

FORM No. CAA.7

[Pursuant to section 232 and rule 20]

National Company Law Tribunal, Division Bench, Chennai

In the matter of the Companies Act, 2013

And

In the matter of Scheme of Amalgamation

Between

M/s Hinduja Foundries Limited

With

M/s Ashok Leyland Limited

Order under section 232

The above named Petitioner Company filed the Company Applications before the Hon'ble Madras High Court which have been transferred to this Tribunal and renumbered as **TP(HC)/CAA/73/2017**. All the statutory requirements under law have been fulfilled and the Hon'ble High Court has already completed the process. The Company complied with all the directions given by the Hon'ble High Court. The Petition came up for hearing before this Tribunal on 18.04.2017.

For the purpose of considering and approving without modification, the Scheme of Amalgamation of M/s Hinduja Foundries Limited, the Transferor Company, by transferring and vesting operation with M/s Ashok Leyland Limited, the Transferee company,

Upon perusal and upon hearing P.H. Arvinth Pandian, Counsel for the Petitioner Company on 18.04.2017,


THIS TRIBUNAL DO ORDER

- 1) That the Scheme of Arrangement & Amalgamation as annexed with the Petition alongwith Schedules is hereby sanctioned.
- 2) That all the property, rights and powers of the transferor company specified in the schedule hereto and all other property, rights and powers of the Transferor company be transferred without further act or deed to the Transferee company and accordingly the same shall pursuant to section 232 of the Act, be transferred to and vested in the Transferee company for all the estate and interest of the Transferor company therein but subject nevertheless to all charges now affecting the same ; and
- 3) That all the liabilities and duties of the Transferor company be transferred without further act or deed to the Transferee company and accordingly the same shall pursuant to section 232 of the Act, be transferred to and become the liabilities and duties of the Transferee company; and
- 4) That all proceedings now pending by or against Transferor company be continued by or against the Transferee company; and
- 5) That the Transferee company do without further application allot to such members of the Transferor company as have not given such notice of dissent as is required by the said compromise or arrangement herein the shares in the Transferee Company to which they are entitled under the said Compromise or Arrangement; and
- 6) The same shall be binding on the shareholders and the Secured & Unsecured Creditors of the Transferee Company and the Transferor Company; and
- 7) The Petitioner Companies do file with the Registrar of Companies the certified copy of this Order alongwith the amended Articles of Association within 30 days of the receipt of the order; and
- 8) This Tribunal do further order that the parties to the Scheme of Amalgamation or other persons interested shall be at liberty to apply to this Tribunal for any directions that may be necessary with regard to the working of the said Scheme.

SCHEDULE

The Scheme of Arrangement and Amalgamation as sanctioned by the Tribunal contains the details of the properties, stocks, shares, debentures and other charges in action of the transferor company.

Dated this 24th day of April, 2017, NCLT, DB, Chennai.


Registrar/Dy. Registrar

DEPUTY REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH
CORPORATE BHAVAN, 3rd FLOOR
29, RAJAJI SALAI, CHENNAI-600001.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, CHENNAI**

Argument heard on 18.04.2017

Order passed on 24.04.2017

TP (HC)/CAA/73/2017

[Connected with CA Nos. 1143 to 1147 and 1150 & 1151 of 2016]

**Under Sections 391 to 394 of the Companies Act, 1956 and the Corresponding
Sections 230 to 232 of the Companies Act, 2013**

In the matter of Scheme of Amalgamation of

M/s Hinduja Foundries Limited
(Transferor Company)

With

M/s Ashok Leyland Limited
(Transferee Company)

Represented by: Counsel P. H. Arvinth Pandian

CORAM

ANANTHA PADMANABHA SWAMY AND CH. MOHD SHARIEF TARIQ

MEMBERS (JUDICIAL)

ORDER

CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL): ORAL

1. Under consideration are Company Applications which have been transferred from the Hon'ble High Court of Madras to this Tribunal and renumbered as TP(HC)/CAA/73/2017. The Petitioner/Transferor Company has prayed for the sanction to the Scheme of Amalgamation (hereinafter referred to as '**Scheme**') by virtue of which M/s Hinduja Foundries Limited (hereinafter referred as '**Transferor Company**') having registered office at Kathivakkam High Road, Ennore, Chennai-600057 proposed to be amalgamated **with** M/s Ashok Leyland Limited (hereinafter referred as '**Transferee Company**') as a going concern.

2. At the outset, it is necessary to know the details of the scheme which needs determination. Both the Transferor Company and the Transferee Company are Public Listed Companies. The Board of Directors of the Transferor Company and the Transferee Company have approved the said Scheme of Amalgamation in their board resolutions dated 14th September, 2016. The Hon'ble Madras High Court vide its order dated 12.12.2016, passed in CA No. 1147 and in CA No. 1150 of 2016 dispensed with the meeting of the unsecured creditors of the Transferor Company, in CA Nos. 1144 to 1146 of 2016 dispensed with holding the meeting of Redeemable Non-Convertible Cumulative Preference Shareholders of the Transferor Company and in CA No. 1143 and CA No. 1151 of 2016 directed for convening the meeting of the equity shareholders of the Transferor Company as well as the Transferee Company. All the orders were complied with by respective companies.
3. Learned Counsel for the Petitioner Company submitted that the Transferor Company is engaged in the business grey iron castings and supply of automotive component whereas the Transferee Company is engaged in the business of manufacture and sale of commercial & defence vehicles and power stations. The main objects of both the companies are common and the rational of the said Scheme is that the companies would benefit due to the administrative and operational costs that will considerably be reduced; also it will strengthen, consolidate and stabilize the business of these companies and will facilitate further expansion and growth of their business. These combined resources will enhance its capability to expand and improve its efficiency of operations. The learned counsel further submits that no investigation proceedings are pending against the Petitioner Companies under section 235 to 251 or any other

provisions of the Companies Act, 1956 or corresponding provisions of the Companies Act, 2013.

4. To dispose of this petition as per the provisions of the Companies Act, 2013, the notices were issued to the statutory authorities as per the procedure prescribed. However, there were no objection to the scheme under reference.
5. The Regional Director, Southern Region (In short, 'RD') in its report affidavit dated 29.03.2017 submitted that the Transferor Company is regular in filing its statutory returns and no investigation is pending against the company, therefore, RD decided not to make any objection to the Scheme and submitted that the petition may be disposed of on merits.
6. The BSE vide its Observation Letter dated 07.11.2016 has given 'No Adverse Observation' with limited reference to those matters having a bearing on listing requirements within the provisions of Listing Agreement whereas the NSE in its Observation Letter dated 10.11.2016 also conveyed 'No Objection' in terms of regulation 94 of SEBI (LODR) Regulations, 2015. However, both the stock exchanges have directed the companies to duly comply with various provisions as required under SEBI Circular.
7. With regard to the observations made by the BSE & NSE, the counsel submitted that the Petitioner Company undertakes to comply with the relevant provisions as required under the SEBI Circulars.
8. It is also pertinent to mention herein that the Competition Commission of India, pursuant to a notice filed under sub-section (2) of section 6 of the Competition Act, 2002, is of the opinion that the proposed combination is not likely to have any

appreciable adverse effect on competition in India and therefore, the Commission approved the same under sub-section (1) of Section 31 of the Act.

9. The Official Liquidator (In short, 'OL') in its report dated 6th April, 2017 submitted that M/s Arun & Balu, Chartered Accountants scrutinized the books and accounts of the Transferor Company. The Auditor observed that the Transferor Company has maintained and written up all the statutory books in accordance with normally accepted accounting principle, has no unclaimed dividend as per Section 124 of the Companies Act, 2013, has obtained NOC from all 4 Creditors and also the affairs of the company have not been conducted in a manner prejudicial to the interest of its members or to public interest and submitted that the petition may be decided appropriately.
10. The OL further submits that Haribhakti & Co. LLP, the valuers appointed by the management of both the companies to carry out the relative valuation of equity shares has opined in their report dated 14.09.2016 that the share exchange ratio in the event of merger of HFL with ALL would be 100 equity shares of INR 10/- each fully paid-up of the Transferor Company for 40 equity shares of INR 1/- each fully paid up of the Transferee Company.
11. The OL in its report has prayed that the Petitioner Company should be directed by this Tribunal to deposit within stipulated period remuneration/fee payable to the Auditor who have investigated into the affairs of the Transferor Company. In view of the submissions of the OL, the Petitioner Company is directed to deposit Rs.30,000/- within 2 weeks of receipt of this Order to the OL for making payment to the Auditor.
12. Further perusal of the scheme shows that the accounting treatment is in conformity with the established accounting standards. In short, there is no apprehension that any creditors would lose or be prejudiced if the proposed scheme is sanctioned. The said Scheme of amalgamation will not cost any additional burden on the stakeholders and

also will not prejudicially affect the interests of any class of the creditors in any manner. The Appointed date of the said Scheme is 1st October, 2016.

13. We do not feel that any modification is required in the said Scheme of amalgamation as the same appears to be fair and reasonable, not contrary to public policy and also not violative of any provisions of law. All the statutory compliances have been made. Taking into consideration all the above, the Company Petition is allowed and the scheme of amalgamation annexed with the petition is hereby sanctioned which shall be binding on the Transferor Company, the Transferee Company and all creditors.
14. While approving the scheme as above, we further clarify that this order will not be construed as an order granting exemption from payment of stamp duty or taxes or any other charges, if payable, as per the relevant provisions of law or from any applicable permissions that may have to be obtained or, even compliances that may have to be made as per the mandate of law.
15. The Companies to the said Scheme or other person interested, shall be at liberty to apply to this Bench for any direction that may be necessary with regard to the working of the said Scheme.
16. The Companies do file with the Registrar of Companies the certified copy of this Order within 30 days of the receipt of the order.
17. The Order of sanction to this Scheme shall be prepared by the Registry as per the format provided under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 as has been notified on 14th December, 2016. Accordingly, the Company Petition stands disposed of.


(ANANTHA PADMANABHA SWAMY)
MEMBER (JUDICIAL)


(CH. MOHD. SHARIEF TARIQ)
MEMBER (JUDICIAL)

SCHEME OF AMALGAMATION
OF
HINDUJA FOUNDRIES LIMITED
WITH
ASHOK LEYLAND LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
(Under Sections 391 to 394 of the Companies Act, 1956)

PREAMBLE AND RATIONALE

- (A) **HINDUJA FOUNDRIES LIMITED** (hereinafter referred to as "**Transferor Company**"), having CIN L27104TN1959PLC003849 was incorporated on 30th day of July, 1959 under the name "Ennore Foundries Private Limited" with Registration No. 18-03849 of 1959, in the State of Tamil Nadu under the Companies Act, 1956. The Transferor Company was converted from private to public company on 28th March, 1961. The name of the Transferor Company was changed to "Hinduja Foundries Limited" on the 14th day of February, 2008. The registered office of the Transferor Company is situated at Kathivakkam High Road, Ennore, Chennai - 600 057 (hereinafter referred to as the "**Registered Office of the Transferor Company**"). The Transferor Company is engaged in the business of grey iron castings and supply of automotive components with an annual installed capacity of 122,000 tonnes (hereinafter referred to as the "**Business of the Transferor Company**").
- (B) **ASHOK LEYLAND LIMITED** (hereinafter referred to as "**Transferee Company**"), having CIN L34101TN1948PLC000105 was incorporated on 7th day of September, 1948 under the name "Ashok Motors Limited" with Registration No.68 of 1948-49, in the State of Tamil Nadu under the Companies Act, 1913. The name of the Transferee Company was changed to "Ashok Leyland Limited" on the 4th day of July, 1955. The registered office of the Transferee Company is situated at No.1 Sardar Patel Road, Guindy, Chennai - 600 032 (hereinafter referred to as the "**Registered Office of the**



Transferee Company”). The Transferee Company is engaged in the business of manufacture and sale of commercial and defence vehicles and power solutions (hereinafter referred to as the **“Business of the Transferee Company”).**

- (C) The Scheme of Amalgamation has been formulated and presented under Sections 391 to 394 of the Companies Act, 1956. Upon the relevant sections of the Companies Act, 2013 pertaining to schemes of arrangement, compromise or reconstruction of companies being notified by the Ministry of Corporate Affairs (**“MCA”**), the Scheme of Amalgamation shall be deemed to have been formulated and presented under relevant sections of the Companies Act, 2013 and the rules made thereunder.
- (D) With a view to rationalize and consolidate the business activities, the Board of Directors of the Transferor Company and the Transferee Company have decided to amalgamate the Transferor Company with the Transferee Company in order to ensure better management of the Company as a single entity. The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the proposed amalgamation of the Transferor Company with the Transferee Company will be for the benefit of both the Transferor Company and the Transferee Company in the following manner:
- (i) There is no likelihood that interests of any shareholder or creditor of either the Transferor Company or the Transferee Company would be prejudiced as a result of the Scheme. The Amalgamation will not impose any additional burden on the members of the Transferor Company or the Transferee Company.
 - (ii) By this amalgamation, it is expected that the administrative and operational costs will be considerably reduced and the Transferee Company will be able to operate and run the business/operations more effectively and economically resulting in better turnover and profits.
 - (iii) It is expected that the proposed Scheme of Amalgamation will benefit the Transferee Company in the usual economies of a centralized and a large company including elimination of duplication of work, reduction in overheads, better and more productive utilization of human and other resource and



enhancement of overall business efficiency and will bring in synergies for the Transferee Company post amalgamation. It will help the Transferee Company to use the combined managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth of the business, thereby it will make available to the Transferee Company, the benefit of technical and marketing expertise of both the companies.

- (iv) The said Scheme of Amalgamation will contribute in fulfilling and furthering the objects of these companies. It will strengthen, consolidate and stabilize the business of these companies and will facilitate further expansion and growth of their business.
- (v) The Transferee Company will have the benefit of the combined assets, cash flows and man-power of both the companies. These combined resources will enhance its capability to expand and improve its efficiency of operations.
- (vi) The Transferor Company is one of the major suppliers of casting, etc., for the Transferee Company and with the Amalgamation, benefits of enhanced operational efficiency are expected to enure to both the Transferor Company and the Transferee Company.

PART I - GENERAL

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following shall have the meanings as provided herein:

- 1.1. “Act” means the Companies Act, 1956 and/or the Companies Act, 2013 including any statutory modifications, re-enactments or amendments or rules thereof from time to time; It is being clarified that as on the date of approval of this Scheme by the Board of Directors of the Transferor Company and the Transferee Company, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified.



Accordingly, references in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall, unless a different intention appears, be construed as references to the provisions and rules so re-enacted.

- 1.2. **“Appointed Date”** means the date from which this Scheme shall become operative viz., October 1, 2016 and/or such date as the Hon’ble High Court of Judicature at Madras modifies, then the same shall be the Appointed Date.
- 1.3. **“Board of Directors or “Board”** means the Board of Directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted Committee thereof;
- 1.4. **“Court”** means the Hon’ble High Court of Judicature at Madras having jurisdiction in relation to the Transferor Company and the Transferee Company under the Companies Act, 1956 or such other Tribunal (i.e.,) the National Company Law Tribunal (**“NCLT”**) and the National Company Law Appellate Tribunal (**“NCLAT”**) as constituted and authorised as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under relevant sections of the Act.
- 1.5. **“Effective Date”** means the date or last of the dates on which the certified copy of the order of the Court sanctioning this Scheme is filed with the Registrar of Companies, Chennai by the Transferor Company and the Transferee Company.
- 1.6. **“GDRs”** means the Global Depositary Receipts issued by the Transferor Company having no voting rights which are listed on the Luxembourg Stock Exchange in the following manner:
- a) Three GDR’s representing one equity share, issued pursuant to the ‘Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depositary Receipt Mechanism) Scheme, 1993, during the year 2008 (“GDR issue I”); and



- b) GDR's representing twelve thousand equity shares, issued pursuant to the 'Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 during the year 2016 ("GDR issue 2");
- 1.7. **"Governmental Authority"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;
- 1.8. **"New Equity Shares"** means the equity shares issued by the Transferee Company as referred to in Clause 11;
- 1.9. **"Record Date"** means the date to be fixed by the Board of Directors of the Transferor Company in consultation with the Transferee Company for the purpose of determining the names of the equity shareholders of the Transferor Company, who shall be entitled to receive the New Equity Shares of the Transferee Company, as the case may be, upon coming into effect of this Scheme;
- 1.10. **"Scheme of Amalgamation"** or **"Scheme"** or **"The Scheme"** or **"This Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed by the Board of Directors of the Transferor Company and the Transferee Company or by the shareholders or creditors and/or directed by the Court or any other appropriate authority;
- 1.11. **"Share Exchange Ratio"** means the exchange ratio for the equity shareholders and GDR Holders of the Transferor Company as on the Record Date and provided for under clause 11;
- 1.12. **"Transferee Company"** means Ashok Leyland Limited, a company incorporated under the Companies Act, 1913 and having its registered office at No.1 Sardar Patel Road, Guindy, Chennai – 600 032;



1.13. **“Transferor Company”** means Hinduja Foundries Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Kathivakkam High Road, Ennore, Chennai - 600 057;

1.14. **“Undertaking”** shall mean the entire business and the whole of the undertaking of the Transferor Company, as a going concern, all its assets, rights, licenses, approvals and powers and all its debts, outstanding, liabilities, duties, obligations and employees as on the Appointed Date including, but not limited to the following:

- (i) All the assets and properties (whether immovable - as provided under Schedule A or moveable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent) of the Transferor Company, in India , including, but not limited to manufacturing facilities, land (whether leasehold or freehold), processing plants, plant and machinery, computers, equipments, buildings and structures, offices, residential and other premises, diesel generator sets, stock-in-trade, packing materials, raw materials, capital work in progress, sundry debtors, furniture, fixtures, interiors, office equipments, vehicles, appliances, accessories, power lines, cash balances or deposits with banks, cheques on hand, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including but not limited to lease rights of the Transferor Company), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, tenancies, or licenses in relation to the office and or residential properties (including for the employees or other persons), guest houses, godowns, warehouses, licenses, fixed and other assets, softwares, trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature



whatsoever, rights to use and avail of telephones, 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, title, interests, other benefits (including tax benefits), assets held by or relating to the Transferor Company employee benefit plans, export incentives accrued, derivative instruments, forward contracts, insurance claims receivables, tax holiday benefit, incentives, credits (including tax credits), minimum alternative tax credit entitlements, tax losses, depreciation losses, approvals from appropriate authority including department of scientific and industrial research, rights, easements,

- (ii) 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 the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, in each case, in India .
- (iii) All agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quotas, rights, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company business activities and operations.
- (iv) All intellectual property rights, engineering and process information, software licenses (whether proprietary or otherwise), drawings, records, files, books, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists of present and former customers and suppliers, customer credit



information, customer pricing information, other customer information and all other records and documents, whether in physical or electronic form, relating to the business activities and operations of the Transferor Company.

- (v) Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act, scheme or rule, as refund of any tax, duty, cess or of any excess payment.
- (vi) Rights to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, under any law, act, rule or scheme, and in respect of set-off, carry forward of unabsorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. whether under the Income Tax Act, 1961, the rules and regulations thereunder, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, in India.
- (vii) All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized. Provided that if there exists any reference in the security documents or arrangements entered into by the Transferor Company under which the assets of the Transferor Company stand offered as a security for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to the business of the Transferor Company vested in the Transferee Company by the virtue of the Scheme. The Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in Transferee Company by virtue of the Amalgamation. The Transferee Company shall not be obliged to create any further or additional security thereof after the Amalgamation has become effective.



(viii) All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees, staff and workmen with respect to the payment of gratuity, pension benefits and the provident fund or other compensation or benefits, if any, whether in the event of resignation, death, voluntary retirement or retrenchment or otherwise.

(ix) All permanent employees, staff and workmen engaged by the Transferor Company at various locations.

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

2. SHARE CAPITAL

2.1. Transferor Company

The share capital of the Transferor Company as on March 31, 2016 is as set out below:

Particulars	Amount in Rupees
Authorised Capital	
25,00,00,000 Equity Shares of Rs.10/- each	250,00,00,000
7,50,00,000 Preference Shares of Rs.100/- each	750,00,00,000
Total	1000,00,00,000
Issued Capital	
20,71,66,983 Equity Shares of Rs.10/- each	207,16,69,830
15,00,000 10% Redeemable Non-Convertible Cumulative Preference Shares of Rs.100/- each	15,00,00,000
10,00,000 6% Redeemable Non-Convertible Cumulative Preference Shares of Rs.100/- each	10,00,00,000
300,00,000 9% Redeemable Non-Convertible Cumulative Preference Shares of Rs.100/- each	300,00,00,000



Total	532,16,69,830
Subscribed and Paid up capital *	
20,70,54,576 Equity Shares of Rs.10/- each	207,05,45,760
15,00,000 10% Redeemable Non-Convertible Cumulative Preference Shares of Rs.100/- each	15,00,00,000
10,00,000 6% Redeemable Non-Convertible Cumulative Preference Shares of Rs.100/- each	666,67,000
300,00,000 9% Redeemable Non-Convertible Cumulative Preference Shares of Rs.100/- each	300,00,00,000
Total	528,72,12,760

* Includes 13,56,21,000 Equity shares represented by GDRs of the Transferor Company which are listed on the Luxembourg Stock Exchange.

Subsequent to March 31, 2016, there has been no change in the authorised, issued, subscribed and paid-up capital of the Transferor Company. The equity shares of the Transferor Company are listed on BSE Limited and the National Stock Exchange of India Limited.

2.2. Transferee Company

The share capital of the Transferee Company as on March 31, 2016 is as set out below:

Particulars	Amount in Rupees
Authorised Capital	
25,35,60,00,000 Equity Shares of Re.1/- each	25,35,60,00,000
365,00,000 Redeemable Non-Cumulative Non-Convertible Preference Shares of Rs.10/- each	36,50,00,000
20,00,000 Non-Convertible Redeemable Preference Shares of Rs.100/- each	20,00,00,000
Total	25,92,10,00,000



Issued Capital	
284,60,81,309 Equity shares of Re.1/- each (including 64,63,14,480 shares underlying GDRs)	284,60,81,309
Subscribed and Paid-up capital *	
284,58,76,634 Equity shares of Re.1/- each (including 64,63,14,480 shares underlying GDRs)	284,58,76,634

*As on March 31, 2016, there are 35,22,45,640 underlying Equity shares representing the outstanding GDRs of the Transferee Company. GDRs are listed on the London Stock Exchange. The said GDRs of the Transferee Company are proposed to be delisted from the London Stock Exchange.

Subsequent to March 31, 2016, there has been no change in the authorised, issued, subscribed and paid-up capital of the Transferee Company. The equity shares of the Transferee Company are listed on BSE Limited and the National Stock Exchange of India Limited.

PART II – TRANSFER AND VESTING

3. TRANSFER OF UNDERTAKING

3.1. The Undertaking shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- (a) With effect from the Appointed Date, the whole of the Undertaking of the Transferor Company comprising their entire business, all assets and liabilities of whatsoever nature and wheresoever situated, including the immovable properties, if any, shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in sub-clauses (b), (c) and (d) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in and be deemed to have been transferred and vested in the Transferee Company as a going concern so as to become, as from the Appointed Date, the Undertaking of the Transferee



Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.

Provided that for the purpose of giving effect to the vesting order passed under Sections 391 to 394 of the Act in respect of this Scheme, the Transferee Company shall at any time pursuant to the orders on this Scheme be entitled to get the recordal of the change in the title and the appurtenant legal right(s) upon the vesting of such assets of the Transferor Company in accordance with the provisions of Sections 391 to 394 of the Act, at the office of the respective Registrar of Assurances or any other concerned authority, where any such property is situated.

- (b) All movable assets including cash in hand, if any, of the Transferor Company, capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of the Transferor Company and the Transferee Company.
- (c) In respect of movables other than those specified in sub-clause (b) above, including sundry debtors, receivable, bills, credits, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits, if any, with Government, quasi-Government, local and other authorities and bodies, customers and other persons, the following modus operandi for intimating third parties shall, to the extent possible, be followed:
 - (i) The Transferee Company shall give notice in such form as it may deem fit and proper, to each person, debtor, loanee or depositor as the case may be, that pursuant to the Court having sanctioned the Scheme, the said debts, loans, advances, bank balances or deposits be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Company to recover or realise the



same stands extinguished and that appropriate entry should be passed in its books to record the aforesaid change;

- (ii) The Transferor Company shall also give notice in such form as it may deem fit and proper to each person, debtor, loanee or depositor that pursuant to the Court having sanctioned the Scheme the said debt, loan, advance or deposit be paid or made good or held on account of the Transferee Company and that the right of the Transferor Company to recover or realise the same stands extinguished.
- (iii) In relation to the assets, if any, belonging to the Transferor Company, which require separate documents of transfer, the Transferor Company and the Transferee Company will execute necessary documents, as and when required.
- (d) With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet of the Transferor Company shall also, under the provisions of Section 391 read with Section 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and 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, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause. However, the Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to the contract or arrangement to which the Transferor Company are a party or any writing, as may be necessary, in order to give formal effect to the



above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company as well as to implement and carry out all such formalities and compliances referred to above.

- (e) The transfer and vesting of the Undertaking of the Transferor Company as aforesaid shall be subject to the existing securities, charges and mortgages, if any subsisting, over or in respect of the property and assets or any part thereof of the Transferor Company.

Provided however that any reference in any security documents or arrangements (to which the Transferor Company is a party) pertaining to the assets of the Transferor Company offered, or agreed to be offered, as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Undertaking of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid clauses, to the end and intent that, such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Company or any of the assets of the Transferee Company.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferor Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the Amalgamation of the Transferor Company with the Transferee Company and the Transferee Company shall not



be obliged to create any further or additional security therefore, after the Amalgamation has become operative.

- (f) With effect from the Appointed Date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, licenses (including software licenses), accreditations to trade and industrial bodies, privileges, powers, facilities, incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges (granted by any Government body, local authority or by any other person) of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible, or having effect immediately before the Effective Date, shall be, and remain in, full force and effect in favour of the Transferee Company, and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a beneficiary thereto.
- (g) Loans or other obligations, if any, due between or amongst the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf. In so far as any shares, securities, debentures or notes issued by the Transferor Company and held by the Transferee Company and vice versa (as may be applicable), the same shall, unless sold or transferred by the said Transferor Company or the Transferee Company, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective Date, and shall have no effect and the Transferor Company or the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.
- (h) The Transferor Company shall have taken all steps as may be necessary to ensure that vacant, lawful, peaceful and unencumbered possession, right, title, interest of immovable property, if any, is given to the Transferee Company.
- (i) Where any of the liabilities and obligations/assets attributed to the Transferor Company on the Appointed Date has been discharged/sold by the Transferor



Company after the Appointed Date and prior to the Effective Date, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company.

- (j) From the Effective Date and till such time that the names of the bank accounts of the Transferor Company are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company, in its name, in so far as may be necessary.

4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

4.1. Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances, insurance policies and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect immediately before this arrangement under this Scheme as on the Appointed Date and upto the Effective Date, shall be, in full force and effect, against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangement, confirmations or novations to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or become necessary.

4.2. As a consequence of the Amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme, the recording of change in name from the Transferor Company to the Transferee Company, whether for the purposes of any license, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.

4.3. The Transferee Company may, at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or



otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company are a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company, implement or carry out all such formalities or compliances referred to above on the part of the Transferor Company, as the case may be, to be carried out or performed.

4.4. For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Company without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any instrument or beneficial interest to which the Transferor Company are a party thereto and shall not affect any right, privilege, obligations or liability, acquired, or deemed to be acquired prior to the Appointed Date and upto the Effective Date and all such references in such agreements, contracts and instruments to the Transferor Company shall be construed as reference only to the Transferee Company with effect from the Appointed Date.

4.5. The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "Insured" in the policies as if the Transferee Company was initially a party.

4.6. Any inter-se contracts between Transferor Company on the one hand and the Transferee Company on the other hand shall stand cancelled and cease to operate upon the coming into effect of this Scheme.

5. LEGAL PROCEEDINGS

5.1 Upon coming into effect of this Scheme, all suits, actions and proceedings of whatsoever nature by or against the Transferor Company as on the Appointed Date and upto the Effective Date shall be transferred to the name of the Transferee Company and the same shall be continued and enforced by or against the Transferee Company, to the exclusion of the Transferor Company, as the case may be.



5.2 If proceedings are taken against the Transferor Company, in respect of matters referred to above, it shall defend the same in accordance with the advice of, and at the cost of, the Transferee Company, as the case may be, from the Appointed Date till the Effective Date, and the latter shall reimburse and indemnify the Transferor Company, against all liabilities and obligations incurred by the Transferor Company in respect thereof.

6. OPERATIVE DATE OF THE SCHEME

6.1 This Scheme shall be operative from the Effective Date with effect from the Appointed Date.

7. TRANSFEROR COMPANY STAFF, WORKMEN AND EMPLOYEES

7.1 Upon the Scheme coming into effect and with effect from the Appointed date, all the executives, staff, workmen, and other employees in the service of the Transferor Company, immediately before the Appointed Date, under this Scheme shall become the executives, staff, workmen and other employees of the Transferee Company, on the basis that:

- a) Their services shall have been continuous and shall not have been interrupted by reason of such transfer as if such transfer is effected under Section 25FF of the Industrial Disputes Act, 1947;
- b) The terms and conditions of service applicable to the said executives, staff, workmen and other employees after such transfer shall be on the same terms as those applicable to them immediately before the transfer;
- c) In the event of retrenchment of such executives, staff, workmen or other employees, the Transferee Company shall be liable to pay compensation in accordance with law on the basis that the services of the executives, staff, workmen, or other employees shall have been continuous and shall not have been interrupted by reason of such transfer; and



- d) It is provided that as far as the Provident Fund, Gratuity, Pension, Superannuation Fund or any other special funds that are applicable to and existing for the employees of the Transferor Company shall be continued in the same manner and form upon the Scheme becoming effective. The Transferee Company shall ensure that the Employees as mentioned aforesaid are given the same benefits/other entitlements similar to the terms as on the Appointed Date.

8. SAVING OF CONCLUDED TRANSACTIONS

- 8.1 The transfer of Undertaking under clause 3 above, the continuance of the effectiveness of contracts, deeds, bonds and other instruments under clause 4 above and legal proceedings by or against the Transferor Company under clause 5 above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Company on or before the Appointed Date and 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 done and executed on behalf of itself.

9. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANY TILL THE EFFECTIVE DATE

- 9.1 With effect from the Appointed Date and upto and including the Effective Date:

- (i) The Transferor Company shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.
- (ii) All profits or income or taxes, including but not limited to income tax, advance taxes, minimum alternate taxes, tax deducted at source by or on behalf of the Transferor Company, wealth tax, sales tax, value added tax, excise duty, service tax, customs duty, refund, reliefs, etc., accruing or arising to the Transferor Company, or losses arising or expenditure incurred by them, on and from the Appointed Date upto the Effective Date, shall for all purposes be treated as, and



be deemed to be treated as, the profits or income or losses or expenditure or the said taxes of the Transferee Company.

- (iii) The Transferor Company shall carry on their business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any of their business undertaking(s) or any part thereof including plant and machinery and other fixed assets (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company prior to the Appointed Date).
- (iv) The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government(s), and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required /granted under any law for time being in force for carrying on business of the Transferor Company.
- (v) The Transferor Company shall not make any modification to their capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, re-classification, sub-division or re-organisation or in any other manner, whatsoever, except by mutual consent of the Board of Directors of the Transferor Company and the Transferee Company.
- (vi) The Transferor Company shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.



10. AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFeree COMPANY

Increase of authorised share capital

10.1 Upon the Scheme becoming fully effective, the authorised share capital of the Transferor Company shall stand combined with the authorised share capital of the Transferee Company without any further act, instrument or deed. Registration/filing fees and stamp duty, if any, paid by the Transferor Company on their authorised share capital, shall be deemed to have been so paid by the Transferee Company on the combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any additional registration fee/filing fee/ stamp duty for its increased authorised share capital.

10.2 Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to the applicable provisions of the Act by deleting the existing Clause and replacing it by the following:

“V. The Authorised Share Capital of the Company shall be Rs.35,921,000,000/- (Rupees Three Thousand Five Hundred Ninety Two Crores and Ten Lakhs only) of Re.1/- each divided into 27,856,000,000/- (Two Thousand Seven Hundred and Eighty Five Crores and Sixty Lakhs) Equity Shares of Re.1/- each, 36,500,000 (Three Crores Sixty Five Lakhs) Redeemable Non-Cumulative Non-Convertible Preference Shares of Rs.10/- each and 77,000,000 (Seven Crores Seventy Lakhs) Non-Convertible Preference Shares of Rs.100/- each with the rights, privileges and conditions in attaching thereto as are provided by the regulations of the Company for the time being with powers to increase or reduce the Capital for the time being into several classes, and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the company to vary, modify or abrogate, any such rights, privileges or conditions in such manner as may for the time being provided for by the regulations of the Company.”



- 10.3 Clause 3 of the Articles of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended by deleting the existing Article and replacing it by the following:

The Authorised Share Capital of the Company shall be Rs.35,921,000,000/- (Rupees Three Thousand Five Hundred Ninety Two Crores and Ten Lakhs only) of Re.1/- each divided into 27,856,000,000/- (Two Thousand Seven Hundred and Eighty Five Crores and Sixty Lakhs) Equity Shares of Re.1/- each and 36,500,000 (Three Crores Sixty Five Lakhs) Redeemable Non-Cumulative Non-Convertible Preference Shares of Rs.10/- each and 77,000,000 (Seven Crores Seventy Lakhs) Non-Convertible Preference Shares of Rs.100/- each.

- 10.4 Under the accepted principle of single window clearance, it is hereby provided that the amendment in clauses 10.2 and 10.3 shall become operative on the Scheme being effective by virtue of the fact that the shareholders of the Transferee Company, while approving the Scheme as a whole, have approved and accorded the relevant consents as required under the Act and shall not be required to pass separate resolutions as required under the Act.

The approval of this Scheme under Sections 391 and 394 of the Act shall be deemed to have the approval under the applicable provisions of the Act and any other consents and approvals required in this regard.

11. ISSUE OF SHARES BY THE TRANSFEE COMPANY TO THE EQUITY SHAREHOLDERS AND GDR HOLDERS OF THE TRANSFEROR COMPANY

- 11.1 Upon the effectiveness of the Scheme, in consideration of the transfer of and vesting of the Undertaking of the Transferor Company in the Transferee Company and in terms of the Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to the equity shareholders (except the Transferee Company) of the Transferor Company (whose names are registered in the Register of Members of the Transferor Company on the Record Date, or his /her/its legal heirs, executors or administrators or, as the case may be, successors), equity shares of face value Re.1/- (Rupee One) each credited as fully



paid up of the Transferee Company in the ratio of 40 (Forty) equity shares of the face value of Re.1/- (Rupee One) each of the Transferee Company for every 100 (One Hundred) equity share of the face value of Rs.10/- (Rupees Ten) each credited as fully paid-up held on the Record Date by such equity shareholders or their respective legal heirs, executors or administrators or, as the case may be, successors in the Transferor Company (the "New Equity Shares").

11.2 Where the New Equity Shares are to be allotted to legal heirs, executors or administrators, as the case may be, to successors of deceased equity shareholders of the Transferor Company, the concerned legal heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of Directors of the Transferee Company.

11.3 The ratio in which the New Equity Shares of the Transferee Company are to be issued and allotted to the equity shareholders of the Transferor Company is herein referred to as the "Share Exchange Ratio". In the event of any increase in the issued, subscribed or paid up share capital of the Transferee Company or issuance of any instruments convertible into equity shares or restructuring of its equity share capital including by way of share split/consolidation/issue of bonus shares, free distribution of shares or instruments convertible into equity shares or other similar action in relation to the share capital of the Transferee Company at any time before the Record Date, the Share Exchange Ratio shall be adjusted appropriately to take into account the effect of such issuance or corporate actions and assuming conversion of any such issued instruments convertible into equity shares.

11.4 The New Equity Shares issued in terms of the Scheme shall, in compliance with the applicable regulations, be listed and/or admitted to trading on the relevant stock exchange(s) in India where the equity shares of Transferee Company are listed and admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of such stock exchanges. The New Equity Shares allotted pursuant to this Scheme shall



remain frozen in the depositories system till relevant directions in relation to listing/trading are provided by the relevant stock exchanges.

- 11.5 The equity shares of the Transferor Company held by the Transferee Company, if any, on the Effective Date, such equity shares held by the Transferee Company in the Transferor Company shall stand cancelled without any further act or deed and consequentially there shall be no allotment of New Equity Shares for such shareholding and to that extent the Transferee Company is required to issue less number of shares. As regards the preference shares of the Transferor Company held by the Transferee Company on the Effective Date such shares shall stand cancelled and the Transferee Company shall have no claims in respect of arrears of dividend.
- 11.6 Upon the New Equity Shares being issued and allotted to the equity shareholders of the Transferor Company, the shares held by the said shareholders of Transferor Company, whether in the physical form or in the dematerialised form, shall be deemed to have been automatically cancelled and be of no effect, without any further act, deed or instrument.
- 11.7 In so far as New Equity Shares are concerned, the same will be distributed in dematerialised form to the equity shareholders of Transferor Company, provided all details relating to the account with the depository participant are available to the Transferee Company. All those equity shareholders who hold equity shares of the Transferor Company and do not provide their details relating to the account with the depository participant will be distributed New Equity Shares in the physical certificate form unless otherwise communicated in writing by the shareholders on or before such date as may be determined by the Board of Directors of the Transferee Company.
- 11.8 Upon the coming into effect of the Scheme, the New Equity Shares of the Transferee Company to be issued and allotted to the equity shareholders of the Transferor Company as provided in the Scheme shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Transferee



Company and shall rank *pari passu* from the date of allotment in all respects with the existing equity shares of Transferee Company including entitlement in respect of dividends. The issue and allotment of New Equity Shares by the Transferee Company to the equity shareholders of the Transferor Company as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out pursuant to the provisions of the Act.

11.9 No fractional certificates, entitlements or credits shall be issued or given by the Transferee Company in respect of the fractional entitlements, if any, to which the equity shareholders of the Transferor Company are entitled on the issue and allotment of equity shares by the Transferee Company in accordance with this Scheme. If any equity shareholders of the Transferor Company have a shareholding such that such members become entitled to a fraction of a New Equity Share, the Board of Directors of the Transferee Company shall consolidate all such fractional entitlements to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity shares of the Transferee Company as aforesaid and shall, without any further application, act, instrument or deed, issue and allot such fractional entitlements directly to a nominee to be appointed by the Board of Directors of the Transferee Company, who shall hold such fractional entitlements with all additions or accretions thereto in trust for the benefit of the respective shareholders to whom they belong and their respective legal heirs, executors, administrators or successors for the specific purpose of selling such fractional entitlements in the market at such price or prices and at such time or times as the nominee may in its sole discretion decide and on such sale, pay to the Transferee Company the net sale proceeds thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax and expenses, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Company in proportion to their respective fractional entitlements.

11.10 Subject to receipt of such approvals, consents and sanctions as may be necessary under applicable law, in so far as it pertains to outstanding GDRs, upon the effectiveness of the Scheme, in consideration of the transfer of and vesting of the



Undertaking of the Transferor Company in the Transferee Company and in terms of the Scheme, the Transferee Company shall, effect the exchange and cancellation of the GDRs for a proportional number of equity shares of the Transferee Company based on the Share Exchange Ratio as given below:

- a) Equity shares of face value Re.1/- (Rupee One) each credited as fully paid up of the Transferee Company in the ratio of 133 (One Hundred Thirty Three) equity shares of the face value of Re.1/- (Rupees One) each of the Transferee Company for every 1,000 (One Thousand) GDR under GDR Issue 1 of the Transferor Company; (the "New Equity Shares")
- b) Equity shares of face value Re.1/- (Rupee One) each credited as fully paid up of the Transferee Company in the ratio of 4,800 (Four Thousand Eight Hundred) equity shares of the face value of Re.1/- (Rupees One) each of the Transferee Company for every 1 (One) GDR under GDR Issue 2 of the Transferor Company; (the "New Equity Shares")

11.11 If the Transferee Company determines that the GDRs cannot be exchanged and cancelled for Equity shares for any reason, the Transferee Company shall ensure that this does not delay implementation of the Scheme, and shall, in consultation with the Transferor Company, take all such actions as may be necessary to, upon effectiveness of the Scheme, issue or remit consideration in lieu of or in respect of the GDRs through the Depository under this Scheme as per the Share Exchange Ratio to the GDR holders in a compliant manner, without delay to the sanction or effectiveness of the Scheme.

11.12 The Transferee Company, the Transferor Company and/or the Depository shall enter into such documents and take such actions as may be deemed necessary or appropriate to give effect to the above.



11.13 The exchange and cancellation of the GDRs for the proportional number of equity shares of the Transferee Company as mentioned under clause 11.11 is in compliance of the provisions of the Income Tax Act, 1961.

12. ACCOUNTING TREATMENT

12.1 Upon the Scheme becoming effective, the Transferor Company and the Transferee Company being under common control, the Amalgamation of the Transferor Company with the Transferee Company shall be accounted by the Transferee Company as per the "Pooling of interest Method" provided under Appendix C of Ind AS 103, 'Business Combinations' notified under Section 133 of the Act.

12.2 Upon the scheme coming into effect, all the assets and liabilities of the Transferor Company shall be transferred to and vested in the Transferee Company and shall be recorded at their respective book values. No adjustment shall be made to the carrying amounts of assets and liabilities as reflected in the books of Transferor Company on the Appointed Date, to reflect fair values or recognise any new assets or liabilities including any new deferred tax assets or liabilities. All reserves of the Transferor Company are deemed to be carried forward and shall be recorded in the books of Transferee Company in the same form in which they appeared in the books of the Transferor Company as on the Appointed Date. The difference between the carrying amount in the books of the Transferee Company of its investment in the shares of the Transferor Company, which shall stand cancelled in terms of this scheme, and the aggregate face value of such shares shall, subject to the other provisions contained herein, be adjusted against and reflected in the capital reserves of the Transferee Company.

12.3 Upon the scheme coming into effect, the difference between the amount recorded as share capital issued by Transferee Company (Securities issued will be recorded at their nominal value) and the amount of share capital of the Transferor Company shall be transferred to capital reserve of the Transferee Company.



- 12.4 To the extent of and with respect to inter-corporate loans or balances between the Transferor Company and the Transferee Company, the rights and obligations shall come to an end.
- 12.5 In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies, as may be directed by the Board of Directors of the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the Reserves to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 12.6 Upon the scheme coming into effect, the accounts of the Transferee Company, as on the Appointed Date shall be reconstructed with the terms of this Scheme.

13. CONSEQUENTIAL MATTERS RELATING TO TAX

- 13.1 Upon the Scheme coming into effect, from the Appointed Date, all taxes/cess/duties, direct and/or indirect, payable by or on behalf of the Transferor Company, all or any refunds and claims pending with the Revenue Authorities and including the right to claim credit for CENVAT, VAT, minimum alternate tax and carry forward of accumulated losses etc., and all payments made, refunds received, claims made shall, for all purposes, be treated as the tax/cess/duties, liabilities or refunds, claims, credits and accumulated losses and discharge of liability of the Transferee Company in accordance with the respective legislation.
- 13.2 Accordingly, upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise, if it becomes necessary, its Income tax returns, VAT returns, Excise & Cenvat returns, service tax returns, other tax returns, and file necessary forms to claim refunds/ credits, pursuant to the provisions of this Scheme. The Transferee Company is also expressly permitted to claim refunds/credits in respect of any transaction between Transferor Company and the Transferee Company upto the Effective date.



- 13.3 In accordance with the provisions of the Customs Act, 1962, any refund or demand arising out of any dispute, obligation, commitment by the Transferor Company shall be transferred to the Transferee Company, as if all such refunds or demands were to the account of the Transferee Company from the Appointed Date. Similarly, Export incentives dues or obligations including EPCG obligations under Foreign Trade Policy of the Government of India applicable to the Transferor Company on the Appointed Date will be that of the Transferee Company.

14. BRANDS AND TRADEMARKS

- 14.1. Upon the effectiveness of the Scheme, the Transferee Company will be entitled to all the brands and trademarks of the Transferor Company including registered and unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights, trademarks and all such other industrial or intellectual rights of whatsoever nature. The Transferee Company may take such actions as may be necessary and permissible to get the same transferred and/or registered in the name of the Transferee Company.

PART III – GENERAL TERMS AND CONDITIONS

15. APPLICATION TO THE COURT

- 15.1. The Transferor Company shall, with reasonable dispatch, apply to the Court for necessary orders or directions for holding meetings of the shareholders and creditors of the Transferor Company for sanctioning this Scheme of Amalgamation under Section 391 of the Act or for dispensing the holding of such meetings and orders under Section 394 of the Act, for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up. The Transferee Company shall apply to the Court for necessary orders or directions for holding meetings of the shareholders and creditors of the Transferee Company for sanctioning this Scheme of Amalgamation under



Section 391 of the Act or for dispensing the holding of such meetings and orders under Section 394 of the Act, for carrying this Scheme into effect.

16. DISSOLUTION OF TRANSFEROR COMPANY

16.1 Subject to an order being made by the Court under Section 394 of the Act, the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the rules made thereunder.

16.2 The Transferee Company to carry on the business of the Transferor Company upon Scheme becoming effective. The Transferee Company will automatically start carrying on the businesses of the Transferor Company as contained on the objects clause of the Memorandum of Association of the Transferor Company and no further consent or approval is required in this regard.

17. MODIFICATIONS, AMENDMENTS TO THE SCHEME

17.1 The Transferor Company and the Transferee Company through their respective Board of Directors or other persons duly authorised by the respective Boards in this regard, may make, or assent to, any alteration or modification to this Scheme or to any conditions or limitations, which the Board of Directors may deem fit or under direction of the Court or any other competent authority may deem fit to direct, approve or impose and may give such directions including an order of dissolution of the Transferor Company without process of winding up as they may consider necessary, to settle any doubt, question or difficulty, arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do and to execute all such acts, deeds, matters and things necessary for putting this Scheme into effect, or to review the portion relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permitted under law) for bringing this Scheme into effect.



17.2 If any part or provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity of implementation of the other parts and/or provisions of the Scheme. If any part or provision of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Parties that such part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part or provision, as the case may be, shall cause this Scheme to become materially adverse to any Party, in which case the Parties shall attempt to bring about a modification in the Scheme, as will best preserve for the Parties the benefits and obligations of the Scheme, including but not limited to such part or provision.

17.3 This Scheme has been drawn up to comply and come within the definition and conditions relating to "Amalgamation" as specified under Section 2(1B) and Section 47 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 Sections of the Income Tax Act, 1961, at a later date, including resulting from an amendment of law or for any other reason whatsoever, the Scheme shall stand modified/amended to the extent determined necessary to comply and come within the definition and conditions relating to "Amalgamation" as defined in the Income Tax Act, 1961. In such an event the clauses which are inconsistent shall be modified or if the need arises be deemed to be deleted and such modification/deemed deletion shall however not affect the other parts of the Scheme.

18. DATE OF TAKING EFFECT

18.1 The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by the Court shall be effective from the Appointed Date but shall be operative from the Effective Date.



19. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

19.1 This Scheme is conditional on and subject to -

- (i) Approval from the Competition Commission of India shall have been granted or deemed to have been granted through the expiration of time periods available for the Competition Commission of India's investigation provided under the Competition Commission of India (Procedure in regard to the transaction of business relating to combination) Regulations, 2011 as amended from time to time;
- (ii) The sanction or approval under any law of the Central Government, State Government(s), or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
- (iii) The Scheme being agreed to by the respective requisite majorities of the shareholders and/or creditors of the Transferor Company and the Transferee Company if a meeting of the shareholders or creditors of the Transferor and Transferee Company is convened by the Court or if dispensation from conducting the meeting of the shareholders or creditors of the Transferor Company and the Transferee Company is obtained from the Court, and the sanction of the Court being accorded to the Scheme.
- (iv) The Scheme being approved by the respective shareholders resolution of the Transferor Company and the Transferee Company passed by way of postal ballot/e-voting in terms of para 9(b) of the Securities and Exchange Board of India Circular CIR/CFD/CMD/16/2015 dated November 30, 2015; provided that the same shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957.



- (i) The sanction by the Court under Sections 391 and 394 and other applicable provisions of the Act being obtained by the Transferor Company and the Transferee Company.
- (ii) The filing with the Registrar of Companies, Chennai, of certified copies of all necessary orders, sanctions and approvals mentioned above by the respective Company.

20. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

20.1 In the event of the Scheme not being sanctioned by the Court and/or the order or orders not being passed as aforesaid, the Scheme shall become fully null and void and in that event no rights and liabilities shall accrue to or be inter-se by the parties in terms of the Scheme, 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. In such event, each party shall bear and pay its respective costs, charges and expenses for and/or in connection with the Scheme.

21. EXPENSES CONNECTED WITH THE SCHEME

21.1 All costs, charges, levies, fees, duties and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme shall be borne and paid by the Transferee Company.



SCHEDULE - A

**Details of the immovable properties of the Transferor Company to be transferred,
merged and vested to the Transferee Company pursuant to the Scheme of
Amalgamation**

Details of Land

A. Freehold Land

Survey No	Plot No	Area in Acres
<u>Ennore Unit, Ennore, Chennai</u>		
39A	-	13.31
39B	-	21.91
Total (a)		35.22
<u>DCU, Uppal, Hyderabad</u>		
581/1	B-15	5.000
	B-16	4.953
JOMPL	B-3/13	5.403
Total (b)		15.356

1) Ennore Land

Item I

All that piece and parcel of land situated in the Kathivakkam Village, Ponneri Taluk (Formerly Saidapet Taluk), Tiruvellore district (formerly Chingleput District) extent of 13.31 Acres being part of S No 39A, having the following survey No with Sub divisions and areas and boundaries namely

S No 39/A/1 area 30 Cents (approximately equivalent to 1,214.1 Sq mts)

bounded on the

North by : S No 37-A,
South by : S No 39/A/2,
West by : Ennore High Road,
East by : Railway lands



R.S No 39-A/3 area 2.31 Acres (approximately equivalent to 9348.57 sq mts) bounded on the

North by : S No 39/A/2,
South by : S No 39/A/4,
West by : Ennore High Road,
East by : S No 39/A/5 belonging to Southern Railway.

R.S No 39-A/7 (b), 39-A/8, 39-A/9 and parts of R.S. No 39/A/10, part of R.S No 39/A/11 and part of R.S. No 39-A/12 area 10.70 acres (approximately equivalent to 43302.9 sq mts), all the above bounded on the

North by : R.S No 39-A/6 and 39/A/7 (A),
South by : parts of R.S No 39/A/10 and 39-A/11 and 39A/12
belonging to M/s. Ashok Leyland Limited,
East by : Railway lands, and on the West by Ennore High Road and RS No
39/A/7/ (A)

Together with all building and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth. Within the Sub-Registration District of Thiruvottiyur and Registration District of North Chennai.

Item II

All that piece and parcel of land situated in the Kathivakkam Village, Ponneri Taluk (Formerly Saidapet Taluk), Tiruvellore District (formerly Chingleput District) being part of S.No 39A, having the following survey No with Sub divisions and areas and namely:

SURVEY NOS.	EXTENT(ACRES-CENTS)
39 A/4	1.85
39 A-7A	0.16
39 B-5	3.39
39 B-10	1.32
39 B-8	5.35
39 B-9B	4.74
39 B-3	5.10
TOTAL	21.91



together with all building and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth within the Sub-Registration District of Thiruvottiyur and Registration District of North Chennai.

2) DCU Land (Freehold Land)

<u>DCU, Uppal, Hyderabad</u>			
581/1	B-15	5.000	9195/2005 SRO Uppal (RR District)
	B-16	4.953	9193/2005
JOMPL	B-3/13	5.403	9194/2005
Total (b)		15.356	

- 1) All the land measuring an extent of 24000 Sq Yards (equivalent to 20040.55 mt) bearing Survey No. Plot No B 16 in survey together with Shed thereon situated at Uppal Village, Uppal Mandal and Municipality, Ranga District, the land being bounded by

North: Plot No B 15
South: 40 'WIDE ROAD
East : 60 'WIDE ROAD
West: Church Road

- 2) All the land measuring an extent of 26150 Sq Yards bearing Plot No B 3/13 in Survey 581/1 situated at Uppal Village, Uppal Mandal and Municipality, Ranga District, the land being bounded by

North: M/s Amrutanjan Ltd
South: 60 'WIDE ROAD
East : M/s Macmau
West: 60 'WIDE ROAD

- 3) All the land measuring an extent of 24200 Sq Yards (equivalent to 20235 mt) bearing Plot No B 15 together with Shed thereon situated at Uppal Village, Uppal Mandal and Municipality, Ranga District, the land being bounded by

North: Plot of M/s Hyderabad Breweries Ltd
South: Plot of M/s Fluid Systems Ltd
East : 60 'WIDE ROAD
West: Private Land

Together with all buildings and structures thereon.



B. Leasehold Land at Sriperumpudur, Chennai

Survey No	Plot No	Area in Acres	
SPU - SF No.186/pt, 23/pt, 12/pt, 14-28/pt, and 71/pt	K2	40.00	(Lease Hold Rights of the immovable Property, Leased out by SIPCOT and Vide Lease Deed Registered Doc. Nos. 9327/2008 and 3397/2006,
	K1	39.44	
Total		79.44	

Item I

All that piece and parcel of land known as **Plot No K-1**, in the SIPCOT's Industrial Park at Sriperumbudur within the Village limits of Araner, Pondur "A" and Mambakkam, Taluk of Sriperumbudur, admeasuring 39.44 acres or thereabouts bearing S No 20 part, 21 part, 64 to 70, 71 part, 72 to 74 and 76 part of Araner Village, S. No. 22 part and 23 part of Pondur "A" village and S. No. 185 part and 186 part of Mambakkam Village and bounded on the

North by	:	40 mtr wide SIPCOT Road,
South by	:	Arneri village Road,
East by	:	Plot No I- 7 and Arneri Village
West by	:	Plot No K-2

together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth within the Sub Registration District of Sunguvarchathiram and Registration District of Kanchipuram.

Item II

All that piece and parcel of land known as **Plot No.K2, Phase II** in the SIPCOT's Industrial Park at Sriperambadur within the village limits of Mambakkam, Pondur "A" and Arneri, Taluk of Sriperambadur, admeasuring 40 acres or thereabouts bearing S No. 186 part of Mambakkam Village, 23 part of Pondur "A" village and 12 part, 14 part, 16 part, 17 part, 18,19,20 part, 21 part, 22,23,27 part, 28 part and 71 part of Arneri Village and bounded on the



North by : 40m wide SIPCOT Road,
 South by : Lands in SF No 24, 25, 26 and 29 of Arneri village,
 East by : Plot No K-2/A
 West by : Plot No K-19

together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth. Within the Sub Registration District of Sunguvarchathiram and Registration District of Chengalpet.

TCU LAND PROPERTY DETAILS: (Property not registered in Transferor's name)

TCU	Located at Automotive Park, Toopran, Kallakal, V, Toopran Mandal Medak District, AP	60.00 Acres	Rs.1514.83 lacs	Allotment Letter Lr. No. ZM/JDM/AMP-MPL/07-08 Dt:09.08.2007
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The land measuring an extent of 242820.00 Sqm or Arces 60.00 situated at Automotive park, Toopran, Kallakal Village, Toopran Mandal, Medak District in survey No.148. The land being bounded by

North : Private Land & Land allotted to M/s. COWE
 South : Cart Track & Private Land
 East : Private Land & 18 M Road
 West : APIIC land, Land allotted to M/s. COWE & 18 M wide road



Certified to be True Copy

G. Jagannathan
 DEPUTY REGISTRAR
 NATIONAL COMPANY LAW TRIBUNAL
 CHENNAI BENCH
 CORPORATE BHAVAN, 3rd FLOOR
 29, RAJAJI SALAI, CHENNAI-600001.