purushotham, Shri Karibasappa Rudrappa Kori and Shri Shivappa Sanjeev Kumar, Chief Financial Officer and Shri Mahabaleshwar Bhat, Company Secretary. The management is professional with all major decisions being taken by its board of directors.

Transferor Company 2 equity shareholders are namely Kirloskar Electric Company Limited (KECL) (6,06,49,999 shares) and its nominee Shri Prakash Purushotham (1 share) aggregating to 6,06,50,000 shares of Rs. 10 each amounting to Rs 60,65,00,000/- .

Brief History of SLPKG Estate Holdings Private Limited, Transferor

Company 3:



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SLPKG Estate Holdings Private Limited, Transferor Company 3 is a private limited company having its registered office at Flat no. A-23, Navarathna Apartment, 17th Cross, Malleswaram west, Bangalore, - 560055, CIN: U70109KA2014PTC077504 was incorporated on December 2, 2014, with an objective of realization of certain non-core assets. Transferor Company 3 is currently engaged in the realisation of fixed and current assets transferred from its holding company.

The management of the board vests with the board of directors namely Shri Vikas Kumar Gandhi, Shri Prakash Purushotham and Shri Karibasappa Rudrappa Kori The management is professional with all major decisions being taken by its board of directors.

Transferor Company 3 equity shareholders are namely Kirloskar Electric Company Limited (KECL) (99,999 shares) and its nominee Shri Prakash Purushotham (1 share) aggregating to 1,00,000 shares of Rs. 10 each amounting to Rs. 10,00,000/- .

Brief History of SKG Terra Promenade Private Limited, Transferor Company 4 :

SKG Terra Promenade Private Limited is a private limited company having its registered office at Flat no. A-23, Navarathna Apartment, 17th Cross, Malleswaram west, Bangalore, - 560055, CIN: U70100KA2014PTC077579 was incorporated on December 3, 2014, with an objective of realization of certain non core assets. Currently the Transferor Company 4 is engaged in the realisation of fixed and current assets transferred from its holding company.

The management of the board vests with the board of directors namely Shri Vikas Kumar Gandhi, Shri Prakash Purushotham, and Shri Ashok Misra. The



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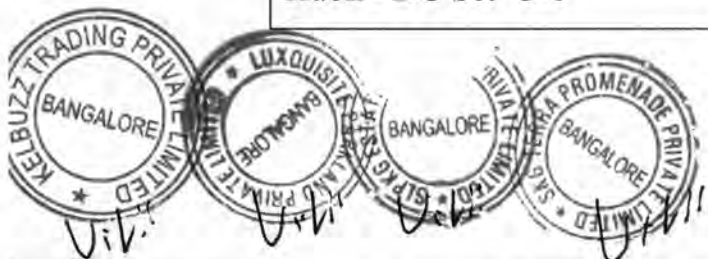
management is professional with all major decisions being taken by its board of directors.

Transferor Company 4 equity shareholders are namely Kirloskar Electric Company Limited (KECL) (19,999 shares) and its nominee Shri Prakash Purushotham (1 share) aggregating to 20,000 shares of Rs. 10 each amounting to Rs. 2,00,000/-.

Brief History of Kirloskar Electric Company Limited, Transferee Company:

Kirloskar Electric Company Limited (KECL) a public limited company and is having its registered office at 19, 2nd Main Road, Peenya 1st stage, Phase – I, Peenya, Bangalore – 560058, CIN: L31100KA1946PLC000415 was incorporated on July 26, 1946. The Company is engaged in the manufacture and sale of electric motors, alternators, generators, transformers, switchgear, DG sets etc., Transferee Company is listed on National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). Transferee Company has factories located at i) Govenahalli, Nelamangala – Bengaluru; ii) Budhihal, Nelamangala - Bengaluru; iii) Gokul Road, Hubli; iv) Belwadi industrial area, Mysore; v) Hirehalli village, Tumkur and vi) Kondhapuri, Pune. The products manufactured at various units is as under:

Unit Name	Products
Govenahalli, Bangalore U-1	Large AC Motors, Large AC Generators, DC Machines, Traction Machines
Machine Shop- Budihal, U-15	Components for U-1 & 2
Tumkur U-7	Components for U-1 & 2
Hubli - U-2	Small & Medium AC Motors and
Hubli - U-25	AC Generators
Hubli - DG Set U-6	Diesel Generating sets



For KIRLOSKAR ELECTRIC COMPANY L.

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Mysore U-5	Transformer, Switchgear & Electronics
U-16	Transformer
Project & Systems group U-9	Execution of switch yard projects

Name	Designation
Mr. Vijay Ravindra Kirloskar	Executive Chairman
Mr. Anand Balaramacharya Hunnur	Managing Director
Mr. Sanjeev Kumar Shivappa	Director (Finance) & Chief Financial Officer
Mr. Ashok Misra	Independent Director
Mr. Ravi Ghai	Independent Director
Mr. Suresh Kumar	Independent Director
Mrs. Meena Kirloskar	Non Executive Director
Ms. Rukmini Kirloskar	Non Executive Director
Mr. K N Shanth Kumar	Independent Director
Mr. Mohammed Saad Bin Jung	Independent Director
Dr. Pangal Ranganath Nayak	Independent Director

Transferee Company is a board managed company. The board is headed by Shri Vijay R Kirloskar - Executive Director who look after the operations and day-to-day management of the Company. He is assisted by other directors as well as by a team of qualified and experienced professionals in key responsibility areas. The management is basically professional with all major decisions being taken by Shri Vijay R Kirloskar. Though all the directors of the company professionals who are expert in their respective fields.

The Key Managerial Personnel (KMP) of the Company as on March 31, 2024 are Mr. Vijay R Kirloskar - Executive Director, Mr. Anand B Hunnur – Managing Director, Mr. Sanjeev Kumar Shivappa -Director (Finance) & Chief



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Financial Officer and Mr. Mahabaleshwar Bhat, General Manager – Corporate Affairs & Company Secretary.

RATIONALE FOR MERGER

The amalgamation of Transferor Companies with Transferee Company will result in various benefits including:

- i. Transferee Company is a holding company of Transferor Companies. The merger of these four wholly owned subsidiary companies with its holding company under one groups will enable the shareholders of Holding Company to exercise direct control over the businesses of these wholly owned subsidiary companies instead of the control through a corporate layer, thereby saving administrative and management costs.
- ii. The key management persons of all four wholly owned subsidiary companies and holding company are common and therefore the merger will enable the management to optimize their management efforts and time for furthering business of Holding Company.
- iii. Reorganising the legal entities in the group structure to ensure optimised corporate holding structure more aligned with the business requirements.
- iv. Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by all the four Transferor Companies and the Transferee Company.
- v. This Scheme does not affect the rights and interests of the shareholders or the creditors of the Transferor Company and the Transferee Company. The shareholding and the rights of the members remain unaffected as no new shares are proposed to be issued by the Transferee Company and there is no change in the capital structure. There is no compromise or arrangement with any of the creditors of the Transferor Company and the Transferee Company and the rights of the creditors are not affected, all the Secured and Unsecured Creditors



would be paid off in the ordinary course of business. Also, the net worth of the Transferee company is and will remain highly positive post the merger.

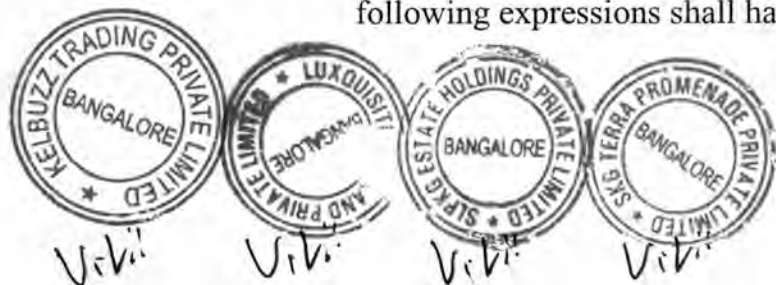
- vi. As all four wholly owned subsidiary companies do not have any financial creditors, the merger would not be prejudicial to the interest of any stakeholders of Transferor as well as Transferee Companies.
- vii. The Amalgamation will also result in:
- Pooling of the human talents in terms of manpower, management, administration and marketing which would result in savings of costs.
 - Amalgamation of the companies would eliminate duplication of work, administrative services, and will result in cost savings.
 - Cost saving in fees/ duties payable on statutory and procedural compliance.

In view of the aforesaid, the Board of Directors of all the Four Transferor Companies Kelbuzz Trading Private Limited; Luxquisite Parkland Private Limited; SLPKG Estate Holdings Private Limited and SKG Terra Promenade Private Limited and the Transferee Company Kirloskar Electric Company Limited have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Companies with the Transferee Company along with arrangement with shareholders of the respective companies. Accordingly, the Board of Directors of all the Four 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 230 to Section 232 and other relevant provisions of the Act.

PART A – DEFINITIONS

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meaning:



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- 1.1 “Act” means the Companies Act, 2013, including any statutory modifications, re-enactments or amendments thereof from time to time;
- 1.2 “Appointed Date”: For the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means April 1, 2024.
- 1.3 “Tribunal” means the National Company Law Tribunal of Judicature at Karnataka exercising jurisdiction under section 230 to 232 of the Companies Act and shall include the National Company Law Appellate Tribunal, if applicable;
- 1.4 “Effective Date” or “Coming into effect of this Scheme” means the last of the dates on which all the consents and approvals referred to in clause 17 of this Scheme are obtained or waived. Reference in this scheme to date of “Coming into effect of this scheme” or “effectiveness of this scheme” shall mean the “Effective Date”;
- 1.5 “Record Date” means the date to be fixed by the Board of Directors or a committee thereof of Transferor Companies for the purpose of absorption and cancellation of share capital held by the Transferee Company in its wholly owned subsidiaries pursuant to this Scheme in terms of clause 12 hereof;
- 1.6 “Scheme” means this Scheme of Amalgamation and Arrangement in its present form or with any modification approved or imposed or directed by the shareholders of the respective companies or the Tribunal or the Courts;
- 1.7 “Stock Exchanges” means BSE Limited and National Stock Exchange of India Limited (NSE) where the shares of Transferee Company are listed;



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- 1.8 **Kelbuzz Trading Private Limited, or KTPL or Transferor Company-1**, is a company registered under the Companies Act, 2013 and having its registered office at Flat no. A-23, Navarathna Apartment, 17th Cross, Malleswaram west, Bangalore, - 560055 in the State of Karnataka.
- 1.9 **Luxquisite Parkland Private Limited, or LPPL or Transferor Company-2**, is a company registered under the Companies Act, 2013 and having its registered office at Flat no. A-23, Navarathna Apartment, 17th Cross, Malleswaram west, Bangalore, - 560055 in the State of Karnataka.
- 1.10 **SLPKG Estate Holdings Private Limited, or SEHPL or Transferor Company-3**, is a company registered under the Companies Act, 2013 and having its registered office at Flat no. A-23, Navarathna Apartment, 17th Cross, Malleswaram west, Bangalore, - 560055 in the State of Karnataka.
- 1.11 **SKG Terra Promenade Private Limited, or STTPL or Transferor Company-4**, is a company registered under the Companies Act, 2013 and having its registered office at Flat no. A-23, Navarathna Apartment, 17th Cross, Malleswaram west, Bangalore, - 560055 in the State of Karnataka.
- 1.12 **Kirloskar Electric Company Limited, or KECL or Transferee Company**, is a company registered under the Mysore Companies act, XVIII of 1938 and having its registered office at 19, 2nd Main Road, Peenya 1st stage, Phase – I, Peenya, Bangalore – 560058 in the State of Karnataka.
- 1.13 **“Amalgamating Companies” or “Transferor Companies”** means Transferor Company-1, Transferor Company-2, Transferor Company-3 and Transferor Company-4 referred combinedly and collectively



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1.14 "Undertaking" shall mean and include all the undertaking and businesses of the Transferor Companies as a going concern comprising of:-

1.14.1 All the assets and properties (whether moveable or immoveable, tangible and intangible, real or personal, corporeal or incorporeal, present, future or contingent) of Transferor Companies, including, without being limited to, equipments, buildings and structures, offices, residential and other premises, capital work-in-progress, furniture, fixtures, office equipments, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash balances with banks, loans, advances, contingent rights or benefits, receivables, earnest monies, advances or deposits paid by Transferor Companies, financial assets, leases (including lease rights), import quotas, rights, lease rights, hire purchase contracts and assets, landing contracts, rights and benefits under any contracts, benefits 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 the other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copy rights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, 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 sales tax deferrals, title, interests, other benefits (including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or



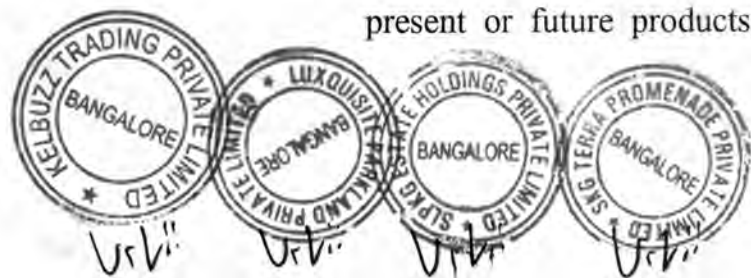
possession and in the control of or vested in or granted in favour of or enjoyed by Transferor Companies or in connection with or relating to that Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by Transferor Companies, whether in India or abroad;

1.14.2 All secured and unsecured debts, (whether in Indian rupees or foreign currency) liabilities (including contingent liabilities, if any), duties and obligations of Transferor Companies of every kind, borrowings, bills payable, interest accrued and all other debts, duties, undertakings, contractual obligations, guarantees given and obligations of Transferor Companies of every kind, nature and description whatsoever and howsoever.

1.14.3 All intellectual rights, records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and all other records and documents relating to the Transferor Companies business activities and operations;

1.14.4 All employees engaged in or relating to Transferor Companies business activities and operations;

1.14.5 Without prejudice to the generality of this scheme of merger, the undertaking of Transferor Companies shall include all assets including claims or obligations, certifications / permissions of whatsoever nature directly or indirectly pertaining to the business of export of the past, present or future products, including those relating to employees and



technical know-how agreement, if any, or otherwise with any person / institution / company or any association anywhere in the world, enactments, lease-hold rights and, systems of any kind whatsoever, rights and benefits of all agreements and other interests including rights and benefits under various schemes of different Taxation and other Laws may belong to or be available to Transferor Companies rights and powers of every kind, nature and description of whatsoever probabilities, liberties, and approval of, whatsoever nature and wherever situated,

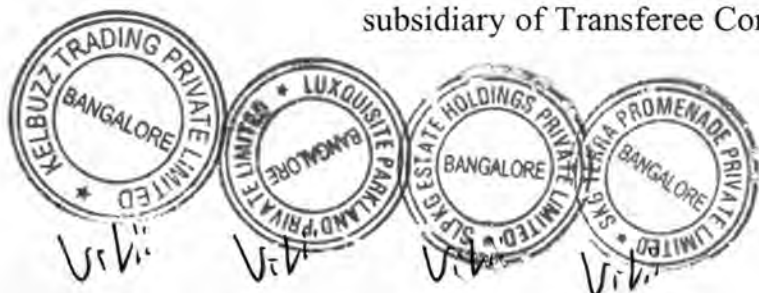
- 1.15 The words importing the singular include the plural; words importing any gender include every gender.
- 1.16 Any word or expression used and not defined in the Scheme but defined in the Act shall have meaning respectively assigned to them in the Act.

2. SHARE CAPITAL

- 2.1 The Authorised, Issued and Subscribed capital of **Kelbuzz Trading Private Limited (Transferor Company-1)** as on March 31, 2024 and the Scheme being approved by its Board of Directors is as under:

Particulars	Rs.
Authorised Share Capital	
70,90,000 Equity Shares of Rs.10/- each	7,09,00,000
10,000 shares 0.1% Non-cumulative redeemable Preference Shares of Rs.10/- each	1,00,000
Total	7,10,00,000
Issued, Subscribed and Paid-up Capital	
70,20,000 Equity Shares of Rs.10/- each	7,02,00,000
Total	7,02,00,000

Subsequent to above there is no change in the Capital Structure of Transferor Company 1. Transferor Company 1 is wholly owned subsidiary of Transferee Company. Entire Paid-up Equity share capital of



For KIRLOSKAR ELECTRIC COMPANY LTD.

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the Transferor Company 1 is held by the Transferee Company and its nominee.

Notes:

- The company has issued 70,19,999 equity shares to Kirloskar Electric Company Limited (Transferee Company) & 1 share to its nominee Shri Prakash Purushotham aggregating to 70,20,000 Equity shares of Rs 10/- each

2.2 The Authorised, Issued and Subscribed capital of **Luxquisite Parkland Private Limited (Transferor Company-2)** as on March 31, 2024 and the Scheme being approved by its Board of Directors is as under:

Particulars	Rs.
Authorised Share Capital	
6,09,90,000 Equity Shares of Rs.10/- each	60,99,00,000
10,000 shares 0.1% Non-cumulative redeemable Preference Shares of Rs.10/- each	1,00,000
Total	61,00,00,000
Issued, Subscribed and Paid-up Capital	
6,06,50,000 Equity Shares of Rs.10/- each	60,65,00,000
Total	60,65,00,000

Subsequent to the above balance sheet date there is no change in the Capital Structure of Transferor Company 2. Transferor Company 2 is wholly owned subsidiary of Transferee Company. Entire Paid-up Equity share capital of the Transferor Company is held by the Transferee Company and its nominee.

Notes:

- The company has issued 6,06,49,999 equity shares to Kirloskar Electric Company Limited (Transferee Company) & 1 share to its nominee Shri Prakash Purushotham aggregating to 6,06,50,000 Equity shares of Rs 10/- each



FOR KIRLOSKAR ELECTRIC COMPANY LIMITED

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- 2.3 The Authorised, Issued and Subscribed capital of SLPKG Estate Holdings Private Limited (Transferor Company-3) as on March 31, 2024 and the Scheme being approved by its Board of Directors is as under:

Particulars	Rs.
Authorised Share Capital	
1,00,000 Equity Shares of Rs.10/- each	10,00,000
10,000 shares 0.1% Non-cumulative redeemable Preference Shares of Rs.10/- each	1,00,000
Total	11,00,000
Issued, Subscribed and Paid-up Capital	
1,00,000 Equity Shares of Rs.10/- each	10,00,000
Total	10,00,000

Subsequent to the above balance sheet date there is no change in the Capital Structure of Transferor Company 3. Transferor Company is wholly owned subsidiary of Transferee Company. Entire Paid-up Equity share capital of the Transferor Company 3 is held by the Transferee Company and its nominee.

Notes:

- The company has issued 99,999 equity shares to Kirloskar Electric Company Limited (Transferee Company) & 1 share to its nominee Shri Prakash Purushotham aggregating to 1,00,000 Equity shares of Rs 10/- each

- 2.4 The Authorised, Issued and Subscribed capital of SKG Terra Promenade Private Limited (Transferor Company-4) as on March 31, 2024 and the Scheme being approved by its Board of Directors is as under:

Particulars	Rs.
Authorised Share Capital	
90,000 Equity Shares of Rs.10/- each	9,00,000
10,000 shares 0.1% Non-cumulative redeemable Preference Shares of Rs.10/- each	1,00,000



Total	10,00,000
Issued, Subscribed and Paid-up Capital	
20,000 Equity Shares of Rs.10/- each	2,00,000
Total	2,00,000

Subsequent to the above balance sheet date there is no change in the Capital Structure of Transferor Company 4. Transferor Company 4 is wholly subsidiary of Transferee Company. Entire Paid-up Equity share capital of the Transferor Company 4 is held by the Transferee Company and its nominee.

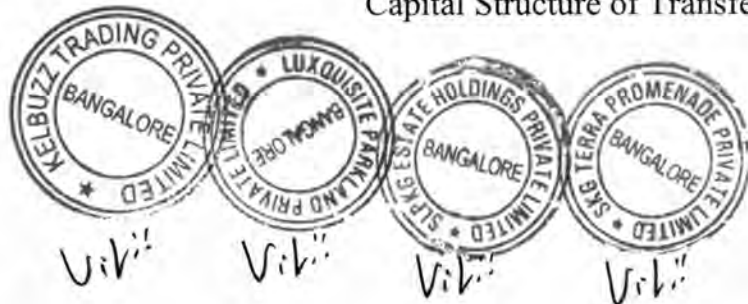
Notes:

- The company has issued 19,999 equity shares to Kirloskar Electric Company Limited (Transferee Company) & 1 share to its nominee Shri Prakash Purushotham aggregating to 20,000 Equity shares of Rs 10/- each.

2.5 The Authorised, Issued and Subscribed capital of Kirloskar Electric Company Limited (Transferee Company) as on March 31, 2024 and the Scheme being approved by its Board of Directors is as under:

Particulars	Rs.
Authorised Share Capital	
8,50,00,000 Equity shares of Rs. 10/- each	85,00,00,000
30,00,00,000 Preference Shares of Rs.100/- each	30,00,00,000
Total	1,15,00,00,000
Issued, Subscribed and Paid-up Capital	
6,64,14,071 Equity Shares of Rs. 10/- each	66,41,40,710
Total	66,41,40,710

Subsequent to the above balance sheet date there is no change in the Capital Structure of Transferee Company.



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PART-B

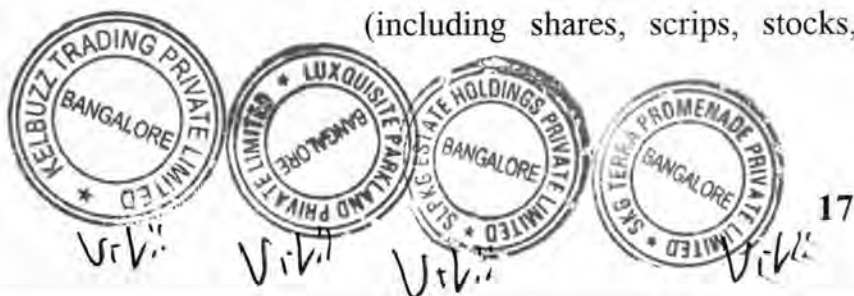
MERGER OF THE TRANSFEROR COMPANIES WITH TRANSFEREE COMPANY.

3. TRANSFER AND VESTING


3.1 Upon the coming into effect of this Scheme and with effect from the opening of business as on the Appointed Date, the Undertaking of the Transferor Companies (Amalgamating Companies), shall, pursuant to the sanction of this Scheme by the NCLT under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument or deed, but subject to the Liabilities, be and stand transferred to and vested in and/or be in the Transferee Company as a going concern so as to become as and from the Appointed Date, estate, assets, rights, title, interest, and authorities of the Transferee Company under the provisions of Sections 230 and 232 of the Act.

3.2 Without prejudice to clause 3.1 above, in respect of such of the Assets as are moveable assets or incorporeal property of the Transferor Companies (Amalgamating Companies), unless they are capable of being transferred otherwise, shall be physically handed over by manual delivery or by endorsement and/or delivery to the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, rights, title and interest and authorities of the Transferee Company.

3.3 In respect of such assets and movables other than those referred to above in 3.2 i.e. sundry debtors, outstanding loans, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, all units



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including units of mutual fund schemes or pass through certificates), cash balances with banks, all advances recoverable in cash or in kind or for value to be received, bank balances and deposits with Government, Semi-Government, local and other authorities and bodies, etc., the same shall, without any further act, deed or instrument, be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company as and from the Appointed Date, and the concerned registrar and /or transfer agents shall give effect of the said transfer from Transferor Companies to Transferee Company upon receipt of certified true copy for sanction of the Scheme by NCLT .

- 3.4 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire Undertaking(s) of the Transferor Companies, including all the debts, liabilities, losses, duties and obligations, including those arising on account of taxation laws and other allied laws of the Transferor Companies of every description and also including, without limitation, all the movable and immovable properties and assets, tangible or Intangible assets (whether or not recorded in the books of account of the Transferor Companies) of the Transferor Companies comprising, amongst others, all freehold land, leasehold land, building, plants, motor vehicles, manufacturing facilities, laboratories receivables, actionable claims, furniture and fixtures, computers, office equipment, electrical installations, generators, containers, telephones, telex, facsimile and other communication facilities and business licenses, licenses under Factories Act, manufacturing licenses, permits, deposits, authorisations, approvals, recognitions and registrations granted by the Department of Scientific & Industrial Research to the in-house research and development units established, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, licenses including Export



Oriented Unit licences, Special Economic Zones registrations, marketing authorisations and other intellectual property rights, proprietary rights, title, interest, contracts, no objection certificates, deeds, bonds, consents, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages and benefits, approvals, filings, dossiers, copyrights, industrial designs, trade secrets, know-how, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, brand names, trade names and domain names, and all other interests in connection with or relating to and product registrations, applications and authorisations for product registrations, and all other interests exclusively relating to the goods or services, shall, under the provisions of Sections 230 to 232 of the Act, and pursuant to the orders of the NCLT Bench sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and Undertaking(s) of the Transferee Company.

- 3.5 With effect from the Appointed Date, all the Liabilities of Transferor Companies shall, without any further act, instrument or deed, stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company so as to become the debts, liabilities, duties, and obligations of the Transferee Company as and from the Appointed Date and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to effect the provisions of this clause. Provided always that, the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed by the Transferor Companies and



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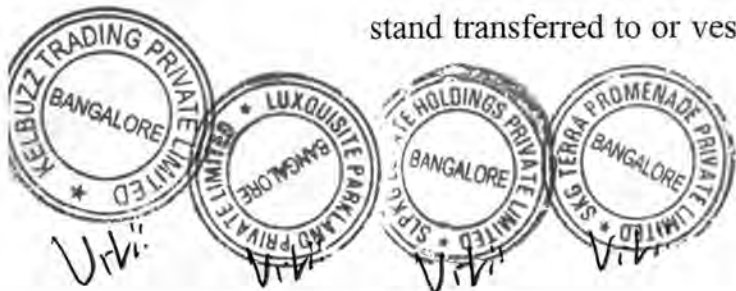
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the Transferee Company shall not be obliged to create any further or additional security therefore after the Effective Date.

3.6 It is hereby clarified that all inter party transactions between the Transferor Companies and the Transferee Company shall be considered as intra party transactions for all purposes from the Appointed Date and the same shall stand cancelled post the approval of the scheme.

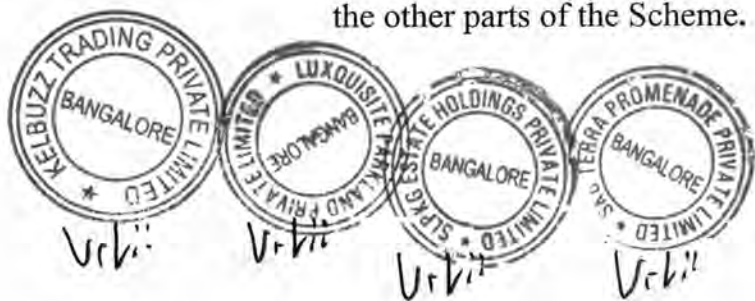
3.7 All assets, estate, rights, title, interest, licences and authorities acquired by or permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans or benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes and other assets, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and/or all rights and benefits that have accrued or which may accrue to the Transferor Companies after the Appointed Date and prior to the Effective Date in connection with or in relation to the operation of the Undertaking shall, pursuant to the provisions of Section 230 to 232 of the Act, without any further act, instrument or deed, be and hereby stand transferred to and vested or deemed to have been transferred to and vested in the Transferee Company.

3.8 All loans, raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies in relation to or in connection with the Undertaking 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, pursuant to the provisions of Section 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to



and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

- 3.9 The resolutions, if any, of all the Transferor Companies (Amalgamating Companies), which are valid and subsisting on the Effective Date, shall be continued to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- 3.10 This Scheme shall not, in any manner, affect the rights of any of the Secured and Unsecured Creditors of the Transferor Companies.
- 3.11 The Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever upto the Effective Date, the provisions of the said Section 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) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme.



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4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 4.1 Without any further acts or deeds, upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, incentives, licenses, engagements, registrations, benefits, exemptions, entitlements, arrangements and other instruments of whatsoever nature, including all the bids and tenders which have been submitted and/or accepted, in relation to the Transferor to which the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be 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 Companies, the Transferee Company had been a party or beneficiary or obligee thereto without the requirement of obtaining or seeking consent or approval of any third party.
- 4.2 The transfer of the Undertaking of the Transferor Companies from the Appointed Date under clause 3.1 and the continuance of proceedings by or against the Transferee Company under clause 5.1 shall not affect any transaction or proceedings already concluded by the Transferor Companies on and after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies and the Transferor Companies shall be deemed to have carried on and to be carrying on its business on behalf of the Transferee Company until such time this Scheme takes effect.



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5. **LEGAL PROCEEDINGS**

5.1 Upon the coming into effect of this Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be 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 pending and/or arising by or against the Transferor Companies (Amalgamating Companies).

5.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Companies referred to in clause 5.1 above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

6. **OPERATIVE DATE OF THE SCHEME**

The Scheme set-out herein in its present form or with any modification(s) approved or imposed or directed by the National Company Law Tribunal or any other Appropriate Authority shall become operative from the Appointed Date, but the same shall become effective on and from the Effective Date.



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