

THE COMPANIES ACT, 1956
PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM

&

ARTICLES OF ASSOCIATION

OF

HAVELLS INDIA LIMITED



प्राच्य एव

FORM 1

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

सं० 16304

वर्ष

1905

No. 16304

of

1983-84

मैं एतद् द्वारा प्रमाणित करता हूँ कि घाज -- हैवेल्ल (इण्डिया) प्राइवेट लिमिटेड
कम्पनी अधिनियम 1956 (1956 का 1) के अधिन निर्वाचित की गई है और वह
कम्पनी परिसीमित है।

I hereby certify that HAVELL'S (INDIA) PRIVATE
LIMITED.....

is this day incorporated under the Companies Act. 1956 (No. 1 of
1956) and that the Company is Limited.

मेरे हस्ताक्षर से घाज ता० १७ अगस्त, 1905 को दिया गया।

Given under my hand at NEW DELHI this EIGHTH of day
AUGUST One Thousand Nine Hundred and EIGHTY-THREE



Sd/-

(सूरज कपूर)

कम्पनी रजिस्ट्रार

दिल्ली एवं हरियाणा

(SOORAJ KAPOOR)
Registrar of Companies
DELHI & HARYANA

**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT UPON CHANGE OF NAME ON CONVERSION
TO PUBLIC LIMITED COMPANY**

Company No. 16304

**In the Office of the Registrar of Companies, Delhi & Haryana,
(Under the Companies Act, 1956 (1 of 1956))**

In the matter of HAVELL'S INDIA PRIVATE LIMITED

I hereby certify that HAVELL'S INDIA PRIVATE LIMITED, which was originally incorporated on EIGHTH day of AUGUST One Thousand Nine Hundred and EIGHTY THREE under the Companies Act, 1956 (Act 1 of 1956) under the name HAVELL'S INDIA PRIVATE LIMITED, having duly passed the necessary Special Resolution on 21-3-92 in terms of Section 31(2) read with Section 44 of the Companies Act, 1956, the name of the said Company is this day changed to HAVELL'S INDIA LIMITED and this Certificate is issued pursuant to Section 23 (1) of the said Act.

Given under my hand at NEW DELHI this THIRTY FIRST day of MARCH One Thousand Nine Hundred and Ninety TWO.



Sd/-
(V. S. GALGALI)
Registrar of Companies
DELHI & HARYANA

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L00000DL1983PLC016304

मैसर्स HAVELL'S INDIA LTD

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
HAVELL'S INDIA LTD

जो मूल रूप में दिनांक आठ अगस्त उन्नीस सौ तिरासी को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स
HAVELL'S INDIA LTD

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य
विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि. 507 (अ) दिनांक 24.6.1985 एस्.आर.एन. A18069609 दिनांक 28/07/2007 के द्वारा
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स
HAVELLS INDIA LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा दिल्ली में आज दिनांक अट्ठाईस जुलाई दो हजार सात को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, National Capital Territory of Delhi and Haryana

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : L00000DL1983PLC016304

In the matter of M/s HAVELL'S INDIA LTD

I hereby certify that HAVELL'S INDIA LTD which was originally incorporated on Eighth day of August Nineteen
Hundred Eighty Three under the Companies Act, 1956 (No. 1 of 1956) as HAVELL'S INDIA LTD having duly passed
the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central
Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read
with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated
24/06/1985 vide SRN A18069609 dated 28/07/2007 the name of the said company is this day changed to
HAVELLS INDIA LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Delhi this Twenty Eighth day of July Two Thousand Seven.



(TEJ PRAKASH SHAMI)
कम्पनी रजिस्ट्रार / Registrar of Companies
राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा
National Capital Territory of Delhi and Haryana

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :
Mailing Address as per record available in Registrar of Companies office:
HAVELLS INDIA LIMITED
1/7, RAM KISHORE ROAD,, CIVIL LINES,,
DELHI. - 110054,
Delhi, INDIA

**THE COMPANIES ACT, 1956
PUBLIC COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION**

OF

***HAVELLS INDIA LIMITED**

- I The name of the Company is Havells India Limited***
- II The Registered Office of the Company will be situated in the Union Territory of Delhi.**
- III The objects for which the company is established are :**
- (A) MAIN OBJECTS OF THE COMPANY TO BE PURSUED ON ITS INCORPORATION ARE :-**
1. To carry on the business of manufacturing assembling, altering, exchanging, buying, selling, importing, exporting or otherwise dealing in all types of electrical goods and instruments including circuit breakers, HRC fuses, meters, rectifiers, converters and alternators, current transformers, switches, switchgears, panels, electric motors, generators, electric magnets motor control centres, power control centres, distribution boards, rising mains, bus trunking, overhead busbar systems, feeder pillars, lighting fixtures, fans, exhaust fan, air coolers, wiring accessories, iron clad switches, fuse units, distribution boxes, cutouts, wires and cables all aluminium conductor and aluminium conductor steel reinforced transformers, G.L.C. lamps, fancy shades, heating elements, bulbs, fluorescent tubes and its accessories including chokes, starters, switches and condensers.
 2. To carry on the business of manufacturing, assembling, altering, exchanging, buying, selling, importing exporting, and otherwise dealing in electronic and audio-visual goods of every nature and description such as Television, Tape recorders, Radios, Records Players, Video Sets, Stereo system, decks, loud speakers, amplifiers, gramophones, records, tapes, watches, clocks, walkie talkies, cameras, cassettes, transistors, assemblers and distributor, electronic flash guns, electronic digital goods, microwave ovens, radio paging systems, computers, miniaturised circuits goods, micro modules, inter-communications sets, microphones, dictaphones, telecommunication requisites, wireless/laboratory/testing equipments, electronic consumer and domestic goods, musical and visual appliances, apparatus, instruments, equipments and devices for amusement and entertainment, electronic goods required in any trade, industry or manufacture such as photographic, surgical, medical films, nautical, aeronautical, electrical defence industry and including equipments, instruments and goods used in generation, transmission and receiving of any impulses such as and sound, light, electronic and electrical impulses and all kinds of electronic accessories, appliances, implements, components, instruments, equipments stores and spares, spare parts, devices, contrivances, apparatus and supplies related to or connected with the aforesaid, and all such electronic goods adapted, invented and discovered in future.
 3. To carry on business of electrical engineers and manufacture of all kinds of heavy and light electrical machinery and equipments and apparatus for any purpose and to instal, sell, hire or otherwise deal with the same in any manner whatsoever.
 - 4**. To produce, manufacture, refine, treat, cure, process, prepare, import, export, purchase, sell, and generally deal in all kinds of sanitary fittings and bathroom fittings such as brass fittings, steel fittings tiles and ceramic ware.
 - 5***. To carry on the business as manufacturers, producers, processors, makers, convertors, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, stockist, agents, factors, dealers, distributors, hirers or otherwise deal in every description of household and industrial appliances, vessels and utensils of all types including induction cookers, transformers, stabilizers, UPS, inverters, batteries, dispensers, water purifiers, utensils, cooktops, cookware, kitchenware, lifestyle products, kitchen hoods (chimneys), hobs and other consumer durables and FMCG products.

* The word 'Private' is being deleted on conversion to Public Company vide Special Resolution passed in EGM dated 21.3.92 and Fresh Certificate dated 31.3.92 issued by Registrar of Companies.

** Pursuant to the scheme of the amalgamation between Crabtree India Limited & Havell's India Limited as approved by the Hon'ble Delhi High Court vide its order dated 19.04.06 filed with ROC on 01.05.06.

* Pursuant to the resolution passed at the AGM held on July 05, 2007, name of the company changed by deleting 'Apstrophe' from the word 'Havell's'.

*** Inserted pursuant to Special Resolution of the Shareholders passed by way of postal ballot on 09.04.2013

- 6#. To manufacture, set-up, buy, sell, store, distribute, generate, develop, advise, repair and deal in all kinds and sources of energy such as electrical, mechanical and light derived from conventional and non-conventional method, natural and other sources including renewable energy, in particular from the use of oil, gas, coal, water and other source of energy such as Solar, Geothermal, Wind, Bio Gas, Gobar Gas, Waste and other residual products thereof and also to use, purchase, acquire, supply, distribute and apply the same for electrical, electronic and other products which the company deals in presently or may deal in future.

(B) OBJECTS INCIDENTAL OR ANCILLARY OBJECTS TO THE ATTAINMENT OF MAIN OBJECTS ARE :

1. To make, manufacture, purchase, import or otherwise deal in all types of materials directly or indirectly used in the manufacture of any items mentioned under main objects of this Company.
2. To buy or generate for the purpose of the company, steam, heat, light, electricity, gas or other power.
3. To carry out at any place in India or elsewhere Research and Development in the field of manufacture of electrical and electronic goods, plant and equipments for the attainment of main objects of the Company.
4. To acquire from any person, firm or body corporate whether in India or elsewhere, technical information, know-how, process, engineering, manufacturing and operating data, plans, layouts and blue prints useful for the designs, erection and operations of plant required for an activity of the business of the company and to acquire any grant of licence and other rights and benefits in the foregoing matters and offer cash or any other assets.
5. To purchase, take on lease or in exchange hire or otherwise acquire any real and personal properties and any rights or privileges which the Company may think necessary or convenient for the purpose of its business.
6. To acquire and undertake the whole or any part of the business, property and liabilities of any person or firm or company carrying on any business which the company is authorised to carry on or possessed or properly suitable for the purpose of this company.
7. To amalgamate with any other company having objects altogether or in part similar to those of this Company.
8. To apply for purchase or otherwise acquire, any patents, trade marks, brevets'd' inventions, licences concessions or the like conferring any exclusive or non exclusive or limited right to use any secret or other information as to any invention which may seem to the company capable of being used for any of the purpose of the Company or calculated directly or indirectly to benefit the Company, and to use, exercise, develop or grant licence in respect of, or otherwise turn to account the property, rights or information so acquired.
9. To enter into any partnership arrangement for sharing profits, union of interest, collaboration, co-operation, joint-venture, reciprocal concession or otherwise with any person or firm or company carrying on or engaged in any business or transactions which this Company is authorised to carry on or engage in.
10. To develop and turn to account any land acquired by the Company or in which it is interested, and in particular by laying out and preparing the same for building purposes, and to construct, alter, decorate, maintain and improve buildings.
11. To take or otherwise acquired and hold shares, stock, debenture or other interests in any other company having objects similar to this Company.
12. To invest and deal with the moneys of the company not immediately required in such manner as may from time to time seem expedient and be determined.
13. To lend money to such persons or companies as such terms as may seem expedient, and in particular to employees, or ex-employees, customers and others having dealing with the Company and to give any guarantee or indemnity that may seem conducive to the business of the Company, provided that the Company shall not carry on any banking business.
14. To receive fixed or other deposits not withdrawable by cheques, drafts or orders and pay interest on them at a reasonable rate for the purpose of financing the business of the Company subject to section 58A of the Act and the regulations made thereunder and the directions issued by Reserve Bank of India.

Inserted pursuant to Special Resolution of the Shareholders passed at the AGM held on 20.07.2018

15. Subject to section 292 of the Act to borrow or raise money by the issue of debentures or debenture stock (perpetual or otherwise), bonds, mortgages, or any other securities or in such manner as the Company shall think fit and for the purpose aforesaid to mortgage or charge all or any of the Company's property or assets, present and future, including its uncalled capital or further secure any securities of the Company by trust deed or other assurances.
16. To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
17. To apply for and obtain any Act of Parliament, privileges, concession, licence or authorisation of any Government, State of Municipality or other authority for enabling the Company to carry on any of its objects into effect or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company or for any other purpose which may seem expedient, and to make representation against any proceedings or applications which may seem calculated to prejudice the interests of the Company.
18. To enter into any arrangement with any Government or Authorities Supreme Municipal, Local or otherwise, that may seem conducive to the Company's objects, or any of them, and to obtain from any such government or authority, any rights, privileges and concessions which the Company may think fit desirable to obtain, and to carry out, exercise and comply with any such arrangements, privileges and concessions.
19. To pay all costs, charges and expenses, preliminary and incidental to the formation, promotion and registration of the Company.
20. To pay for any rights or property acquired by the Company and to remunerate any person or company whether by cash payment or by the allotment of shares, debentures or other securities of the Company credited as paid up in full or in part or otherwise.
21. To promote any company or companies for the purpose of acquiring all or any of the properties, rights and liabilities of this Company or for any other purpose which may seem calculated to benefit this company.
22. To donate or subscribe money for any national, charitable, benevolent or public purposes and to promote such institution and to give charities and donations.
23. To sell or otherwise dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other company having objects similar to this Company.
24. To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of turn to account, or otherwise deal with, all or any part of the property and right of the Company.
25. To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition or works or art or interest, by publication of books and periodicals and by granting prizes, rewards and donation, but not to any political party or for any political purpose.
26. To distribute among the members in specie or in kind any property of the Company or any proceeds of sale or disposal of any property of the Company in the event of its winding up.
27. To establish branches and appoint agencies in India or abroad for or in connection with the attainment of the main objects of the Company.
28. To open account or accounts with any scheduled bank or banks and to pay into and withdraw money from such account or accounts.
29. To create any reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining, any of the properties of the company or for the purpose conducive to the interests of the Company.
30. To distribute as dividend or bonus among the members or to place to reserve or otherwise to apply as the company may from time to time think fit any money received by way of premium on shares or

debentures issued at a premium by the company and money arising from the sale by the Company of forfeited shares subject to the provisions of the Act.

31. To procure the registration or other recognition of the Company in any country or place In any part of the world.
32. To participate in India and International trade fairs and for which purpose to send samples and representatives.
33. To establish and run schools or colleges and to provide for the delivery and holding of lectures, exhibition, public meetings, classes and conferences, calculated directly or indirectly to advance the cause of education, whether general, professional or technical and primarily for the purpose of promoting the interest of the Company.
34. To do all such other things as are incidental or conducive to the attainment of the above objects.

C. OTHER OBJECTS.

1. To manufacture and deal in all sorts of plant and equipment or any parts thereof for the manufacture of electrical goods and their accessories.
 2. To carry on business as manufacturers of and dealers in acids, alkalies and chemicals, pharmaceutical, medicinal, chemical, industrial and other preparations and articles, compounds, oils, paints, pigments and varnishes, drugs, paints and colours and of chemical photographic, hospital, surgical and scientific instruments, apparatus and materials.
 3. To carry on business as manufacturers of and dealers in fertilisers, phosphates, bone products, glue, alum products and manures and as distillers, dye-makers, gas-makers, soap and perfume makers, metallurgists and mechanical engineers, to search for get work, raise, make merchantable, sell and deal in brick-earth and bricks.
 4. To carry on all or any of the business of printers, stationers, lithographers, type-founders, stereo-types, electro-typers, photographic printers, photolithographers, chromo-lithographers, engravers, die sinkers, book-binders, designers, draughtsmen, booksellers, publishers, advertising agents and engineers.
 5. To carry on the business of brewers and malsters in all its branches, and to prepare all kinds of spirits and liquor, whether for human consumption or for use as fuel or otherwise.
 6. To carry on business of manufactures of soa, vegetable ghee, refined oil and other vegetable products, to buy, sell, manufacture, refine, prepare and deal in all kinds of oils and oleaginous and saponeaceous substances and all kinds of ointments, ingredients and toilet requisites and perfumes.
 7. To carry on the business of cold storage, refrigeration, cooking, dehydrating, preserving, canning of any product on Company's own account.
 8. To carry on the business of import and export in all its branches.
 9. To carry on the business of financing and advancing loans against security of goods, property, chattel or without any security, on interest or without interest, provided that the Company shall not carry on any banking business.
 10. To trade and to do business as automobile agents.
 11. To undertake and transact all kinds of agency business of any person, firm or firms, company or companies within India or outside India and to act as manufacturer's representatives.
 12. To carry on the business of dealers in electrical equipment and mechanical equipment, and to undertake and execute contracts for works involving the supply, erection, testing, commissioning and the use of foregoing equipment and machinery in all branches of engineering.
 13. To take part in the supervision, control and working of business or operations of any person, firm, company or other undertaking having similar objects and for such purpose or purposes to appoint and remunerate any officers, directors, Managers, accountants, engineers or other experts or agents.
- IV The liability of the members is limited.

V* The Authorised Capital** of the Company is Rs. 103,75,00,000/- (Rupees One Hundred and Three Crores Seventy Five Lakhs only) divided into 103,20,00,000 (One Hundred and Three Crores Twenty Lakhs only) Equity Shares of Re. 1/- (Rupee One only) each and 5,50,000 (Five Lakh Fifty Thousand only) Redeemable Preference Shares of Rs. 10 (Rupees Ten only) each.

* The Share Capital has been increased from Rs.50,00,000/- (Rupees Fifty Lacs only) in EGM dated 11.01.91, further increased to Rs.5,00,00,000/- (Rupees Five Crores only) in EGM dated 17.02.92. Further increased to Rs.10,00,00,000 (Rupees Ten Crores only) in AGM dated 13.09.96, further increased to Rs.11,50,00,000/- (Rupees Eleven Crores Fifty Lacs only) pursuant to Scheme of Arrangement as approved by the Hon'ble Delhi High Court vide its order dtd. 21.03.02 and regd. with ROC on 27.03.02, further increased to Rs.15,00,00,000/- (Rupees Fifteen Crores only) in AGM dated 20.07.05, further increased to Rs.20,00,00,000/- (Rupees Twenty Crores Only) pursuant to Scheme of Amalgamation as approved by the Hon'ble Delhi High Court vide its order dated 19.04.2006 filed with ROC on 01.05.2006, further increased to Rs. 30,00,00,000/- in AGM dated 27.06.2006, further increased to Rs.40,00,00,000/- (Rupees Forty Crores Only) in EGM dated 20.01.2007. Further increased to Rs. 100,00,00,000 (Rupees One Hundred Crores Only) in AGM dated 29.09.2010. Further increased to Rs.100,05,00,000/- (Rupees One Hundred Crores Five Lakhs Only) pursuant to the Scheme of Amalgamation between Standard Electrical Limited and the Company, approved by the Hon'ble High Court of Delhi vide its order dated 27.09.2011 filed with Registrar of Companies on 15.10.2011. Further increased to Rs. 103,75,00,000/- (Rupees One Hundred and Three Crores Seventy Five Lakhs only) pursuant to the Scheme of Amalgamation of Havells Global Limited, Standard Electrical Limited, Lloyd Consumer Private Limited and Promptec Renewable Energy Solutions Private Limited with the Company, approved by the Hon'ble National Company Law Tribunal, Principal Bench vide its order dated 31.01.2020 filed with Registrar of Companies on 07.02.2020.

** Shares have been sub-divided from Rs. 100/- each to Rs. 10/- each in EGM dated 17.02.92 and further to Rs. 5/- each in EGM dated 19.11.2003 and further to Re. 1/- each vide special resolution passed by the shareholders by way of a postal ballot on 07.08.2014.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names :-

S. No.	Name, Address, Occupation & Description of the Subscribers and their Father's Name	Number of equity shares taken by each Subscriber	Signature of Subscribers	Name, Addresses, description and signatures of witness
1.	Qimat Rai Gupta S/o Sh. Lachman Das Gupta 16/B-13, Alipore Road, Delhi-110006 Business	5 (Five)	Sd/-	I hereby witness the Signature of the Subscribers. Sd/- V. P. Bansal Chartered Accountant S/o Shri Dharam Pal 1/18-B, Asaf Ali Road New Delhi.
2.	Surjit Kumar Gupta Late Sh. Ved Prakash Gupta 51/1, New Market New Rohtak Road New Delhi-110015 Business	5 (Five)	Sd/-	
		10		

Delhi, Dated this the 21st day of July, 1983.

**THE COMPANIES ACT, 1956
(PUBLIC COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF**

***HAVELLS INDIA LIMITED**

1. GENERAL

In these regulations:

Unless the context otherwise requires:

Interpretation Clause	I)	The words or expressions contained in these Regulations shall bear the same meaning as In the Act or any statutory modifications thereof.
The Company or This Company	ii)	"The Company" or "this Company" means HAVELLS INDIA LIMITED*.
The Act	iii)	"The Act" means "The Companies Act, 1956" or any statutory modifications reenactments thereof for the time being in force.
"TheSeal"	iv)	"The seal" means the Common seal of the Company
"Auditors"	v)	"Auditors" means and Includes those appointed as such for the time being by the Company.
"Board"	vi)	"Board" means the Board of Directors of the Company.
"Capital"	vii)	"Capital" means the share capital for the time being, raised or authorised to be raised, for the purposes of the Company.
"Debenture"	viii)	"Debenture" includes Debenture Stock.
"Dividend"	ix)	"Dividend" includes bonus.
"In writing" & Wrftten"	x)	"In writing" and "written" induces printing, lithography and other modes of repre- sented or reproducing words in a visible form.
"Member"	xi)	"Member" means a person who agrees In writing to become a member of the Company and whose name is entered in fts Register of Members.
"General Meeting"	xii)	"Annual Meeting" means a meeting of the Members.
"Annual General Meeting"	xiii)	"Annual General Meeting" means a General Meeting of the Members held in accordance with the provisions of Section 166 of the Act.
"Extraordinary General Meeting"	xiv)	"Extraordinary General Meeting" means an Extraordinary General Meeting of the Members duly convened.
"Month"	xv)	"Month" means a calendar month.
"Office"	xvi)	"Office" means the Registered Office for the time being of the Company.
"Paid Up"	xvii)	"Paid up" includes credited as paid up.

* The word private being deleted on conversation to Public Company vide special Resolution passed In EGM dated 21.3.92 Fresh certificate dated 31.3.92 Issued by Register of Companies

* Pursuant to the resolution passed at the AGM held on July 05, 2007, name of the company changed by deleting 'Apostrophe' from the word 'Havell's'.

"Persons"	xviii)	"Persons" include corporations and individuals.
"Register of Members"	xix)	"Register of Members" means the Register of Members to be kept pursuant to the Act.
"The Registrar"	xx)	"The Registrar" means Registrar of Companies having jurisdiction over Company.
"Secretary"	xxi)	"Secretary" includes a Temporary Assistant Secretary and any person or persons appointed by the Board to perform any of the duties of a Secretary.
"Share"	xxii)	"Share" means the share in the share capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.
"Singular number"	xxiii)	Words imparting the singular number include, where the context admits or requires, the plural number and vice-versa.
"Gender"	xxiv)	Words imparting the masculine gender also include the feminine gender and vice-versa.
"Year and Financial year"	xxv)	Year means the calendar year and "Financial Year" shall have the meaning assigned thereto by Sec. 2(17) of the Act.
"Section"	xxvi)	"Section" means section or sections of the Companies Act.
"Marginal Notes"		Marginal Notes used in these Articles shall not affect the construction hereof. Save as aforesaid any words or expression defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these articles.
Application of Table F of Schedule 1 of the Companies Act, 2013	2. [#]	The regulations contained in Table F of Schedule I shall apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the management of the Company, so however that the Articles shall to the extent to which they are repugnant to any/ or at variance with the provisions of the Companies Act, 2013, various Schedules thereto and the Rules made there under (collectively referred to as 'Act'), be deemed to have been replaced by the relevant provisions/rules in the Act so as to be in consonance and harmony therewith.

II. SHARE CAPITAL

Amount of capital	3 ^{**}	The authorised share capital of the company shall be such as mentioned in clause V of the Memorandum of Association of the Company which can be sub-divided, consolidated and increased or decreased with power from time to time to issue any shares of original capital, with and subject to any preferential deferred, qualified or special rights, privileges of conditions as may be thought fit and decided by the Company.
Power to issue preference shares	b)	The Company shall have power to issue Preference Shares including redeemable preference shares in accordance with the provision of Section 8 and 85 or any statutory modifications thereof.
Power to issue shares at discount	c)	The Company shall have power to issue shares at a discount, but in doing so, the Company shall comply with the provisions of Section 79 or any statutory modifications thereof.
Power to issue shares at premium	d)	The Company shall have power to issue shares at a premium, but in doing so, the Company shall comply with the provisions of Section 78 or any statutory modifications thereof.
Company's shares not to be purchased	4.	No part of the funds of the Company shall be employed in the purchase of or in loans upon the security of the Company's shares.
Shares under the control of Board.	5.	Subject to the provisions of the Act and these Articles, the shares shall be under the control of the Board of Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions as they think fit.

^{**} Article amended vide resolution passed at the Extra Ordinary General Meeting held on 19-11-2003.

[#] Article amended vide resolution passed at the Annual General Meeting held on 13-07-2015.

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| Directors may allot shares as fully paid up | 6. | Subject to the provisions of the Act and these Articles the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property or assets of any kind whatsoever (including goodwill of any business) sold or transferred, goods or machinery or know-how supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash and if so issued shall be deemed to be fully paid up or partly paid up shares as aforesaid. The Directors shall cause returns to be filed of any such allotment as provided, by section 75 of the Act. |
| Commission for placing shares | 7. | The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debenture stock of the Company but so that if the commission in respect of shares shall be paid or payable out of capital the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission in the case of shares, shall not exceed 5% of the price at which the shares are issued and in the case of debentures 2.5% of the price at which the debentures are issued. The commission may be paid or satisfied in cash or in shares, debentures or debenture stock of the Company or partly in one way and partly in the other. |

III. VARIATION OF SHAREHOLDERS RIGHTS

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| Alteration of Shareholders rights | 8. | <p>a) If at any time the share capital is divided into different classes of shares, the rights attached to any class unless otherwise provided by the terms of issue of the share of that class, may subject to the provisions of sections 106 and 107 and whether or not the company is being wound up be varied with the consent in writing of the holder of three-fourths of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.</p> <p>b) Subject to the provisions of section 170(2)(b) and (a) or any statutory modifications thereof to every such separate general meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question.</p> <p>c) The rights conferred upon the holders of the shares of any class issued with preference or other rights shall not unless otherwise provided by the terms of issue of the share of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.</p> |
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IV. SHARE CERTIFICATES

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| Issue of new share certificate | *9. | Every person whose name is entered as a member in the register shall, without payment, be entitled to one or more certificate(s) in the marketable lots under the Common Seal of the Company specifying the share or shares held by him and the amount paid thereon. Provided that, in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint-holders shall be sufficient delivery to all. |
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* Article amended vide resolution passed in Extra Ordinary General Meeting dated 20th March, 1993.

Share certificate in place of defaced, lost etc.

- *10. No fee shall be charged for issue of New shares/Debenture certificates in replacement of those, which are old, decrepit, worn out or where the pages on the reverse for recording transfers have been fully utilized.

Where shares/debenture certificates shall be issued for either more or less than marketable lots. Sub-Division/consolidation into marketable lots shall be done free of charge.

V. CALLS ON SHARES

Calls on Shares

- *11. The Board may, from time to time, make calls upon the members in respect of any moneys unpaid on their shares specifying the time or times of payment, and each member shall pay to the Company at the time or times so specified the amount called on his shares.

Provided that the option or right to call of shares shall not be give to any person or persons without the sanction of the Company in General Meeting.

Provided, however, that the Board may, from time to time at their discretion extend the time fixed for the payment of any call.

Interest on calls payable

12. If the sum payable in respect of any call has not been paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share in respect of which a call shall have been made shall pay interest on the same at such rate not exceeding 18% per annum as the Board shall fix from the date appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part.

Interest on advance payment

- *13. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys due upon the shares held by him beyond the sums actually called for thereupon the moneys so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding, 18% per annum as the Members paying such sums in advance and the Board agree upon and the Board may, at any time, repay the amount so advanced upon giving to such members one months notice in writing. Moneys paid in advance of calls shall not in respect thereof confer a right to dividend or to participate in the profits of the Company.

Liability of Joint holders

14. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

VI. LIEN

Nature and extent of Company's lien on shares

- *15. a. The Company shall have a first and paramount lien:
- i) On every share (not being a fully paid share for moneys whether presently payable or not) called or payable at a fixed time in respect of that share.
 - ii) The Company's lien, if any, on a share shall extend to all dividends payable thereon.
- b. The Company may sell, in such manner as the Board thinks fit any shares on which the Company has a lien :
- i) Unless the sum in respect of which the lien exists is presently payable, or

* Artides of Association was amended vide resolution passed in Extra Ordinary General Meeting held on 20th March 1993.

	ii)	Until the expiration of thirty days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
	c. i)	To give effect to any such sale, the Board may authorise some person to transfer the shares to the purchaser thereof.
	ii)	The purchaser shall be registered as the share holder of the shares comprised in any such transfer.
	iii)	The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be effected by any irregularity or invalidity in the proceedings in reference to the sale.
	d. i)	The proceedings of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
	ii)	The residue, if any, shall subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
Restrictions on exercise of voting right of members. Who have not paid calls etc.	e)	No member shall exercise any voting rights in respect of any shares registered in his name on which any call or other sums presently payable by him have not been paid to the person entitled to the shares at the date of sale.

VII. FORFEITURE OF SHARES

Notice for unpaid calls	16. a)	If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of the call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
Forms of Notice	*b)	The Notice aforesaid shall : <ul style="list-style-type: none"> i) Name a further day (not earlier than the expiry of thirty days from the date of service of the notice) on or before which the payment required by the notice is to be made, and ii) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited.
Effect of non-payment	c)	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
Disposal of forfeited shares	d. i)	A forfeited share may be sold or otherwise disposed off on such terms and in such manner as the Board thinks fit.
Power to cancel forfeiture	ii)	At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
Liability on forfeiture	e. i)	A person whose shares have been forfeited shall cease to be member in respect of the forfeiture, remain liable to pay to the Company all moneys which, at the date of forfeiture, were presently payable by him to the company in respect of the share.

* Articles of Association was amended vide resolution passed In Extra Ordinary General Meeting held on 20th March 1993.

Liability when ceases	ii)	The liability of such person shall cease if and when the company shall received payment in full of all such moneys in respect of the shares.
Declaration of Company to transfer Shares disposal	f. i)	A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of facts therein stated as against all person claiming to be entitled to the share.
	ii)	The company may receive the consideration if any given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.
Transferee to be shareholder	iii)	The transferee shall there upon be registered as the holder of the share.
Transferee's title Uneffected	iv)	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title by the shares be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
Application of forfeiture provision to sums payable otherwise than on calls	g)	The provisions of these Regulations as to forfeiture shall apply in the case of non payment of any sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Effect of forfeiture	h)	The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the company in respect of the share, and all other rights incidental to the share, except only of those rights as by these Articles are expressly saved.

VIII. TRANSFER AND TRANSMISSION OF SHARES

	17.	Subject to the provisions contained in these Articles, the Board may, in their absolute and uncontrolled discretion, refuse to register any transfer of shares without assigning any reason.
Certain provisions of the Act to be complied with in registering Transfer and Transmission of Shares	18.	In registering transfer and transmission of shares, the Company shall comply with provisions of sections 108, 109, 111, 112 and 250 of the Act or any statutory modifications thereof.
Who is to execute Transfer of Shares	19. a)	The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
	b)	The instrument of transfer shall be in writing and all the provisions of section 108 of the Act and of any statutory modifications thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof.
When the Board may decline to register transfer of shares	*c)	The Board may, subject to the right of appeal conferred by Section 111 of the Companies Act 1956 and Section 22A of Securities Contract (Regulation) Act 1956 decline to Register transfer of shares.

* Articles of Association was amended vide resolution passed in Extra Ordinary General Meeting held on 20th March, 1993.

	<ul style="list-style-type: none"> i) the transfer of share, not being fully paid share, to a person to whom they do not approve, or ii) the transfer of shares on which the Company has lien, provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with other person or persons in debted to the company on any account whatsoever except a lien on shares.
Conditions to be fulfilled before registration of transfer	<ul style="list-style-type: none"> d) The Board may also decline to recognise any instrument of transfer unless: <ul style="list-style-type: none"> i) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably requires to show the right of the transferor to make the transfer; and ii) the instrument of transfer is in respect of only one class of shares.
Power of board to suspend the registration of transfers	<ul style="list-style-type: none"> e) The registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine. <p>Provided that such registration shall not be suspended for more than forty five days in any year and provisions of Section 154 are complied with.</p>
Transmission by operation of law.	20. Nothing contained in Article 18 shall prejudice any power of the Company to register as shareholder the person to whom the right to any shares in any Company has been transmitted by operation of law.
When transfer books and register may be closed	21. The transfer books and the registers of members or the register of debenture holders may be closed for any period or periods not exceeding in the aggregate 45 days in each year but not exceeding 30 days at any one time after giving not less than 7 days notice in accordance with Section 154 of the Act.

***21A. DEMATERIALISATION OF SECURITIES**

- i) Dematerialisation of Securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to Dematerialisation of its securities and to offer securities in a dematerialised form pursuant to and in accordance with the Depository Act, 1996 and other Rules, Regulations and Guidelines as maybe applicable in this behalf.
- ii) For the purpose of this Article :

“Beneficial Owner” means a person or persons whose name is recorded as such with a depository.

“SEBI” means the Securities and Exchange Board of India.

“Depository” means a Company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and shall, inter-alia, include the National Securities Depository Ltd. and/or Central Securities Depository set up in future as the case may be :

“Security” means such security as may be specified by SEBI from time to time.

* Articles of Association was amended vide resolution passed in Extra Ordinary General Meeting held on 31st March 2000.

(iii) Option for investors

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depository Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities.

Provided that if a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security and on receipt of the information, the depository shall enter in its record, the name of the allottee as the beneficial owner of the security.

(iv) Securities in depository to be in fungible form

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(v) Rights of Depositories and Beneficial Owners

- a) Notwithstanding anything contrary contained in the Act or these Articles, a depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner, of the securities shall be entitled to, all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

(vi) Service of Documents

Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

(vii) Transfer of Securities

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owner in the records of a depository.

(viii) Allotment of Securities dealt with by a Depository

Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

(ix) Distinctive number and securities held in a Depository

Nothing contained in the Act or these Articles regarding the necessity of having

distinctive number for securities issued by the Company shall apply to securities held in a depository.

(x) Register and Index of Beneficial Owners

The Register and Index of Beneficial Owners, maintained by depository under the Depository Act, 1996 shall be deemed to be the Register and Index of Members and security holders for the purposes of these Articles.

(xi) Powers of the Board

The Board shall have full powers to take all such steps as may be required for the purpose of Dematerialisation of the existing securities, as may be deemed expedient and/or may be directed by the Competent Authority in this regard and to decide in respect of all matters incidental to this Article as may be required from time to time including inter-alia. the joining of one or more depositories as may be deemed expedient by the Board.

IX. ALTERATION OF CAPITAL

Power to increase capital	22.	The Board may with the sanction of the Company in the general meeting increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe. Subject to the provisions of Articles, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct.
How far new shares to rank with shares in original capital	23.	Except so far as otherwise provided by the conditions of issue, by these Articles, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls, transfer and transmission, lien, voting, surrender and otherwise.
Offer of new shares	24.	Subject to any direction to the contrary, that may be given by the shares shall be offered to the persons who at the date of the offer, are holders of equity shares of the company, in proportion, as nearly as circumstances admit to the capital paid upon those shares at that date. The offer shall be made by notice specifying the number of shares to which the offer if not accepted, will be deemed to be declined and after the expiration of such time or on receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered the Board may dispose of the same in such manner as it thinks most beneficial to the Company subject to provision of Section 81 of the Act. The directors may like wise so dispose any new shares which by reason of the ratio held by person entitled to an offer of new shares cannot in the opinion of directors be conveniently offered under this article.
Reduction of capital etc.	25.	Subject to the provisions of Section 100 to 104 of the Act, the Company may from time to time, by special resolution, reduce its capital by paying off capital or cancelling capital which has been lost or is unrepresented by available assets or is ruperfluous, or by racing the liability on the shares or otherwise as may seem expedient and capital may be paid off upon the footing that it may be called up again or otherwise. and the board may subject to the provisions of Act, accept surrender of shares.
Sub-division & consolidation to shares	26.	The company in general meeting may, from time to time subdivide or consolidate its shares of any of them and exercise any of the other powers conferred by section 94 of the act and shall file with the registrar such notice of exercise of any such powers as may be required by the act.

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| Power to modify | <p>27. If at any time the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of shares, the rights and privileges attached to each class may be varied or modified, as provided in Section 106 and 107 of the Act subject to :</p> <p>a) The consent of the holder of any specified proportion not being less than three-fourth of the issued shares of that class, or</p> <p>b) The sanction of a resolution passed at a separate meeting of the holders of those shares and supported by the votes of the holders of any specified proportion, not being less than three-fourth, of these shares.</p> |
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X. BORROWING POWERS

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| Power to borrow | <p>28. Subject to the provisions of Section 292 and 293 of the Act, the Board may, from time to time, borrow or secure the payment of any sum or sums of money for the purpose of the Company.</p> |
| Conditions and manner in which money may be borrowed | <p>29. The Directors may raise or secure the repayment of any sum or sums in such manner and upon such terms and conditions in all respects as they may think fit and in particular by creation of any mortgage or charge on the undertaking on the whole or any part of the property, present or future, or uncalled capital of the company or by the issue of bonds, perpetual or redeemable, debentures or debenture stock of the company charged upon all or any part of the property of the company both present and future including its uncalled capital for the time being.</p> |
| Persons not to have priority over any prior charge | <p>30. Whenever any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled by notice to the Share-holders or otherwise, to obtain priority over such prior charge.</p> <p>31. The directors may receive deposits for such terms and bearing interest at such rates as the directors decide from time to time. The deposits may be received from any person or persons including the directors and the share holders of the company. Any deposits received from the directors and shareholders of the Company may be treated as loan capital.</p> |
| Register of charges | <p>32. The directors shall cause a proper register to be kept in accordance with the provisions of Section 143 of charges specifically affecting the property of the company and shall duly comply with the requirements of the Act with regard to the registration of mortgages and charges. The register of charges kept in pursuance of Section 143 shall also be open during business hours, subject to reasonable restrictions at the Company in General Meeting may impose so that not less than two hours in each day are allowed for such inspection.</p> |
| Indemnity may be given | <p>33. If the Directors or any of them, or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of Indemnity to secure the directors or persons so becoming liable as aforesaid from any loss in respect of such liability.</p> |

XI. DEBENTURES

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| Power to issue debentures and provisions of the Act to be complied with | <p>34. The Company shall have powers to issue debentures among Members but in exercising this power the provisions of section 56(3) 64, 67, 70 to 74.108 to 113, 117 to 123, 128, 129, 133, 134, 152, 154, 170(2)(a) and (b) 187 and 292 or any statutory modification thereof shall be complied with. Provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the company in the General Meeting.</p> |
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XII. GENERAL MEETINGS

Extraordinary General Meeting	35.	All general meetings other than the annual general meeting of the Company shall be called Extra-ordinary General Meeting.
Who may call Extraordinary General Meeting	36.	<p>i) The Board may whenever it thinks fit call on Extraordinary General Meeting.</p> <p>ii) If at any time, there are not within India Directors capable of acting who are sufficient in number to form a quorum, any Directors or any two members of the Company may call an Extraordinary General Meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.</p> <p>iii) Extraordinary General Meetings may be called by the members under the provisions of Section 169 and under conditions mentioned therein or any statutory modifications thereof and by Company Law Board under conditions mentioned in Section 18 or any statutory modifications thereof.</p>
Period of Notice	37.	<p>a) A General Meeting of the company may be called by giving not less than twenty one days notice in writing or after giving such shorter notice as provided in Section 171(2) of the Act or any statutory modification thereof.</p> <p>b) Accidental omission to give notice to, or the non-receipt of notice by any member or other person to whom it should be given shall not invalidate the proceedings of the meeting.</p>
Accidental omission not to invalidate meeting		

XIII. PROCEEDINGS OF GENERAL MEETINGS

Quorum needed and the number to form the quorum	38.	<p>a) No business shall be transacted at any general meeting unless a quorum of member is present at the time when the meeting proceeds to transact business. Five members present in person shall be a quorum.</p> <p>b) If within half an hour from the time appointed for holding a meeting of the company, quorum is not present, the meeting if called upon the requisition of members, shall stand dissolved.</p> <p>c) In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Board may determine.</p> <p>d) If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum.</p>
Dissolution of meeting		
Adjournment of meeting		
Quorum at adjourned meeting		
Chairman of the Board to preside	39.	<p>a) The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the company.</p> <p>b) If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is un-willing to act as chairman of the meeting, the directors present shall elect one of their number to be Chairman of the meeting.</p> <p>c) If at any meeting no Director is willing to act as Chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be the chairman of the meeting in accordance with the provisions of section 175 or any statutory modifications thereof.</p> <p>d) The Chairman of a general meeting, may, with the consent of the meeting, adjourn the same, from time to time and from place to place, but no business shall be</p>
When directors to elect chairman		
When members to elect chairman		
Power to adjourn general meeting		

transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

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| How question to be decided at meetings | 40. | Every question submitted to a meeting shall be decided : |
| | a) | In the first instance by a show of hands, and in the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll, if any, have a second casting vote in addition to the vote or votes, which he may be entitled as a member. |
| Business may proceed notwithstanding demand poll | b) | The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than question on which a poll has been demanded. |
| Chairman's decision | c) | The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. |

XIV. VOTES OF MEMBERS

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| Votes of Members | 41. | a) | Upon show of hands every member present in person shall have one vote, and upon a poll every member present in person or by proxy or by duly authorised representative shall have one vote for every share held by him. |
| No voting by proxy on show of hands | | b) | No member present only by proxy shall be entitled to vote on a show of hands. |
| Votes in respect of shares of deceased & bankrupt members | | c) | Any person entitled under the transmission clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares, provided that seventy two hours at least before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Board of his right to transfer such shares, unless the Board shall have previously admitted his right to transfer such shares or his right to vote at such meeting in respect thereof. |
| Joint Holders | | d) | Where there are joint registered, holders of any share any one of such persons may vote at any meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereof and if more than one of such joint holders be present at any meeting personally or by proxy, then one of the said persons present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators or a deceased member in whose name any share stands shall for the purposes of this clause be deemed joint holders thereof. |
| | | e) | A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, any vote whether on a show of hands or on poll, by his committee or other legal guardian, and any such Committee or guardian may, on a poll, vote by proxy. |
| Proxies Permitted | | f) | On a poll, votes may be given either personally or by proxy. |
| Instrument appointing a proxy to be in writing | | g) | A member entitled to attend and vote may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a poll. No member shall appoint more than one proxy to attend on the same occasion. A proxy shall not be entitled to speak at a meeting or vote except on a poll. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney and if such appointer is body corporate be under its Common Seal or be signed by an officer or an attorney duly authorised by it. |
| Instrument appointing proxy to be deposited at office | | h) | The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or notarially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than forty eight hours before the time of holding the meeting at which the |

	persons named in the instrument purports to vote and in default the instrument of proxy shall not be treated as valid.
When vote by proxy valid through authority	i) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy provided no intimation in writing of the death or revocation shall have been received at the office of the Company before the meeting.
Form of Proxy	j) An instrument appointing a proxy may be in the following form or in any other form which the Board shall approve. I..... of..... in the district of..... being a member of hereby appoint of as my proxy to vote for me and on my behalf at the (annual or extraordinary, as the case may be) general meeting of the company to be held on the day of and at any adjournment thereof. Signed this day of..... Signature.....
No member entitled to vote etc. while call due to company	k) No member shall be entitled to be present or to vote on any question either personally or by proxy, or as proxy for another member, at any general meeting or upon a poll or be reckoned in a quorum whilst any call or other dues shall be due and payable to the Company in respect of any of the shares of such member.
Time for objection to vote	l) No objection shall be made or entertained to the validity of any vote except at the meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purpose of such meeting or whatsoever.

XV. MANAGEMENT

Management to vest in Board of Directors	42. The management of Company shall vest in the Board of Directors to be constituted for the purpose. However, day to day management of the Company shall vest in the Managing Director under the overall control, supervision and guidance of the Board of Directors and subject to any directions given or imposed by the Board from time to time.
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XVI. BOARD OF DIRECTORS

Members of the Board	43. a) That the minimum number of Directors should be three and maximum will be twelve inclusive of nominee directors. b) The persons hereinafter named shall become and be the first Directors of the Company. <div style="text-align: center;">Shri Qimat Rai Gupta Shri Surinder Kumar Gupta Shri Surjit Kumar Gupta</div> *c) Whenever the Company enters with any government (Central, State or Local) any bank or financial institutions or any person (hereinafter called 'The Institution') into a contract for borrowing any money or providing any guarantee or security or for technical collaboration or assistance or for underwriting or into any other arrangement whatsoever, and if it is a term of the relative loan, assistance or contract or arrangement that the Institution shall have the right to appoint one or more Directors to the Board of the Company, then subject to the provisions of section 255 of the Act and subject to the terms and conditions of such loan, assistance, contract or arrangement that the Institution shall have the right to
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* The above articles was amended vide as special resolution passed at the AGM dated 13.9.96

appoint one or more Directors to the Board of the Company, then subject to the provisions of section 255 of the Act and subject to the terms and conditions of such loan, assistance, contract or arrangement, the institution shall be entitled to nominate one or more Director or Directors, as the case may be, to the Board of the Company and to remove from office any Director so appointed and appoint another in his place, any such appointment or removal shall be made in writing and shall be served at the office of the company. The Director so appointed shall not be liable to retire by rotation and shall continue, in office for so long as the relative loan, assistance, contract or arrangement, as the case may be, subsists. The Board of Directors of the Company shall have no power to remove such nominated Director from office. Such nominee Director shall be entitled to the same rights, privileges and obligations as any other Director of the Company.

Appointment of Managing Director	44.	a)	Subject to Section 197A of the Act, the Board of Directors may, from time to time, appoint one or more of them to be Managing Director or Managing directors of the company subject to provisions of Section 269 and other applicable provisions of the Act, if any.
Appointment of Alternate Director		b)	Subject to the provisions of sections 313 or any statutory modifications thereof Board of Directors shall have power to appoint a person as alternate director during the absence of Director for a period of not less than three months from the State in which meetings of the Board are ordinarily held.
Consent of candidate for directorship to be filed with the Registrar	45.	a)	The Board of Directors shall be entitled to appoint director or directors not liable to retire by rotation.
		b)	A person who is not a retiring Director shall not be appointed Director of the Company unless he has by himself or by his agent authorised in writing, signed and filed with the Registrar his consent in writing to act as such Director.
Qualification shares	46.		*A Director shall not be required to hold any qualification shares in the company.
General Powers and limitation thereon	47.	a)	The Board of Directors shall be entitled to exercise all such powers and to do all such acts and things as the company is authorised to exercise and so. Provided that the Board shall not exercise any power or do any act or thing, which is directed or required by the Act or any other provisions of law or by the memorandum of Association of the Company or by these Articles to be exercised or done by the company in General Meeting. Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf of the Act or any other provision of law or the Memorandum of Association of the Company or these Articles or in any regulation not inconsistent therewith and duly made hereunder including regulation made by the company in General Meeting.
Provision against invalidation of prior acts of the Board		b)	No regulation made by the company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
Meeting of Directors and quorum	48.	a)	The Directors may meet together for the conduct of the business, adjourn or otherwise regulate their meetings and proceedings as they think fit. A meeting of the Board, however, shall be held at least once in every three calendar months' and at least four such meetings shall be held in every year. The quorum necessary for the transaction of business shall be one-third of its total strength) any fraction contained in that one-third being rounded to one or two Directors whichever is higher).

* The above articles was amended vide as special resolution passed at 11th AGM of the company held on 23.9.94

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| Director may summon meeting. How question to be decided | b) | The Chairman, Managing Director or Secretary may at any time and shall upon the request of a Director, at any time convene a meeting of the Board. Questions arising at any meeting shall be decided by a majority of votes. The Chairman shall have a second or casting vote. |
| Chairman of Directors Meetings | c) | A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of authorities powers, and discretion by or under the Articles of the Company for the time being vested in or exercisable by the Directors generally. |
| Appointment of Chairman | d) | The Chairman of the Board shall be appointed at the sitting of every meeting. |
| Delegation of powers to Committee | e) | Subject to the provisions of Section 292 and 297 of the Act the Directors may delegate any of their powers to committee consisting of such member or members or their body as they think fit and may from time to time revoke such delegation. Any Committee formed shall, in the exercise of powers so delegated, conform to any regulations that may, from time to time, be imposed upon it by the Directors. The proceedings of such a committee shall be placed before the Board of Directors at its next meeting. |
| Chairman of meeting of committee | f) | A committee may elect a Chairman of their meetings. If no such Chairman is elected or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the same, the members present may choose one of their number to be Chairman of the meeting. |
| When acts of Director or of committee valid not with standing defective appointment etc. | g) | All acts done by any meeting of the Directors, or of a Committee of Directors, or by any person acting as a Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director.

Provided that nothing in this article shall be deemed to validate the acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated. |
| Resolution without Board meeting valid | h) | Subject to restrictions placed under Section 292 of the Act resolutions of the Board of Directors can be passed by circulation and they shall be as valid and effectual as if they have been passed at a meeting of the Directors duly called and constituted. No resolution shall, however, be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors or to all members of the Committee then In India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members at their usual address in India, and has been approved by such of the Directors as are then in India, or by a majority of such of them as are entitled to vote on the resolution. |
49. The seal shall not be affixed to any instrument (other than a Share Certificate) except by the authority of a resolution of the Board of Directors and in the presence of one Director at least and the Secretary, if there is any, provided however, the Board of Directors may authorise by a resolution the Managing Director or any other Director to affix the seal on any instrument (other than a Share Certificate) wherever It is legally required. In the case of share certificate the seal shall be affixed in the presence of (i) Two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and (ii) the Secretary or some other persons appointed by the Board for the purposes.

XX. REMUNERATION OF DIRECTORS, MANAGERS AND EMPLOYEES

Managerial remuneration maximum and minimum subject to Sec. 196	50. a)	Payment of remuneration of Directors including Managing and Whole time Directors and Manager, if any, shall be subject to the provisions of Section 198 or any statutory modifications thereof.
Remuneration of employees	b)	In fixing the remuneration of employees of the Company other than Directors and Manager the provision of Section 199 and 200 or any statutory modifications thereof shall be complied with.
Remuneration of Directors including Managing and whole time Directors	51.	In fixing the remuneration of Directors including Managing and Wholetime directors the provisions of Section 309, 310 and 311 or any statutory modifications thereof shall be complied with.
Remuneration of Manager Payable either by monthly or percentage of profits or both	52.	The Manager of the Company may subject to the provisions of Section 198, 310 and 311 or any statutory modification thereof receive remuneration either by way of monthly payment or by way of specified percentage not exceeding 5% of the net profits of the Company calculated in the manner laid down in Section 349, 350 and 351 or partly by one way and partly by the other.
Sitting Fees	**53	The Director shall be paid such sitting fees for attending the meeting of the Board of Directors, or Committee appointed by the Board subject to the maximum limit as defined under provision of Section 309 and other applicable provisions, if any of the Companies Act, 1956 and rules made thereunder or notifications issued in this respect besides travelling and stay expenses, as may be decided by the Board from time to time.
Remuneration of Directors for extra services	54.	If any Director being willing, shall be called upon to perform extra service or to make any special exertions in going or residing abroad or in negotiating or carrying into effect any contract or arrangements by the Company or otherwise for any purposes of the Company or act as trustee for the Company or its debenture-holders, and shall do so, the Company may remunerate such Director either by a fixed sum and/or percentage of profits or otherwise, as may be permissible under the Companies Act.
Remuneration of the Chairman	55.	The Chairman of the Board may be paid such remuneration by way of fixed allowance or partly by fixed sum and partly by percentage of profits as the Directors may determine subject to the provisions of the Companies Act and the Chairman may be entrusted to perform such duties on behalf of the Company as may be delegated by the Directors.

XXA. COMMON SEAL

Common Seal	*55A.	The Director shall provide a Common Seal for the purpose of the Company and from time to time destroy the same and substitute a new seal In lieu thereof and shall provide for the safe custody of the seal for time being. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by if in that behalf, and except In the presence of by any Director of the Company and the same shall sign every Instrument to which the seal of the Company is so affixed in his presence. The Company may excercise the powers conferred by Section 50 with regard to having an official seal for use abroad and such power shall be vested In the Board.
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XXI. DIVIDENDS AND RESERVES

Declaration of dividend	56.	The Company in general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may fix the time for payment. but no dividend shall exceed the amount recommended by the Board.
Reserve	57. a)	The Board may, before recommending any dividend set aside out of the profits of the Company such sums as it thinks proper as reserve which shall, at the discretion

* Article was inserted vide resolution passed at the Annual General Meeting held on 23.08.2002

** Article was amended vide resolution passed at the Annual General Meeting held on 25.07.2003

of the Board be applicable for any purpose to which the profits of the Company may be properly applied, including provisions for meeting contingencies or for equalising dividends; and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investment (other than shares of the Company) as the Board may, from time to time, think fit.

Power to carry forward profits	b)	The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as reserve.
Dividend out of profits only and not to carry interest	58.	No dividends shall be payable otherwise than out of the profits of the year or other period or any other undistributed profits of the company and no dividend shall carry interest as against the company.
When to be deemed not profits	59.	The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.
Interim Dividend.	60.	The Board may from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.
Dividend Payable in Cash	61.	No dividend shall be payable except in cash; provided that nothing in the foregoing shall be deemed to prohibit the capitalisation of profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on the shares held by the members of the Company.
Effect of transfer	62.	A transfer of share shall not pass the right to any dividend declared thereon after such transfer and before the registration of the transfer.
Retention in certain cases	63.	The Directors may retain the dividend payable upon shares in respect of which any person is under the transmission clause entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.
Dividend to joint holders	64.	Any one of the several persons, who are registered as the joint holders of any shares, may give effectual receipts for all dividends and payments on account of dividends in respect of such shares.
	*64. A)	No unclaimed or unpaid dividend shall be forfeited by the Board unless the claim thereto become and the Company shall comply with all the provisions of section 205(a) of the Companies Act in respect of unclaimed & unpaid dividend.

XXII. CAPITALIZATION OF PROFITS

Capitalisation	65. a)	The Company in General Meeting may upon the recommendation of the Board resolve: <ul style="list-style-type: none"> i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profits and loss account or otherwise available for distribution, and ii) That such sum be accordingly set free for distribution amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
Mode of payment	b)	The sum aforesaid shall not be paid in cash but shall be applied, either in or towards :- <ul style="list-style-type: none"> i) Paying up any amounts for the time being unpaid on any shares held by such members respectively. ii) Paying up in full unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid, or

*Articles of Association was amended vide resolution passed in Extra Ordinary General Meeting held on 20th March 1993.

	iii)	Partly in the way specified in sub-clause(i) and partly in that specified in sub-clause (ii).
Application of share premium account and capital redemption reserve fund	c)	A share premium account and a capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
Board to give effect to the resolution	d)	The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
Appropriation and application of undivided profits	66. a)	Whenever such a resolution as aforesaid shall have been passed, the Board shall :-
	i)	make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issue of fully paid shares or debentures if any, and
	ii)	generally, to do all acts and things required to give effect thereto.
Board power in case of fraction, distribution of shares or debentures	b)	The Board shall have full power
	i)	To make such provision by the issue of fractional Certificates or by payment in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and also
	ii)	To authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.
Effect of agreement	c)	Any agreement made under such authority shall be effective and binding on all such members.

XXIII. ACCOUNTS

	67.	The books of accounts shall be kept at the registered office of the Company or at such other place in India as the Directors shall think fit and shall be open to inspection by the Directors during business hours.
Inspection by Members	68.	The Board shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Member (not being Directors) and no Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Directors or by the Company in General Meeting.

XXIV. WINDING UP

Distribution of assets	69.	If the Company shall be wound up, and the assets, available for distribution among the members as such, shall be insufficient to repay the whole of the paid up capital. Such assets shall be distributed so that, as nearly as may be the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively. And if in a winding up the assets, available for distribution among the members, shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up the excess shall be distributed amongst the member in proportion to the capital at the commencement of the winding up, paid up
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or which ought to have been paid up on the shares held by them respectively. But the clause is to without prejudice to the right of the holders of shares issued upon special terms and conditions.

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| Distribution of assets in specie | 70. | If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of an extraordinary resolution, divide among the contributories in specie or kind any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidators, with the like sanction, shall think fit, but that no member shall be compelled to accept any shares or other securities whereon there is any liability. |
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XXV. SECRECY

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| Declaration to observe secrecy | 71. | Every Director, Secretary, Manager, Auditor, Trustee, Member or Committee Officer, Servant Agent, Accountant or other person employed in the business of the Company shall before entering upon the duties sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with customers and the state of accounts with individuals and in all matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may have come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any meeting of the share-holders or by a Court of Law or by the person to whom such matters relate and except so far may be necessary in order to comply with any of the provisions of these Articles of Association. |
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| Rights to decline to answer question concerning business | 72. | Any Director or officer of the Company shall be entitled if he thinks fit to decline to answer any question concerning the business of the Company which may be put to him on any occasion including any meeting of the Company, on the ground that the answer to such question would disclose or tend to disclose the trade secret of the Company. |
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| Dismissal without notice in case secrets disclosed | 73. | Any officer or employee of the Company proved to the satisfaction of the Board of Directors to have been guilty of disclosing the secrets of the Company, shall be liable to instant dismissal without notice, and payment of damages. |
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XXVI. INDEMNITY

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| Indemnity | 74. | Subject to the provisions of Section 201 of the Act every Director, Manager, auditor, secretary and other officer or servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay, all costs, losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into or act or thing done by him as such officer or servant or in any way in the discharge of his duties. and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the member over all other claims. |
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| Individual responsibility of Directors | 75. | No Director, or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer of the Company or for joining in any receipt or other act for conformity of for any loss or expenses happening to the Company through the insufficiency or deficiency to title to any property acquired by the Company or for the insufficiency or deficiency of any such security in or upon which any of the moneys of the Company shall be invested, or for loss or damages arising from the bankruptcy, or by an act of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the duties of his office or in relation thereto unless the same happens through his own negligence or dishonesty. |
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- Note:** 1. Articles 76 to 86 were inserted vide resolution passed in AGM held on 20.07.2005 and further deleted vide resolution passed in EGM held on 20.01.2007.
2. The Articles 76 to 83 (both inclusive) were further added vide special resolution passed by the Shareholders at the EGM of the Company held on February 07, 2008 and deleted vide special resolution passed by the shareholders by way of a postal ballot on 16 September 2013.

S. No.	Name, Address, Occupation & Description of the Subscribers and their Father's Name	Signature of Subscribers	Name, Addresses, description and signatures of witness
1.	Qimat Rai Gupta S/o Sh. Lachhan Das Gupta 16/B-13, Alipore Road, Delhi-110006 Business	Sd/-	I hereby witness the Signature of the Subscribers. Sd/- V. P. Bansal Chartered Accountant S/o Shri Dharam Pal 1/18-B, Asaf Ali Road, New Delhi.
2.	Surjit Kumar Gupta S/o Late Sh. Ved Prakash Gupta 51/1, New Market New Rohtak Road New Delhi-110005 Business	Sd/-	

Delhi, Dated this the 21st day of July, 1983.

IN THE HIGH COURT OF DELHI AT NEW DELHI)
(ORIGINAL JURISDICTION)

IN THE MATTER OF THE COMPANIES ACT. 1956
AND

IN THE MATTER OF SCHEME OF ARRANGEMENT
COMPANY PETITION ON. 363/2001

CONNECTED WITH

COMPANY APPLICATION NO. 1382/2001

IN THE MATTER OF M/S HAVELL'S INDUSTRIES LTD.

having its Regd. Office at 1, Raj Narain Marg,
Civil Lines, New Delhi-110 054

PETITIONER

TRANSFEROR COMPANY NO. 1

(WITHIN THE JURISDICTION OF THIS COURT)

COMPANY PETITION NO. 364/2001

CONNECTED WITH

COMPANY APPLICATION NO. 1390/2001

IN THE MATTER OF M/S CRABTREE INDIA LTD.

having its Regd. Office at 1, Raj Narain Marg,
Civil Lines, New Delhi-110 054

PETITIONER

TRANSFEROR COMPANY NO. 2

(WITHIN THE JURISDICTION OF THIS COURT)

COMPANY PETITION NO. 365/2001

CONNECTED WITH

COMPANY APPLICATION NO. 1391/2001

IN THE MATTER OF M/S ECS LTD.

having its Regd. Office at 1, Raj Narain Marg,
Civil Lines, New Delhi-110 054

PETITIONER

TRANSFEROR COMPANY NO. 3

(WITHIN THE JURISDICTION OF THIS COURT)

COMPANY PETITION NO. 366/2001

CONNECTED WITH

COMPANY APPLICATION NO. 1392/2001

IN THE MATTER OF M/S HAVELLS INDIA LTD.

having its Regd. Office at 1, Raj Narain Marg,
Civil Lines, New Delhi-110 054

TRANSFeree COMPANY

(WITHIN THE JURISDICTION OF THIS COURT)

BEFORE THE HON'BLE MR. JUSTICE MUKUL MUDGAL

DATED THIS THE 25TH DAY OF FEBRUARY, 2002

READ WITH 6TH DAY OF MARCH, 2002 & 21ST DAY OF MARCH. 2002

ORDER UNPER SECTION 394

The above petitions coming up for hearing on 25/2/2002, 6/3/2002 & 21/3/2002 for sanction of the scheme of arrangement proposed to be made between M/S Havell's Industries Ltd., M/S Crabtree India Ltd. and M/S ECS Ltd. (hereinafter referred to as the transferor companies) and M/S Havell's India Ltd. (hereinafter referred to as the transferee company) upon reading the said petitions, the order dated 13/9/2001 whereby the above said companies were ordered to convene a meeting of their secured creditors, unsecured creditors, equity shareholders for the purpose of considering, and if thought fit, approving, with or without modification, the scheme of arrangement annexed to the affidavits of Sh. Surjit Gupta, Ameet Gupta & Sh. V. P. Gupta, Directors of the petitioner companies all filed on the 10th day of September, 2001 and the newspapers namely (1) Indian Express (English) (2) Navbharat Times (Hindi) both dated 11/10/2001 each containing the advertisement of the said notice convening the said meetings directed to be held by the said order dated 13/9/2001, the affidavits of Sh. S. K. Tiwari, Advocated Sh. N. K. Kantawala, Advocate, Sh. Anoop Bagai, Advocate and Sh. Prag Chawla, Advocate all

filed on 27/10/2001 showing the publication and despatch of the notices conveying the said meetings, the reports of the chairpersons of the said meetings as to the result of the said meetings and upon hearing Sh. Manoj Kumar, Advocate for the petitioner companies Sh. Dinesh Chand, Dy. Registrar for Regional Director. Ms. Geeta Sharma for the Official Liquidator, and Mr. S. B. Gautam, Dy. Official Liquidator in person and it appearing from the report that the proposed scheme of arrangement has been approved unanimously without any modification by the said equity shareholders, secured and unsecured creditors of the transferor companies present and voting either in person or by proxy and the proposed scheme of arrangement has been approved by the requisite majority of the said equity shareholders, secured and unsecured creditors of the transferee company present and voting either in person or by proxy and upon reading the affidavit dated 7/1/2002 of Sh. L. M. Gupta, Regional Director, Northern Region, Department of Company Affairs, Kanpur on behalf of the Central Government stating that it has no objection to the proposed scheme of arrangement and the report of Sh. I. L. Banerjee, Official Liquidator dated 15/1/2002 stating hereinafter that the affairs of Transferor Company No. 3 have not been conducted in a manner prejudicial to the interest of its members or to public interest and transferor company No. 3 could be dissolved without process of winding up and there being no investigation proceedings pending in relation to petitioner companies under Section 235 to 251 of the Companies Act, 1956.

THIS COURT DOETH HEREBY SANCTION THE SCHEME OF ARRANGEMENT

set forth in Schedule I annexed hereto and DOETH HEREBY DECLARE the same to be binding on all the shareholders and creditors of the Transferor Companies No. 1 to 3 and the Transferee Company and all concerned and doeth approved the said scheme from the appointed date to be effective from 1/4/2001.

1. That all the property, right and powers of Transferred undertaking namely the Switch Gear business situated at 14/ 3 Mathura Road. Faridabad, Haryana and 1, Raj Narain Marg, Civil Lines, Delhi-110 054 of the Transferor Companies No.1 and 2 and 8/39, South Industrial Area. Kirti Nagar. New Delhi-110015 of Transferor Company No. 1 and all the business and undertakings of the transferor company No. 3 be transferred without further act, or deed to the Havell's India Ltd., the Transferee Company as specified in the First, Second and Third parts of the schedule II hereto and all other property, rights and powers of the said transferred undertakings of the Transferor Companies No. 1 and 2 except the non-transferred undertaking be transferred to and vest in the transferee company; and

2. That all liabilities and duties of Switchgear business of the Transferor companies 1 and 2 and all the business of Transferor Company No. 3 be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company, and

3. That all proceedings now pending by or against the Transferor Company No. 3 and Switchgear business of Transferor Companies No. 1 and 2 be continued by or against the Transferee company and

4. That the Transferee Company do without further application allot to such members of the Transferor Company No. 3 and Switchgear business of Transferor company No. 1 and 2 as have not given such notice of discount as is required by clause given in the Scheme of Arrangement herein the Shares in the Transferee Company to which they are entitled under the said Arrangement. That on the Scheme becoming effective the Transferor Company No. 3 shall stand dissolved without the process of winding up.

5. That the said Transferor Companies No. 1 to 3 do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration.

That any person interested shall be at liberty to apply to the court in the above matter for any directions that may be necessary.

SCHEDULE-I

SCHEME OF ARRANGEMENT SANCTIONED BY THE COURT

BETWEEN

HAVELL'S INDUSTRIES LTD.	TRANSFEROR COMPANY NO. 1
	&
CRABTREE INDIA LIMITED	TRANSFEROR COMPANY NO. 2
	&
ECS LIMITED	TRANSFEROR COMPANY NO. 3
	&
HAVELL'S INDIA LIMITED	TRANSFEE COMPANY
	&
THEIR RESPECTIVE SHAREHOLDERS	

PART-I

A. Definitions

In this Scheme unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as given to them below:-

- (i) **"Act"** means the Companies Act, 1956 and any amendments and/or re-enactment thereof for the time being in force.
- (ii) **"Transferor Company No.1"** or **"HINDL"** means Havell's Industries Limited, a Company incorporated under the Act having its Registered office at 1, Raj Narain Marg, Civil lines, Delhi-110054.
- (iii) **"Transferor Company No.2"** or **"CIL"** means Crabtree India Limited, a Company incorporated under the Act having its Registered office at 1, Raj Narain Marg, Civil lines, Delhi-110054.
- (iv) **"Transferor Company No.3"** or **"ECS"** means ECS Limited, a Company incorporated under the Act having its Registered office at 1, Raj Narain Marg, Civil lines, Delhi-110054.
- (v) **"Scheme"** means the Scheme of Arrangement as set out herein.
- (vi) **"The Appointed Date"** means 1.4.2001.
- (vii) **"The Effective Date"** means the date on which the last of the approvals/events specified in clause 7 of Part V of the Scheme are obtained/ have occurred.
- (viii) **"Transferee Company "** or **"HIL"** means Havell's India Limited a Company incorporated under the Act having its Registered Office at 1, Raj Narain Marg, Civil lines, Delhi-110054.
- (ix) **"Transferred Undertakings of Transferor Company No.1"** means all of the undertakings of Transferor Company No.1 including those illustratively listed out and marked **Schedule-I** hereto and shall mean and include:-
 - (a) all the assets including freehold and/or leasehold assets and movable assets together with all investments, all present and future liabilities and debts, claims and/or receivables and undertakings of the Transferor Company No.1. as per the records of Transferor Company No.1 ;
 - (b) all licenses, approvals, permissions, consents, registrations, and certifications, rights, entitlements, agreements and all other rights and facilities of every kind, nature and description whatsoever of the Transferor Company No.1;
 - (c) all application monies, advance monies, of the Transferor Company No.1;
 - (d) all the debts, liabilities, duties, responsibilities, guarantees and obligations of Transferor Company No.1 on the Appointed date.
 - (e) all immovable assets including all freehold, leasehold, and any other title, interest or right in such immovable assets, of the Transferor Company No.1 including those Comprised in the Transferred Undertakings of the Transferor Company No.1 as per the Records of Transferor Company No.1.
- (x) **"Transferred Undertakings of Transferor Company No. 2"** means all of the undertakings of Transferor Company No.2 including those illustratively listed out and marked **Schedule-II** hereto and shall mean and include:-
 - (a) all the assets including freehold and/or leasehold assets and movable assets together with all investments, all present and future liabilities and debts, claims and/or receivables and undertakings of the Transferor Company No.2, as per the records of Transferor Company No. 2;
 - (b) all licenses, approvals, permissions, consents, registrations, and certifications, rights, entitlements, agreements and all other rights and facilities of every kind, nature and description whatsoever of the Transferor Company No. 2;
 - (c) all application monies, advance monies of the Transferor Company No. 2;
 - (d) all the debts, liabilities, duties, responsibilities, guarantees and obligations of Transferor Company No.2 on the Appointed date.
 - (e) All immovable assets including all freehold, leasehold, and any other title, interest or right in such immovable assets, of the Transferor Company No.2 including those Comprised in the Transferred Undertakings of the Transferor Company No.2 as per the Records of Transferor Company No. 2.

- (xi) **"Transferred Undertakings of Transferor Company No.3"** means all of the undertakings of Transferor Company No.3 including those illustratively listed out and marked **Schedule-III** hereto and shall mean and include:-
- (a) all the assets including freehold and/or leasehold assets and movable assets together with all investments, all present and future liabilities and debts, claims and/or receivables and undertakings of the Transferor Company No.3. as per the records of Transferor Company No.3;
 - (b) all approvals, permissions, consents, exemptions, registrations, and certifications, rights, entitlements, agreements and all other rights and facilities of every kind, nature and description whatsoever of the Transferor Company No.3;
 - (c) all application monies, advance monies, of the Transferor Company No.3;
 - (d) all the debts, liabilities, duties, responsibilities, guarantees and obligations of Transferor Company No.3 on the Appointed date.
 - (e) All immovable assets including all freehold, leasehold, and any other title, interest or right in such immovable assets, of the Transferor Company No.3 including those Comprised in the Transferred Undertakings of the Transferor Company No.3 as per the Records of Transferor Company No.3.
- (xii) **"Non-Transferred Undertakings of Transferor Company No.1"** means all of the undertakings of Transferor Company No.1 other than the Transferred Undertakings of Transferor Company No.1 including those illustratively listed out and marked **Schedule-IV** hereto.
- (xiii) **"Non-Transferred Undertakings of Transferor Company No.2"** means all of the undertakings of Transferor Company No.2 other than the Transferred Undertakings of Transferor Company No.2 including those illustratively listed out and marked **Schedule-V** hereto.

Preamble

M/s.Havell's India Limited (the Transferee Company herein) is a part of the Havell's Group of Companies and is inter-alia engaged in the business of manufacturing and marketing of various products comprised in the switch-gear business i.e MCB, Distribution Boards, HRC fuses, RCCB, Wires & Cables, Energy meters, Contactor, Relay, Starter and Timer etc..

M/s.Havell's Industries Limited (the Transferor Company No.1 herein) is also a part of the Havell's Group of Companies and is inter-alia engaged in the manufacturing and marketing of various products comprised in the switch-gear business i.e Industrial switches and Plug & sockets etc..

M/s.Crabtree India Limited (the Transferor Company No.2 herein) is also a part of the Havell's Group of Companies and is inter-alia engaged in the manufacturing and marketing of various products comprised in the switch-gear business i.e of MCCB etc..

M/s.ECS Limited (the Transferor Company No.3 herein) is also a part of the Havell's Group of Companies and is inter-alia engaged in the manufacturing and marketing of various products comprised in the switch-gear business i.e control panels, Distribution boxes, Busducts, tunking and accessories etc..

The Transferee Company and the Transferor Companies No. 1 to 3 now intend to consolidate the switch-gear business undertakings of the Transferor Companies No.1 to 3 in terms as provided herein, in order to enable effective management and unified control of operations relating to the switch-gear business undertakings.

The present arrangement for partial-amalgamation/demerger of Transferor Companies No.1 and 2 by way of an arrangement for mutual assistance/benefit under sections 391 to 394 of the Companies Act. 1956 and the amalgamation of the Transferor Company No.3 with the Transferee Company, as provided herein to consolidate the switch-gear business undertakings of Transferor companies No.1 to 3 would create economies in administrative and managerial costs by consolidating operations and will substantially reduce duplication of administrative responsibility and multiplicity of records and legal and regulatory compliances in relation to the switch-gear undertakings.

The present arrangement, as referred to above will also improve the financial structure and cash flow management of the consolidated switch-gear undertaking (post-restructuring).

PART-II

SHARE CAPITAL

The present capital structure of the Transferor and the Transferee companies is as under:-

(A) Transferor Company No.1:

The present capital structure of the Transferor Company No.1 as at 31ST July 2001 is as follows:

SHARE CAPITAL	AS AT 31.07.2001 (AMOUNT IN Rs.)
AUTHORISED CAPITAL	
3,00,000 EQUITY SHARES OF Rs. 100/- EACH	3,00,00,000
ISSUED SUBSCRIBED AND PAID UP CAPITAL	
2,65,080 EQUITY SHARES OF Rs.100/- EACH, FULLY PAID UP	2,65,08,000

(B) Transferor Company No.2:

The present capital structure of the Transferor Company No.2 as at 31st July 2001 is as follows:

SHARE CAPITAL	AS AT 31.07.2001 (AMOUNT IN Rs.)
AUTHORISED CAPITAL	
18,00,000 EQUITY SHARES OF Rs.10/- EACH	1,80,00,000
ISSUED SUBSCRIBED AND PAID UP CAPITAL	
18,00,000 EQUITY SHARES OF Rs.10/- EACH, FULLY PAID UP	1,80,00,000

(C) Transferor Company No.3:

The present capital structure of the Transferor Company No.3 as at 31st July 2001 is as follows:

SHARE CAPITAL	AS AT 31.07.2001 (AMOUNT IN Rs.)
AUTHORISED CAPITAL	
15,00,000 EQUITY SHARES OF Rs. 10/- EACH	1,50,00,000
ISSUED SUBSCRIBED AND PAID UP CAPITAL	
509200 EQUITY SHARES OF Rs.10/- EACH, FULLY PAID UP	50,92,000

(D) Transferee Company

The present capital structure of the Transferee Company as at 31st July 2001 is as follows:

SHARE CAPITAL	AS AT 31.07.2001 (AMOUNT IN Rs.)
AUTHORISED CAPITAL	
1,00,00,000 EQUITY SHARES OF Rs. 10/- EACH	10,00,00,000
ISSUED SUBSCRIBED AND PAID UP CAPITAL	
49,82,800 EQUITY SHARES OF Rs.10/- EACH, FULLY PAID UP	4,98,28,000

IN CONSIDERATION OF THE RECIPROCAL PROMISES AND THE ARRANGEMENT, THE TRANSFEROR COMPANIES No.1 to 3 AND THEIR RESPECTIVE SHAREHOLDERS AND THE TRANSFEE COMPANY AND ITS SHAREHOLDERS HAVE PROPOSED THE SCHEME OF AMALGAMATION AS SET OUT IN PARTS III TO V BELOW.

PART-III
TRANSFER OF TRANSFERRED UNDERTAKINGS OF
TRANSFEROR COMPANY NO.1

A. TRANSFER OF TRANSFERRED UNDERTAKINGS OF TRANSFEROR COMPANY NO.1

1. (a) With effect from the Appointed Date, the Transferred Undertakings of Transferor Company No.1 shall pursuant to Section 394(2) of the Act and without any further act or deed be transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company so as to become as and from the Appointed Date, the estate, assets, rights, title and interest of the Transferee Company subject to Clause 7, Part V of the Scheme.

(b) In respect of such of the assets of the Transferred Undertakings of Transferor Company No.1 as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery, or transfer by vesting and recordal pursuant to this Scheme the same shall stand transferred and vested by Transferor Company No.1, with effect from the Appointed Date and shall become the property and an integral part of the Transferee Company.

2. (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Transferred Undertakings of Transferor Company No.1 to which the Transferor Company No.1 is a party or to the benefit of which the Transferor Company No.1 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 the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company No.1, the Transferee Company had been a party or beneficiary or obligee thereto.

(b) Upon the coming into effect of this Scheme and subject to the provisions of the Scheme, all permits, quotas, rights, entitlements, licenses including those relating to Trademarks, tenancies, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferred Undertakings of the Transferor Company No.1 to which the Transferor Company No.1 is a party or to the benefit of which the Transferor Company No.1 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be & remain in full force and effect in favour of or against or in favour of the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company No.1, the Transferee Company had been a party or beneficiary or obligee thereto.

(c) Any inter se contracts between Transferor Company No.1 and Transferee Company relating to the Transferred Undertakings of Transferor Company No.1, shall stand merged and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. Any statutory licenses, authorisations, statutory rights, permissions, approvals, Sales Tax, Excise, Provident Fund, ESI, DGFT, Reserve Bank of India, Importer-Exporter Code etc. or other registrations, no-objection certificates or consents to carry on the operations in the Transferred Undertakings of Transferor Company No.1 as illustratively listed out in Schedule-VI hereto, shall stand vested in or transferred to the Transferee Company without further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company upon the vesting and transfer of the Transferred Undertakings of Transferor Company No.1 pursuant to this Scheme. Any statutory licenses, authorisations, statutory rights, permissions, approvals, Sales Tax or other registrations, no-objection certificates or consents as are held by Transferor Company No.1 jointly for the Transferred Undertakings of the Transferor Company No.1 and the Non-Transferred Undertakings of Transferor Company No.1 including the statutory licenses, authorisations, statutory rights, permissions, approvals, Sales Tax or other registrations, no-objection certificates or consents to carry on the operations in the Transferred Undertakings of Transferor Company No.1 as illustratively listed out in Schedule-VI hereto shall be deemed to constitute separated statutory licenses, authorisations, statutory rights, permissions, approvals, Sales Tax or other registrations, no-objection certificates or consents, and the relevant or concerned statutory authorities and licensors etc., as applicable shall endorse and/ or mutate or record the separation, upon the filing of this Scheme as sanctioned with such authorities and licensors etc. as applicable after the same becomes effective, so as to empower and facilitate the continuation of operations of the Transferred Undertaking of Transferor Company No.1 and the Non-Transferred Undertakings of Transferor Company No.1 in the

Transferee Company and the Transferor Company No.1. respectively without hindrance or let from the Appointed Date.

(d) The Transferee Company at any time after the coming into effect of this Scheme accordance with the provisions hereof, if so required, under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement relation to the Transferred Undertakings of Transferor Company No.1 to which Transferor Company No.1 is a party in order to give formal effect to the above provisions. Transferor Company No.1 will, necessary, also be a party to the above. Transferee Company shall, under the provisions of the Scheme, be deemed to be authorised to execute any such writings on behalf of Transferor Company No.1 and to carry out or perform all such formalities or compliances referred to above on the part of Transferor Company No.1.

3. Upon the coming into effect of this Scheme, the debts, liabilities and obligations of Transferor Company No.1 including those arising out of guarantees executed by Transferor Company No. 1 relating to the Transferred Undertakings of Transferor Company No.1 shall, without any further act or deed be and stand transferred to Transferee Company and shall become the debts, liabilities and obligations of Transferee Company which it undertakes to meet, discharge and satisfy.

4. (a) All legal or other proceedings by or against Transferor Company No.1 in respect the Transferred Undertakings of Transferor Company No.1 under any statute, or otherwise whether pending on the Appointed Date or which may be instituted in future in respect of any matter arising before the Effective Date shall be continued and enforced by or against Transferee after the effective Date. If proceedings are taken against Transferor Company No.1 in respect of the Transferred Undertakings of Transferor Company No.1. after the Appointed Date, Transfer Company No.1, shall defend the same in accordance with the advice of Transferee and at the cost Transferee and the latter shall reimburse and indemnify Transferor Company No.1 against all liabilities and obligations incurred by Transferor Company No.1 in respect thereof.

(b) Upon the Scheme becoming effective, Transferee Company undertakes to have such legal or other proceedings initiated by or against Transferor Company No.1 referred to in sub-claus (a) above transferred in its name and to have the same continued, prosecuted and enforced by or against Transferee Company to the exclusion of Transferor Company No.1. Transferee Company also undertakes to deal with all legal or other proceedings which may be initiated by or against Transferor Company No.1 or Transferee Company after the Effective Date relating to the Transferred Undertakings of Transferor Company No.1 in respect of the period up to the Effective Date, in its own name and account and to the exclusion of Transferor Company No.1, and further undertakes to pay all amounts including interest, penalties, damages, etc. which Transferor Company No.1 may be called upon to pay or secure in respect of any liability or obligation relating to the Transferred Undertakings of Transferor Company No.1 for the period up to the Effective Date, and any reasonable costs incurred by Transferor Company No.1 in respect of such proceedings started by or against it relatable to the period upto the Effective Date upon submission of necessary evidence by Transferor Company No.1 to Transferee Company for making such payment.

5. With effect from the Appointed Date and upto and including the Effective Date:

- (i) Transferor Company No.1 shall be deemed to have been carrying on all operation and activities relating to the Transferred Undertakings of Transferor Company No. 1 on behalf of Transferee Company and stand possessed of the properties so to be transferred for and on account of and in trust for Transferee Company; and
- (ii) all profits accruing to Transferor Company No.1 (including taxes, if any, thereon) or losses arising or incurred by it relating to the Transferred Undertakings of Transferor Company No.1 shall for all purposes, be treated as the profits, taxes or losses as the case may be of Transferee Company.

6. Transferor Company No.1 hereby undertakes from the Appointed Date up to and including the Effective Date to carry on its operations relating to Transferred Undertakings of Transferor Company No.1 with proper prudence and agrees, without the prior written consent of Transferee Company not to alienate, charge or otherwise deal with or dispose of the Transferred Undertakings of Transferor Company No.1 or any part thereof (except in the ordinary course of business) or undertake substantial expansion of its existing operations pertaining to the Transferred Undertaking of Transferor Company No.1.

7. (a) All permanent employees of Transferor Company No.1 engaged in the Transferred Undertakings of Transferor Company No.1 as on the Effective Date, shall as from such date, become employees of Transferee Company with the benefit of continuity of service on same terms and conditions being not unfavourable with the terms and conditions applicable to such employees of Transferee Company without any breach or interruption of service. In regard to Provident Fund, Gratuity Fund, Superannuation fund or any other special fund created or existing for the benefit of such employees of Transferor Company No 1, upon the Scheme becoming effective, Transferee Company shall stand substituted for Transferor Company No.1 for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective Trust Deeds or other documents. The existing Provident Fund, Gratuity Fund and Superannuation Fund Trusts created by Transferor Company No.1 for its employees including employees of the Transferred Undertakings of Transferor Company No.1 shall be continued for the benefit of such employees and employees of the Non-Transferred Undertakings of Transferor Company No.1, on the same terms and conditions. With effect from Effective Date Transferee Company shall make the necessary contributions for such transferred employees of Transferor Company No.1 and deposit the same in the Provident Fund, Gratuity Fund or Superannuation Fund of Transferor Company No.1, until Transferor Company No.1 or its Trust for such funds transfer such portion of the provident fund, gratuity fund and Superannuation Fund Trusts relating to the employees of the Transferred Undertakings of Transferor Company No.1 the Provident Fund, Gratuity fund, and Superannuation Fund Trusts or the Trustees of such funds set up by the Transferee Company, as may be applicable. It is the aim and intent of the Scheme that all the rights, duties, powers, liabilities and obligations of the Transferred Undertakings of Transferor Company No.1 in relation to such schemes or funds shall become those of Transferee Company. It is clarified that services of all transferred Employees of Transferor Company No.1, to Transferee Company will be treated having been continuous for the purpose of the aforesaid schemes or funds.

(b). In the event that the Trustees are constituted as holders of any securities, Trust funds or Trust monies in relation to any Superannuation Trust, Gratuity Trust or Provident Fund Trust of Transferor Company No.1, such funds shall be transferred by such Trustees of the Trusts of Transferor Company No.1 to separate Trusts and the Trustees of Transferee Company set up for the same purpose and object to the extent that same relates to all the transferred Employees of Transferor Company No.1 and shall be deemed to be a transfer of trust property from one set of Trustees to another set of Trustees in accordance with the provisions of the relevant relevant labour laws, Indian Trust Act, and the Indian Income Tax Act 1961 and Stamp Legislations as applicable. Appropriate Deeds of Trusts and/or documents for transfer of Trust properties shall be simultaneously executed upon the sanction of the Scheme in accordance with the terms hereof by the Trustees of the Trust constituted by Transferor Company No.1 in favour of the Trusts of Transferee Company so as to continue the benefits of the employees and segregate the funds. Pending such transfer into the existing Trusts of Transferee Company as aforesaid, the original trust of Transferor Company No.1, will continue to receive credits for the contributions for Provident Fund, Superannuation or Gratuity if any, in respect of all transferred Employees of Transferor Company No.1, and shall make payments from out of these funds to the employees. Benefits of continuity of service will also be available in relation to credits into such Trusts of Transferor Company No.1 in relation to the Transferred Undertakings of Transferor Company No.1 in the Trusts created for employees of Transferee Company.

The Provident Fund Trust, Gratuity Trust or Superannuation Trusts of Transferor Company No.1 shall continue to hold such securities Trust Funds and/or Trust monies as hitherto; till such time as the transfer to Trustees of Transferee Company employee Trusts is made.

(c) The Transferee Company undertakes to continue to abide by a agreement(s)/settlement(s) entered into with any Labour Unions/employees by Transferor Company No.1 in relation to its Transferred Undertakings of Transferor Company No.1. The Transfer Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of such employees with Transferor Company No.1 shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

8. The transfer and vesting of the properties and liabilities of the Transferred Undertakings of Transferor Company No.1 to the Transferee Company and the continuance of the proceedings by or against the Transferee Company under Clause 4, hereof shall not affect any transaction proceedings already completed by Transferor Company No.1 on and from the Appointed Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of Transferor Company No.1 as acts, deeds and things done and executed and on behalf of the Transferee Company.

9. Subject to the other provisions contained in this Scheme, all Contracts, business/asset purchase agreements, memorandums of understanding, memorandums of agreement, memorandums of agreed points, letters of agreed points, arrangements, undertakings whether written or otherwise, contracts, lease rights, deeds, bonds, other agreements and instruments of whatsoever nature relating to the Transferred Undertakings of Transferor Company No.1 to which the Transferor Company No.1 is a party or having effect immediately before the Effective Date, shall remain in full force and in effect against and in favour of the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company No.1, the Transferee Company had been a party thereto.

10. Upon the coming into effect of the Scheme, all Motor Vehicles of any nature whatsoever comprised in or relatable to the Transferred Undertakings of Transferor Company No.1. including those illustratively listed in Schedule-VII hereto, shall vest in the Transferee and the appropriate Governmental and Registration Authorities shall mutate and register the said vehicles in the name of the Transferee Company as if the vehicles had originally been registered in the name of the Transferee company without levying or imposing any fees, charges, taxes or levy whatsoever.

11. In accordance with the Modvat/Cenvat Rules framed under the Central Excise Act, 1944, as are prevalent at the time of the sanction of the Scheme, the unutilised credits relating to Excise duties paid on inputs/capital goods lying to the account of the Transferred Undertakings of Transferor Company No.1 in the RG 23A and RG 23C Registers shall be permitted to be transferred to the Credit of the Transferee Company, as if, all such Modvat/ Cenvat Credits were lying in the RG 23A and RG 23C Registers of the Transferee Company. The Transferee Company shall be entitled to set off all such unutilised Modvat Credits, as aforesaid, against the Excise duty payable by it.

12. The Transferee Company shall be entitled to use all packaging material relating to the Transferred Undertakings of the Transferor Company No.1, lying unused and which Transferor Company No.1 is entitled to use under any statutes/ Regulations as on the Appointed Date and implemented from the Effective Date till such time as all of such packaging material are exhausted. The Transferee Company is authorised to advise the statutory authorities of the sanction of the Scheme, even prior to its becoming effective for enabling the change to be made/ noted with effect from the Effective Date.

13. The Transferor Company No.1 is entitled to various benefits under Incentive Schemes and Policies relating to the Transferred Undertakings of Transferor Company No.1 and pursuant to this Scheme it is declared that the benefits under all of such Schemes and Policies shall be transferred to and vested in the Transferee Company.

14. The Transferor Company No.1 is entitled to various benefits under Vendor Approvals from various clients enabling the Transferor company No.1 to do business with such clients pursuant to such Vendor Approvals and pursuant to this Scheme it is declared that the benefits under Vendor Approvals from various clients enabling the Transferor company No.1 to do business with such clients pursuant to such Vendor Approvals shall stand and be transferred to and vested in the Transferee Company as if all such Vendor Approvals were in fact issued/given to the Transferee Company instead of the Transferor Company No.1 by such clients.

B. TRANSFER OF TRANSFERRED UNDERTAKINGS OF TRANSFEROR COMPANY NO. 2

1. (a) With effect from the Appointed Date, the Transferred Undertakings of Transferor Company No. 2 shall pursuant to Section 394(2) of the Act and without any further act or deed be transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company so as to become as and from the Appointed Date, the estate, assets, rights, title and interest of the Transferee Company subject to Clause 7, Part V of the Scheme.

(b) In respect of such of the assets of the Transferred Undertakings of Transferor Company No. 2 as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery, or transfer by vesting and recordal pursuant to this Scheme the same shall stand transferred and vested by Transferor Company No.2, with effect from the Appointed Date and shall become the property and an integral part of the Transferee Company.

2. (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments whatsoever nature in relation to the Transferred Undertakings of Transferor Company No. 2 to which the Transferor Company No.2 is a party or to the benefit of which the Transferor Company No.2 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 the Transferee Company and may be enforced as

fully and effectually as if, instead of the Transferor Company No.2, the Transferee Company has been a party or beneficiary or oblige thereto.

(b) Upon the coming into effect of this Scheme and subject to the provisions of the Scheme, all permits, quotas, rights, entitlements, licenses including those relating to Trademarks, tenancies, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferred Undertakings of the Transferor Company No.2 to which the Transferor Company No.2 is a party or to the benefit of which the Transferor Company No.2 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be & remain in full force and effect in favour of or against or in favour of the Transferee Company as the case may be. and may be enforced as fully and effectually as if, instead of the Transferor Company No.2, the Transferee Company had been a party or beneficiary or oblige thereto.

(c) Any inter se contracts between Transferor Company No.2 and Transferee Company relating to the Transferred Undertakings of Transferor Company No.2, shall stand merged and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. Any statutory licenses authorisations, statutory rights, permissions, approvals, Sales Tax, Excise, Provident Fund, ESI, DGFT, Reserve Bank of India, Importer-Exporter Code etc. or other registrations, no-objection certificates or consents to carry on the operations in the Transferred Undertakings of Transferor Company No. 2 as illustratively listed out in Schedule-VIII hereto, shall stand vested in or transferred to the Transferee Company without further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company upon the vesting and transfer of the Transferred Undertakings of Transferor Company No.2 pursuant to this Scheme. Any statutory licenses, authorisations, statutory rights, permissions, approvals, Sales Tax or other registrations, no-objection certificates or consents as are held by Transferor Company No.2 jointly for the Transferred Undertakings of the Transferor Company No.2 and the Non-Transferred Undertakings of Transferor Company No.2 including the statutory licenses, authorisations, statutory rights, permissions approvals, Sales Tax or other registrations, no-objection certificates or consents to carry on the operations in the Transferred Undertakings of Transferor Company No.2 as illustratively listed out in Schedule VIII hereto shall be deemed to constitute separated statutory licenses, authorisations, statutory rights, permissions approvals, Sales Tax or other registrations, no-objection certificates or consents, and the relevant or concerned statutory authorities and licensors etc., as applicable shall endorse and/ or mutate or record the separation, upon the filing of this Scheme as sanctioned with such authorities and licensors etc. as applicable after the same becomes effective, so as to empower and facilitate the continuation of operations of the Transferred Undertaking of Transferor Company No.2 and the Non-Transferred Undertakings of Transferor Company No.2 in the of Transferee Company and the Transferor Company No.2, respectively without hindrance or let from the Appointed Date.

(d) The Transferee Company at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Transferred Undertakings of Transferor Company No.2 to which Transferor Company No.2 is a party in order to give formal effect to the above provisions. Transferor Company No.2 will, if necessary, also be a party to the above. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Transferor Company No.2 and to carry out or perform all such formalities or compliances referred to above on the part of Transferor Company No.2.

3. Upon the coming into effect of this Scheme, the debts, liabilities and obligations of Transferor Company No.2 including those arising out of guarantees executed by Transferor Company No. 2 relating to the Transferred Undertakings of Transferor Company No. 2 shall, without any further act or deed be and stand transferred to Transferee Company and shall become the debts, liabilities and obligations of Transferee Company which it undertakes to meet, discharge and satisfy.

4. (a) All legal or other proceedings by or against Transferor Company No.2 in respect of the Transferred Undertakings of Transferor Company No. 2 under any statute, or otherwise whether pending on the Appointed Date or which may be instituted in future in respect of any matter arising before the Effective Date shall be continued and enforced by or against Transferee after the Effective Date. If proceedings are taken against Transferor Company No.2 in respect of the Transferred Undertakings of Transferor Company No.2, after the Appointed Date, Transferor Company No. 2, shall defend the same in

accordance with the advice of Transferee and at the cost of Transferee and the latter shall reimburse and indemnify Transferor Company No.2 against all liabilities and obligations incurred by Transferor Company No.2 in respect thereof.

(b) Upon the Scheme becoming effective, Transferee Company undertakes to have such legal or other proceedings initiated by or against Transferor Company No.2 referred to in sub-clause (a) above transferred in its name and to have the same continued, prosecuted and enforced by or against Transferee Company to the exclusion of Transferor Company No.2. Transferee Company also undertakes to deal with all legal or other proceedings which may be initiated by or against Transferor Company No.2 or Transferee Company after the Effective Date relating to the Transferred Undertakings of Transferor Company No.2 in respect of the period up to the Effective Date, in its own name and account and to the exclusion of Transferor Company No.2, and further undertakes to pay all amounts including interest, penalties, damages, etc. which Transferor Company No.2 may be called upon to pay or secure in respect of any liability or obligation relating to the Transferred Undertakings of Transferor Company No.2 for the period up to the Effective Date, and any reasonable costs incurred by Transferor Company No.2 in respect of such proceedings started by or against it relating to the period up to the Effective Date upon submission of necessary evidence by Transferor Company No.2 to Transferee Company for making such payment.

5. With effect from the Appointed Date and upto and including the Effective Date:

(i) Transferor Company No.2 shall be deemed to have been carrying on all operations and activities relating to the Transferred Undertakings of Transferor Company No.2 on behalf of Transferee Company and stand possessed of the properties so to be transferred for and on account of and in trust for Transferee Company; and

(ii) all profits accruing to Transferor Company No.2 (including taxes, if any, thereon) or losses arising or incurred by it relating to the Transferred Undertakings of Transferor Company No.2 shall for all purposes, be treated as the profits, taxes or losses as the case may be of Transferee Company.

6. Transferor Company No.2 hereby undertakes from the Appointed Date up to and including the Effective Date to carry on its operations relating to Transferred Undertakings of Transferor Company No.2 with proper prudence and agrees, without the prior written consent of Transferee Company not to alienate, charge or otherwise deal with or dispose of the Transferred Undertakings of Transferor Company No.2 or any part thereof (except in the ordinary course of business) or undertake substantial expansion of its existing operations pertaining to the Transferred Undertakings of Transferor Company No.2.

7. (a) All permanent employees of Transferor Company No.2 engaged in the Transferred Undertakings of Transferor Company No.2 as on the Effective Date, shall as from such date, become employees of Transferee Company with the benefit of continuity of service on same terms and conditions being not unfavourable with the terms and conditions applicable to such employees of Transferee Company and without any breach or interruption of service. In regard to Provident Fund, Gratuity Fund, Superannuation fund or any other special fund created or existing for the benefit of such employees of Transferor Company No.2, upon the Scheme becoming effective, Transferee Company shall stand substituted for Transferor Company No. 2 for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective Trust Deeds or other documents. The existing Provident Fund, Gratuity Fund and Superannuation Fund Trusts created by Transferor Company No.2 for its employees including employees of the Transferred Undertakings of Transferor Company No.2 shall be continued for the benefit of such employees and employees of the Non-Transferred undertakings of Transferor Company No.2. on the same terms and conditions. With effect from the Effective Date Transferee Company shall make the necessary contributions for such transferred employees of Transferor Company No.2 and deposit the same in the Provident Fund, Gratuity Fund or Superannuation Fund of Transferor Company No.2, until Transferor Company No.2 or its Trustees for such funds transfer such portion of the provident fund, gratuity fund and Superannuation Fund Trusts relating to the employees of the Transferred Undertakings of Transferor Company No.2 into the Provident Fund, Gratuity fund, and Superannuation Fund Trusts or the Trustees of such funds set up by the Transferee Company, as may be applicable. It is the aim and intent of the Scheme that all the rights, duties, powers, liabilities and obligations of the Transferred Undertakings of Transferor Company No. 2 in relation to such schemes or funds shall become those of Transferee Company. It is clarified that the services of all transferred Employees of Transferor Company No.2. to Transferee Company will be treated as having been continuous for the purpose of the aforesaid schemes or funds.

(b) In the event that the Trustees are constituted as holders of any securities. Trust funds or Trust monies in relation to any Superannuation Trust, Gratuity Trust or Provident Fund Trust of Transferor Company No.2, such funds shall be transferred by such Trustees of the Trusts of Transferor Company No.2 to separate Trusts and the Trustees of Transferee Company set up for the same purpose and object to the extent that same relates to all the transferred Employees of Transferor Company No.2 and shall be deemed to be a transfer of trust property from one set of Trustees to another set of Trustees in accordance with the provisions the relevant relevant labour laws, Indian Trust Act, and the Indian Income Tax Act 1961 and Stamp Legislations as applicable. Appropriate Deeds of Trusts and/or documents for transfer of Trust properties shall simultaneously executed upon the sanction of the Scheme in accordance with the terms hereof by the Trustees the Trust constituted by Transferor Company No.2 in favour of the Trusts of Transferee Company so as continue the benefits of the employees and segregate the funds. Pending such transfer into the existing Trusts of Transferee Company as aforesaid, the original trust of Transferor Company No.2. will continue to received credits for the contributions for Provident Fund, Superannuation or Gratuity if any, in respect of all transfer Employees of Transferor Company No.2 , and shall make payments from out of these funds to the employees. Benefits of continuity of service will also be available in relation to credits into such Trusts of Transferor Company No.2 in relation to the Transferred Undertakings of Transferor Company No.2 in the Trusts created for employees of Transferee Company .

The Provident Fund Trust, Gratuity Trust or Superannuation Trusts of Transferor Company No.2 shall continue to hold such securities Trust Funds and/or Trust monies as hitherto; till such time as the transfer the Trustees of Transferee Company employee Trusts is made.

(c) The Transferee Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into with any Labour Unions/employees by Transferor Company No.2 in relation to the Transferred Undertakings of Transferor Company No.2. The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of such employees with Transferor Company No.2 shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

8. The transfer and vesting of the properties and liabilities of the Transferred Undertaking of Transferor Company No.2 to the Transferee Company and the continuance of the proceedings by or against the Transferee Company under Clause 4. hereof shall not affect any transaction proceedings already completed by Transferor Company No.2 on and from the Appointed Date to end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of Transferor Company No.2 as acts, deeds and things done and executed and on behalf of the Transferee Company.

9. Subject to the other provisions contained in this Scheme, all Contracts, business/asset purchase agreements, memorandums of understanding, memorandums of agreement, memorandums of agreed points, letters of agreed points, arrangements, undertakings whether written or otherwise, contracts, lease rights deeds, bonds, other agreements and instruments of whatsoever nature relating to the Transferred Undertaking of Transferor Company No.2 to which the Transferor Company No.2 is a party or having effect immediately before the Effective Date, shall remain in full force and in effect against and in favour of the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company No.2 , the Transferee Company had been a party thereto.

10. Upon the coming into effect of the Scheme, all Motor Vehicles of any nature whatsoever comprised in or relatable to the Transferred Undertakings of Transferor Company No.2. including those illustratively listed in **Schedule-IX** hereto, shall vest in the Transferee and the appropriate Governmental and Registration Authorities shall mutate and register the said vehicles in the name of the Transferee Company as if the vehicles had originally been registered in the name of the Transferee company without levying or imposing any fees, charges, taxes or levy whatsoever.

11. In accordance with the Modvat/Cenvat Rules framed under the Central Excise Act. 1944, as are prevalent at the time of the sanction of the Scheme, the unutilised credits relating to Excise duties paid on inputs/capital goods lying to the account of the Transferred Undertakings of Transferor Company No.2 in the RG23A and RG23C Registers shall be permitted to be transferred to the Credit of the Transferee Company, as if, all such Modvat/Cenvat Credits were lying in the RG 23A and RG 23C Registers of the Transferee Company. The Transferee Company shall be entitled to set off all such unutilised Modvat Credits, as aforesaid, against the Excise duty payable by it.

12. The Transferee Company shall be entitled to use all packaging material relating to the Transferred Undertakings of the Transferor Company No.2, lying unused and which Transferor Company No.2 is entitled to use under any statutes/Regulations as on the Appointed Date and implemented from the Effective Date till

such time as all of such packaging material are exhausted. The Transferee Company is authorised to advise the statutory authorities of the sanction of the Scheme, even prior to its becoming effective for enabling the change to be made/ noted with effect from the Effective Date.

13. The Transferor Company No.2 is entitled to various benefits under Incentive Schemes and Policies relating to the Transferred Undertakings of Transferor Company No.2 and pursuant to this Scheme it is declared that the benefits under all of such Schemes and Policies shall be transferred to and vested in the Transferee Company.

14. The Transferor Company No.2 is entitled to various benefits under Vendor Approvals from various clients enabling the Transferor company No.2 to do business with such clients pursuant to such Vendor Approvals and pursuant to this Scheme it is declared that the benefits under Vendor Approvals from various clients enabling the Transferor company No.2 to do business with such clients pursuant to such Vendor Approvals shall stand and be transferred to and vested in the Transferee Company as if all such Vendor Approvals were in fact issued/given to the Transferee Company instead of the Transferor Company No.2 by such clients.

C. TRANSFER OF TRANSFERRED UNDERTAKINGS OF TRANSFEROR COMPANY No. 3

1. (a) With effect from the Appointed Date the Transferor Company No.3 shall dissolve without winding-up and merge with the Transferee Company and all of the assets, Trading style, Trademarks and Trade names, investments, licenses, rights, title and interests comprised in the Transferred Undertakings of Transferor Company No.3 shall pursuant to Section 394(2) of the Act and without any further act or deed be transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company so as to become as and from the Appointed Date. the estate, assets, license, rights, title and interest of the Transferee Company subject to Clause 7, Part V of the Scheme.

(b) In respect of such of the assets of the Transferred Undertakings of Transferor Company No.3 as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery, or transfer by vesting and recordal pursuant to this Scheme the same shall stand transferred and vested by Transferor Company No.3, with effect from the Appointed Date and shall become the property and an integral part of the Transferee Company.

2. (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Transferred Undertakings of Transferor Company No.3 to which the Transferor Company No.3 is a party or to the benefit of which the Transferor Company No.3 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 the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company No.3, the Transferee Company had been a party or beneficiary or obligee thereto.

(b) Upon the coming into effect of this Scheme and subject to the provisions of the Scheme, all permits, quotas, rights, entitlements, licenses including those relating to Trademarks, tenancies, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferred Undertakings of Transferor Company No.3 to which the Transferor Company No.3 is a party or to the benefit of which the Transferor Company No.3 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be & remain in full force and effect in favour of or against or in favour of the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company No.3, the Transferee Company had been a party or beneficiary or obligee thereto.

(c) Any inter-se contracts between Transferor Company No.3 and Transferee Company relating to the Transferred Undertakings of Transferor Company No.3, shall stand merged and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. Any statutory licenses, authorisations, statutory rights, permissions, approvals, Sales Tax, Excise, Provident Fund, ESI, DGFT, Reserve Bank of India, Importer-Exporter Code etc. or other registrations, no-objection certificates or consents to carry on the operations in the Transferred Undertakings of Transferor Company No.3 as illustratively listed out in Schedule X hereto, shall stand vested in or transferred to the Transferee Company without further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company upon the vesting and transfer of the Transferred Undertakings of Transferor Company No.3 pursuant to this Scheme so as to empower and facilitate the continuation of operations of the Transferred Undertakings of Transferor Company No.3 in the Transferee Company without hindrance or let from the Appointed Date.

(d) The Transferee Company at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Transferred Undertakings of Transferor Company No.3 to which Transferor Company No. 3 is a party in order to give formal effect to the above provisions. Transferor Company No.3 will, if necessary, also be a party to the above. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Transferor Company No.3 and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company No.3.

3. Upon the coming into effect of this Scheme, the debts, liabilities and obligations of Transferor Company No.3 including those arising out of guarantees executed by Transferor Company No. 3 relating to the Transferred Undertakings of Transferor Company No.3 shall, without any further act or deed be and stand transferred to Transferee Company and shall become the debts, liabilities and obligations of Transferee Company which it undertakes to meet, discharge and satisfy.

4. All legal or other proceedings by or against Transferor Company No.3 under any statute, or otherwise whether pending on the Appointed Date or which may be instituted in future in respect of any matter arising before the Effective Date shall be continued and enforced by or against Transferee Company after the Effective Date. If proceedings are taken against Transferor Company No.3, after the Appointed Date, Transferor Company No.3, shall defend the same in accordance with the advice of Transferee Company in respect thereof.

5. With effect from the Appointed Date and upto and including the Effective Date:

Transferor Company No.3 shall be deemed to have been carrying on all operations and activities relating to the Transferred Undertakings of Transferor Company No.3 on behalf of Transferee Company and stand possessed of the properties so to be transferred for and on account of and in trust for Transferee Company; and

all profits accruing to Transferor Company No.3 (including taxes, if any, thereon) or losses arising or incurred by it relating to the Transferred Undertakings of Transferor Company No.3 shall for all purposes, be treated as the profits, taxes or losses as the case may be of Transferee Company.

6. Transferor Company No.3 hereby undertakes from the Appointed Date up to and including the Effective Date to carry on its operations relating to the Transferred Undertakings of Transferor Company No.3 with proper prudence and agrees, without the prior written consent of Transferee Company not to alienate, charge or otherwise deal with or dispose of the Transferred Undertakings of Transferor Company No.3 or any part thereof (except in the ordinary course of business) or undertake substantial expansion of their existing operations pertaining to the Transferred Undertakings of Transferor Company No.3.

7. (a) All permanent employees of Transferor Company No.3 engaged in the Transferred Undertakings of Transferor Company No.3 as on the Effective Date, shall as from such date, become employees of Transferee Company with the benefit of continuity of service on same terms and conditions being not unfavourable with the terms and conditions applicable to such employees of Transferee Company and without any breach or interruption of service. In regard to Provident Fund, Gratuity Fund, Superannuation fund or any other special fund created or existing for the benefit of such employees of Transferor Company No.3, upon the Scheme becoming effective, Transferee Company shall stand substituted for Transferor Company No.3 for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective Trust Deeds or other documents. The existing Provident Fund, Gratuity Fund and Superannuation Fund Trusts created by Transferor Company No.3 for their employees shall be continued for the benefit of such employees on the same terms and condition. With effect from the Effective Date Transferee Company shall make the necessary contributions for such transferred employees of Transferor Company No.3 and deposit the same in the Provident Fund, Gratuity Fund or Superannuation Fund of Transferor Company No.3. until Transferor Company No.3 or its Trustees for such funds transfer such portion of the provident fund, gratuity fund a Superannuation Fund Trusts relating to the employees of the Transferred Undertakings of Transferor Company No.3 into the Provident Fund, Gratuity fund, and Superannuation Fund Trusts or t Trustees of such funds set up by the Transferee Company, as may be applicable. It is the aim and intent of the Scheme that all the rights, duties, powers, liabilities and obligations of the Transferred Undertakings of Transferor Company No.3 in relation to such schemes or funds shall become those of Transferee Company. it is clarified that the services of all transferred Employees of Transferor Company No.3. to Transferee Company will be treated as having been continuous for the purpose of the aforesaid schemes or funds.

(b). In the event that the Trustees are constituted as holders of any securities, Trust funds or Trust monies in relation to any Superannuation Trust, Gratuity Trust or Provident Fund Trust of Transferor Company No.3, such funds shall be transferred by such Trustees of the Trusts of Transferor Company No.3 to separate Trusts and the Trustees of Transferee Company set up for the same purpose and object to the extent that the same relates to all the transferred Employees of Transferor Company No.3 and shall be deemed to be a transfer of trust property from one set of Trustees to another set of Trustees in accordance with the provisions of the relevant labour laws, Indian Trust Act, and the Indian Income Tax Act 1961 and Stamp Legislations as applicable. Appropriate Deeds of Trusts and/or documents for transfer of Trust properties shall be simultaneously executed upon the sanction of the Scheme in accordance with the terms hereof by the Trustees of the Trust constituted by Transferor Company No.3 in favour of the Trusts of Transferee Company so as to continue the benefits of the employees and segregate the funds. Pending such transfer into the existing Trusts of Transferee Company as aforesaid, the original trust of Transferor Company No.3, will continue to receive credits for the contributions for Provident Fund, Superannuation or Gratuity if any, in respect of all transferred Employees of Transferor Company No.3, and shall make payments from out of these funds to the employees. Benefits of continuity of service will also be available in relation to credits into such Trusts of Transferor Company No.3 in relation to the Transferred Undertakings of Transferor Company No.3 in the Trusts created for employees of Transferee Company.

The Provident Fund Trust, Gratuity Trust or Superannuation Trusts of Transferor Company No.3 shall continue to hold such securities Trust Funds and/or Trust monies as hitherto; till such time as the transfer to the Trustees of Transferee Company employee Trusts is made.

(c) The Transferee Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into with any Labour Unions/employees by Transferor Company No.3 in relation to the Transferred Undertakings of Transferor Company No.3. The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of such employees with Transferor Company No.3 shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

8. The transfer and vesting of the properties and liabilities of the Transferred Undertakings of Transferor Company No.3 to the Transferee Company and the continuance of the proceedings by or against the Transferee Company under Clause 4, hereof shall not affect any transaction or proceedings already completed by Transferor Company No.3 on and from the Appointed Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of Transferor Company No.3 as acts, deeds and things done and executed by and on behalf of the Transferee Company.

9. Subject to the other provisions contained in this Scheme, all Contracts, business/asset purchase agreements, memorandums of understanding, memorandums of agreement, memorandums of agreed points, letters of agreed points, arrangements, undertakings whether written or otherwise, contracts, lease rights, deeds, bonds, other agreements and instruments of whatsoever nature relating to the Transferred Undertakings of Transferor Company No.3 to which the Transferor Company No. 3 is a party or having effect immediately before the Effective Date, shall remain in full force and in effect against and in favour of the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company No.3, the Transferee Company had been a party thereto.

10. Upon the coming into effect of the Scheme, all Motor Vehicles of any nature whatsoever comprised in or relatable to the Transferred Undertakings of Transferor Company No.3, including those illustratively listed in Schedule-XI hereto, shall vest in the Transferee Company and the appropriate Governmental and Registration Authorities shall mutate and register the said vehicles in the name of the Transferee Company as if the vehicles had originally been registered in the name of the Transferee company without levying or imposing any fees, charges, taxes or levy whatsoever.

11. In accordance with the Modvat/Cenvat Rules framed under the Central Excise Act, 1944, as are prevalent at the time of the sanction of the Scheme, the unutilised credits relating to Excise duties paid on inputs/capital goods lying to the account of the Transferred Undertakings of Transferor Company No.3 in the RG23A and RG23C Registers shall be permitted to be transferred to the Credit of the Transferee Company, as if, all such Modvat/Cenvat Credits were lying in the RG 23A and RG 23C Registers of the Transferee Company, The Transferee Company shall be entitled to set off all such unutilised Modvat/Cenvat Credits, as aforesaid, against the Excise duty payable by it.

12. The Transferee Company shall be entitled to use all packaging material relating to the Transferred Undertakings of Transferor Company No.3, lying unused and which Transferor Company No.3 is entitled to use under any statutes/ Regulations as on the Appointed Date and implemented from the Effective Date till

such time as all of such packaging material are exhausted. The Transferee Company is authorised to advise the statutory authorities of the sanction of the Scheme, even prior to its becoming effective for enabling the change to be made/ noted with effect from the Effective Date.

13. The Transferor Company No.3 is entitled to various benefits under Incentive Schemes and Policies relating to the Transferred Undertakings of Transferor Company No.3 and pursuant to this Scheme it is declared that the benefits under all of such Schemes and Policies shall be transferred to and vested in the Transferee Company.

14. The Transferor Company No.3 is entitled to various benefits under Vendor Approvals from various clients enabling the Transferor company No.3 to do business with such clients pursuant to such Vendor Approvals, including those illustratively listed out in **Schedule-XII** hereto and pursuant to this Scheme it is declared that the benefits under Vendor Approvals from various clients enabling the Transferor company No.3 to do business with such clients pursuant to such Vendor Approvals, including those illustratively listed out in Schedule-XII hereto shall stand and be transferred to and vested in the Transferee Company as if all such Vendor Approvals were in fact issued/given to the Transferee Company instead of the Transferor Company No.3 by such clients.

PART IV **ISSUE OF SHARES**

1. (a) Upon coming into effect of the Scheme and upon the vesting and transfer of the Transferred Undertakings of the Transferor Companies No.1 to 3 into the Transferee Company herein, the Transferee Company shall fix a record date for completion of all allotments to the shareholders of the Transferor Companies No.1 to 3 with effect from the Effective Date, as may be applicable, existing as on the record date as provided herein and without any further act or deed, issue and allot:

- i. 19 (nineteen) equity shares of the face value of Rupees 10/- each at par credited as fully paid up as on the Effective Date for every 10 (ten) fully paid shares held by the shareholders of Transferor company No.1;
- ii. 1 (one) equity shares of the face value of rupees 10/- each at par credited as fully paid up as on the Effective Date for every 9 (nine) fully paid shares held by the shareholders of Transferor company No.2;
- iii. 10 (ten) equity shares of the face value of rupees 10/- each at par credited as fully paid up as on the Effective Date for every 32 (thirty two) fully paid shares held by the shareholders of Transferor company No.3;

Provided that, no fractional shares shall be issued by the Transferee Company in respect of fractional entitlements, if any, to the shareholders of the Transferor Companies No. 1 to 3. The Committee of Directors of the Transferee Company (constituted for such purpose) shall instead consolidate all such fractional entitlements to which the members of the Transferor Companies No.1 to 3 may be entitled on issue and allotment of the shares by the Transferee Company as aforesaid and thereupon issue and allot shares in lieu thereof to a Director or an Officer of the Transferee Company or any other person in this behalf with the express understanding that such Director or Officer or person to whom such shares be allotted, shall settle the same in the market at the best available price on one or more lots or by private sale/ placement or by public sale/auction as deemed fit (the decision of such Director or Officer or person as the case may be as to the timing and method of the sale and the price at which such sale has been given effect to, in that behalf shall be placed before the Board of Directors for its final approval) and pay to the Transferee Company, the net sale proceeds thereof, and upon the receipt of the sale proceeds in respect of each such sale, the Transferee Company shall then pay each of such members having fractional entitlements the net sale proceeds of all such shares after defraying there from all costs, charges, and expenses of such sale in cash on pro rata basis. All decisions of the Board of Directors in this regard shall be final and binding on all concerned.

(b) All equity shares issued and allotted in terms hereof shall rank pari passu in all respects from the date of their allotment in terms of the Scheme with the existing equity shares of the Transferee Company.

(c) Upon this Scheme becoming effective and subject to the above provisions, the Shareholders of the Transferor Companies No.1 to 3 shall receive new share certificates of the Transferee Company or alternately receive credits into their respective Demat accounts, as applicable, reflecting the share capital of the Transferee Company as on the Effective Date of the Scheme upon receiving intimation of the Record Date for allotments.

(d) With respect to the 45000 shares of the face value of Rs.10/- each held by the Transferee Company in Transferor Company No.2 (aggregating to approximately 25% of the total issued capital of the Transferor Company No.2), no shares shall be issued by the Transferee Company under sub-clause (a) above since the provisions of the Companies Act, 1956 do not permit the Transferee Company to hold its own shares

(e) (i) The Transferee Company shall, upon this Scheme becoming effective, record the assets and liabilities comprised in the Transferred Undertakings of the Transferor Companies No. 1, 2 & 3 at the respective book values thereof as appearing in the books of the respective Transferor Companies at the close of the business of the day immediately preceding the Appointed Date.

(ii) Upon this Scheme becoming effective, the Transferee Company shall credit to Share Capital account in its books of account, the aggregate face value of the new shares issued by it to the member of the Transferor Companies pursuant to this Scheme.

(iii) Upon the Scheme becoming effective, the Transferee Company shall record the Reserves of the Transferor Company No.3 in the same form and at the same values as they appear in the financial statements of the Transferor Company No.3 at the close of the business of the day immediately preceding the Appointed Date. Any Balance in the Profit and Loss Account of the Transferor Company No.3 shall be similarly aggregated with such balance in Profit and Loss Account of the Transferee Company. Any Balance shown as Miscellaneous Expenditure to the extent not written off or adjusted, if any, in the books of Transferor Company No. 3 shall be similarly aggregated with such balance in the books of the Transferee Company.

(iv) The excess, if any, of the value of the assets over the value of the liabilities of the Transferred Undertakings of the Transferor Companies No. 1 & 2 vested in the Transferee Company upon this Scheme becoming effective as recorded in the books of accounts of the Transferee Company shall, after adjusting the aggregated face value of the new shares issued by the Transferee Company to the members of the Transferor Companies No. 1 & 2 (pursuant to this Scheme) be credited to the Reserve Account in the books of the Transferee Company. However, if there is any deficit in the value of the assets over the value of liabilities, the same shall be debited to the Reserve Account in the books of the Transferee Company.

(v) The excess, if any, of the value of the assets over the value of the liabilities of the Transferor Company No. 3 vested in the Transferee Company upon this Scheme becoming effective as recorded in the books of accounts of the Transferee Company shall, after adjusting the

aggregated face value of the new shares issued by the Transferee Company to the members of the Transferor Company No. 3 upon this Scheme becoming effective, and

the amounts recorded as per the terms of clause (iii) above,

be credited to the Reserve Account in the books of the Transferee Company. However, if there is any deficit in the value of the assets over the value of liabilities, the same shall be debited to the Reserve Account in the books of the Transferee Company.

(vi) Surplus, in the value of the assets over the liabilities of the Transferor Companies No. 1 & 2, transferred to Transferee Company, pursuant to this Scheme shall be recorded in the Transferor Companies 1 & 2 by way of debiting to the Reserve Account of the respective Transferor Companies and balance, if any, shall be either treated as a goodwill in the books of the respective Transferor Companies, or, alternately the issued and paid-up share capital of the respective Transferor Companies shall stand reduced to the extent of such balance by cancellation of such number of shares totaling to the amount of such balance, as the respective Transferor Companies may choose/determine upon this Scheme becoming effective.

In the event of any reduction of issued and paid-up share capital by cancellation of shares on a pro-rata basis, in terms as provided hereinabove, the Transferor Companies No. 1 & 2, as applicable, shall not be required to add/use the words 'and reduced' as part of the corporate name pursuant to the sanction of this Scheme by the Hon'ble High Court of Delhi and this Scheme becoming effective.

Provided that, in the event of any reduction of issued and paid-up share capital by cancellation of shares on a pro-rata basis, in terms as provided hereinabove, such cancellation of shares shall be done only upto the value representing the face value of the shares of the respective Transferor Companies. Any

values being less than the face value of the shares of the respective Transferor companies i.e fractional values, shall be credited to the General Reserve of the respective Transferor Companies, as applicable. Provided further that, notwithstanding anything provided elsewhere in this Scheme, in the event of any goodwill being created in the books of the Transferor Companies No. 1, in terms as provided herein, the accounts of the Transferor Company No.1 herein, as on the Appointed Date, as reconstructed shall be in accordance with and as contained in Reference Balance Sheet of the Transferor Company No. 1 annexed hereto and marked as **Exhibit - A**, as on the Appointed Date.

It is clarified and declared that any reduction of capital in terms as provided hereinabove shall not constitute distribution of dividend or share capital allotted to the shareholders of Transferor Company.

(vii) Notwithstanding the above, the Transferee and Transferor Companies, in consultation with the Auditors, are authorised to account any of these balances in any manner whatsoever as may be deemed fit by them.

PART V

GENERAL TERMS AND CONDITIONS

1. The Transferee Company shall be entitled to use any tradenames and trademarks owned by the Transferor Companies No.1 and/or 2 in accordance with the terms and conditions as may be agreed to between the parties from time to time.
2. The accounts of each of the respective companies herein, as on the Appointed Date, as reconstructed shall be in accordance with the terms of the Scheme and as contained in Reference Balance Sheets of the Transferor Companies No. 1 and 2 and the Transferee Company, respectively, annexed hereto and marked as **Exhibits - B, C & D**, respectively, as on the Appointed Date to this Scheme.
3. (a) The Transferor Companies No. 1 and 2 and the Transferee Company are expressly permitted to revise their Income Tax returns and related TDS certificates and the right to claim refunds, deductions, set-offs, advance tax credits, etc. upon this Scheme becoming effective including the right of the Transferee Company to take any credits/deductions/set-offs arising out of any carried forward losses and/or unused depreciation comprised in the Transferred Undertakings of the Transferor Companies No.1 to 3 as reflected in the reference Balance Sheet of the Transferee Company and have expressly reserved the right to make such revisions, as necessary, in the Income Tax returns and related TDS certificates and the right to claim refunds, deductions, set-offs, advance tax credits etc. pursuant to the sanction of the present Scheme of Arrangement by the Hon'ble High Court of Delhi and such scheme becoming effective.

(b) The Transferor Companies No. 1 and 2 and the Transferee Company are expressly permitted to revise their Sales Tax returns (both CST & State ST) to claim refund, credits etc. for set-off of any sales tax paid on sale/transfer of any goods between either of the Transferred Undertakings of the Transferor Companies No. 1 to 3 & the Transferee Company (inter-unit sales/transfers), as applicable with effect from the Appointed Date and have expressly reserved the right to make such revisions in the Sales Tax returns and the right to claim refund, set-off, credits etc. pursuant to the sanction of the present Scheme of Arrangement by the Hon'ble High Court of Delhi and the Transferred Undertakings of the Transferor Companies No. 1 to 3 being vested into the Transferee Company with effect from the Appointed date as provided for in this Scheme upon this Scheme becoming effective.

(c) In accordance with the Haryana General Sales Tax Act, 1973 and the Rules framed thereunder, as are prevalent at the time of the sanction of the Scheme, the unutilised credits relating to Purchase Tax paid on the purchases of goods by the Transferor Companies No. 1 to 3 lying to the account of the Transferred Undertakings of Transferor Companies No. 1 to 3 shall be permitted to be transferred to the Credit of the Transferee Company, as if, all such Purchase Tax Credits were lying in the books of the Transferee Company The Transferee Company shall be entitled to set off all such unutilised Purchase Tax Credits, as aforesaid against the Sales Tax payable by it under the Haryana General Sales Tax Act. 1973 and the Rules framed thereunder.
4. Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, backward area sales tax remissions, holidays, incentives, concessions and other authorisations shall stand vested by the order of sanction of this Hon'ble Court, the Transferor Companies No. 1 and 2 and the Transferee Company, as applicable, shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning court, Viz. the Hon'ble High Court of Delhi.

5. The issue and allotment of shares under the provisions of this Scheme will be made subject to the approval of such statutory and governmental authorities as required.

6. The Transferor Companies No. 1 to 3 and the Transferee Company shall make necessary applications before the Hon'ble High Court of Delhi for the sanction of this Scheme under the provisions of Section 391 to 394 of the Act. All disputes and differences arising out of this Scheme shall be subject to the jurisdiction of the High Court of Delhi only.

7. This Scheme is conditional upon the following approvals/ events and the Scheme shall be deemed to be effective on obtaining the last of the following approvals and the occurrence of the last of the following events:-

- i. the approval of the Scheme by the requisite majority of the members and creditors each of the Transferor Companies No. 1 to 3 and the Transferee Company, as the case may be, as required under Section 391 of the Act.
- ii. The sanction of the Scheme by the High Court of Delhi under Section 391 and 394 the Act and other applicable provisions of the Act, Rules and Regulations, as the case may be.
- iii. Certified copies of the orders being filed with the Registrar of Companies, Delhi.

SCHEDULE-I

Illustrative (and not exhaustive) descriptive list of the Transferred Undertaking of the Transferor Company No.1.

All of the undertakings of the Transferor company No.1 comprised in the Switch-gear businesses of the Transferor Company No.1 situated at/standing upon 14/3, Mathura Road, Faridabad. Haryana, 8/39, South Industrial Area, Kirti Nagar, New Delhi 110015 and 1, Rajnarain Marg, Civil Lines, Delhi 110054 alongwith all rights, titles and interest in all movable and incorporeal assets whether free hold, lease hold or licenses and also all rights and entitlements comprised in the said units/undertakings of the Transferor Company No.1 including all statutory licenses, approvals and registrations (as may be necessary to operate the units/undertakings) and all rights in any licenses / permissions issued by any government authority to set up and operate any of the said units/undertakings of the Transferor Company No.1 either directly or indirectly through any other person or entity and also rights of ownership whether own or license in relation to any tradename, trading style and any other intellectual property of any nature whatsoever except the Non-Transferred Undertakings of the Transferor Company No.1 as provided in this Scheme.

SCHEDULE-II

Illustrative (and not exhaustive) descriptive list of the Transferred Undertaking of the Transferor Company No.2.

All of the undertakings of the Transferor company No.2 comprised in the Switch-gear business undertakings the Transferor Company No.2 situated at/standing upon 14/3, Mathura Road, Faridabad, Haryana and Rajnarain Marg, Civil Lines, Delhi 110054 alongwith all rights, titles and interest in all movable and incorporeal assets whether free hold, lease hold or licenses and also all rights and entitlements comprised in the said units/undertakings of the Transferor Company No.2 including all statutory licenses, approvals and registrations (as may be necessary to operate the units/undertakings) and all rights in any licenses / permissions issued by any government authority to set up and operate any of the said units/undertakings of the Transferor Company No. 2 either directly or indirectly through any other person or entity and also rights of ownership whether own or license in relation to any tradename, trading style and any other intellectual property of any nature whatsoever except the Non-Transferred Undertakings of the Transferor Company No. 2 as provided in this Scheme.

SCHEDULE-III

Illustrative (and not exhaustive) descriptive list of the Transferred Undertaking of the Transferor Company No.3.

All of the businesses and undertakings of the Transferor company No.3 alongwith all rights, titles and interest in all immovable, movable and incorporeal assets whether free hold, lease hold or license and also all rights and entitlements comprised in the businesses and undertakings of the Transferor Company No.3 including all statutory licenses, approvals and registrations (as may be necessary to operate the business or otherwise) and all rights in any licenses / permissions issued by any government authority to set up and operate any of the businesses and undertakings of the transferor Company No.3 either directly or indirectly through any other person or entity and also rights of ownership whether owned or licensed in relation to any tradename, trading style and any other intellectual property of any nature whatsoever.

SCHEDULE-IV

Illustrative (and not exhaustive) descriptive list of the Non-Transferred Undertaking of the Transferor Company No.1.

All the Undertakings of the Transferor Company No.1 comprised of the following assets and liabilities:

1. Assets

- (i) Ownership of Trade Mark / Brand - "Havell's" and "Crabtree"
- (ii) Industrial land and building at E/40/3, Okhla Industrial Area Phase - II, New Delhi - 110 020.
- (iii) Office building at 315-316, Floral Deck Plaza, 'D' wing MIDC Road, Andheri (E). Mumbai.
- (iv) Office building at flat No. 319-320, 3rd floor, Park Lane, Secundrabad
- (v) Investment in various companies as under:
 - a) M/S. Ajanta Mercantile Ltd
 - b) M/S. Havell's India Limited
 - c) M/S. ECS Limited
 - d) M/S. TTL Limited
 - e) M/S. Crabtree India Limited

2. Liabilities

- 1. payable to M/S. Electrium (UK) Limited — Rs.21375000/- as at 01.4.2001.
- 2. payable to M/S. Crabtree Electrical Industries Ltd., — Rs.16690000/- as at 01.04.2001.

SCHEDULE-V

Illustrative (and not exhaustive) descriptive list of the Non-Transferred Undertaking of the Transferor Company No.2.

All of the undertaking of the Transferor Company No. 2 comprised in the business of the Transferor Company No.2 relating to EWA (Electrical Wiring Accessories) using "Crabtree" Brand alongwith all rights, titles and interest in all immovable, movable and incorporeal assets, whether free hold, lease hold and licence and also all rights and entitlements comprised in the said businesses relating to EWA of Transferor Company No. 2 including all staff, statutory licenses, approvals and registrations (as may be necessary to operate the business of EWA or otherwise) and all rights in any license, permission issued by any governmental authority to set up and operate any of the said businesses relating to EWA either directly or through any other person or entity and also all rights of ownership whether owned or licensed in relation to any tradename, trading style and any other intellectual property of any nature whatsoever relating to the business of EWA.

SCHEDULE-VI

Illustrative (but not exhaustive) descriptive list of statutory licenses, authorisations, statutory rights, permissions, approvals, registrations, no-objection certificates or consents to carry on the operations in the Transferred Undertakings of Transferor Company No.1

NATURE	AUTHORITIES	REG. NO.	DATE OF REGISTRATION
ESI	Employee State Insurance Corporation Panchdeep Bhawan, Sector-16, Faridabad	13/28110/62	23.7.2001
PF	Regional Provident Fund Commissioner, Haryana Bhavishya Nidhi Bhawan, Sector-15 A, Faridabad	HR/FBD/10820	23.7.2001
SALES TAX	Excise & Taxation Officer Assessing Authority, Faridabad	FBE/HGST/12141 63 FBE/CST/1214163	14.9.2000
EXCISE	Suprintendedent, Central Excise Range Srp-II Faridabad	142/R-II/DIV-I/FBD/2000	18.03.1999
INCOME TAX	Director Of Income Tax (Systems) Muncipal Corporation, Delhi	AAACH0011R	16.04.1991
EXCISE	Suprintendedent. Central Excise Range-XV. Mod. Delhi	80/MOR-XV/MOD-III/92 ECC-AAACH0011R-XM-001	25.04.2000
LICENCE	Municipal Corporation Of Delhi	45/H/C	

SCHEDULE-VII

Illustrative (but not exhaustive) descriptive list of Motor Vehicles of any nature whatsoever comprised in or relatable to the Transferred Undertakings of Transferor Company No.1

SL. No.	PARTICULARS
1.	Imported Toyota Car DL 2C-H6563
2.	Other Cars- Maruti Van KA 01 N8891 Maruti Car No. HR- 51B1330 Maruti Car No. HR-51B1331 Maruti Car No. DL 2CJ 7297 Maruti Van No. DL 2CJ 5824 Maruti Van No. GJ-6AA 4416 Maruti Van No. MH-01-U1066 Maruti Car No. DL-2C-J5829 Maruti Van No. MP-04-H5440 Maruti Car No.HR-51A 3288 Maruti Car No. DL-6CE-B3111 Motor Car DL 2CN 2377 Lancer Car DL 1CJ 5883 Maruti Car DL2C N4777 Lancer Car DL 1CG 7343 AltoVX-DL2C R3331
3.	Scooter & Motorcycle Scooter DL4S K6427 Bajaj Scooter CH 01 T4333 Scooter DL6SL 1047

SCHEDULE-VIII

Illustrative (but not exhaustive) descriptive list of statutory licenses, authorisations, statutory rights, permissions, approvals, registrations, no-objection certificates or consents to carry on the operations the Transferred Undertakings of Transferor Company No.2

NATURE	AUTHORITIES	REG. NO.	DATE OF REGISTRATION
ESI	Employee State Insurance Corporation Panchdeep Bhawan, Sector-16, Faridabad	13/18604/64	25.9.98
PF	Regional Provident Fund Commissioner, Haryana	HR/FBD/10041	5.2.99
	Bhavishya Nidhi Bhawan, Sector-15 A, Faridabad		
SALES TAX	Delhi Sales Tax	LC/73/191235/1096	09.10.1996
SALES TAX	Excise & Taxation Officer Assessing Authority Faridabad	FBD/HGST/1211995	19.05.97
EXCISE	Suprintendent, Central Excise Range Srp-II , Faridabad	94/R-II/DIV-I/FBD/97 ECC:- AACH2740P- XM-001	12.02.1997
INCOME TAX	Director Of Income Tax (Systems)	AAACH2740P	27.08.1996
AIR POLLUTION	Haryana State Pollution Control Board	HSPCB/AIR/207	7.9.2000
WATER POLLUTION	Haryana State Pollution Control Board	HSPCB/WATER/205	7.9.2000

SCHEDULE-IX

Illustrative (but not exhaustive) descriptive list Motor Vehicles of any nature whatsoever comprised or relating to the Transferred Undertakings of Transferor Company No.2

SL. NO.	VEHICLE NO	MARK NAME
1.	DL-2CN-1150	MARUTI 800 DELUX
2.	DL-1CG-7446	CITY HONDA

SCHEDULE-X

Illustrative (but not exhaustive) descriptive list of statutory licenses, authorisations, statutory rights, permissions, approvals, registrations, no-objection certificates or consents to carry on the operations the Transferred Undertakings of Transferor Company No.3

NATURE	AUTHORITIES	REG. NO.	DATE OF REGISTRATION
ESI	Employee State Insurance Corporation, Panchdeep Bhawan, Sector-16, Faridabad	13/18731/95	01.06.1999
PF	Regional Provident Fund Commissioner, Haryana, Bhavishya Nidhi Bhawan, Sector-15 A, Faridabad,	HR/FBD/10310	14.07.1999
SALES TAX	Sales Tax Officer, Ghaziabad (U.P)	UPST-ND-0001664 CST-ND-5001669	10/29/79
SALES TAX	Excise & Taxation Officer Assessing Authority, Faridabad	FBD/HGST/1213 176	10.12.1998
EXCISE	Suprintendent, Central Excise Range Srp-II, Faridabad	135/R-II/DIV-I/FBD/98. ECC- AAACE1084-XM-001	28.12.1998

INCOME TAX	Director Of Income Tax (Systems), Municipal Corporation, Delhi	AAACE1084H	21.06.1979
ETP	Haryana State Pollution Control Board	HSPCB/HWM/AU TH/29	31.03.2000

SCHEDULE-XI

Illustrative (but not exhaustive) descriptive list Motor Vehicles of any nature whatsoever comprised or relatable to the Transferred Undertakings of Transferor Company No.3

SL. NO.	VEHICLE NO	MARK NAME
1	Maruti Car	DDQ-6677
2	K. Honda Scooter	DL-2SJ-8353
3	Bajaj Scooter	DL-3SJ-1495
4	LML Scooter	DL-3SK-7406
5	M. Cycle (Yamaha)	UP-14C-7154
6	Maruti Car	DL-2CN-3603

SCHEDULE-XII

Illustrative (and not exhaustive) List of Vendor Approvals from various clients issued to the Transfer company No.3

All Vendor Approvals received from the following clients/companies/entities:

- i. National Thermal Power Corporation Limited
- ii. Engineers India Limited
- iii. Bharat Heavy Electricals Limited
- iv. Power Grid Corporation India Limited
- v. Directorate General of Suppliers & Disposals
- vi. Military Engineering Services
- vii. National Industrial Development Corporation
- viii. Engineering Projects India Limited
- ix. Projects and Developments India Limited
- x. Delhi Metro Rail Corporation Limited
- xi. Development Consultants Limited
- xii. Tata Consulting engineers
- xiii. Desein Limited
- xiv. Tehri Hydro Development Corporation Limited
- xv. Indian Oil Corporation Limited
- xvi. Hospital Services Consultancy Corporation of India Limited
- xvii. Dalal Consultants
- xviii. Gas Authority of India Limited
- xix. Mecon Limited
- xx. Howe India Limited
- xxi. C.P. Kukreja & Associates.
- xxii. Kanwar Krishen & Associates
- xxiii. Electrical Consulting Engineers
- xxiv. Jacob H&G
- xxv. Gherzi Eastern Limited
- xxvi. V. S. Kukreja & Associates
- xxvii. Sanelec Consultants Pvt. Limited
- xxviii. Hindustan Petroleum Corporation India Limited
- xxix. S. N. Consultants
- xxx. Nuclear Power Corporation of India Limited
- xxxi. RITES Limited
- xxxii. Becon Engineers Pvt. Limited
- xxxiii. Consulting Engineering Services (India) Limited

EXHIBIT-A
REFERENCE BALANCE SHEET OF TRANSFEROR COMPANY NO. 1 AS ON THE APPOINTED DATE (GOODWILL)

	SCH. NO.	As at 01.04.2001 (Rs.)
I. SOURCES OF FUNDS		
1 SHAREHOLDER'S FUNDS		
SHARE CAPITAL	1	2,65,08,000
RESERVES AND SURPLUS	2	0
TOTAL		2,65,08,000
II. APPLICATIONS OF FUNDS		
1 FIXED ASSETS	3	
GROSS BLOCK		2,33,73,008
LESS: DEPRECIATION		17,70,960
NET FIXED ASSETS		2,16,02,048
ADD: GOODWILL		97,25,217
		3,13,27,265
2. INVESTMENTS	4	3,31,77,510
3. CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS		
LESS: CURRENT LIABILITIES AND PROVISIONS	5	3,80,65,000
NET CURRENT ASSETS		(3,80,65,000)
4. MISCELLANEOUS EXPENDITURE	6	68,224
TOTAL		2,65,08,000

SCHEDULES OF TRANSFEROR COMPANY NO. 1

As at 01.04.2001
(Rs.)

SCHEDULE NO. 1.

**SHARE CAPITAL
AUTHORISED**

3,00,000 EQUITY SHARES OF RS. 100/- EACH 30,000,000

ISSUED AND PAID UP

2,65,080 EQUITY SHARES OF RS. 100/- EACH FULLY PAID UP 26,508,000

26,508,000

SCHEDULE NO. 2.

RESERVES AND SURPLUS

PROFIT AND LOSS ACCOUNT

AS PER LAST BALANCE SHEET 21,139,088

LESS: ADJUSTED AS PER MERGER SCHEME 21,139,088

—

SCHEDULE NO.3

FIXED ASSETS

S.NO.	DESCRIPTION	GROSS BLOCK TOTAL 01.04.2001	DEPRECIATION UP TO DATE	NET BLOCK AS ON 01.04.01
1	Trade Marks	17,078,115	842,208	16,235,907
2	Industrial Land at Okhla	108,329	—	108,329
3	Factory Building at Okhla	650,000	43,420	606,580
4	Office Building (Bombay)	4,415,533	763,326	3,652,207
5	Office Building (Secunderabad)	1,121,031	122,005	999,025
	Sub-Total	23,373,008	1,770,960	21,602,048

NOTES: 1 Depredation has been provided on the rates prescribed in Schedule XIV of the Companies Act, 1956 on SLM basis on the value of fixed assets takenover by the company from the erstwhile partnership firm M/S Havell's Industries w.e.f. 01/04/1999.

2 Depreciation on trade mark has been provided over a period of 5 years based on useful life of trademark.

SCHEDULE NO. 4**INVESTMENTS (NON TRADE)-AT COST****QUOTED**

AJANTA MERCANTILE LIMITED

130000 EQUITY SHARES OF RS.10/- EACH

PURCHASED @ RS.3/- EACH

390,000

HAVELLS INDIA LIMITED

361200 EQUITY SHARES OF RS. 10/- EACH (including

301000 Equity Shares received as Bonus Shares)

602,000

UNQUOTED

ECS LIMITED (A SUBSIDIARY COMPANY)

44450 EQUITY SHARES OF RS.10/- EACH PURCHASED @ Rs. 115

EACH AND Rs.26000 PAID FOR SHARE TRANSFER STAMPS

5,137,750

354200 EQUITY SHARES OF RS.10/- EACH PURCHASED

3,542,000

TTL LIMITED

1118720 EQUITY SHARES OF RS. 10/- EACH

(including 1045120 Equity Shares received as Bonus Shares)

48600 EQUITY SHARES PURCHASED @ RS.5/- EACH

243,000

25000 EQUITY SHARES PURCHASED @ RS.10/- EACH

250,000

CRABTREE INDIA LIMITED (A SUBSIDIARY COMPANY)

(Formerly known as Havell's Dorman Smith Ltd.)

150000 EQUITY SHARES PURCHASED @ RS.10/- EACH

1,500,000

900000 EQUITY SHARES PURCHASED @ RS.23.75 EACH

21,512,760

AND Rs. 137760 PAID FOR SHARE TRANSFER STAMPS

33,177,510**SCHEDULE NO. 5****CURRENT LIABILITIES AND PROVISIONS****A CURRENT LIABILITIES**

ELECTRIUM (U.K.) LIMITED

21,375,000

CRABTREE ELECTRICAL INDUSTRIES LIMITED

16,690,000

38,065,000**SCHEDULE NO. 6****MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted)

A PRELIMINARY EXPENSES

AS PER LAST BALANCE SHEET

21,052

B EXPENDITURE ON INCREASE IN CAPITAL

AS PER LAST BALANCE SHEET

47,172

68,224

EXHIBIT-B

REFERENCE BALANCE SHEET OF TRANSFEROR COMPANY NO. 1 AS ON THE APPOINTED DATE (REDUCTION)

	SCH. NO.	As at 01.04.2001 (Rs.)
I. SOURCES OF FUNDS		
1 SHAREHOLDER'S FUNDS		
SHARE CAPITAL	1	16,782,700
RESERVES AND SURPLUS	2	83
TOTAL		16,782,783
II. APPLICATIONS OF FUNDS		
1. FIXED ASSETS	3	
GROSS BLOCK		23,373,008
LESS: DEPRECIATION		1,770,960
NET FIXED ASSETS		21,602,048
2. INVESTMENTS	4	33,177,510
3. CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS		—
LESS: CURRENT LIABILITIES AND PROVISIONS	5	38,065,000
NET CURRENT ASSETS		(38,065,000)
4. MISCELLANEOUS EXPENDITURE		68,224
TOTAL		16,782,783

SCHEDULES OF TRANSFEROR COMPANY NO. 1

**As at 01.04.2001
(Rs.)**

SCHEDULE NO.1.

**SHARE CAPITAL
AUTHORISED**

3,00,000 EQUITY SHARES OF RS. 100/- EACH 30,000,000

ISSUED AND PAID UP

1,67,827 EQUITY SHARES OF RS. 100/- EACH FULLY PAID UP 16,782,700

16,782,700

SCHEDULE NO. 2.

RESERVES AND SURPLUS

GENERAL RESERVES (TRANSFERRED FROM SHARE CAPITAL) 83

AS PER MERGER SCHEME

PROFIT AND LOSS ACCOUNT

AS PER LAST BALANCE SHEET 21,139,088

LESS: ADJUSTED AS PER MERGER SCHEME 21,139,088

83

SCHEDULE NO.3

FIXED ASSETS

S.NO.	DESCRIPTION	GROSS BLOCK TOTAL 01.04.2001	DEPRECIATION UP TO DATE	NET BLOCK AS ON 01.04.01
1	Trade Marks	17,078,115	842,208	16,235,907
2	Industrial Land at Okhla	108,329	—	108,329
3	Factory Building at Okhla	650,000	43,420	606,580
4	Office Building (Bombay)	4,415,533	763,326	3,652,207
5	Office Building (Secunderabad)	1,121,031	122,005	999,025
	Sub-Total	23,373,008	1,770,960	21,602,048

- NOTES: 1 Depreciation has been provided on the rates prescribed in Schedule XIV of the Companies Act, 1956 or SLM basis on the value of fixed assets takenover by the company from the erstwhile partnership firm M/s Havell's Industries w.e.f. 01/04/1999.
- 2 Depreciation on trade mark has been provided over a period of 5 years based on useful life of trademark.

SCHEDULE NO. 4**INVESTMENTS (NON TRADE)-AT COST****QUOTED**

AJANTA MERCANTILE LIMITED

130000 EQUITY SHARES OF RS.10/- EACH

PURCHASED @ RS.3/- EACH

390,000

HAVELL'S INDIA LIMITED

361200 EQUITY SHARES OF RS. 10/- EACH (including

301000 Equity Shares received as Bonus Shares)

602,000

UNQUOTED

ECS LIMITED (A SUBSIDIARY COMPANY)

44450 EQUITY SHARES OF RS.10/- EACH PURCHASED @ Rs. 115

EACH AND Rs.26000 PAID FOR SHARE TRANSFER STAMPS

5,137,750

354200 EQUITY SHARES OF RS.10/- EACH PURCHASED

3,542,000

TTL LIMITED

1118720 EQUITY SHARES OF RS. 10/- EACH

(including 1045120 Equity Shares received as Bonus Shares)

48600 EQUITY SHARES PURCHASED @ RS.5/- EACH

243,000

25000 EQUITY SHARES PURCHASED @ RS.10/- EACH

250,000

CRABTREE INDIA LIMITED (A SUBSIDIARY COMPANY)

(Formerly known as Havell's Dorman Smith Ltd.)

150000 EQUITY SHARES PURCHASED @ RS.10/- EACH

1,500,000

900000 EQUITY SHARES PURCHASED @ RS.23.75 EACH

21,512,760

AND Rs. 137760 PAID FOR SHARE TRANSFER STAMPS

33,177,510**SCHEDULE NO. 5****CURRENT LIABILITIES AND PROVISIONS****A CURRENT LIABILITIES**

ELECTRIUM (U.K.) LIMITED

21,375,000

CRABTREE ELECTRICAL INDUSTRIES LIMITED

16,690,000

38,065,000**SCHEDULE NO. 6****MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted)

A PRELIMINARY EXPENSES

AS PER LAST BALANCE SHEET

21,052

B EXPENDITURE ON INCREASE IN CAPITAL

AS PER LAST BALANCE SHEET

47,172

68,224

EXHIBIT-C

REFERENCE BALANCE SHEET OF TRANSFEROR COMPANY NO. 2 AS ON THE APPOINTED DATE

	SCH. NO.	As at 01.04.2001 (Rs.)
I. SOURCES OF FUNDS		
1 SHAREHOLDER'S FUNDS		
Share Capital	1	18,000,000
Reserve & Surplus	2	5,683,028
		23,683,028
2. LOAN FUNDS		
Secured Loans	3	36,045,422
TOTAL		59,728,450
II. APPLICATION OF FUNDS		
2 INVESTMENT	4	2,500,000
3. CURRENT ASSETS, LOANS AND ADVANCES		
Inventories	5	16,195,060
Sundry Debtors	6	45,753,006
Cash and Bank Balances	7	4,710,954
Loans and Advances	8	5,118,769
		71,777,789
LESS: CURRENT LIABILITIES AND PROVISIONS	9	14,585,884
Net Current Assets		57,191,905
4. MISCELLANEOUS EXPENDITURE	10	36,545
(to the extent not written off / adjusted)		
TOTAL		59,728,450

SCHEDULES OF REFERENCE COMPANY BALANCE SHEET OF TRANSFEROR NO. 2

**As at 01.04.2001
(Rs.)**

**SCHEDULE 1.
SHARE CAPITAL**

<u>Authorised</u>	
1,800,000 Equity Shares of Rs. 10/- each	18,000,000
<u>Issued Subscribed & Paid-up</u>	
1,800,000 Equity Shares of Rs. 10/- each	18,000,000
	18,000,000

(Out of the above 1050000 equity shares are held
by M/S Havell's Industries Ltd. - Holding company)

**SCHEDULE 2.
RESERVE & SURPLUS**

Profit and Loss Account	
As per last Balance Sheet	29,447,050
Less: Adjusted as per Merger Scheme	23,764,022
	5,683,028

SCHEDULE 3.**LOAN FUNDS**

Secured Loan From Banks
- Cash Credit

36,045,422

36,045,422**SCHEDULE 4****INVESTMENT (At Cost)****Long Term (Non-Traded)**

Share Application Money given to M/S Aquafit Ltd.

2,500,000

2,500,000**SCHEDULE 5.****INVENTORIES**

Finished goods-Traded

16,195,060

16,195,060**SCHEDULE 6****SUNDRY DEBTORS (Unsecured)**

45,753,006

45,753,006**SCHEDULE 7****CASH AND BANK BALANCES**

Cash in hand

138,402

With Scheduled Banks

- On Current Account

4,390,675

- Margin Money Deposits

181,877

4,710,954**SCHEDULE 8****LOAN AND ADVANCES (Unsecured-Considered Good :**

Security Deposits

180,000

Advance Income Tax

4,938,769

5,118,769**SCHEDULE 9****CURRENT LIABILITIES & PROVISIONS****A CURRENT LIABILITIES**

Sundry Creditors

- Other than Small Scale Industrial Undertakings

1,998,361

Other Liabilities

3,141,660

Advance from customers

454,063

5,594,084**B PROVISIONS**

Income Tax Provision

8,000,000

Proposed Dividend

900,000

Corporate Dividend Tax

91,800

8,991,800**14,585,884****SCHEDULE 10****MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted)

A. Preliminary Expenditure

As per last balance sheet

23,945

B. Expenditure on increase in capital

As per last balance sheet

12,600

36,545

EXHIBIT-D		
REFERENCE BALANCE SHEET OF TRANSFEREE COMPANY AS ON THE APPOINTED DATE		
	SCH. NO.	As at 01.04.2001 (Rs.)
I. SOURCES OF FUNDS		
1. SHAREHOLDER'S FUNDS		
SHARE CAPITAL	1	5,79,55,770
RESERVES AND SURPLUS	2	24,62,50,886
		<u>30,42,06,656</u>
2. LOAN FUNDS		
SECURED LOANS	3	58,25,76,419
UNSECURED LOANS	4	4,71,62,491
		<u>62,97,38,910</u>
TOTAL		<u>93,39,45,566</u>
II. APPLICATION OF FUNDS		
1. FIXED ASSETS		
GROSS BLOCK		30,01,07,944
LESS: DEPRECIATION		7,48,85,778
NET BLOCK		<u>22,52,22,165</u>
ADD: CAPITAL WORK-IN-PROGRESS		80,54,911
TOTAL FIXED ASSETS		<u>23,32,77,077</u>
2. INVESTMENTS	6	<u>10,48,27,921</u>
3. CURRENT ASSETS, LOANS AND ADVANCES	7	
INVENTORIES		20,61,14,301
SUNDRY DEBTORS		58,44,73,685
CASH AND BANK BALANCES		2,53,77,128
OTHER CURRENT ASSETS		38,83,640
LOANS AND ADVANCES		5,88,29,950
		<u>87,86,78,704</u>
LESS-CURRENT LIABILITIES AND PROVISIONS	8	
CURRENT LIABILITIES		23,05,92,844
PROVISIONS		5,37,37,769
		<u>28,43,30,613</u>
NET CURRENT ASSETS		<u>59,43,48,091</u>
4. MISCELLANEOUS EXPENDITURE	9	<u>14,92,477</u>
TOTAL		<u>93,39,45,566</u>

SCHEDULES OF REFERENCE BALANCE SHEET OF TRANSFEREE COMPANY

**As at 01.04.2001
(Rs.)**

SCHEDULE 1.

SHARE CAPITAL

AUTHORISED

1,15,00,000 EQUITY SHARES OF RS.10/- EACH

115,000,000

ISSUED AND SUBSCRIBED

57,95,577 EQUITY SHARES OF RS.10/- EACH

(8,12,777 Equity Shares to the Shareholders of merged companies)

57,955,770

PAID UP

- 57,95,577 EQUITY SHARES OF RS.10/- EACH

57,955,770

(Of the above - 7,37,750 Equity Shares issued as fully paid up Bonus Shares by capitalisation of profit and 8,12,777 Equity Shares to the Shareholders of merged companies)

57,955,770

SCHEDULE NO. 2**RESERVES AND SURPLUS**

CAPITAL RESERVE	342,917
REVALUATION RESERVE	2,520,711
SHARE PREMIUM ACCOUNT	54,702,200
GENERAL RESERVE	
AS PER LAST BALANCE SHEET	13,540,000
ADD: ON ACCOUNT OF MERGER	51,592,558
	<u>65,132,558</u>
PROFIT AND LOSS ACCOUNT	123,552,500
	<u>246,250,886</u>

SCHEDULE NO. 3**SECURED LOANS AND ADVANCES**

FROM BANKS	
AGAINST HYPOTHECATION OF STOCKS AND BOOK DEBTS	153,063,321
AGAINST DOCUMENTARY BILLS AND ACCEPTANCES	58,266,426
WORKING CAPITAL DEMAND LOAN	206,100,000
AGAINST HYPOTHECA HON OF MOTOR CARS	3,219,943
FROM FINANCIAL INSTITUTIONS	
INDUSTRIAL DEVELOPMENT BANK OF INDIA	
TERM LOAN ACCOUNT	26,761,074
WORKING CAPITAL MARGIN MONEY ACCOUNT	32,500,000
I.C.I.C.I. LTD.	
WORKING CAPITAL MARGIN MONEY ACCOUNT	100,000,000
FROM OTHERS	
AGAINST HYPOTHECATION OF MOTOR CARS	515,655
DEFERRED PAYMENT LIABILITY	2,150,000
	<u>582,576,419</u>

SCHEDULE NO. 4**UNSECURED LOANS**

FIXED DEPOSITS FROM PUBLIC	42,212,491
FROM COMPANIES	4,950,000
	<u>47,162,491</u>

SCHEDULE NO. 5**FIXED ASSETS**

S.NO.	DESCRIPTION	GROSS BLOCK TOTAL 01.04.2001 (Rs.)	DEPRECIATION UP TO DATE (Rs.)	NET BLOCK AS ON 01.04.01 (Rs.)
1	INDUSTRIAL LAND			
	FREEHOLD	10755743		10755743
	LEASEHOLD	6417954		6417954
2	FACTORY BUILDINGS	42223686	5644226	36579460.72
3	OFFICE PREMISES	2979270	325595	2653674.81
4	PLANT AND MACHINERY	114559191	28224439	86334751.68
5	DIES AND TOOLS	32432534	11958709	20473825
6	GENERATORS	10413680	2686464	7727215.97
7	FURNITURE AND FIXTURES	18160574	5866239	12294335.95
8	ELECTRIC FANS AND INSTALLATIONS	9346670	2946668	6400002.23
9	WATER SUPPLY INSTALLATIONS	955628	228740	726888
10	WEIGHING SCALE	617097	171078	446019
11	EDP INSTALLATIONS	24414797	9982954	14431843.37
12	OFFICE EQUIPMENTS	4571547	1996558	2574989.46
13	AIRCONDITIONERS	6033172	768360	5264811.76
14	VEHICLES	16226398	4085749	12140649.74
		<u>300107944</u>	<u>74885778</u>	<u>225222165</u>
	ADD:CAPITAL WORK IN PROGRESS			
	BUILDING	7940199	0	7940199.34
	PLANT AND MACHINERY	114712	0	114712
		<u>8054911</u>		<u>8054911</u>
		<u>308162855</u>	<u>74885778</u>	<u>233277076</u>

SCHEDULE NO. 6**INVESTMENTS (NON TRADE, UNQUOTED) - AT COST**

TTL LIMITED DELHI	
76,000 fully paid Equity Shares @ Rs.10/- each	25,000
(5000 Shares purchased at Rs.5/- each and	
71,000 Shares received as fully paid-up Bonus Shares)	
CRABTREE INDIA LIMITED	
4,50,000 fully paid Equity Shares @ Rs. 10/- each	4,500,000
STANDARD ELECTRICALS LIMITED(SUBSIDIARY COMPANY)	
19,01,982 fully paid Equity Shares @ Rs. 10/- each	82,279,411
AJ.SHEHFAR & CO. LIMITED(SUBSIDIARY COMPANY)	
14,28,440 fully paid Equity Shares @ Rs. 10/- each	18,023,510
	<u>104,827,921</u>

SCHEDULE NO. 7**CURRENT ASSETS, LOANS AND ADVANCES**

A.	INVENTORIES	
	(AS TAKEN, VALUED AND CERTIFIED BY THE MANAGEMENT)	
	RAW MATERIALS AND COMPONENTS	88,586,140
	SEMI FINISHED GOODS	13,315,209
	FINISHED GOODS	88,893,479
	STORES AND SPARE PARTS	856,797
	DIES AND TOOLS	11,146,974
	PACKING MATERIALS	3,017,911
	SCRAP MATERIALS	297,791
		<u>206,114,301</u>
B.	SUNDRY DEBTORS	
	(UNSECURED CONSIDERED GOOD)	584,473,685
C.	CASH AND BANK BALANCES	
	CASH AND CHEQUES IN HAND	1,241,016
	WITH SCHEDULED BANKS	
	IN CURRENT ACCOUNTS	
	IN FIXED DEPOSIT ACCOUNT	4,921,237
	MARGIN MONEY	13,670,748
	PLEDGED WITH GOVERNMENT DEPARTMENTS	24,483
	LIEN AGAINST PUBLIC DEPOSITS	3,968,408
	NO LIEN ACCOUNT	81,535
	INTEREST ACCRUED ON FIXED DEPOSITS	1,469,701
		<u>25,377,128</u>
D.	OTHER CURRENT ASSETS	
	EXPORT INCENTIVES RECEIVABLE	28,87,564
	CLAIMS RECEIVABLE	996,076
		<u>3,883,640</u>
E.	LOANS AND ADVANCES	
	ADVANCES RECOVERABLE IN CASH OR KIND OR	
	FOR VALUE TO BE RECEIVED	12,803,216
	EARNEST MONEY AND SECURITY DEPOSITS	12,127,874
	BALANCE WITH CENTRAL EXCISE DEPARTMENT	5,759,696
	ADVANCE INCOME TAX AND TAX AT SOURCE	28,139,164
		<u>58,829,950</u>
	TOTAL (A TO E)	<u>878,678,704</u>

SCHEDULE 9**CURRENT LIABILITIES & PROVISIONS****A CURRENT LIABILITIES**

SUNDRY CREDITORS, ADV. FROM CUSTOMER	194,279,773
UNCLAIMED DIVIDEND	764,510
OTHER LIABILITIES	12,624,715
SALES TAX PAYABLE	7,802,352
EXCISE DUTY PAYABLE	9,794,025
INTEREST ACCRUED BUT NOT DUE	5,327,469
	<u>230,592,844</u>

B PROVISIONS

INCOME TAX	42,770,000
WEALTH TAX	34,000
PROPOSED DIVIDEND	9,921,750
CORPORATE DIVIDEND TAX	1,012,019
	<u>53,737,769</u>
	<u>284,330,613</u>

SCHEDULE 10**MISCELLANEOUS EXPENDITURE**

(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)

A. EXPENDITURE ON INCREASE IN CAPITAL AS PER LAST BALANCE SHEET	271,534
B. PUBLIC ISSUE EXPENSES AS PER LAST BALANCE SHEET	1,220,943
	<u>1,492,477</u>

SCHEDULE

Havell's Industries Limited
(Transferor Company No. 1)

Part-I

**(Short Description of the Freehold Property comprised in the Transferred
Undertaking of the Transferor Company No. 1)**

NIL**Part-II**

**(Short Description of the Leasehold Property also comprised In the Transferred
Undertakings of the Transferor Company No 1)**

Sr.No.	All Properties/premises standing upon :	Lease Rent Paid
1.	1, Raj Narain Marg, Civil Lines, Delhi-110054	Mr. Gautam Ganeriwala Hanuman Prasad (HUF)
2.	13, Alipur Road, Exchange Store Building, Civil Lines, Delhi-110054	PNP Properties Limited
3.	8/39, Industrial Area Kirti Nagar, Delhi	S. Sukhminder Singh
4.	1826, Bhagirath Palace, Delhi-110006	Rajnath Gupta & Navneet Gupta
5.	14/3, Mathura Road, Faridabad	Havell's India Ltd.

Part-III

**(Short Description of all stocks, shares, debentures and other charges in
action comprised in the Transferred Undertaking of the Transferor Company No. 1)**

NIL

SCHEDULE
Crabtree India Limited
(Transferor Company No. 2)

PART-I

(Short Description of the Freehold Property comprised in the Transferred Undertaking of the Transferor Company No. 2)

NIL

PART-II

(Short Description of the Leasehold Property also comprised in the Transferred Undertakings of the Transferor Company No 2)

Sr.No.	All Properties/premises standing upon :	Lease Rent Paid
1.	14/3. Mathura Road, Faridabad	Havell's India Ltd.

PART-III

(Short Description of all stocks, shares, debentures and other charges in action comprised in the Transferred Undertaking of the Transferor Company No. 2)

NIL

SCHEDULE

ECS Limited
(Transferor Company No. 3)

Part-I

(Short Description of the Freehold Property comprised in the Transferred Undertaking of the Transferor Company No. 3)

NIL

Part-II

(Short Description of the Leasehold Property also comprised in the Transferred Undertakings of the Transferor Company No 3)

Sr. No.	All Properties/premises standing upon :
1.	Industrial Land at D-6, Sector 8, Noida (Perpetual - Lease)
2.	14/3, Mathura Road. Faridabad (Lease paid to Havell's India Ltd.)

Part-III

(Short Description of all stocks, shares, debentures and other charges in action comprised in the Transferred Undertaking of the Transferor Company No. 3)

NIL

Dated this the 25th day of February, 2002, 6th day of March, 2002 and 21st day of March, 2002.

(BY ORDER OF COURT

sd/-

REGISTRAR (ADMN. JUDL)

**IN THE HIGH COURT OF DELHI AT NEW DELHI
COMPANY JURISDICTION
COMPANY PETITION NOS. 49-50 OF 2006**

In the matter of :

The Companies Act, 1956;

And

Application under Section 391 and 394 of the Companies Act, 1956;

And

Scheme of Amalgamation of :

M/s. Havell's India Ltd.

....Transferee Company

With

M/s. Crabtree India Ltd.

... Transferor Company
Mr. Manoj Kumar, Ms. Aditi Mohan and Ms. Shreya
Sharma, for the petitioner.

SANJIV KHANNA, J. (ORAL) :

1. These are petitions filed under Sections 391(2) and 394 of the Companies Act, 1956 (hereinafter referred to as the Act, for short) for sanction of the Scheme of Amalgamation between Crabtree India Limited (the transferor company) and Havell's India Ltd. (the transferee company).
2. The registered offices of the transferor company and the transferee company are situated at New Delhi, within the territorial jurisdiction of this Court.
3. The Board of Directors of the transferor as well as transferee companies have passed resolutions approving the Scheme of Amalgamation.
4. The transferor company and the transferee company have placed on record a copy of the scheme of amalgamation. The salient features of the scheme and the circumstances necessitating the scheme have been explained in the petition.
5. The transferor company was incorporated on 13th February, 2001. Its authorised share capital is Rs.5,00,00,000/- divided into 50,00,000 equity shares of Rs.10/- each. Its issued, subscribed and paid up share capital is also Rs.4,89,00,000/- divided into 48,90,000 equity shares of Rs.10/- each fully paid.
6. The transferee company was incorporated on 08.08.1983. Its authorised share capital is Rs.15,00,00,000/- divided into 3,00,00,000 equity shares of Rs.5/- each. Its issued, subscribed and paid up share capital is also Rs.11,59,11,540/- divided into 2,31,82,308 equity shares of Rs.5/- each fully paid.
7. The transferor and the transferee company had filed C.A(M) No. 171/2005 and vide Order dated 16th December, 2005 direction was given for holding and convening meeting of the secured and unsecured creditors of the transferor company and the transferee company and the equity shareholders of the transferee company. The Court appointed Chairpersons and Alternate Chairpersons for the said meetings. This Court dispensed with the requirement to hold and convene the meeting of the shareholders of the transferor company for the purpose of considering and approving the proposed scheme of amalgamation of the equity shareholders in view of consent letters/no objection certificates given by the shareholders of the transferor company. The Chairpersons have filed their reports. In the case of the transferor company and the transferee company, the creditors and in the case of the transferee company the shareholders have unanimously approved the scheme for amalgamation as per the reports given by the Chairpersons. One vote in the meeting of the equity shareholders was held to be invalid.
8. On filing of the present petitions, notices were issued to the Central Government through Regional Director (NR), Ministry of Company Affairs, Noida and to the O.L attached to this Court. Citation was also directed to be published in "Statesman" (English) and "Jansatta" (Hindi) to inform the public that a scheme for amalgamation between the transferor company and the transferee company is pending consideration before this Court. An affidavit of service has been filed on behalf of the Transferor Company and Transferee Company stating that the citation in the two newspapers has been published.
9. The Regional Director, Northern Region, Ministry of Company Affairs, Noida has filed its representation/affidavit and the O. L has also filed his report.
10. The O.L does not have any objection to the scheme of amalgamation. It has been stated in the report that the O.L has not received any complaint against the proposed scheme of amalgamation from any person/party interested in the scheme in any manner. The O.L on the basis of information submitted by the transferor company has further stated that it is of the view that the affairs of the transferor company does not appear to have been conducted in a manner prejudicial to the interest of its members, creditors or public interest.
11. The Regional Director, Northern Region has raised an objection in its report, inter alia, stating that the scheme of amalgamation once implemented will require increase in authorised share capital of the transferee company (wrongly mentioned in the report as the transferor company) from Rs.15 crores to Rs.20 crores. Similarly, it is stated that the main object of Memorandum of Association of the transferee company would require amendment and modification in view of the scheme. The report filed by the Regional Director (NR) states that the transferee company should be asked to comply with the relevant provision of the Act and pay requisite court fee to Registrar of Companies and stamp duty to the State Government before the said scheme of amalgamation is sanctioned. This Court in the case of *Hotline Hol Celdings Pvt. Ltd. and Ors, In re (2005) 127 Company Cases 165* has held that sanction of a scheme by a Court is by the virtue of a statutory instrument. Therefore, once a scheme is

sanctioned then by operation of law, changes come into effect. The scheme after it is sanctioned would automatically result in modification of the Articles and Memorandum of Association of the companies concerned and would also have the effect of increasing the authorised share capital. The Scheme once sanctioned, is required to be registered with the Registrar of Companies. In such circumstances, the procedure prescribed under Sections 391-394 of the Act should be regarded as a complete Code in itself that acts as a single window clearance, dispensing with other the formal requirements. Similar view has also been taken by number of other High Courts including Gujarat High Court in the case of *Bazley Finvest Ltd., In re* (2005) 64 SCL 480. In view of the well settled legal position, I do not find any merit in the contentions raised by the Regional Director (NR).

12. It is stated in the petition that there are no proceedings pending against the transferor and the transferee company under Sections 235-251 of the Act.
13. Having regard to the averments made in the petition, the material placed on record and the affidavits filed on behalf of the transferor company and the transferee company and looking into the nature of objections raised, I am satisfied that the prayer made in the petition deserves to be allowed. I do not find any legal impediment to the grant of sanction of the scheme for amalgamation. Hence sanction is hereby granted to the above mentioned scheme of amalgamation under Sections 391(2) and 394 of the Act. The transferor company shall stand dissolved without process of winding up. The parties will comply with statutory requirements in accordance with law.
14. The petitions are disposed of in terms of this order.

DASTI.

April 19, 2006

SANJIV KHANNA, J

3-5-2006

Present: Mr. Sushant Kumar with Ms. Aditi Mohan for the applicant.

+CA,532/06 in Co. Pet. 50/2006

This is an application for correction of typographical errors in order dated 19.04.2006. The first error pointed out is in the cause title.

The cause title is corrected and shall read as under :-

**IN THE HIGH COURT OF DELHI AT NEW DELHI
COMPANY JURISDICTION
COMPANY PETITION NOS. 49-50 OF 2006**

In the matter of :

The Companies Act, 1956;

Applications under Sections 391 and 394 of the Companies Act, 1956;

AND

Scheme of Amalgamation of :

M/s. Crabtree India Ltd.

....Transferor Company

Mr. Manoj Kumar, Ms. Aditi Mohan and

Ms. Shreya Sharma, Advs.

With

....Transferee Company

M/s. Havell's India Ltd.

The second error pointed out is in paragraph 11 at page 4 of the order dated 19.04.2006. In view of the error pointed out in the application, paragraph 11 of the order dated 19.04.2006, will read as under:-

"The Regional Director, Northern Region has raised an objection in its report, inter alia, stating that the scheme of amalgamation once implemented will require increase in authorised share capital of the transferee company (wrongly mentioned in the report as the transferor company) from Rs.15 crores to Rs.20 crores. Similarly, it is stated that the main object of Memorandum of Association of the transferee company would require amendment and modification in view of the scheme. The report filed by the Regional Director (NR) states that the transferee company should be asked to comply with the relevant provision of the Act and pay requisite court fee to Registrar of Companies and stamp duty to the State Government before the said scheme of amalgamation is sanctioned. This Court in the case of *Hotline Holidays Pvt. Ltd. and Ors., In re* (2005) 127 Company Cases 165 has held that sanction of a scheme by a Court is by the virtue of a statutory instrument. Therefore, once a scheme is sanctioned then by operation of law, changes come into effect. The scheme after it is sanctioned would automatically result in modification of the Articles and Memorandum of Association of the companies concerned and would also have the effect of increasing the authorised share capital. The Scheme once sanctioned, is required to be registered with the Registrar of Companies. In such circumstances, the procedure prescribed under Sections 391-394 of the Act should be regarded as a complete Code in itself that acts as a single window clearance, dispensing with other the formal requirements. Similar view has also been taken by number of other High Courts including Gujarat High Court in the case of *Bazley Finvest Ltd., In re* (2005) 64 SCL 480. In view of the well settled legal position, I do not find any merit in the contentions raised by the Regional Director (NR)."

The amended order after necessary corrections be also added to the court file. The applicant is given permission to file copy of the order dated 19.04.2006 as amended by today's order with the Registrar of Companies within a period of fifteen days from today.

Application is disposed of.

A copy of this order be given dasti to the learned counsel for the applicant under the signature of the Court Master.

May 3, 2006

Sanjiv Khanna. J.

as

**SCHEME OF AMALGAMATION
BETWEEN**

CRABTREE INDIA LIMITED

...Transferor Company

AND

HAVELL'S INDIA LIMITED

...Transferee Company

Prepared By:

HAMMURABI & SOLOMON

Advocates & Corporate Law Advisors
A-166, Defence Colony, New Delhi

PART-I

A. Definitions

In this Scheme unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as given to them below:-

- (i) **"Act"** means the Companies Act, 1956 and any amendments and/or reenactment thereof for the time being in force.
- (ii) **"Transferor Company"** or **"CIL"** means Crabtree India Limited, a company incorporated under the Act having its Registered office at 1/7, Ram Kishore Road, Civil Lines, Delhi - 110 054.
- (iii) **"Scheme"** means the Scheme of Amalgamation as set out herein.
- (iv) **"The Appointed Date"** means 01-04-2005.
- (v) **"The Effective Date"** means the date on which the last of the approvals/events specified in clause 8 of Part IV of the Scheme are obtained/ have occurred.
- (vi) **"Transferee Company"** or **"HIL"** means Havells India Limited a company incorporated under the Act having its Registered Office at 1/7, Ram Kishore Road, Civil Lines, Delhi - 110 054.
- (vii) **"Transferred Undertakings of Transferor Company"** means all of the businesses/ unit/ undertakings of Transferor Company including those illustratively listed out and marked **Schedule-I** hereto and shall mean and include:-
 - (a) all the assets including freehold and/or leasehold assets and movable assets together with all investments and present and future liabilities and debts and undertakings of the Transferor Company, as per the records of Transferor Company;
 - (b) all approvals, licenses, permissions, consents, exemptions, registrations, no- objection certificates and certifications, permits, quotas, rights, entitlements, tenancies, patents, copyrights, privileges, benefits of contracts, agreements and all other rights including lease rights, licenses including those relating to Trademarks, powers and facilities of every kind, nature and description whatsoever of the Transferor Company;
 - (c) all employees of the Transferor Company;
 - (d) all application monies, advance monies, earnest monies and/or security deposits paid, payments against other entitlements of the Transferor Company;
 - (e) all the debts, liabilities, duties, responsibilities, guarantees and obligations of Transferor Company on the Appointed date.
 - (f) All immovable assets including all freehold, leasehold, and any other title, interest or right in such immovable assets, including all buildings, fixtures, structures, plant and machinery and/or any other developments or rights & facilities related thereto of the Transferor Company including those Comprised in the Transferred Undertakings of the Transferor Company as per the Records of Transferor Company.

A. Scheme

CIL is an existing Company under the Companies Act, 1956 and has its registered Office at 1/7, Ram Kishore Road, Civil Lines, Delhi - 110 054 and HIL is an existing company under the Companies Act, 1956 and has its registered office at 1/7, Ram Kishore Road, Civil Lines, Delhi - 110 054.

Both CIL and HIL are under the same management i.e QRG Enterprises. HIL are in the business of manufacturing and sale of various electrical, industrial and domestic products. CIL is in the business of dealing in various electrical products and bath fittings . The present Scheme has been proposed to consolidate the electrical and bath fittings (of industrial and domestic use) businesses of CIL and HIL and to facilitate management, administration and financial efficiencies, and alignment, coordination and streamlining of day to day operations of the said electrical and bath fittings (of industrial and domestic use) businesses of both companies with a view to improving cash flows and returns to shareholders on the large investments made and proposed to be made.

The amalgamation will facilitate consolidation of the electrical and bath fittings (of industrial and domestic use) businesses of both the Transferor and the Transferee Companies into a single corporate operation & control. The arrangement resulting from the amalgamation of the Transferor Company into the Transferee Company would create synergies of operations besides economies in administrative and managerial costs by combining operations and this would result in improved performance for the amalgamated Transferee Company and would enhance the shareholder value.

This amalgamation resulting from this arrangement between CIL/HIL and their respective shareholders will improve the financial structure and cash flow management of the amalgamated Transferee Company, while combining the marketing strengths of the Transferor Company & the Transferee Company.

PART-II SHARE CAPITAL

The present capital structure of the Transferor and the Transferee companies as on 31.10.2005 are as under:-

(A) Transferor Company

The present capital structure of the Transferor Company as at 31.10.2005 is as follows:

SHARE CAPITAL	AS AT 31.10.2005 (AMOUNT IN Rs.)
AUTHORISED CAPITAL	
50,00,000 EQUITY SHARES OF Rs. 10/- EACH	5,00,00,000
ISSUED SUBSCRIBED AND PAID UP CAPITAL	
48,90,000 EQUITY SHARES OF Rs.10/- EACH, FULLY PAID UP	4,89,00,000

(B) Transferee Company

The present capital structure of the Transferor Company as at 31.10.2005 is as follows:

SHARE CAPITAL	AS AT 31.10..2005 (AMOUNT IN Rs.)
AUTHORISED CAPITAL	
3,00,00,000 EQUITY SHARES OF Rs. 5/- EACH	15,00,00,000
ISSUED SUBSCRIBED AND PAID UP CAPITAL	
2,31,82,308 EQUITY SHARES OF Rs.5/- EACH, FULLY PAID UP	11,59,11,540

IN CONSIDERATION OF THE RECIPROCAL PROMISES AND THE ARRANGEMENT, THE TRANSFEROR COMPANY AND ITS SHAREHOLDERS AND THE TRANSFEE COMPANY AND ITS SHAREHOLDERS HAVE PROPOSED THE SCHEME OF AMALAGAMTION AS SET OUT IN PARTS III and IV BELOW.

PART-III TRANSFER OF TRANSFERRED UNDERTAKINGS OF THE TRANSFEROR COMPANY

1. With effect from the Appointed Date the Transferor Company shall dissolve without winding-up and merge with the Transferee Company and all of the assets, rights, liabilities, title and interests comprised in the Transferred Undertakings of the Transferor Company shall pursuant to Section 394(2) of the Act and without any further act or deed be transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company so as to become as and from the Appointed Date, the estate, assets, rights, title and interest of the Transferee Company subject to Clause-8, part IV of the Scheme. In respect of such of the assets of the Transferred Undertakings of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery, or transfer by vesting and recordal pursuant to this Scheme the same shall stand transferred and vested by the Transferor Company, with effect from the Appointed Date and shall become the property and an integral part of the Transferee Company.
2. (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Transferred Undertakings of the Transferor Company to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect on or against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company the Transferee Company had been a party or beneficiary or obligee thereto.
- (b) Upon the coming into effect of this Scheme and subject to the provisions of the Scheme, all permits, quotas, rights, entitlements, licenses including those relating to trademarks, tenancies, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferred Undertakings of the Transferor Company to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect on or against or in favour of the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company the Transferee Company had been a party or beneficiary or obligee thereto.

- (c) Any inter se contracts between the Transferor Company and the Transferee Company shall stand merged and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. Any statutory licenses, permissions or approvals or consents to carry on the operations in the Transferred undertakings of the Transferor Company and relating to any leased property where the merger of interests transpires into the Transferee Company including the statutory licenses, permissions or approvals or consents to carry on the operations in the Transferred Undertakings of the Transferor Company as illustratively listed out in **Schedule-II** hereto, shall stand vested or transferred to the Transferee Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company upon the vesting and transfer of the Transferred Undertakings of the Transferor Company pursuant to this Scheme. The benefit of all statutory and regulatory permissions, factory licenses, environmental and Pollution approvals and consents, including the statutory licenses, permissions or approvals or consents to carry on the operations in the Transferred Undertakings of the Transferor Company as illustratively listed out in **Schedule-II** hereto, sales tax registrations or other Licenses and consents shall vest in and become available to the Transferee Company pursuant to the Scheme and shall always be deemed to have been issued to the Transferee Company and the concerned statutory authorities and licensors shall endorse and/ or mutate and or record the same, upon the filing of this Scheme as sanctioned with such authorities and licensors, so as to empower and facilitate the transfer and vesting of the Transferred undertakings of the Transferor Company in the Transferee Company without hinderance or let from the Appointed Date.
- (d) The Transferee Company at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
- 3. (a) Upon the coming into effect of this Scheme, the debts, liabilities and obligations of the Transferor Company shall, without any further act or deed be and stand transferred to the Transferee Company and shall become the debts, liabilities and obligations of the Transferee Company which it undertakes to meet, discharge and satisfy.
- (b) All liabilities and obligations including those arising out of any guarantees executed by Transferor Company will stand transferred and vested in the Transferee Company as part of the continuing contractual obligations vested in the Transferee Company.
- 4. (a) All legal or other proceedings by or against the Transferor Company under any statute or otherwise, whether pending on the Appointed Date or which may be instituted in future in respect of any matter arising before the Effective Date shall be continued and enforced by or against the Transferee Company after the Effective Date.
- (b) Subject to the provisions of this Scheme, all proceedings whether administrative, legal or otherwise, by or against Transferor Company, pending on the effective date, in any court or before any authority, judicial, quasi-judicial or administrative, or any adjudicating authority, shall continue and be proceeded by or against the Transferee Company as the case may be.
- 5. With effect from the Appointed Date and up to and including the Effective Date:
 - (i) the Transferor Company shall be deemed to have been carrying on and to be carrying on all operations and activities relating to the Transferred Undertakings of the Transferor Company on behalf of the Transferee Company and stand possessed of the properties so to be transferred for and on account of and in trust for the Transferee Company; and
 - (ii) all profits accruing to the Transferor Company (including taxes if any thereon) or losses arising or incurred by it relating to the Transferred Undertakings shall for all purposes, be treated as the profits, taxes or losses as the case may be, of the Transferee Company.
- 6. The Transferor Company hereby undertakes up to the Appointed Date or the Effective Date, whichever is later, to carry on its operations relating to Transferred Undertakings of the Transferor Company with proper prudence and agrees, without the prior written consent of the Transferee Company not to alienate, charge or otherwise deal with or dispose of the Transferred Undertakings of the Transferor Company or any part thereof (except in the ordinary course of business) or undertake substantial expansion, of its existing businesses pertaining to the Transferred Undertakings of the Transferor company.
- 7. (a) All employees of the Transferor Company as on the Effective Date or the Appointed Date whichever is later, shall as from such date, become employees of the Transferee company with the benefit of continuity of service on same terms and conditions being not unfavourable with the terms and conditions applicable to such employees and without any breach or interruption of service. In regard to Provident Fund, Gratuity Fund, Superannuation fund or any other special fund created or existing for the benefit of such employees of the Transferor Company upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective Trust Deeds or other documents.

It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. It is clarified that the services of the Employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid schemes, fund, Trusts etc.

- (b) The Transferor Company has promoted a group gratuity trust for the benefits of its employees. On the Scheme becoming effective, the same trust shall function for the benefits the employees of the Transferee Company. It will be treated that the trust was originally promoted and created by the Transferee Company for the benefits of its employees. Further, permission granted by Commissioner of Income Tax or by any other authority for the promotion and continuation of the Trust to the Transferor Company shall stand suitably modified in the name of the Transferee Company without any further act or deed.
 - (c) In the event that the Trustees are constituted as holders of any securities, Trust funds or Trust monies, in relation to any Provident Fund Trust, Gratuity Trust or Superannuation Trust of the Transferor Company, such funds shall be transferred by such Trustees of the Trusts of the Transferor Company, to separate Trusts and the Trustees of the Transferee Company set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of Trustees to another set of Trustees in accordance with the provisions of the relevant labour laws, Indian Trust Act, and the Indian Income Tax Act 1961 and relevant Stamp Legislations as applicable. Appropriate Deeds of Trusts and/or documents for transfer of Trust properties shall be simultaneously executed upon the sanction of the Scheme in accordance with the terms hereof by the Trustees of such Trusts in favour of the Trusts of the Transferee Company so as to continue the benefits of the employees. The Provident Fund Trust, Gratuity Trust or superannuation Trusts of the Transferor Company shall continue to hold such securities, Trust Funds and/or Trust monies as hitherto, till such time as the transfer to the Trustees of the Transferee Company employee Trusts is made.
 - (d) The Transferee Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into by the Transferor Company with any Labour union(s)/ employees of the Undertakings of the Transferor Company. The Transferee Company agrees that for the purpose of payment of any retrenchment, compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
8. The transfer and vesting of the properties and liabilities of the Transferred Undertakings of Transferor Company to the Transferee Company and the continuance of the proceedings by or against the Transferee Company under Clause 4, hereof shall not affect any transaction or proceedings already completed by the Transferor Company on and from the Appointed Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts deeds and things done and executed by and on behalf of the Transferee Company.
 9. Subject to the other provisions contained in this Scheme, all contracts, agreements, memorandums of understandings, memorandums of agreement, memorandums of agreed points, letter of agreed points, arrangements, undertakings whether written or otherwise, lease rights, deeds, bonds, other agreements and instruments of whatsoever nature to which the Transferor Company are a party or having effect immediately before the Effective Date shall remain in full force and in effect against and in favour of Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
 10. Upon the coming into effect of the Scheme, all Motor Vehicles of any nature whatsoever comprised in or relatable to the Transferred Undertakings, including those listed in **Schedule-III** hereto, shall vest in the Transferee Company and the appropriate governmental and Registration Authorities shall mutate and register the said vehicles in the name of the Transferee Company as if the vehicles had originally been registered in the name of the Transferee company without levying or imposing fees, charges, taxes or levy whatsoever.
 11. The Transferee Company shall be entitled to all rebates, refunds, recoveries and/or set off of all amounts paid by either of the Transferor or the Transferee Companies under the Central Sales Tax Act towards inter-state sales between the Transferor or the Transferee Companies with effect from the appointed date upon this scheme became effective. The Transferee Company also shall be entitled to all rebates, refunds, recoveries, accrue/ due/ paid to the Transferor or the Transferee Company under the Income Tax, Sales Tax, Excise, Custom, Service Tax and other related taxes after the Appointed date upon this scheme became effective.
 12. The Transferee Company shall be entitled to use all packaging material, Labels and Closures, lying unused and which the Transferor Company is entitled to use under any statutes/Regulations as on the Appointed Date and implemented from the effective date till such time as all of such packaging material, labels and closures are exhausted. The Transferee Company is authorised to advise the statutory Authorities of the sanction of the Scheme even prior to it's becoming effective for enabling the change to be made / noted with effect from the effective date.
 13. All tenders and/or Bids relating to the supply of products manufactured by the Transferor Company in which the Transferor Company is participating/has participated shall stand transferred and vested in the Transferee Company with effect from the Appointed date.

14. In accordance with the Modvat/Cenvat Rules framed under the Central Excise Act, 1944, for the Service Tax Credit Rules framed under the Finance Act, 1994 as are prevalent at the time of the sanction of the Scheme, the unutilised credits relating to Excise duties paid on inputs/capital goods lying to the account of the Transferred Undertakings of the Transferor Company in the RG23A and RG23C Registers as well as the un-utilities credit relating to the Service Tax paid in the input services consumed by the Transferor Company shall be permitted to be transferred to the Credit of the Transferee Company, as if, all such Modvat/Cenvat / Service Tax Credits were lying in the RG 23A and RG 23C Registers of the Transferee Company. The Transferee Company shall be entitled to set off all such unutilised Modvat/Cenvat / Service Tax Credits, as aforesaid, against the Excise duty / Service Tax payable by it.
15. All Vendor Approvals from customers/prospective customers relating to the supply of products manufactured by the Transferred Undertakings of the Transferor Company existing as on the Effective Date shall stand transferred and vested in the Transferee Company upon this Scheme becoming effective.
16. The Transferor Company is entitled to various ongoing benefits under various tax incentive schemes and policies of the Central as well as State Governments including those listed in **Schedule-IV hereto** and pursuant to this Scheme it is declared that all such benefits including those listed in **Schedule -IV hereto** under all of such tax incentive schemes and policies shall stand transferred to and vested in the Transferee Company with effect from the Appointed Date and all benefits, entitlements and incentives of any nature whatsoever including Income Tax/ Excise/Subsidy/Service Tax/Entry Tax/Central & Local Sales Tax Concessions & Incentives shall be claimed and/or be claimable by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all the benefits under such tax incentive schemes and/or policies.
17. Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, backward area sales tax remissions, tax holidays, conveyance and transfer of immovable, movable and incorporeal properties, incentives, concessions and other authorisations, shall stand vested and permitted or continued by the order of sanction of this Hon'ble Court in the Transferee Company, the Transferee Company shall file the Scheme, for the record of the statutory authorities who shall take it on file, pursuant to the sanction orders of the Hon'ble High Court of Delhi.
18. (a) (i) The amalgamated Transferee Company shall draw up and finalise a consolidated Balance Sheet post-merger as on the Appointed Date (Reference Balance Sheet) which shall be the opening Balance Sheet of the amalgamated Transferee Company as on the Appointed Date.
(ii) The accounts of the Transferee Company as on the Appointed Date, as reconstructed in accordance with the terms of the Scheme shall be finalised on the basis of the Reference Balance Sheet as on the Appointed Date pursuant to this Scheme.
(iii) The Transferee Company is expressly permitted to revise its Income Tax & loss returns and related TDS certificates and to claim refunds, advance tax credits etc., on the basis of the Reference Balance Sheet annexed as Exhibit -A, becoming effective as on the Appointed Date pursuant to the terms of this Scheme and its right to make such revisions in the Income Tax & loss returns and related Tax Deducted at Source (TDS) certificates and the right to claim refunds, adjustments, credits, set-offs, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved.
(iv) After the appointed date, Authorised Share Capital of the Transferee Company has been increased to Rs.15,00,00,000 (Rupees Fifteen Crores only) divided into 3,00,00,000 (Three Crores only) Equity Shares of Rs.5/- each pursuant to the resolution passed in Annual General Meeting of the Company held on 20th July, 2005. Further, the Transferee Company, pursuant to the approval of shareholders at the Annual General Meeting held on July 20, 2005, has allotted Bonus Shares in the ratio of 1:1 i.e. One Bonus Share for every existing share of the Transferee Company. Accordingly, with effect from 8th August, 2005, the Paid up Capital of the Transferee Company increased to Rs.11,59,11,540/- divided into 2,31,82,308 equity shares of Rs.5/- each.
(v) (a) The Transferee Company shall, upon this Scheme becoming effective, record the assets and liabilities comprised in the Transferred Undertakings of the Transferor Company at the respective book values thereof as appearing in the books of the Transferor Company at the close of the business of the day immediately preceding the Appointed Date.
(b) Upon this Scheme becoming effective, the Transferee Company shall credit to Share Capital account in its books of account, the aggregate face value of the new shares issued by it to the members of the Transferor Company pursuant to this Scheme.
(c) Upon the Scheme becoming effective, the Transferee Company shall record the Reserves of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company at the close of the business of the day immediately preceding the Appointed Date. Any Balance in the Profit and Loss Account of the Transferor Company shall be similarly aggregated with such balance in Profit and Loss Account of the Transferee Company. Any Balance shown as Miscellaneous Expenditure to the extent not written off or adjusted, if any, in the books of Transferor Company shall be similarly aggregated with such balance in the books of the Transferee Company.

- (d) The excess, if any, of the value of the assets over the value of the liabilities of the Transferred Undertakings of the Transferor Company vested in the Transferee Company upon this Scheme becoming effective as recorded in the books of accounts of the Transferee Company shall, after adjusting the aggregated face value of the new shares issued by the Transferee Company to the members of the Transferor Company (pursuant to this Scheme) be credited to the General Reserve Account in the books of the Transferee Company. However, if there is any deficit in the value of the assets over the value of liabilities, the same shall be debited to the General Reserve Account in the books of the Transferee Company.
 - (e) Notwithstanding the above, the Transferee and Transferor Companies, in consultation with the Auditors, are authorised to account any of these balances in any manner whatsoever as may be deemed fit by them.
19. The existing Borrowing Limits of the Transferee Company shall without any further act or deed stand increased by Rs.400 Crores as per Section 293(1) (d) of the Companies Act, 1956, being the existing borrowing limit of the Transferor Company as approved by the shareholders of the Transferor Company vide special resolution passed at the General Meeting held on 24th October, 2005.
 20. (a) The value of the Transferred Undertakings of the Transferor Company as per the valuation/share-exchange ratio report of M/s.PriceWaterhouse Coopers & Co., Chartered Accountants & valuers dated 28th October, 2005 is Rs.99,39,025/- (Rupees Ninety Nine Lacs Thirty Nine Thousand Twenty Five only).
 - (b) Upon coming into effect of the Scheme and upon the vesting and transfer of the Transferred Undertakings of the Transferor Company into the Transferee Company herein, the Transferee Company shall fix a record date for completion of all allotments to the shareholders of the Transferor Company existing as on the record date without any further act or deed, and shall issue and allot to every member of the Transferor Company 100 equity shares of the face value of Rs.5/- at par each of the Transferee Company credited as fully paid up as on the Effective Date for every 246 fully paid up equity shares of the face value of Rs.10/- each held in the Transferor Company as per the share exchange ratio indicated in the aforesaid report of M/s.PriceWaterhouse Coopers & Co., Chartered Accountants & valuers in this regard.
 - (c) In case any shareholder(s) of Transferor Company become entitled to a fraction of one share of the Transferee Company, The Transferee Company shall not issue fractional share certificates to him but shall consolidate shares to any person who shall act as a trustee and shall sell the shares and distribute the net proceeds to the shareholders respectively entitled to the same.
 - (d) All equity shares to be issued and allotted by the Transferee Company in terms hereof shall rank pari passu in all respects from the date of their allotment in terms of the Scheme with the equity shares of the Transferee Company as existing as on the Effective Date and shall also be similarly listed with the Bombay stock exchange and the National Stock Exchange as such. All shares issued by the Transferee Company herein shall be entitled to all dividends and other benefits from the Appointed Date onwards and for this purpose, the said shares shall be deemed to have been issued as on the Appointed date.
 - (e) Upon this Scheme becoming effective and subject to the above provisions, the Shareholders of the Transferor Company shall on the Record Date for allotment receive new share certificates or alternately receive credits into their respective Demat accounts, as applicable, reflecting the share capital of the Transferee Company as on the Effective Date of the Scheme upon receiving intimation of the Record Date for allotments
 21. In relation to the Scheme of Amalgamation of Transferor Company in Transferee Company, the Transferor Company has only one unit in the State of Rajasthan situated at G-470/471, RIICO Industrial Area, Bhiwadi, Distt. Alwar. An order passed under Section 391 and 394 of the Companies Act is stampable only when declared by the High Court of the State of Rajasthan, for the properties situated territorially in the State of Rajasthan. The stamp duty on such scheme of arrangement is payable in accordance with the provisions of Article 21 of the Rajasthan Stamp Act on the properties within the State of Rajasthan. No stamp duty is payable under Article 21 in relation to an order under Section 391 and 394 passed by the High Court of a State (other than the State of Rajasthan) i.e. (i) an order passed by the High Court of Rajasthan relating to non Rajasthan immovable properties and (ii) an order passed by the High Court of Delhi are not subject to stamp duty in the State of Rajasthan.

PART IV GENERAL TERMS AND CONDITIONS

1. (a) The authorised share capital of the Transferee Company shall stand increased to Rupees 20 Crores (Rupees Twenty Crores only) divided into 4,00,00,000 (Four Crore only) equity shares of Rs.5/- each as on the Effective date.
- (b) The Transferee Company shall file the requisite applications/forms with the Registrar of Companies for the increase of the Authorised Capital of the Transferee Company who shall permit the Transferee Company to take credit of the entire fees already paid by the Transferor Company in this regard and shall charge fees for any additional increase of authorised capital beyond the present authorised capital of the Transferor Company and the Transferee Company being Rupees 20 Crores (Rupees Twenty Crores only) divided into 4,00,00,000 (Four Crore only) equity shares of Rs.5/- each upon the Scheme becoming effective in terms of para 8, part-IV. The Transferee Company shall make suitable amendments to its Memorandum and Articles of Association to reflect the increase of the Authorised Share Capital.

2. The Main Objects of Memorandum of Association of the Transferee Company without any further act or deed stand amended by adding clause 4 after existing clause 3 of Main Objects of Memorandum of Association of the Transferee Company as follows:
 4. To produce, manufacture, refine, treat, cure, process, prepare, import, export, purchase, sell and generally deal in all kinds of sanitary fittings and bathroom fittings such as brass fittings, steel fittings, tiles and ceramic ware.
3. The Transferor Company and the Transferee Company shall file the necessary applications/petitions before the Hon'ble High Court of Delhi for sanction of this Scheme under the provisions of Sections 391 and 394 of the Act. All disputes and differences arising out of this Scheme shall be subject to the jurisdiction of the Hon'ble High Court of Delhi only.
4. Upon the Scheme being sanctioned the Transferor Company shall stand dissolved without being wound up as on the Appointed Date.
5. The Transferor Company and the Transferee Company acting through its Director/Directors/ Authorised Signatory(ies) may consent, on behalf of all persons concerned to accept any modifications or amendments to The Scheme or of any terms and conditions which the Hon'ble High Court of Delhi, may deem fit to impose or which may otherwise be considered proper, necessary or expedient by such Directors of the Transferor Company, and the Transferee Company.
6. For the purpose of giving effect to The Scheme or any modifications, alterations, and amendments thereto the Directors of the Transferee Company may give and are authorised to give such directions including directions for settling any question in doubt or dispute or difficulty that may arise in regard to the issue or allotment of the shares of the Transferee Company to the members of the Transferor Company in terms of The Scheme.
7. All costs, charges and expenses of the Transferor Company and the Transferee Company in respect of negotiations leading up to The Scheme and of carrying out and completing the terms and conditions of The Scheme and the completion of the merger/amalgamation or amalgamation and ultimately the merger of the Transferor Company with Transferee Company in pursuance of The Scheme and/or any matter connected or concerning therewith shall be borne and paid by the Transferee Company alone.
8. This Scheme shall be deemed to be effective upon the occurrence of the last of the following events and also upon the occurrence of the Appointed Date, whichever is later:-
 - (i) the approval of the Scheme by the requisite majority of the members and creditors of the Transferor Company and the Transferee Company, as the case may be, as required under Sections 391-394 of the Act.
 - (ii) The sanction of the Scheme by the High Court of Delhi under Sections 391 to 394 of the Act and other applicable provisions of the Act, Rules and Regulations, as the case may be.
 - (iii) Certified copies of the orders being filed with the ROC, Delhi & Haryana.

SCHEDULE - I

Illustrative (and not exhaustive) descriptive list of The Transferred Undertaking of Transferor Company

All of the undertakings of the Transferor Company comprised in the Electrical and bath fitting businesses of the Transferor Company situated at / standing upon

- a) 1/7, Ram Kishore Road, Civil Lines, Delhi - 110 054;
- b) E-1, Sector - 59, Noida;
- c) G-470/471, RIICO Industrial Area, Distt. Alwar, Rajasthan;
- d) Village Dharampur, Sai Road, Baddi, Tehsil Nalagarh, Distt., Solan, Himachal Pradesh;
- e) Kharsra No. 681, Baba Colony, Burari, Delhi.
- f) Khasra No. 861, Plot No. 1138, Burari, Delhi.
- g) 42/1817-C, 2nd Floor, Ernakulam - 682014
- h) 313, 3rd Floor, Floral Deck Plaza, Centre MIDC Road, Andheri East, Mumbai - 400 093
- i) Other branches and offices

and all rights, titles and interest in all movable and incorporeal assets whether free hold, lease hold or licenses and also all rights and entitlements comprised in the said units/ undertaking of the Transferor Company including all statutory licences, approvals and registrations (as may be necessary to operate the unit/ undertaking) and all rights in any licenses/ permissions issued by any government authority to set up and operate any of the said units/ undertaking of the Transferor Company either directly or indirectly through any other person or entity and also rights of ownership whether own or license in relation to any trade name, trading style and any other intellectual property of any nature whatsoever.

SCHEDULE - II

Illustrative (but not exhaustive) descriptive list of statutory licenses, authorisations, statutory rights, permissions, approvals, registrations, no-objection certificates or consents to carry on the operations in the Transferred Undertakings of Transferor Company

Nature	Authorities	Reg. No.	Date of Registration
Bhiwadi			
SIA	Secretarial of Industrial Approval, Ministry of Finance	SIA/835/IMO	12.04.2001
LICENSE	RIICO, BIDA	Order No. 2599	23.06.2001
Pollution Control Certificate	Rajasthan Pollution Control Board, Jaipur	F-12 (2-872) RPCB/GR.I/374	30.08.2001
Environment Clearance Certificate	Rajasthan Pollution Control Board, Jaipur	F-12 (2-872) RPCB/GR.I/ 2976	02.07.2003
Environment Clearance	Ministry of Environment & Forest (MOEF), Govt. of India, New Delhi	Applied for	07.03.2002
Consent	Rajasthan Pollution Control Board, Jaipur	Applied for	30.01.2003
Storing Hazardous Waste Certificate	Rajasthan Pollution Control Board, Jaipur	F 16 (114) RPCB/ HWMR / Gr.1/ 108	08.04.2004
ESI	Employee State Insurance Corporation	15/16894/98	01.02.2002
PF	Regional Provident Fund Commissioner, Rajasthan	RJ/13540	01.03.2002
SALES TAX	Sales Tax, Bhiwadi	RST/CST/ 0206/01795/ W.E.F 28.04.01 (TIN NO.08070851786)	28.04.2001
Service Tax	Suprintendedent, (Service Tax) Central Excise Division, Bhiwadi	AABCC6881HST001	31.01.2005
EXCISE	Suprintendedent, Central Excise Division, Bhiwadi	ECC NO. AABC6881HXM001	06.12.2001
Registration of Factory	Boiler Deptt., Rajasthan	RJ/26399	22.11.2001 applied/ 11.02.02 (Renewal)
Power Connection	Rajasthan State Electricity Board	A/c No. ALC/1-1-0721	24.01.2002
EXCISE	Suprintendedent, Central Excise Range-Xv, Mod, Delhi	80/MOR-XV/MOD-III/92 ECC-AAACH0011R-XM-001	25.04.2000
Entry Tax	Government of Rajasthan	RET/0206/00370	15.07.2002
Sales Tax Exemption	Sales Tax, Bhiwadi		26.02.2003
Professional Tax	Government of Rajasthan	Applied for	
Electricity Duty	Sales Tax, Bhiwadi	0206/0167/ed/12.07.04	12.07.2004
Baddi			
Pollution Control	H.P. State Environment Protection & Pollution Control Board, Shimla	PCB (385) Crabtree India Ltd./04-15122-26 Renewal applied for	06.12.2004
Fire NOC	Fire State, Government of Himachal Pradesh	244	05-09-2005
Sales Tax	Excise & Taxation officer, Baddi	SOL-III-8544	30.09.2004
Service Tax	Central Excise Range - I Baddi	CE-20/35/S.T. Regn./ Crabtree/B-I/2005/193	10.01.2005
ESI	Employees' State Insurance Corporation, Parwanoo	14-43049/67/434	27.01.2005

PF	Employees' Provident Fund , Shimla	HP-3714/Co/EF/13899	31.01.2005
PAN	Income Tax Authorities	AABCC6881H	04.07.2002
PF	Employees Provident Fund Organisation, New Delhi (HO)	DL/25682/1101	17.06.2002

SERVICE TAX

Jaipur	Superintendent of Central Excise, Range-V	99/S. T./BAS/R-V/JPR/04	25/11/04
Ahmedabad	Deputy Commissioner of Service Tax	AABCC6881HST003	03/01/2005
Noida, Uttar Pradesh	Deputy Commissioner, Custom & Central Excise, (Service Tax Cell) Division-II	AABCC6881HST002	13/12/2004
Hyderabad	Superintendent of Customs & Central Excise Service Tax Cell ; Hyderabad -II	AABCC6881HST001	25/11/04
Indore	Superintendent Service Tax Range, Indore	R-ST/ IND/ BAS/ 894/04-05	25/11/04
Kolkata	Superintendent Service Tax	117/BAS/SB-03/KOL/04-05	22/12/04
Mumbai	Assistant Commissioner of Service Tax Division -III, Mumbai	ST/Div.III/MUM/ CENVAT/88/05	25/02/05
Chennai	Deputy Commissioner of Service Tax Service Tax-III Division	ISD/CH-IV/132/STC	21/10/05
Chandigarh	Deputy Commissioner of Central Excise Service Tax, Chandigarh	CE-20/STC/INPUT/ CRABTREE/3/CHD/05	20/10/05
Ranchi	Assistant Commissioner , Central Excise & Service Tax Division, Ranchi	ISD/RAN/CIL/04/05	13/09/05
Raipur	Superintendent Central Excise Range- Service Tax, Raipur	ST/ISD/CIL/R-ST/ RPR/11/2005	09/09/05
Bhubneshwar	Superintendent of Central Excise & Customs	291/ST/BBSR-II/ TGR/2005	30/08/05
Burari, Delhi	Commissionerate of Service Tax, New Delhi	DL-1/ST/R-IX/GTOISD/ 2042/CIL/05	06/04/05
Central Sales tax	Sales Tax Officer	LC/083/9700252473/0602	13-06-02
State Sales Tax	Sales Tax Officer	LC/083/9700252473/0602	10/07/02

SALES TAX

Head Office	1/7, Ram Kishore Road, Civil Lines, Delhi-110 054	LC/83/252473/0602
Godown	Khasra No. 861, Plot No. 1138, Burari, Delhi	LC/83/252473/0602
	Khasra No. 681, Baba Colony, Burari, Delhi	LC/83/252473/0602
	Anupam Market Near Sarhol More, Old Delhi-Gurgaon Road, Gurgaon	TIN-06811216229
Branches:		
Kerala	42/1817 B K.G.Square, Market Road, Near Kombara Junc., Cochin-682 014	KGST 23191904 dt. 15.12.97 CST 23196904 dt. 15.12.97
Andhra Pradesh	319-320, Chenoy Trade Centre, Park Lane, General Bazar, Secunderabad-500 003	SEC/03/1/4548/01-02 w.e.f. 01.03.02 CST/03/1/4160/01-02 w.e.f. 01.03.02
Tamil Nadu	No. 6,3 1st Floor, Casa Blanca, Casa Major Road, Egmore, Chennai-600 008	TNGST No.0541323/01-02 w.e.f.30.03.02 CST No. 696817 w.e.f. 30.03.02
Karnataka	308, 3rd Floor, 19, Brigade Garden, Church Street, Bangalore-560 001	KST No. 01749493 w.e.f.07.03.02 CST No. 01799496 w.e.f. 07.03.02

Maharashtra	315-316, D Wing, Floral Deck Plaza, MIDC, Andheri (E), Mumbai-400 093	MST No. 400093/S/3980 w.e.f. 30.03.02 CST No. 400093/C/3606 w.e.f. 30.03.02
Madhya Pradesh	305, Man Heritage 6/2, South Tukoganj Indore-452 001	TIN- 23040903741
Chhattisgarh	Ring Road No.1, Near Phillips Godown Raipur (C.G.)	CGST No. 10/02/5053/2/S Dt. 17.04.03 CST No. 10/02/4040/C Dt. 17.04.03
Gujrat	1014/15, 10th Floor, Atma House, Ashram Road, Ahmedabad-380 009	GST No. 0733018980 Dt. 02.01.03 CST No. 99911435 Dt. 02.01.03
Rajasthan	G-470-471, Indl. Area, Bhiwadi.	TIN-08070851786
	430, Ganpati Plaza, M.I.Road, Jaipur	TIN-08070851786
Orissa	168,169-A, KA.C. House, Bapuji Nagar, Bhubneshwar	BHC-II(Central)5636 Dt.03.07.2004
Assam	Bank of Baroda Building, 4th Floor, Bhangagarh Guwahati	GAU/D/CST-2028 Dt.02.07.2004
Jharkhand	4th Floor, Commerce House, Sarda Babu Street, Ranchi-834 001	J.S.T.No. : RN(W)3060 Dt. 28.08.2004 C.S.T.No. :RN(W)2986 Dt. 28.08.2004
Uttarpradesh	D-6, Sector-8, Noida	ND-0148484 Dt. 20.10.2005 CST/ND/5139215 Dt. 20.10.2005

SCHEDULE-III

Illustrative (but not exhaustive) descriptive list Motor Vehicles of any nature whatsoever comprised in or relatable to the Transferred Undertakings of Transferor Company

SL. NO.	PARTICULARS	Registration Nos.
1.	Car- Tata Indica	DL3CU 5384
2.	Car-Maruti 800	KL 7AE 0636
3.	Maruti Van	DL 3CM 9267
4.	Scooter	DL 3C 7868

SCHEDULE-IV

Illustrative (but not exhaustive) descriptive list of benefits under various tax incentive schemes and policies of the Central as well as State Governments of any nature whatsoever comprised in or relatable to the Transferred Undertakings of Transferor Company

Particulars	Authority	Matter
Excise Exemption	Industrial Policy - Himachal Pradesh, 2003	Excise Exemption for 10 years from November, 2004 to October, 2014.
Income Tax Holiday	Industrial Policy - Himachal Pradesh, 2003	100% for first 5 years and 30% for next 5 years
Central Sales Tax	Industrial Policy - Himachal Pradesh, 2003	At concessional Rate of 1% upto March, 2009.
Subsidy on Capital Investment	Industrial Policy - Himachal Pradesh, 2003	15% subsidy on Capital Investment in Plant & Machinery subject to a ceiling limit of investment of Rs.2 crore i.e. subsidy of Rs.30 Lacs.

EXHIBIT -A
HAVELL'S INDIA LTD.
OPENING BALANCE SHEET CONSOLIDATED AS ON
1st April 2005 after considering the merger of Crabtree India Ltd.

	SCHEDULE NO.	AS AT 01.04.05 (Rs.)
I. SOURCES OF FUNDS		
1. SHARE CAPITAL		
Share capital	1	67,894,795
Reserves and surplus	2	901,993,510
		<u>969,888,305</u>
2. LOAN FUNDS		
Secured loans	3	1,566,276,992
Unsecured loans	4	358,260,324
		<u>1,924,537,316</u>
3. DEFERRED INCOME TAX		78,977,242
		<u>2,973,402,862</u>
II. APPLICATION OF FUNDS		
1. FIXED ASSETS	5	
Gross block		1,095,115,947
Less: Depreciation		165,796,148
Net block		<u>929,319,799</u>
Add: Capital work-in-progress		41,338,087
Total fixed assets		<u>970,657,887</u>
2. INVESTMENTS	6	31,657,672
3 CURRENT ASSETS, LOANS AND ADVANCES	7	
Inventories		1,187,727,194
Sundry debtors		1,791,251,805
Cash and bank balances		84,384,771
Other current assets		14,950,603
Loans and advances		274,843,718
		<u>3,353,158,091</u>
Less: Current liabilities and provisions	8	
Current liabilities		1,251,970,525
Provisions		130,578,164
		<u>1,382,548,689</u>
NET CURRENT ASSETS		<u>1,970,609,401</u>
4. MISCELLANEOUS EXPENDITURE	9	477,902
		<u>2,973,402,862</u>

SCHEDULES FORMING PART OF OPENING BALANCE SHEET

	AS AT 01.04.05 (Rs.)
SCHEDULE NO. 1	
SHARE CAPITAL	
Authorised	
23,000,000 Equity Shares of Rs.5/- each	165,000,000
Issued and subscribed	
13,578,959 Equity Shares of Rs.5/- each	67,894,795
Paid Up	
13,578,959 Equity Shares of Rs.5/- each	67,894,795
of the above:-	
1,625,554 Equity Shares allotted as fully paid up pursuant to a contract without payment being received in cash.	
1,475,500 Equity Shares issued as fully paid up bonus shares by capitalisation of profit	
1,987,805 Equity Shares allotted as fully paid up pursuant to Merger of Crabtree India Ltd.	
	67,894,795
SCHEDULE NO. 2	
RESERVES AND SURPLUS	
Capital reserve	51,935,476
	51,935,476
Securities premium account	54,702,200
	54,702,200
General reserve	69,548,985
Add: Generated pursuant to Merger of Crabtree India Ltd.	38,960,975
	108,509,960
Profit and loss account	686,845,874
	686,845,874
	901,993,510
SCHEDULE NO. 3	
SECURED LOANS	
Loans and advances	
Working capital loans from banks	
Cash Credit account	498,583,964
Working capital demand loan	130,000,000
FCNR Working Capital Loan	45,386,362
Export Packing Credit	32,810,625
Export Bills discounted	53,087,019
Against Commercial papers	200,000,000
Short Term working capital loan	100,000,000
Term loans from banks	
Term loan from Canara Bank	24,800,000
Term loan from UTI Bank Limited	20,000,000
Term loan from ICICI Bank Limited	31,760,393
Term loan from Syndicate Bank	198,000,000
Term loan from Corporation Bank	20,174,381
Against hypothecation of motor cars	11,674,247
From others	
Term loan from Rabo India Finance Private Limited	200,000,000
	1,566,276,992
SCHEDULE NO. 4	
UNSECURED LOANS	
4% Fully Convertible debentures	237,220,153
Fixed deposits from public	82,490,171
Other loans and advances from companies	38,550,000
	358,260,324

SCHEDULE NO. 5
FIXED ASSETS

SL. NO.	DESCRIPTION	GROSS BLOCK	DEPRECIATION	NET BLOCK
		AS AT 01.04.05 Rs.	TO DATE Rs.	AS AT 01.04.05 Rs.
1	Industrial land			
	Freehold	34,971,178	—	34,971,178
	Leasehold	34,712,185	—	34,712,185
2	Factory buildings	268,226,097	17,380,600	250,845,496
3	Office premises	2,979,270	519,845	2,459,425
4	Plant and machinery	507,077,455	69,374,113	437,703,342
5	Dies and Tools	3,138,946	1,010,816	2,128,130
6	Generators	22,580,256	4,337,369	18,242,887
7	Furniture and fixtures	39,341,587	16,079,979	23,261,608
8	Electric fans and installations	46,010,665	7,331,660	38,679,005
9	Water supply installations	1,235,720	430,926	804,794
10	Display Equipment	854,160	102,122	752,038
11	Weighing scale	1,383,521	322,958	1,060,563
12	EDP Equipments	62,878,490	31,879,464	30,999,026
14	Office equipments	11,493,634	3,669,381	7,824,253
15	Airconditioners	12,503,799	2,820,506	9,683,293
16	Vehicles	40,673,367	10,076,780	30,596,587
17	R & D Equipments	5,055,617	459,629	4,595,988
		1,095,115,947	165,796,148	929,319,799
	Add:Capital Work-in-Progress	41,338,087	—	41,338,087
	TOTAL-CURRENT YEAR	1,136,454,035	165,796,148	970,657,887
	PREVIOUS YEAR	632,587,999	123,204,761	509,383,242

SCHEDULE NO. 6
INVESTMENTS

(Long term, trade, unquoted, at cost)

Subsidiary Company:

Havell's (U.K.) Limited

2 Ordinary Shares of 1 (one) GBP each.

172

Others:

G.S.Lighting Private Limited

44210 Equity Shares of Rs. 100/- each. (purchased at Rs. 712.51 per share, including share transfer stamps)

31,657,500

Aggregate value of unquoted investments

31,657,672

SCHEDULE NO. 7

CURRENT ASSETS, LOANS AND ADVANCES

Inventories (as taken, valued and certified by the management)

Raw materials and components

202,964,700

Semi finished goods

128,932,693

Finished goods

777,899,654

Consumable Stores, tools and spare parts

3,983,102

Dies and tools

56,582,045

Packing materials

15,245,625

Fuel and Gases

929,631

Scrap materials

1,189,744

1,187,727,194

Sundry Debtors (unsecured)

Debts outstanding for a period exceeding six months

considered good

167,912,088

considered doubtful

12,503,525

180,415,613

Less: provision for doubtful debts

12,503,525

167,912,088

Other debts -considered good

1,623,339,717

1,791,251,805

	AS AT 01.04.05 (Rs.)
Cash and bank balances	
Cash in hand	1,662,344
with scheduled banks	
In current accounts	3,115,849
In EEFC account	61,485
In unclaimed dividend account	876,533
In fixed deposit account	
Margin money	62,052,222
Pledged with government departments	282,317
Lien against public deposits	9,093,610
No Lien account	3,228,807
Interest accrued on fixed deposits	3,984,561
with other banks	
In current accounts	27,043
	<u>84,384,771</u>
Other current assets - (considered good)	
Export incentives receivable	5,103,005
DEPB Licences in hand	6,684,040
Capital Investment subsidy receivable	3,000,000
Claims receivable	163,558
	<u>14,950,603</u>
Loans and advances (unsecured- considered good)	
Loans and advances to subsidiary	835,000
Advances recoverable in cash or in kind or for value to be received	106,762,023
Earnest money and security deposits	46,038,022
Balance with excise department	
Excise duty	9,233,547
Service tax	4,440,821
Advance income tax and tax at source	107,534,306
	<u>274,843,718</u>
	<u>3,353,158,091</u>
SCHEDULE NO. 8	
CURRENT LIABILITIES AND PROVISIONS	
CURRENT LIABILITIES	
Acceptances	558,072,145
Sundry creditors- due to SSI undertakings	23,804,197
- due to other than SSI undertakings	344,991,302
Advances from customers	16,951,177
Unclaimed dividend	876,533
Other liabilities	150,235,820
Security deposits from dealers/consignment agents	84,709,762
Sales tax payable	18,239,940
Excise duty payable	47,700,081
Service Tax payable	81,976
Interest accrued but not due	6,307,594
	<u>1,251,970,525</u>
PROVISIONS	
Income tax	97,653,133
Wealth tax	160,098
Proposed dividend	28,977,885
Corporate dividend tax	3,787,047
	<u>130,578,164</u>
	<u>1,382,548,689</u>
SCHEDULE NO. 9	
MISCELLANEOUS EXPENDITURE	
(to the extent not written off or adjusted)	
Expenditure on increase in capital	477,902
	<u>477,902</u>

IN THE HIGH COURT OF DELHI AT NEW DELHI
ORIGINAL COMPANY JURISDICTION
COMPANY PETITION NO. 184 OF 2010
IN
COMPANY APPLICATION (M) NO. 46 OF 2010

IN THE MATTER OF:

Section 391, 392, 394 and other applicable provisions of the Companies Act, 1956

AND

IN THE MATTER OF:

1. Seven Wonders Holidays Private Limited
1/7, Ram Kishore Road
Civil Lines, New Delhi-110054
..... Petitioner No.1 Company
2. Havells India Limited
1/7, Ram Kishore Road
Civil Lines, New Delhi -110054
.....Petitioner No.2 Company

MEMO OF PARTIES

1. SEVEN WONDERS HOLIDAYS PRIVATE LIMITED
1/7, Ram Kishore Road
Civil Lines, New Delhi-110054
.....Petitioner No.1 Company
2. HAVELLS INDIA LIMITED
1/7, Ram Kishore Road
Civil Lines, New Delhi -110054
....Petitioner No.2 Company
3. STANDARD ELECTRICALS LIMITED
Khasra No. 681, Baba Colony
Burari, Delhi-110084
....Transferor Company

(Anand K Ganesan)
ADVOCATE FOR THE PETITIONER
C-31, Friends Colony (East), New Delhi - 110065
Ph: 9810941482

Dated : 1.5.2010
Place : New Delhi

IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)
IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT AND DEMERGER
OF

COMPANY PETITION NO.185/2010
CONNECTED WITH
COMPANY APPLICATION (M) NO.47/2010

IN THE MATTER OF M/s Standard Electricals Ltd.
 having its Regd. Office at:
 Khasra No.681, Baba Colony,
 Burari, Delhi-110084

...Demerged Company

WITH

COMPANY PETITION NO.184/2010
CONNECTED WITH
COMPANY APPLICATION (M) NO.46/2010

IN THE MATTER OF M/s Seven Wonders Holidays Pvt. Ltd,
 having its Regd. Office at:
 1/7, Ram Kishore Road,
 Civil Lines, New Delhi-110054

...Petitioner Company No.1

AND

IN THE MATTER OF M/s Havells India Ltd.
 having its Regd. Office at:
 1/7, Ram Kishore Road,
 Civil Lines, New Delhi-110054

...Petitioner Company No.2

BEFORE HON'BLE MR. JUSTICE SUDERSHAN KUMAR MISRA

DATED THIS THE 19th DAY OF AUGUST, 2010

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petition came up for hearing on 19/08/2010 for sanction of Scheme of Arrangement and Demerger proposed to be made of M/s Standard Electricals Ltd. (hereinafter referred to as Demerged Company) with M/s Seven Wonders Holidays Pvt. Ltd. (hereinafter referred to as Petitioner Company No.1) and M/s Havells India Ltd. (hereinafter referred to as Petitioner Company No.2). The Court examined the petition; the order dated 22/03/2010, passed in CA(M) 47/2010 & 46/2010, whereby the requirement of convening and holding the meetings of the Equity Shareholders of the Demerged Company and Petitioner Company No.1 was dispensed with; and the meeting of the Equity Shareholders of the Petitioner Company No. 2 and Secured Creditors of the Demerged Company and Petitioner Company No. 2 was ordered to be convened for the purpose of considering and if thought fit approving with or without modification, the Scheme of Arrangement and Demerger annexed to the affidavit of Sh. Surjit Gupta, Director of the Petitioner Companies, filed on 18th day of February, 2010; there being no Unsecured Creditors of the Demerged Company and Petitioner Companies, also no Secured Creditors of the Petitioner Company No.1 and the publication in the newspapers namely Financial Express (English) dated 30/03/2010 and Jansatta (Hindi) dated 31/03/2010 containing the notice of the Petition; the affidavits of Ms. Prem Lata Bansal, Sh. Yogesh Jagia and Sh. Suryakant Singla, Chairpersons, filed on 13/04/2010 showing the publication and despatch of the notices convening the said meeting and also the report of the Chairpersons as to the result of the said meetings.

The Court also examined the affidavit dated 17/06/2010 of Dr. Navrang Saini, Regional Director, Northern Region, Ministry of Corporate Affairs, Noida on behalf of Central Government submitting that on perusal of the Chairman's report of the meeting of the Secured Creditors of the Petitioner Company No.2, it is observed that out of 7 Secured Creditors having debts of Rs.82,36,00,000/-, only 3 Secured Creditors, entitled together to their debts of Rs.9,39,83,000/-, attended the meeting and voted in favour of the Scheme of Arrangement. It was further submitted that major secured creditor has not attended the meeting. In response thereto, the petitioner Companies, in the affidavit dated 28th July, 2010 of Sh. Surjit Gupta, Director of the Petitioner Companies, submitted that the 3 Secured Creditors entitled together to a sum of Rs.66,55,00,000/-, which is approximately 80% of the total secured debt of the Petitioner Company No.2, attended the meeting and voted in favour of the Scheme and that the amount of Rs.9,39,83,000/- as mentioned in Para 4 of the Chairperson's report is a typographical error. A perusal of the Chairman's report shows that he has wrongly mentioned that the three secured creditors, who attended the meeting, represented a total secured debt of Rs.9,39,83,000/- as Para 10 of the report clearly indicates that the three secured creditors represented total debt value of Rs.66,55,00,000/- and the major secured creditor, viz. the Canara Bank, which represented a total secured debt of Rs.57,73,00,000/-, attended the meeting and voted in favour of the Scheme. In view thereof, the Court rejected the objection raised by the Regional Director.

The Regional Director further submitted that the shares of the petitioner company no.2 are listed with the Bombay Stock Exchange and the National Stock Exchange. The Bombay Stock Exchange vide its letter dated 11.02.2009 has given its 'No Objection' with the condition that "the company shall lock-in 25% of the new equity shares to be issued to the shareholders of the demerged company for a period of three years from the date of listing of new shares at BSE". The Regional Director has prayed that the Petitioner Company No.2 may be advised to comply with the condition raised by the BSE. In response thereto, the Petitioner Companies, in the affidavit dated 28th July, 2010 of Sh. Surjit Gupta, Director of the petitioner companies, has undertaken to comply with the condition raised by the Bombay Stock Exchange. The Court accepted the undertaking and the petitioners shall remain bound by the same. In view thereof, the Court observed that the objection raised by the Regional Director did not survive.

The Regional Director, while referring to Para 12 of Part IV of the Scheme, regarding insertion of a new sub-clause in the Memorandum of Association of the Petitioner Company No.1, has further submitted that the object clause of the Memorandum of Association of a Company can be changed only after following the procedure prescribed under the relevant provisions of the Companies Act, 1956. It, therefore, prayed that the Petitioner Company No.1 may be asked to follow the prescribed procedure for altering its Memorandum and Articles of Association. In response thereto, the Petitioner Companies, in the affidavit dated 28th July, 2010 of Sh Surjit Gupta, Director of the Petitioner Companies submitted that the Petitioner Company No.1 has complied with all the relevant provisions with respect to change of object clause of the company and has filed Form 23 with the Registrar of Companies, Delhi. In view thereof, the Court observed that the objection raised by the Regional Director did not survive.

The Regional Director, while referring to Clause 13 of Part-IV of the Scheme, regarding the change in the name of the Demerged Company and the Petitioner Company No. 1, has further submitted that the name of a Company can be changed only after following the procedure prescribed under the relevant provisions of the Companies Act, 1956. It, therefore, prayed that the Demerged Company and the Petitioner Company No.1 may be asked to follow the prescribed procedure for changing their names. In response thereto, the Petitioner Companies, in the affidavit dated 28th July, 2010 of Sh. Surjit Gupta, Director of the Petitioner Companies submitted that the Demerged Company has complied with the required procedure for change of its name to 'QRG Corporate Services Limited' by filing Form 1A with the Registrar of Companies, Delhi on 22.07.2010. Consequentially, the name "Standard Electricals Limited" shall become available. It was further submitted that the Petitioner Company No. 1 has also passed the necessary resolution for its conversion from a Private Limited Company to Public Limited Company and filed Statement in lieu of Prospectus, pursuant to Section 44 of the Companies Act, 1956, with the Registrar of Companies, Delhi on 26.07.2010. The Petitioner Company No.1 has also undertaken to follow the remaining procedure for change of its name to that of the Demerged Company on approval of the Scheme by this Court. The Court accepted the undertaking given by the Petitioner Company No.1 and it shall remain bound by the same. In view thereof, the Court observed that the objection raised by the Regional Director did not survive.

The Regional Director has further submitted that the Petitioner Company No.2 has intimated that certain charges are proposed to be transferred from the Demerged Company to the Petitioner Company No.2. It was further submitted that the name of a company cannot be substituted in the Charge Documents and as such, for satisfaction of Charge, the Company is required to file Form No. 17. It, therefore, prayed that the Petitioner Company No. 2 may be asked to comply with the relevant provisions of the Companies Act, 1956 for satisfaction and creation of Charge in Demerged Company and the Petitioner Company No. 2 respectively. In response thereto, the Petitioner Companies, in the affidavit dated 28th July, 2010 of Sh. Surjit Gupta, Director of the Petitioner

Companies has undertaken to comply with the relevant procedure for modifications/substitution of charges in the Demerged Company and creation of fresh charges in the name of the Petitioner Company No.2. The Court accepted the undertaking given by the petitioners and they shall remain bound by the same. In view of the above, the Court observed that the objection raised by the Regional Director did not subsist.

The Regional Director, while referring to Para 11.4 of Part-III of the Scheme, regarding creation of the Business Reconstruction Reserve Account by the Petitioner Company No.2, has further submitted that Section 78 of the Act provides for utilization of Share Premium Account for four purposes as stated in sub-Section 2 of Section 78 of the Companies Act, 1956. It was further submitted that it appears that the Company is avoiding these provisions and it is not falling under the purview of the provisions of Section 391, 78, 100 and 101 of the Companies Act, 1956. In response thereto, Learned Senior Counsel for the petitioners submitted that the creation of 'Business Restructuring Reserve' out of the balance held in Securities Premium Account has been approved by various High Courts in plethora of Scheme of Arrangements. It was further submitted that the reasoning given by the Courts for confirming the utilization of the Securities Premium Account was that it was purely a business decision arrived at by the shareholders and creditors on the basis of commercial principles, and that as the restructuring does not involve any cash outflow, same should not affect the normal operations of the company or its ability to honor its commitment and pay off its debts. It was further submitted that no arrangement or compromise is being offered to the creditors through, the Scheme of Arrangement and Demerger and the restructuring will not be prejudicial to the interest of the shareholders, creditors or to the public. In the present case, all the shareholders and creditors of the Petitioner Companies have either given their written approval to the proposed Scheme of Arrangement and Demerger or approved the same in their duly convened meetings. Having regard to the decision of this Court in re M/s Nestle India Limited (2009) 147 Comp Cas 712 (Delhi) and the decision of the Bombay High Court in M/s Hindalco Industries Limited, M/s Mahindra Forgings Limited and M/s Strides Arcolab Limited and also the decision of the Gujarat High Court in M/s Sintex Industries Limited and M/s Cadilla Healthcare Limited, the Court rejected the objection raised by the Regional Director.

Upon hearing Mr. Rajiv Nayyar, Sr. Advocate with Sh. Rishi Aggarwala and Sh. Rajeev Kumar, Advocates for the Petitioners and Mr. V. K. Gupta, Dy. Registrar of Companies in person; and in view of the approval of the Scheme of Arrangement and Demerger without any modification; by the Equity Shareholders of the Demerged Company and Petitioner Company No.1; and there being no investigation proceedings pending in relation to the Petitioner Companies under Section 235 to 251 of the Companies Act, 1956,

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF ARRANGEMENT AND DEMERGER set forth in Schedule-1 annexed hereto and Doth hereby declare the same to be binding on all the Shareholders & Creditors of the Demerged Company and all concerned and doth approve the said Scheme of Arrangement and Demerger with effect from the appointed date i.e. 01/04/2009.

AND THIS COURT DOTH FURTHER ORDER:

1. That all the property, rights and powers of the Electrical Business of the Demerged Company specified in first, second and third parts of Schedule-II hereto and all other property, right and powers of the Electrical Business of the Demerged company be transferred without further act or deed to the Petitioner Company No.1 and accordingly the same shall pursuant to Section 394(2) of Companies Act, 1956 be transferred to and vest in the Petitioner Company No. 1 for all the Estate and interest of the Electrical Business of the Demerged Company therein but subject nevertheless to all charges now affecting the same; and
2. That all the liabilities and duties of the Electrical Business of the Demerged Company be transferred without further act or deed to the Petitioner Company No. 1 and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Petitioner Company No. 1; and
3. That all the proceedings now pending by or against the Electrical Business of the Demerged Company be continued by or against the Petitioner Company No.1; and
4. That the Petitioner Company No.1 do without further application allot to such members of the Electrical Business of the Demerged Company as have not given such notice of dissent as is required by clause 5.1 given in the Scheme of Arrangement and Demerger herein the shares in the Petitioner Company No.1 to which they are entitled under the said Arrangement and Demerger; and
5. That the Electrical Business of the Demerged Company do within five weeks after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration; and
6. It is clarified that this order will not be construed as an order granting exemption from payment of stamp duty that is payable in accordance with law; and
7. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

**SCHEME OF ARRANGEMENT AND DE-MERGER UNDER SECTIONS 391, 392 AND
OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT, 1956**

BETWEEN

STANDARD ELECTRICALS LIMITED

AND

HAVELLS INDIA LIMITED

AND

SEVEN WONDERS HOLIDAYS PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

A: PREAMBLE:

1. Standard Electricals Limited ("Demerged Company"/ "SEL") is a company incorporated on January 10, 1958 under the provisions of the Companies Act, 1956 (the "Act", which word shall include any statutory re-enactment or modification thereof, or amendment thereof, from time to time) and has its registered office at Khasra No. 681, Baba Colony, Burari, Delhi - 110084.
2. SEL is primarily engaged in manufacture of electrical and power distribution equipments (hereinafter referred to as 'Electrical Business') such as conventional Rewirable Switch Fuse, MCBs, RCCBs, Distribution Boards (DBs), MCCBs, RCBs, Changeover Switches, Switch Disconnector Fuses (SDFs), HRC Fuses, CFLs, etc.
3. Havells India Limited ('HIL') is a company incorporated on August 8, 1983 under the provisions of the Act and has its registered office at 1/7, Ram Kishore Road, Civil Lines, New Delhi, Delhi - 110054.
4. HIL is one of the largest & fastest growing electrical and power distribution equipment manufacturer with products ranging from Industrial & Domestic Circuit Protection Switchgear, Cables & Wires, Motors, Fans, Power Capacitors, CFL Lamps, Luminaires for Domestic, Commercial & Industrial applications, Modular Switches, & Bathfittings covering the entire gamut of household, commercial and industrial electrical needs.
5. Seven Wonders Holidays Private Limited ('SWHPL'), a wholly owned subsidiary of HIL, is a company incorporated on November 4, 2008 under the provisions of the Act and has its registered office at H-2/10, Apra Northex Plaza, Netaji Subhash Place, Wazirpur, Pitampura, Delhi - 110088. SWHPL would take over the Electrical Business of SEL.
6. A consolidation of Electrical Business of HIL and SEL is being envisaged. It is proposed by the management to transfer the electrical business of SEL to a wholly owned subsidiary of HIL. By this Scheme of arrangement, the Electrical business of SEL is proposed to be transferred to SWHPL (the wholly owned subsidiary of HIL) on a going concern basis, for the purpose of better and efficient control and running and for further development and growth of business. The proposed demerger would result in the following benefits:
 - a) Consolidation of Electrical Business operations- The consolidation of activities by way of demerger of Electrical Business from SEL and vesting in SWHPL will lead to synergies of operations and would enable it to participate more vigorously and profitably in an increasingly competitive and liberalized market.
 - b) Retention of identity of Electrical Business of SEL.
 - c) Enhancing the scale of operations and reduction in overheads, administrative, managerial and other expenditure, operational rationalization, organizational efficiency and optimal utilization of various resources.
 - d) Improved shareholder value for both the companies.The greater revenue inflow would be to the benefit of all the creditors of the respective companies.
7. SEL, SWHPL and HIL have their registered offices situated within the jurisdiction of the Hon'ble High Court of Delhi. The Companies shall therefore make appropriate applications before the Hon'ble High Court of Delhi under Sections 391, 392 of the Companies Act, 1956 for appropriate orders.
8. Upon the sanction of the Scheme by the Hon'ble High Court of Delhi and the Scheme becoming effective with the filing of the orders of the Hon'ble High Court with the Registrar of Companies, National Capital Territory of Delhi and Haryana, the Electrical Business of SEL together with the Electrical undertaking consisting of assets, liabilities, proceedings and personnel relating to such Electrical Business, as more fully defined as Demerged undertaking in the scheme shall stand transferred to and be vested in SWHPL on and from the Appointed Date for all intent and purposes.

9. The demerger of Electrical business from SEL under this Scheme of Arrangement complies with the provisions of Section 2(19AA) of the IT Act.
10. Further, HIL has been enhancing its presence in the international markets through various acquisitions. While HIL has been successful in these acquisitions, it has been incurring various acquisition related costs. In its endeavour to grow further, HIL would continue to incur these expenses to identify and fund the acquisition opportunities.
11. Since these expenses are inevitable for the growth of HIL and its shareholders, as a part of this Scheme, HIL is proposing to undertake a financial restructuring exercise whereby HIL would create a 'Business Reconstruction Reserve Account'. The account so created shall be utilized by HIL towards the Expenses as mentioned in this Scheme.

B: PARTS OF THE SCHEME

The Scheme of Arrangement is divided into following parts:

Part I: Definitions and Share Capital

Part II: Demerger of Electrical Undertaking

Part III: Financial Restructuring of HIL

Part IV: General Terms and Conditions

PART I: DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, wherever the context admits, the following expressions shall have the following meanings:

- 1.1 **"Act"** shall have the meaning assigned to that word in the first preambular paragraph;
- 1.2 **"Applicable Law"** shall mean any law, rule, regulation, guideline, ordinance, order, judgment, decree or other mandatory norm stipulated by an organ of the state.
- 1.3 **"Appointed Date"** means 1st April, 2009 or such other date as may be approved by the High Court;
- 1.4 **"Court" or "High Court"** means the High Court of Delhi,;
- 1.5 **"Board"** means Board of Directors or any committee thereof;
- 1.6 **"Demerged undertaking" or "Electrical Business"** shall mean business of manufacturing of power and electrical equipment and shall include the assets, interests, liabilities, proceedings, personnel, business, activities and operations presently of the SEL relating to such Demerged undertaking as at the Appointed Date. Without prejudice and limitation to the generality of the above, the Demerged Undertaking shall include:
 - a) Existing immovable property, land, buildings situated in Haridwar at Plot No. 2 & 2A, Sector - 12, IIE SIDCUL, Haridwar, Uttaranchal, any and all rights, covenants, undertakings, continuing rights, title and interest in connection with the said immovable properties of SEL pertaining to the said business;
 - b) any and all furniture, fixtures and appliances, movable assets, all current assets, deposits including accrued interest, loans and advances, computers, office equipment, communication facilities, installations, utilities, electricity, water and other service connections pertaining to the said business;
 - c) any and all permits, rights, entitlements, allotments, approvals, consents, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, District Industrial Center Approvals (DIC Approvals), ISI Certifications, BIS approvals, registrations, easements, goodwill, licences, tenancies, offices, privileges and benefits including tax holiday availed under section 80IC of the IT Act, MAT Credit entitlement under section 115JAA of the IT Act, Employee State Insurance (ESI), professional tax, other Income Tax Credits, agreements, and all other rights including lease rights, licences, powers and facilities of every kind and description whatsoever appertaining to the said business of SEL;
 - d) any and all earnest monies and/or security deposits, payment against warrants or other entitlements in connection with or relating to the said business of SEL;
 - e) all such permanent employees of SEL on the Appointed Date as are engaged in or in relation to the Demerged Undertaking; and
 - f) any and all debts, borrowings and liabilities (including contingent liabilities), present or future, whether secured or unsecured, pertaining to the Electrical Business.
- 1.7 **"Demerged Company"** shall mean SEL;

- 1.8 **"Effective Date"** means the date on which certified copy(ies) of the Orders of the Hon'ble High Court of Delhi at New Delhi under Sections 391, 392 etc. of the Act sanctioning this Scheme are filed with the Registrar of Companies, NCT of Delhi & Haryana.
- 1.9 **"Expenses"** means all expenses of any nature whatsoever and without limiting the generality of the foregoing, includes *inter-alia* the following items accounted for in the standalone/ consolidated financial statements of HIL:
- Impairment, amortization and / or write off of goodwill and other intangible assets, if any, arising on preparation of consolidated accounts of HIL;
 - Interest and other financial charges paid/ payable on borrowings/ refinancing for acquisitions by HIL and/ or any of its subsidiaries;
 - Such other expenses, cost towards implementation of this Scheme, any other expenses, impairments, write-off's and diminution to the extent identified and considered necessary by the Board from time-to-time;
 - Consultants / law firms fees and/or any fees payable towards professional services (say due diligence, etc) in connection with financing/refinancing acquisitions;
 - Restructuring and integration costs associated with the existing structure in part or in whole by HIL or any of its subsidiaries.
- 1.10 **"IT Act"** means the Income Tax Act, 1961.
- 1.11 **"Remaining Undertaking"** is a term used to refer to the residual Investment undertaking of Demerged Company as would remain immediately after transfer and vesting of the Demerged Undertaking in SWHPL.
- 1.12 **"Resulting Company"** shall mean SWHPL, a wholly owned subsidiary of HIL, to which undertaking of the Demerged Company is being transferred and HIL in which shares are being issued to the Shareholders of the De-merged Company for transfer of the undertaking.
- 1.13 **"Scheme" or "Scheme of Arrangement"** means this Scheme of Arrangement, in its present form or with any modification(s) made under this Scheme as approved or directed by the Hon'ble High Court of Delhi.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

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

3. SHARE CAPITAL

3.1. SEL

The share capital structure of SEL (Demerged Company) as on March 31, 2009 was as under:

Particulars	Amount Rs.
Authorized:	
60,00,000 equity shares of Rs. 10 each	60,000,000
	60,000,000
Issued, Subscribed and paid up:	
31,70,000 equity shares of Rs. 10 each fully paid up	31,700,000
TOTAL	31,700,000

The equity shares of Demerged Company are, at present, not listed on any stock exchange.

3.2. HIL

The share capital structure of HIL as on March 31, 2009 was as under:

Particulars	Rs.
Authorized:	
80,000,000 equity shares of 5 each	400,000,000
	400,000,000
Issued, Subscribed and paid up:	
60,168,406 equity shares of Rs. 5 each fully paid up	300,842,030
TOTAL	300,842,030

The equity shares of HIL are, at present listed on Bombay Stock Exchange and National Stock Exchange. HIL holds 100% of the equity capital of SWHPL as on the date of filing of the Scheme.

3.3 SWHPL

The share capital structure of SWHPL as on March 31, 2009 was as under:

Particulars	Rs.
Authorized: 10,000 equity shares of Rs. 10/- each fully paid up	100,000
	100,000
Issued, Subscribed and paid up: 10,000 equity shares of Rs. 10/- each fully paid up	100,000
TOTAL	100,000

The equity shares of SWHPL are, at present not listed on any stock exchange.

PART II : DEMERGER OF ELECTRICAL UNDERTAKING

4. TRANSFER AND VESTING OF ELECTRICAL UNDERTAKING

4.1 Demerger and Vesting

- 4.1.1 Upon the Scheme becoming effective, the Demerged Undertaking shall stand demerged from SEL and transferred to and be vested in SWHPL on a going concern basis, without any further deed or act, together with all the properties, assets, investments, rights, benefits and interest therein, subject to existing lien or lis pendens, if any thereon, in the manner described hereunder.

With effect from the Appointed Date –

- a) All assets of SEL relating to the Demerged Undertaking as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by delivery instructions for dematerialized shares or by vesting and recordal pursuant to this Scheme, shall stand vested in SWHPL and shall become the property and an integral part of SWHPL. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery or by delivery instructions for dematerialized shares as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- b) All movable properties of SEL relating to the Demerged Undertaking other than those specified in sub-clause (a) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons shall without any act or instrument or deed become the property of SWHPL.
- c) All immovable properties (including land together with the buildings and structures standing thereon) of SEL relating to the Demerged Undertaking, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in SWHPL, without any act or deed done by SEL or SWHPL. SWHPL shall be entitled to exercise all rights and privileges and be liable to pay ground rent, taxes and fulfill obligations, in relation to or applicable to such immovable properties. The mutation / substitution of the title to the immovable properties shall be made and duly recorded in the name of SWHPL by the appropriate authorities pursuant to the sanction of the Scheme by the Hon'ble High Courts and the Scheme becoming effective in accordance with the terms hereof. There are no immovable properties of the Demerged Undertaking located in the State of Delhi. Accordingly, no stamp duty is payable in the State of Delhi on the transfer of and vesting in SWHPL the immovable properties forming part of the Demerged Undertaking situate in other States.
- d) All debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of SEL relating to the Demerged Undertaking, shall, save as otherwise provided in this Scheme, be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of SWHPL and SWHPL undertakes to meet, discharge and satisfy the same. It is hereby clarified 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 give effect to the provisions of this Clause.

Where any of the liabilities and obligations attributed to the Demerged Undertaking on or after the Appointed Date have been discharged by SEL on behalf of the Demerged Undertaking after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of SWHPL.

- e) All contracts, deeds, bonds, agreements, schemes, arrangements and other instruments all permits, rights, entitlements, licences including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Undertaking, or to the benefit of which, the Demerged Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of SWHPL and may be enforced as fully and effectually as if, instead of SEL, SWHPL had been a party or beneficiary or obligee thereto.
 - f) The claim filed by SEL in respect of capital investment subsidy and all rights contained therein, shall be transferred and vest in the Resulting Company.
 - g) SWHPL shall bear the burden and the benefits of any legal or other proceedings relating to the Demerged Undertaking, initiated by or against SEL. If any suit, appeal or other proceedings relating to the Demerged Undertaking, of whatever nature by or against SEL be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the demerger of the Demerged Undertaking of SEL or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against SWHPL in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against SEL as if this Scheme had not been made;
 - h) All cheques and other negotiable instruments, payment orders received in the name of Demerged Company after the Effective Date shall be accepted by the Bankers of SWHPL and credited to the account of SWHPL, if presented by SWHPL as pertaining to the Demerged Undertaking.
 - i) Any and all registrations (including Sales Tax, Service Tax, Excise, VAT, etc), goodwill, licences, trademarks, service marks, copyrights, patents domain names, applications for copyrights, trade names and trademarks, appertaining to the Demerged Undertaking shall stand transferred to and vested in SWHPL.
 - j) All taxes relating to the Demerged Undertaking, payable by SEL including all or any refunds of claims shall be treated as the tax liability or refunds/claims as the case may be of SWHPL.
 - k) All taxes of any nature, duties, cess or any other like payment or deductions made by Demerged Company to any statutory authorities such as Income Tax, Service Tax, etc. or any tax deduction / collection at source, in relation to Demerged Undertaking shall be deemed to have been on account of or on behalf of or paid by SWHPL.
 - l) SWHPL shall be entitled to file/ revise their statutory returns and related tax payment certificates and to claim refunds, advance tax credits etc. as may be required consequent to the implementation of the Scheme.
- 4.1.2 SEL and/or SWHPL, as the case may be, shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Demerged Undertaking to which SEL has been a party, in order to give formal effect to the above provisions. SWHPL shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of SEL and to carry out or perform all such formalities or compliances referred to above on the part of SEL.

4.2 Conduct of Business

4.2.1 With effect from the Appointed Date and until occurrence of the Effective Date:

- a) SEL undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the properties and assets of the Demerged Undertaking for and on account of and in trust for SWHPL.
- b) All profits accruing to SEL and all taxes thereon or losses arising or incurred by it with respect to the Demerged Undertaking shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of SWHPL.
- c) SEL shall carry on the business of the Demerged Undertaking with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall not in respect of the said undertaking, undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, except (i) when the same is expressly provided in this Scheme; or (ii) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme in the Hon'ble High Courts; or (iii) when a written consent of SWHPL has been obtained in this regard.

- d) Except by mutual consent of the Boards of Directors of SEL and SWHPL and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date, or as part of this Scheme, pending sanction of this Scheme, SWHPL and SEL shall not make any change in their respective capital structure either by any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner effect the reorganisation of capital of SEL and SWHPL.
 - e) SEL shall not alter or substantially expand the business of the Demerged Undertaking, except with the written concurrence of SWHPL.
- 4.2.2 a) With effect from the Effective Date, SWHPL shall commence and carry on and shall be authorized to carry on the businesses of the Demerged Undertaking, carried on by SEL.
- b) For the purpose of giving effect to the demerger orders passed under Sections 391 and 394 of the Act in respect of this Scheme by the Hon'ble High Courts, SWHPL shall, at any time pursuant to the orders on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the demerger of the Demerged Undertaking of SEL in accordance with the provisions of Sections 391-394 of the Act. SWHPL shall be authorized to execute any pleadings, applications, forms etc as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.
 - c) SWHPL unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all the liabilities and obligations of the Demerged Undertaking of SEL with effect from the Appointed Date, in order to give effect to the foregoing provisions.

5. **CONSIDERATION**

- 5.1. Upon coming into effect of this Scheme, in consideration of transfer and vesting of the Electrical Undertaking of Demerged Company in the SWHPL pursuant to clause 4 of this Scheme, HIL shall, without any further act or deed, issue and allot to shareholders of Demerged Company 2,219,000 equity shares of Rs 5 each credited as fully paid up in proportion to the shares held by them in the Demerged Company. The transfer of the Demerged Undertaking to SWHPL has been recommended by the Board of directors of Demerged Company whereby the shareholders of Demerged Company shall be allotted and issued the shares in HIL of which the SWHPL is a wholly owned subsidiary and the shareholders shall have the benefit of listing of the shares.
- 5.2. The equity shares to be issued by HIL pursuant to clause 5.1 shall be issued in dematerialized form by HIL.
- 5.3. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of Demerged Company, the Board of Directors or any committee thereof of Demerged Company shall be empowered in appropriate cases, to effect such a transfer in Demerged Company in order to remove any difficulties arising to the transferor or transferee of equity shares issued by HIL after the coming into effect of this Scheme.
- 5.4. The equity shares issued and allotted by HIL under this Scheme shall be subject to the provisions of the memorandum and articles of association of HIL and shall inter-se rank pari passu in all respects with the existing shares of HIL.
- 5.5. HIL shall increase the authorized share capital, as may be required, to issue equity shares in terms of clause 5.1.

6. **ACCOUNTING TREATMENT BY DEMERGED COMPANY AND THE RESULTING COMPANY**

- 6.1. Accounting treatment in the books of Demerged Company:
 - (a) The book values of the assets and liabilities pertaining to Electrical Undertaking transferred by Demerged Company to the SWHPL, shall be reduced from the book values of the assets and liabilities appearing in the books of Demerged Company;
 - (b) The excess of assets over liabilities of the demerged business shall be first adjusted against Securities Premium Account, the balance shall then be adjusted against General Reserves Account and then to Profit and Loss account of Demerged Company. The remaining balance, if any, after the aforesaid adjustments shall be adjusted against the Share capital Account.
 - (c) The utilisation of the Securities Premium Account & adjustment to Share Capital Account of SEL as mentioned as per clause (b) above shall be effected as an integral part of the Scheme in accordance with the provisions of Section 78 and Sections 100 to 103 of the Act and the order of the High Court sanctioning the Scheme shall be deemed to be also the Order under Section 102 of the Act.
- 6.2. Accounting treatment in the books of Resulting Co:
 - (a) Upon coming into effect of this Scheme and upon the arrangement becoming operative, SWHPL shall record the assets and liabilities comprised in Electrical Undertaking, transferred to and vested in thepursuant to this Scheme, at the same values as appearing in the books of Demerged Company on the opening of business on the Appointed Date.

- (b) The deficit, if any, of value of assets over the value of liabilities pertaining to Electrical Undertaking shall be adjusted against the Goodwill and the excess will be treated as General Reserve by SWHPL.
- (c) HIL shall credit its share capital account with the aggregate face value of the equity shares issued pursuant to clause 5.1 of this Scheme and corresponding debit shall be made to Business Reconstruction Reserve Account.

7 LEGAL PROCEEDINGS

- 7.1 From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) ("**Proceedings**") by or against the Demerged Company under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each case relating to the Demerged Undertaking of the Demerged Company shall be continued and enforced by or against the SWHPL after the Effective Date, to the extent legally permissible. To the extent such Proceedings cannot be taken over by SWHPL, the Proceedings shall be pursued by the Demerged Company as per the instructions of and entirely at the costs and expenses of SWHPL.
- 7.2 If the Proceedings are taken against the Demerged Company in respect of the matters referred to in clause 7.1 above, it shall defend the same in accordance with the advice of SWHPL and at the cost of such SWHPL, and the latter shall reimburse and indemnify and hold harmless Demerged Company in respect thereof.

8 CONTRACTS, DEEDS, ARRANGEMENTS, APPROVALS, CONSENTS, ETC.

- 8.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking to which a Demerged Company is a party or to the benefit of which a Demerged Company may be eligible and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, SWHPL in which the relevant part of the Demerged Undertaking has vested by way of the demerger hereunder and may be enforced as fully and effectually as if, instead of the Demerged Company, SWHPL had been parties beneficiaries or obligors thereto or thereunder.
- 8.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking with SWHPL occurs by virtue of this Scheme itself, the Demerged Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements, with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. SWHPL shall be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company.
- 8.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that with effect from the Effective Date, all consents, permissions, licences, certificates, authorities given by, issued to or executed in favour of the Demerged Company pertaining to the Demerged Undertaking shall stand transferred to SWHPL as if the same were originally given by, issued to or executed in favour of SWHPL and the rights and benefits under the same shall be available to SWHPL.
- 8.4 It is hereby clarified that if any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking to which the Demerged Company is a party, cannot be transferred to SWHPL for any reason whatsoever, the Demerged Company shall hold such contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of SWHPL. If at any time it is identified that the Demerged Company is a party to a contract in respect of any intellectual property right (including Intellectual Property Rights), owned by a party other than a party hereto, which by its terms cannot be assigned to SWHPL, such Demerged Company shall (whether and to the extent permitted by the terms of such contract) grant or procure the grant to SWHPL of a sub-licence to use and exploit such intellectual property right. When the Demerged Company is not permitted by the terms of such contract to grant a sub-licence to SWHPL, the Demerged Company shall, at the cost and expense of SWHPL, provide such reasonable assistance as is requested by SWHPL to enable it, so far as possible, to make independent arrangements with the other party to such contract including introducing SWHPL to the relevant third party.

9 EMPLOYEES, STAFF AND WORKMEN

- 9.1 On this Scheme becoming operative, all members of the staff, workmen and employees of the Demerged Company working for the Demerged Undertaking, who are in service as on the Effective Date shall become members of the staff, workmen and employees of SWHPL without any break in their service and on the basis

of continuity of service, with effect from the Appointed Date and the terms and conditions of their employment with SWHPL shall not be less favourable than those applicable to them with reference to their employment with the Demerged Company on the Effective Date. SWHPL agree that the services of all such employees with the Demerged Company up to the Effective Date shall be taken into account for purposes of all retirement benefits to which they may be eligible in the said Demerged Company on the Effective Date. Any question that may arise as to whether any staff-member, workman or employee belongs to or does not belong to the Demerged Undertaking shall be decided mutually by Board of Directors of the Demerged Company and SWHPL or committee(s) thereof.

- 9.2 It is expressly provided that, on this Scheme becoming effective, the provident fund, gratuity fund, superannuation fund, Employee State Insurance (ESI), professional tax or such other special funds or trusts created for the benefit of the staff, workmen and employees of the Demerged Company shall, to the extent they relate to the staff, workmen and employees working for the Demerged Undertaking, with the approval of the concerned authorities, become funds of SWHPL or shall be transferred to or merged with other similar funds of SWHPL for all purposes whatsoever in relation to the administration or operation of such funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Demerged Company in relation to such funds shall become those of SWHPL. It is clarified that the services of the staff, workmen and employees working for the Demerged Undertaking will be treated as having been continuous for the purpose of the said Funds.
- 9.3 In the event that SWHPL do not have their own funds in respect of any of the above, SWHPL, may subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Demerged Company, until such time as SWHPL create their own Funds, at which time the Funds and the investments and contributions, pertaining to staff, workmen and employees working for the Demerged Undertaking shall be transferred to the funds created by the SWHPL.

10 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Demerged undertaking under clause 4 hereof shall not affect any transactions or proceedings already completed by the Demerged Company on or before the Appointed Date to the end and intent that, SWHPL accept all acts, deeds and things done and executed by and/or on behalf of the Demerged Company in relation to the Demerged Undertaking which shall vest in SWHPL in terms of this Scheme as acts, deeds and things made, done and executed by and on behalf of SWHPL.

PART III : FINANCIAL RESTRUCTURING OF HIL

11. CREATION AND UTILIZATION OF BUSINESS RECONSTRUCTION RESERVE ACCOUNT

- 11.1 An important element of HIL's growth strategy has been to seek out opportunities for acquisitions and strategic partnerships in India as well as overseas with a view to diversify its product portfolio, consolidation of customer base and to extend the presence of the Company in various markets.
- 11.2 In its endeavor to grow further, substantial time and cost is bound to be involved by HIL before the investments can grow further. Such expenses would have an impact on the standalone/ consolidated financials of HIL in the short term.
- 11.3 Such an endeavor by the Company would not only provide HIL with an opportunity to widen its international footprint but also enable the newly acquired companies to increase their margins through reduction of labour and other costs.
- 11.4 Since these expenses/costs are inevitable for the growth of HIL and its shareholders, HIL is now proposing to undertake the Financial Restructuring Exercise as detailed hereinafter in this Scheme:
- Securities Premium Account as appearing in the books of accounts of HIL as on 31st March 2009 shall be credited to Business Reconstruction Reserve Account on 1st April 2009, to the extent of Rs 4,000,000,000 or such other amount as may be determined by the Board.
 - For the preparation of standalone financial statements of HIL on or at any time after 1st April 2009, expenses incurred by HIL covered within clause 1.9 of the said scheme would be adjusted against Business Reconstruction Reserve Account balance created pursuant to Sub-clause (a) above instead of being debited to standalone Profit & Loss Account of HIL on or at any time after 1st April 2009.
 - For the preparation of consolidated financial statements of HIL on or at any time after 1st April 2009, expenses incurred by subsidiaries of HIL covered within clause 1.9 of the said scheme, would be adjusted against Business Reconstruction Reserve Account balance created pursuant to Sub-clause (a) above instead of being shown in the consolidated Profit & Loss Account of HIL on or at any time after 1st April 2009.

- d) The amounts credited to the Business Reconstruction Reserve Account as mentioned in Sub-clause (a) above, shall be utilized by HIL to adjust the Expenses as defined in clause 1.9, and as prescribed in other parts of the Scheme on an ongoing basis from 1st April 2009 and thereafter for the subsequent financial years.
 - e) As and when the Board of HIL determines that a part or whole of the balance remaining in the Business Reconstruction Reserve Account is no longer required to adjust the expenses as defined in clause 1.9, then such part or whole of the balance, so determined can be transferred to the General Reserves Account of the Company.
- 11.5 To the extent the amount is transferred to the Business Reconstruction Reserve Account as mentioned in Sub-clause (a) of Clause 11.4 above, there shall be reduction of the Securities Premium Account which shall be effected as an integral part of the Scheme itself in accordance with the provisions of Section 78 and Sections 100 - 103 of the Act and the order of the Hon'ble High Court sanctioning the Scheme, shall be deemed to be an order under Section 102 of the Act confirming reduction of Securities Premium Account.
- 11.6 The proposed creation of Business Reconstruction Reserve Account shall not affect or impair in any manner the rights and interests of any of the creditors of HIL, since the Company shall, post such reduction, still continue to be financially strong in order to pay the dues of the creditors on time. Therefore, the Company seeks liberty of this Hon'ble High Court for dispensation of the words "and reduced" to be added to its trading name and style, as contemplated in Section 102(2) and Section 102(3) of the Act.

PART IV : GENERAL TERMS AND CONDITIONS

12. CHANGE OF OBJECT CLAUSE OF SWHPL

With effect from the Appointed Date and upon the Scheme becoming effective, the Object Clause of Memorandum of Association of SWHPL be altered and amended by inserting following new sub - clause 7 immediately after the existing sub - clause 6 under Clause III(A) of the Memorandum of Association of SWHPL: *"1(c) To carry on the business of manufacture of electrical and power distribution equipments".*

The above shall be effected as an integral part of the Scheme and shall be deemed to be in due compliance of the applicable provision of the Act.

13. CHANGE OF NAME

With effect from the Effective Date, the name of SEL shall be changed from "Standard Electricals Limited" to "QRG Corporate Services Limited" and the name of SWHPL shall be changed from "Seven Wonders Holidays Private Limited" to "Standard Electricals Limited" as SWHPL shall carry on the entire electrical business of Demerged company including manufacture & marketing of products under the brand 'Standard'.

The above shall be effected as an integral part of the Scheme and shall be deemed to be in due compliance of the applicable provision of the Act.

14. APPLICATION TO HIGH COURT

The Demerged Company and the Resulting Company shall, with all reasonable dispatch, make applications/ petitions under Sections 391 to 394 read along with sections 78, 100 to 103 and other applicable provisions of the Act to the High Court for holding/dispensing with the meetings of the shareholders and/or creditors of all the companies and for obtaining one or more orders sanctioning this Scheme and carrying this Scheme into effect.

15. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Demerged Company and the Resulting Company may by their respective Boards of Directors or such other person or persons as the respective Boards of Directors may authorize including any committee or sub-committee thereof, assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the Court and / or the Stock Exchanges and /or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the respective Boards of Directors. The Demerged Company, and the Resulting Company by their respective Board of Directors or such other person or persons, as the respective Boards of Directors may authorize including any committee or sub-committee thereof, are hereby authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and /or any matter concerned or connected therewith.

16. CONDITIONALITY OF SCHEME

16.1 This Scheme is conditional upon and subject to:

- (a) This Scheme being agreed to by the respective requisite majorities of the various classes of members and creditors (where applicable) of the Demerged Company, and the Resulting Company as required under the Act and the requisite orders of the High Court being obtained;

- (b) Sanctions and orders under the provisions of Sections 391 and 394 of the Act being obtained by the Demerged Company, and the Resulting Company from the High Court ;
- (c) The requisite sanctions and approvals including but not limited to in-principle approvals, stock exchange approval, sanctions of any governmental authority, as may be required by law in respect of this Scheme being obtained; and
- (d) The certified copies of the orders of the High Court sanctioning this Scheme being filed with the Registrar of Companies, New Delhi.

17. COSTS, CHARGES AND EXPENSES

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

FORM NO. 42

SCHEDULE OF PROPERTY

PART I

(Description of Freehold Property)

TYPE OF PROPERTY	ADDRESS	BOOK VALUE (GROSS) RS.' 000
OFFICE BUILDING	NO. 19, RAJA ANNA MALAI BUILDING, SECOND FLOOR, MARSHAL ROAD, EGMORE, CHENNAI, TAMIL NADU - 800008	1640.78
OFFICE BUILDING	504 A WING, 5TH FLOOR, QUEEN'S CORNER, APT-3, QUEEN'S ROAD, BANGLORE - 560001	2111.25
FACTORY BUILDING	PLOT NO. 2 & 2 A, SECTOR 12, SIDCUL, INDUSTRIAL AREA, HARIDWAR, UTTARAKHAND	135310.70

PART II

(Description of Leasehold Property)

USAGE OF PREMISES	LESSOR	ADDRESS	BOOK VALUE (GROSS) RS.' 000
FACTORY LAND	SIDCUL	PLOT NO. 2 & 2 A, SECTOR 12, SIDCUL, INDUSTRIAL AREA, HARIDWAR, UTTARAKHAND	44086.36
GODOWN	RATAN ROOPCHAND SHAH	GALI NO. R-5, JAI MATA DI COMPOUND VILLAGE KALHER, TALUKA BHIWANDI	
GODOWN	MEHTA SALES CORPORATION	WH: 250/450-10/2 & 13/2, GROUND FLOOR, PATEL PUTTIAH LAYOUT, IND. ESTATE, DEEPANJALI	
GODOWN	AGTIVITY LOGISTICS PVT. LTD.	SRI SAI GODOWN #8/1 & 8/2, GNT ROAD VIJANALLUR, CHENNAI-600067	
GODOWN	AGTIVITY LOGISTICS PVT. LTD.	49/681, C & C1, NEAR PHUKKALAVATTOM TEMPLE, ELMAKKARA-682 028	
GUEST HOUSE	MOHAR SINGH VERMA	P-252, PHASE-III, SHIVALIK NAGAR, BHEL RANIPUR, HARIDWAR	
GUEST HOUSE	SOHAN BALA VERMA	P-252, PHASE-III, SHIVALIK NAGAR, BHEL RANIPUR, HARIDWAR	
OFFICE	QRG ENTERPRISES LIMITED	2D SEC-126, EXPRESSWAY, NOIDA-201 304	
OFFICE	S. DEEPAK	K.G. SQUARE BLDG. DOOR NO. 42/1817A GROUND FLOOR, EARNAKULAM VILLAGE, KANAYANNUR TALUK, EARNAKULAM	
OFFICE	QRG ENTERPRISES LIMITED	FLAT NO. 319 & 320, 3RD FLOOR AT PARK LANE SECUNDERABAD	

PART III
(Description of all Stocks, Shares, Debentures and other charges in action)

As on 31.03.2010

Amount in '000

1. <u>Fixed Assets</u>	
a. <u>Tangible Assets:</u>	294541.37
(including immovable properties) at gross value	
b. <u>Intangible Assets:</u>	NIL
c. <u>Capital Work in progress:</u>	400.19
2. <u>Cash and Bank Balances</u>	
a. Cash in hand	188.43
b. Bank Balances	33489.51
3. <u>Sundry Debtors</u>	84391.69
4. <u>Other Current Assets</u>	128486.44
5. <u>Loans and Advances</u>	10890.73
6. <u>Miscellaneous Expenditure</u>	6.04
7. <u>Deferred Tax Assets</u>	3959.23

This is to confirm that there is no other property (except current assets arising in the normal course of business) of Transferor Company to be transferred to Petitioner No. 1 Company other than those stated above

Dated this the 19th August, 2010
(By order of the Court)

IN THE HIGH COURT OF DELHI AT NEW DELHI
(COMPANY JURISDICTION)
COMPANY PETITION NO.198 OF 2011
CONNECTED WITH
COMPANY APPLICATION (M) NO.26 OF 2011
UNDER SECTION 391 TO 394 OF THE COMPANIES ACT, 1956
(1 OF 1956)

IN THE MATTER OF

Section 391 to 394 of the Companies Act, 1956

AND IN THE MATTER OF :

SCHEME OF AMALGAMATION BETWEEN STANDARD ELECTRICAL
LIMITED WITH HAVELLS INDIA LIMITED.

IN THE MATTER OF

STANDARD ELECTRICAL LIMITED

..... TRANSFEROR COMPANY /
PETITIONER COMPANY NO.1

WITH

HAVELLS INDIA LIMITED

..... TRANSFEREE COMPANY /
PETITIONER COMPANY NO.2

MEMO OF PARTIES

1. STANDARD ELECTRICAL LIMITED

A Company Incorporated under the Companies Act, 1956
Having its Registered office at
1/7, Ram Kishore Road, Civil Lines,
Delhi- 110054

..... TRANSFEROR COMPANY /
PETITIONER COMPANY NO. 1

WITH

2. HAVELLS INDIA LIMITED

A Company Incorporated under the Companies Act, 1956
Having its Registered office at
1/7, Ram Kishore Road, Civil Lines,
Delhi- 110054.

..... TRANSFEREE COMPANY /
PETITIONER COMPANY NO. 2

FILED THROUGH

HAMMURABI & SOLOMON

Advocates for the Petitioner Company no. 1 & 2
A-220, Defence Colony
New Delhi-110024

Place: New Delhi

Date: 23/04/2011

IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)
IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
OF
COMPANY PETITION NO.198/2011
CONNECTED WITH
COMPANY APPLICATION (M) NO.26/2011
IN THE MATTER OF :

Standard Electrical Ltd.
Having its regd. office at:
1/7, Ram Kishore Road,
Civil Lines, Delhi- 110054

.....Petitioner/Transferor Company

WITH

IN THE MATTER OF : Havells India Ltd.
Having its regd. office at:
1/7, Ram Kishore Road,
Civil Lines, Delhi- 110054

.....Petitioner/Transferee Company

**BEFORE HON'BLE MR. JUSTICE MANMOHAN
DATED THIS THE 27TH DAY OF SEPTEMBER, 2011**

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above Joint Petition came up for hearing on 27/09/2011 for sanction of the Scheme of Amalgamation proposed to be made between Standard Electrical Ltd. (herein referred to as Transferor Company) and Havells India Ltd. (herein referred to as Transferee Company). The Court examined the petition; the order dated 09/02/2011, passed in CA (M) 26/2011, whereby the requirement of convening and holding the meetings of the Equity Shareholders of the Transferor Company was dispensed with and the meetings of Secured Creditors of the Transferor Company and Equity Shareholders & Secured Creditors of the Transferee Company were ordered to be convened for the purpose of considering and, if thought fit, approving with or without modification, the Scheme of Amalgamation annexed to the affidavits dated 07/02/2011 of Mr. Surjit Gupta, Director of the Transferor and Transferee Companies and the publication in the newspapers namely 'Statesman' (English) and 'Jansatta' (Hindi) both dated 03/03/2011 containing the advertisement of the notice convening the said meetings and the reports alongwith affidavits of Chairpersons showing the publication and despatch of the notices convening the said meetings.

The Court also examined the affidavit dated 22/06/2011 of the Regional Director, Northern Region, Ministry of Corporate Affairs and observed that the Regional Director has no objection to the Scheme being sanctioned.

Upon hearing Ms. Shweta Bharti, Advocate with Mr. Vineet Dwivedi and Ms. Radhika Jain, Advocates for the petitioners, Mr. Ashish Makhija, Advocate with Mr. Inderjeet Singh, Advocate for the Official Liquidator and Mr. K.S. Pradhan, Dy. Registrar of Companies for Regional Director (Northern Region) and in view of the approval of the Scheme of Amalgamation without any modification by the Equity Shareholders and Creditors of the Transferor and Transferee Companies and in view of the report dated 05/07/2011 of the Official Liquidator stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its members, creditors or to public interest and there being no investigation proceedings pending in relation to the Petitioner Companies under Section 235 to 251 of the Companies Act, 1956,

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF AMALGAMATION under sections 391 and 394 of the Act and set forth in Schedule-I annexed hereto and Doth hereby declare the same to be binding on all the Shareholders & Creditors of the Petitioner Companies and all concerned and doth approve the said Scheme of Amalgamation with effect from the appointed date i.e. 01/04/2011.

AND THE COURT DOTH FURTHER ORDER:

1. That all the properties, rights and powers of the Transferor Company specified in Schedule - II hereto and all other properties, 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 394(2) of the Companies Act, 1956 be transferred to and vest 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
2. 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 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and
3. That all the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and
4. That as per Clause 8(i) of the Scheme, the paid up equity share capital of the Transferor Company, shall be extinguished, as the same shall stand cancelled against the investment of the Transferee Company in the Transferor Company, being a wholly owned subsidiary. Hence, no valuation of shares is necessary and accordingly, no valuation is required to be done; and

5. That the Petitioner Companies do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without undergoing the process of winding up and the concerned Registrar of Companies shall place all documents relating to the Transferor Company and registered with him on the file kept in relation to the Transferee Company and the files relating to the said Transferor and the Transferee Companies shall be consolidated accordingly; and
6. It is clarified that this order will not be construed as an order granting exemption from payment of stamp duty that is payable in accordance with law; and
7. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

Schedule -I
SCHEME OF AMALGAMATION
UNDER SECTION 391 AND 394 OF THE COMPANIES ACT, 1956
OF
STANDARD ELECTRICAL LIMITED
WITH
HAVELLS INDIA LIMITED

This Scheme of Amalgamation is presented for Standard Electrical Limited (Transferor Company) with Havells India Limited (Transferee Company).

WHEREAS Standard Electrical Limited, Transferor Company was originally incorporated on 04.11.2008 as "SEVEN WONDERS HOLIDAYS PRIVATE LIMITED" as a private company with limited liability. A Certificate of Incorporation has been obtained from the Registrar of Companies NCT of Delhi & Haryana on 04.11.2008. Consequent to necessary resolution dated 24.07.2010 in terms of Section 31/21 read with section 44 of the Companies Act, 1956 and after obtaining the approval of the Central Government the name of the said company was changed from "SEVEN WONDERS HOLIDAYS PRIVATE LIMITED" to "SEVEN WONDERS HOLIDAYS LIMITED". A fresh Certificate of Incorporation for change of name of the company has been obtained on 10.08.2010 from the Registrar of Companies, NCT of Delhi and Haryana pursuant to section 23(1) of the Companies Act, 1956. Thereafter, again on 28.10.2010 vide Notification No. G.S.R.507 (E) dated 24.06.1985, SRN A96916986 dated 28.10.2010 consequent to necessary resolution in terms of section 21 of the Companies Act, 1956 the name of the said company was changed from "SEVEN WONDERS HOLIDAYS LIMITED" to "STANDARD ELECTRICAL LIMITED". A fresh certificate for the change of name of the company has been obtained from the Registrar of Companies, NCT of Delhi and Haryana on 28.10.2010. The Transferor Company is having its Registered Office situated at 1/7, Ram Kishore Road, Civil Lines, Delhi-110 054.

AND WHEREAS the main objects of the Transferor Company is to carry on the business of manufacture of electrical & power distribution equipments.

AND WHEREAS Havells India Limited, Transferee Company was originally incorporated as a private company with limited liability. Consequent to the special resolution and in terms of section 31/21 read with section 44 of the Companies Act, 1956 and after obtaining the necessary approval from the central government the status of the Transferee Company was changed from "Private" to "Public". The Transferee Company is having its Registered Office situated at 1/7, Ram Kishore Road, Civil Lines, Delhi-110 054.

AND WHEREAS the main objects for which the Transferee Company was incorporated is to carry on the business of manufacturing assembling, altering, exchanging, buying, selling, importing, exporting or otherwise dealing in all types of electrical goods and instruments including circuit breakers, HRC Fuses, meters, rectifiers, converters and alternators, current transformers, switches, switch gears, panels, electric motors, generators, electric magnets motor control centres, power control centres, distribution boards, rising mains, bus trunking, overhead bus bar systems, feeder pillars, lighting fixtures, fans, exhaust fan, air coolers, wiring accessories, iron clad switches, fuse units, distribution boxes, cutouts, wires and cables all aluminium conductor and aluminium conductor steel reinforced transformers, G.L.C lamps, fancy shades, heating elements, bulbs, fluorescent tubes and its accessories including choke, starters, switches and condensers.

RATIONALE OF THE SCHEME:

AND WHEREAS the present Scheme envisages the amalgamation of Standard Electrical Limited, Transferor Company with all its properties and liabilities with Havells India Limited, Transferee Company in accordance with Sections 391 to 394 of the Companies Act, 1956. In order to economize the administrative cost and to optimally utilize the available resources and services and to realize the benefit of combined entity, the Board of Directors of the Transferor Company and the Transferee Company have decided to amalgamate the Transferor Company into the Transferee Company. Without prejudice to the generality of the above, the proposed amalgamation is expected to achieve the following objectives in particular:

- A. To consolidate the management strength of both the Transferor and Transferee Companies;
- B. To improve the administrative control;
- C. To economize on administrative and other expenses; and
- D. To increase in efficiency by pooling of resources and their optimum utilization, thereby availing synergies from combined resources;

AND WHEREAS to achieve the same, the Board of Directors of Standard Electrical Limited ("Transferor Company") and Havells India Limited ("Transferee Company") have decided to make the requisite application before the Hon'ble High Court of Delhi at New Delhi under Section 391 to 394 of the Companies Act, 1956 for the sanction of the following Scheme of Amalgamation.

AND WHEREAS the shares of the Transferor Company are not listed on any recognized stock exchange. But the shares of the Transferee Company are listed on the recognized stock exchanges i.e. National Stock Exchange and Bombay Stock Exchange.

The Scheme of Amalgamation is divided into the following parts:

PART-"A" deals with the definitions and -other terms used in the Scheme.

PART-"B" deals with Financial and Capital structure

PART-"C" deals with Benefits of Amalgamation

PART-"D" deals with Transfer / Vesting Clause.

PART-"E" deals with Accounting for Amalgamation and Issuance of shares by the Transferee Company to the shareholders of the Transferor Company.

PART-"F" deals with General terms and conditions.

PART- "A"

PRELIMINARY

1. DEFINITIONS

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

1.1 "Act" or "the Act" means the Companies Act, 1956 and shall include any statutory modification, re-enactment or amendments thereof for the time being in force.

1.2 "Appointed Date" means the commencement of business as on the 1st day of April, 2011 or such other date as may be sanctioned by the Hon'ble High Court of Delhi at New Delhi.

1.3 "Effective Date" means the date on which the certified copies of the Orders sanctioning the Scheme passed by the Hon'ble High Court of Delhi at New Delhi or such other competent authority, as may be applicable, are filed with the Registrar of Companies, N.C.T. of Delhi & Haryana, New Delhi.

1.4 "High Court" or "the High Court" means the Hon'ble High Court of Delhi at New Delhi and includes the National Company Law Tribunal, if applicable.

1.5 "TRANSFEROR COMPANY"

"STANDARD ELECTRICAL LIMITED" (hereinafter referred to as "Transferor Company") bearing CIN No.U31104DL2008PLC184628 was originally incorporated on 04.11.2008 as "SEVEN WONDERS HOLIDAYS PRIVATE LIMITED" as a private company with limited liability. A Certificate of Incorporation has been obtained from the Registrar of Companies NCT of Delhi & Haryana on 04.11.2008. Consequent to necessary resolution dated 24.07.2010 in terms of Section 31/21 read with section 44 of the Companies Act, 1956 and after obtaining the approval of the Central Government the name of the said company was changed from "SEVEN WONDERS HOLIDAYS PRIVATE LIMITED" to "SEVEN WONDERS HOLIDAYS LIMITED". A fresh Certificate of Incorporation for change of name of the company has been obtained on 10.08.2010 from the Registrar of Companies, NCT of Delhi and Haryana pursuant to section 23(1) of the Companies Act, 1956. Thereafter, again on 28.10.2010 vide Notification No. G.S.R.507 (E) dated 24.06.1985, SRN A96916986 dated 28.10.2010 consequent to necessary resolution in terms of section 21 of the Companies Act, 1956 the name of the said company was changed from "SEVEN WONDERS HOLIDAYS LIMITED" to "STANDARD ELECTRICAL LIMITED". A fresh certificate for the change of name of the company has been obtained from the Registrar of Companies, NCT of Delhi and Haryana on 28.10.2010. The Transferor Company is having its Registered Office situated at 1/7, Ram Kishore Road, Civil Lines, Delhi-110 054. The Transferor Company is a wholly owned subsidiary and its entire 100% paid up equity share capital is held by the Transferee Company.

1.6 "TRANSFEREE COMPANY"

HAVELLS INDIA LIMITED (hereinafter referred to as the "Transferee Company"), bearing CIN No.L31900DL1983PLC016304 was originally incorporated on 8.08.1983 under the Companies Act, 1956 as "HAVELL'S (INDIA) PRIVATE LIMITED" a private company with limited liability. A Certificate of Incorporation has been obtained from the Registrar of Companies, NCT of Delhi and Haryana. Consequent to necessary special resolution dated 21.03.1992 in terms of Section 31/21 read with section 44 of the Companies Act, 1956 and after obtaining the approval of the Central Government the name of the said company was changed to "HAVELL'S INDIA LIMITED". A fresh Certificate of Incorporation for change of name of the company has been obtained on 31.3.1992 from the Registrar of Companies, NCT of Delhi and Haryana pursuant to section 23(1) of the Companies Act, 1956. Thereafter, again on 28.07.2007 vide Notification No. G.S.R.507 (E) dated 24.06.1985, SRNA18069609 dated 28.07.2007 consequent to necessary resolution in terms of section 21 of the Companies Act, 1956 the name of the said company was changed from "HAVELL'S INDIA LIMITED" to "HAVELLS INDIA LIMITED". A fresh certificate for the change of name of the company has been obtained from the Registrar of Companies, NCT of Delhi and Haryana on 28.07.2007. The Transferee Company is having its Registered Office situated at 1/7, Ram Kishore Road, Civil Lines, Delhi 110054.

- 1.7 "The Scheme" means the Scheme of Amalgamation of Standard Electrical Limited ("Transferor Company") with Havells India Limited ("Transferee Company") as approved by the Board of Directors of the Transferor Company and Transferee Company, subject to such modifications as deemed fit by the Hon'ble High Court of Delhi, at New Delhi or any other appropriate Authority.
- 1.9 "THE UNDERTAKINGS" shall mean and include:
- All the properties (whether movable or immovable, tangible or intangible), assets, deposits, investments of all kinds (including shares, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates), all cash balances with the banks, money at call and short notice, loans, advances, contingent rights or benefits, lease and hire purchase contracts and assets, receivables, cheques and other negotiable instruments (including post dated cheques), benefit of assets or properties or other interest held in trust, in partnership firms, benefit of any security arrangements, authorities, allotments, approvals, buildings and structures, office, residential and other premises, tenancies, leases, licenses fixed and other assets, powers, consents, authorities, registrations, agreements, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits, leasehold rights, tax incentives & exemptions, grants and advantages of whatsoever nature including pending projects wheresoever situated belonging to and / 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, including but without being limited to licenses in respect thereof, privileges, liberties, concessions in terms of duties, taxes, subsidies, incentives, as may be available to the Transferor Company or in relation to any movable or immovable assets of the Transferor Company and including easements, advantages, benefits, rights, grants and exemptions granted under any law, or other enactment, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telex, facsimile, e-mail, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programs, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customers credit information, customer and supplier pricing information and other records in connection with or relating to the Transferor Company and all other interests including those arising to the Transferor Company (hereinafter referred to as "the said assets");
 - All the debts, liabilities, duties and obligations of the Transferor Company (hereinafter referred to as "the said liabilities");
 - 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 prescribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. DATE OF EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s), if any, made as per clause 21 of the Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART-'B'

3. SHARE CAPITAL STRUCTURE

The Share Capital structure of the Transferor and Transferee Companies as at December 31, 2010 are given below:

- 3.1 The Authorized and Paid-Up Share Capital of the Transferor Company, as at December 31, 2010 is as under:

SHARE CAPITAL	RUPEES
<u>Authorized</u>	
50,000 Equity shares of Rs.10/- each fully paid up.	Rs.500,000.00
Rupees Five Lakhs Only	Rs.500,000.00
<u>Issued, Subscribed and Paid up</u>	
50,000 Equity Shares of Rs.10/- each fully paid up.	Rs.500,000.00
Total : Rupees Five Lakhs Only	Rs.500,000.00

- 3.2 The Authorized and Paid-up Share Capital of the Transferee Company, as at December 31, 2010 is as under:

SHARE CAPITAL	RUPEES
<u>Authorized</u>	
200,000,000 (Twenty Crores) Equity Shares of Rs.5/- each	100,00,00,000.00
Rupees One Hundred Crores Only	100,00,00,000.00
<u>Issued, Subscribed and Paid up</u>	
12,47,74,812 (Twelve Crores Forty Seven Lacs Seventy Four Thousand Eight Hundred Twelve) Equity Shares of Rs.5/- each fully paid-up.	62,38,74,060.00
Total : Rupees Sixty Two Crores Thirty Eight Lakhs Seventy Four Thousand Sixty Only	62,38,74,060.00

4. The Transferor Company was originally incorporated as a private company with limited liability. Consequent to the special resolution and in terms of section 31/21 read with section 44 of the Companies Act, 1956 and after obtaining the necessary approval from the central government the status of the Transferee Company was changed from "Private" to "Public". In terms of Clause IV of the Memorandum and Articles of Association of the Transferor Company the Liability of members is limited.
5. The Transferee Company was originally incorporated as a private company with limited liability. Consequent to the special resolution and in terms of section 31/21 read with section 44 of the Companies Act, 1956 and after obtaining the necessary approval from the central government the status of the Transferee Company was changed from "Private" to "Public". In terms of clause IV of the Memorandum and Articles of Association of the Transferee Company, the liability of the members is limited.

PART-"C"

6. BENEFITS OF THE SCHEME

The benefits of the scheme inter-alia will be:

- a. To facilitate management, administration and financial efficiencies, and alignment, coordination and streamlining of day to day operations of both the Transferor and the Transferee Companies and with a view to improving cash flows and returns to shareholders on the investments made and proposed to be made.
- b. The amalgamation will facilitate consolidation of the businesses of both the Transferor Company and the Transferee Company into a single corporate operation. The arrangement resulting from the amalgamation of the Transferor Company into the Transferee Company would create synergies of operations besides economies in administrative and managerial costs by combining operations and this would result in improved performance for the amalgamated Transferee Company and would enhance the shareholder value.
- c. The amalgamation will improve the financial structure and cash flow management of the Transferee Company, while combining the Management strengths and reserves of the Transferor Company and the Transferee Company.

PART 'D'

AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEE COMPANY

7. TRANSFER / VESTING

- 7.1 With effect from the Appointed Date or such other date, and upon the receipt of relevant approvals and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the undertaking and the entire business and all the properties, tangible and intangible assets including investments, powers, authorities, allotments, approvals and consents, intellectual property rights, whether registered or otherwise including any trade marks, patents, copyrights, licenses, registrations, contracts together with all non-compete covenants, engagements, arrangements, rights, titles, interests, agreements, benefits, tax incentives & exemptions, grants and advantages of whatsoever nature including pending projects wheresoever situated belonging to and / 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, including but without being limited to licenses in respect thereof, privileges, liberties, concessions in terms of duties, taxes, subsidies, incentives, including but not limited to various benefits, incentives and exemptions illustratively listed in Schedule I hereto available to the Transferor Company or in relation to any movable or immovable assets of the Transferor Company and including easements, advantages, benefits, including any benefits, rights, grants and exemptions granted under any law, or other enactment, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telex, facsimile connections, bank and cash balances and installations, utilities, electricity and other services, reserves and security deposits, refunds, outstanding balances, stocks / investments provisions, funds, benefits of all agreements and all other interests including those arising to the Transferor Company (hereinafter collectively referred to as 'the said undertaking or assets') shall be transferred to and vest in and/or deemed to be transferred and vested in the Transferee Company by virtue of amalgamation / merger and all books of accounts and documents and records relating thereto, all of which shall without further act or deed be transferred to or vest in the Transferee Company pursuant to the provisions of section 394 (2) of the said Act w.e.f. Appointed Date so as to become the assets and properties of the Transferee Company but subject to all charges, if any, affecting the same.
- 7.2 Upon the coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme:
 - a) The entire undertakings and the said assets of the Transferor Companies shall pursuant to the provisions of Section 394(2) of the Act except for the portions specified in Clause 7.2 (c) and 7.2 (d) below of whatsoever nature and where so ever situated and owned by the Transferor Company on the Appointed Date and including in particular all the licenses, permits, approvals, incentives, rights, claims, leases, tenancy rights, liberties, and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued to the Transferor Company shall, under the provisions of Section 391 and 394 of the Act and pursuant to the order of the Hon'ble High Court of Delhi at New Delhi, without any further act,

instrument or deed, but subject to the charges/ hypothecation/ mortgage affecting the same as on the Effective Date, be and stand transferred to and vest in and be available to the Transferee Company so as to become as and from the Appointed Date the estates, assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under law without any further act, instrument or deed, and be stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company as a going concern, to the end and intent that such security, mortgage and charge shall not at any time extend or be deemed to extend to other assets of any of the other units or divisions of the Transferee Company unless otherwise expressly provided.

- b) The Transferee Company undertakes to continue to honour the current trade arrangements, trade practices and the contractual obligations that the Transferor Companies have entered into and which exist as on the Effective Date.
 - c) Without prejudice to sub-clause (a) above, in respect of such of the assets of the Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same may be so transferred by the Transferor Company, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities of the Transferee Company.
 - d) In accordance with the rules framed under the Finance Act 1994 for the service tax credit rules as are prevalent at the time of sanction of the Scheme, the unutilized credits relating to the service tax paid in the services consumed by the transferor company shall be permitted to be transferred to the credit of the transferee company, as if all such Service Tax Credits, as aforesaid, against the Service Tax payable by it.
 - e) In accordance with the rules applicable to VAT Act of each state or any other laws applicable, for the VAT tax credit rules as are prevalent at the time of sanction of the Scheme, the unutilized credits relating to the VAT Tax paid in the services consumed by the Transferor Company shall be permitted to be transferred to the credit of the Transferee Company, as if all such VAT Tax Credits, as aforesaid, against the VAT Tax payable by it.
 - f) It is clarified that upon the scheme becoming effective and in accordance with Section 47(vi) of the Income Tax Act, 1961 read with applicable rules, the transfer of capital assets of the Transferor Company comprised in the Undertakings of the Transferor Company into the Transferee Company pursuant to this scheme becoming Effective shall not be subject to any capital gains tax on account of the Transferor Company being a wholly owned subsidiary of the Transferee Company herein.
 - g) Each of the permissions, approvals, consents, sanctions, remissions, special reservations, registrations with sales tax, service tax authorities, Central Excise authorities and the Reserve Bank of India and tax remissions, tax holidays, conveyance and transfer of immovable, movable and incorporeal properties, incentives, concessions and other authorizations, shall stand vested and permitted or continued by the order of sanction of this Hon'ble Court in the Transferee Company, the Transferee Company shall file the Scheme, for the record of the statutory authorities who shall take it on file, pursuant to the sanction orders of the Hon'ble High Court of Delhi at New Delhi.
- 7.3 The Transfer / vesting as aforesaid shall be subject to the existing charges/ hypothecation/ mortgage (if any as may be subsisting) over or in respect of the said assets or any part thereof. Provided however any reference in any security document or arrangement to which the Transferor Company are party, to the assets of the Transferor Company offered or agreed to be offered as security for any financial assistance, or obligations, to the secured creditors, if any, of the Transferor Company shall be construed as references only to the assets pertaining to the undertaking of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid clause to the end and intent that such security, mortgage and charge shall not at any time extend or be deemed to extend to any of the assets or to any of the other units or divisions of the Transferee Company unless otherwise expressly provided.
- Provided that on such transfer/vesting of the property, if any, of the Transferor Company to the Transferee Company, it is expressly provided that any reference in any security document or arrangement to which the Transferee Company is a party, to the assets of the Transferee Company, offered or agreed to be offered as security for any financial assistance or guarantee whether for its own benefit or for the benefit of any other person, to the secured or other creditors, if any, of the Transferor Company, or the secured or unsecured creditors of any other party to which the Transferee Company offers its assets as security, shall be construed as reference only to the assets pertaining to the undertaking of the Transferee Company to the end and intent that such security, mortgage and charge shall not at any time extend or be deemed to extend to the assets of the Transferor Company as are vested in the Transferee Company by virtue of this scheme.
- 7.4 In respect of such of the said assets other than those referred to in sub-para 7.3 above, the same shall without any further act, instrument or deed, be transferred to and vest in and / or be deemed to be transferred and vested in the Transferee Company on the Appointed Date pursuant to the provisions of the Section 394 (2) of the Act.
- 7.5 The Transferee Company may at any time after the date of coming into 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 the

secured creditors, if any, of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company are 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 authorized to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company as is to be carried out or performed.

- 7.6 Subject to the provisions of this scheme, all debts, liabilities, duties and obligations, including Income Tax liabilities, if any, including past or future, any refunds and claims from Central Government and/or any State Government Authorities of the Transferor Company (hereinafter referred to as the said liabilities) shall stand transferred or be deemed to be transferred, without any further act, instrument or deed to the Transferee Company pursuant to, the provisions of Section 394 (2) of the said Act so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause.
- 7.7 That the Scheme of Amalgamation/Merger, in no way, is a Scheme of Compromise or Arrangement with the creditors as all the creditors will be paid in full as and when their respective amounts fall due in the usual course and therefore, the Scheme of Amalgamation/Merger is not affecting the rights of the creditors.

PART -"E"

ACCOUNTING FOR AMALGAMATION

8. ACCOUNTING TREATMENT IN BOOKS OF TRANSFeree COMPANY

The Transferee Company shall account for the amalgamation / merger in its books as on the appointed date as under:

- i. In consideration of the transfers under Part "D" hereof, the equity shares held by the Transferee Company in the paid up equity share capital of the Transferor Company, shall be extinguished, as the same shall stand cancelled against the investment of the Transferee Company in the respective Transferor company, being a wholly owned subsidiary. Hence, no valuation of shares is necessary and accordingly, no valuation is required to be done.
- ii. The extinguishments of the shares shall take place on the Effective Date. Upon the Scheme becoming effective, concerned equity shareholders of the Transferor Company, if so required by the Transferee Company, shall surrender their certificates for cancellation thereof, against the respective investments to the Transferee Company and the cancellation shall be effective from the Effective Date.
- iii. The Transferee Company shall record all the assets and liabilities of the Transferor Company transferred and vested in the Transferee Company under Clause 7 of the Scheme at their respective book value as per the closing accounts of 31.03.2011.
- iv. Any inter company balances, either amongst the Transferor Company or vis-à-vis the Transferee Company shall stand cancelled.
- v. Shares held inter-se by the Transferor Company shall stand cancelled. All the Shares, securities, debentures, units of mutual funds, etc whether listed or unlisted held by and appearing in the books of the Transferor Company will be recorded as Investments by the Transferee Company.
In case of any differences in accounting policy between Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the Profit & Loss Account to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- vi. Upon the sanction of the Scheme all assets and liabilities of the Transferor Company shall be incorporated in the books of the Transferee Company on the basis of the values recorded in the books of accounts of the Transferor Company as on the Appointed Date. In the case of the fixed assets, if any of the Transferor Company the gross fixed assets and related accumulated depreciation shall be accounted for in the books of the Transferee Company as on the Appointed Date. The balance of profit & loss account in the books of the Transferor Company shall stand transferred to the Transferee Company and form part of profit & loss account of the Transferee Company.
- vii. It is however specifically provided that the excess of the net assets (after deduction of liabilities), if any, of the Transferor Company as appearing in the books of the Transferor Company and taken over/assumed by the Transferee Company as above shall be credited to an account styled as "Amalgamation Reserve" or in case of there being a deficit, the same shall be debited to Goodwill Account, as per the Accounting Standard (AS) 14 of ICAI and the provisions of the Companies Act, 1956.

9. COMBINATION OF AUTHORISED SHARE CAPITAL

Upon sanction of this Scheme, the Authorized Share Capital of the Transferee Company shall automatically stand increased by merging the Authorised share capital of Transferor Company with Transferee Company without any further act or deed on the part of the Transferee Company, including payment of Stamp Duty or fees to the Registrar of Companies, by the Authorised Share Capital of Transferor Company and the Memorandum of Association and Articles of Association of the Transferee Company shall stand amended accordingly without any further act or deed on the part of the Transferee Company.

The Authorized Share Capital of the Transferee Company is Rs.100,00,00,000 (Rupees One Hundred Crores Only). Thus, the Authorized Share Capital of the Transferee Company after the consolidation upon the amalgamation/merger would be Rs. 100,05,00,000 (Rupees One Hundred Crores Five Lakhs Only) divided into 20,01,00,000 (Twenty Crores One Lac) equity shares of Rs.5 each. The Issued- subscribed Paid up Equity Share Capital of the Transferee Company is Rs. 62,38,74,060 (Rupees Sixty Two Crores Thirty Eight Lacs Seventy Four Thousand Sixty Only). The Transferor Company is wholly owned subsidiary of Transferee Company, thus the Paid-Up Capital of the Transferee Company after the consolidation upon the Amalgamation/ Merger would be Rs. 62,38,74,060 (Rupees Sixty Two Crores Thirty Eight Lacs Seventy Four Thousand Sixty Only) divided into 12,47,74,812 (Twelve Crores Forty Seven Lacs Seventy Four Thousand Eight Hundred Twelve) Equity Shares of Rs.5/- each.

PART-"F"

GENERAL TERMS AND CONDITIONS

11. TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

With effect from the Appointed Date and up to the date on which this scheme finally takes effect (Viz. Effective Date)

- A. The Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its business and undertakings for and on account of and in trust for the Transferee Company.
- B. The Transferor Company shall not without the consent of the Transferee Company declare any dividend for the financial year commencing from 1st day of April, 2011 and subsequent financial years during which the Scheme has not become effective.
- C. Subject to the provisions of the Scheme becoming effective the profits of the Transferor Company for the period beginning from 1st day of April, 2011 shall belong to and be the profits, of the Transferee Company and will be available to the Transferee Company for being disposed off in any manner as it thinks fit including declaration of dividend by the Transferee Company in respect of the financial year ending 31st March, 2012 or any year thereafter.
- D. The Transferor Company shall not issue or allot any rights shares or bonus shares out of its authorised or un-issued share capital; except in case where prior to the filing of this Scheme such shares have already been issued, to meet any provision or obligation imposed under the law, as may be applicable in the context, to the Transferor Company and no major change in the capital structure be made in the Transferor Company.

12. All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred by the Transferor Company in respect of their business and activities shall for all purposes be treated and deemed to be the profits or income or expenditure or losses of the Transferee Company.

13. The Transferor Company shall carry on its business activities with reasonable diligence, prudence and shall not venture into/expand any new business, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company.

14. CLARIFICATION OF INCOME TAX

It is clarified that all Income Tax (which term shall also be deemed to include withholding taxes) payable or paid by the Transferor Company, respectively in relation to any period commencing from the Appointed Date, as well as all or any refunds and claims relating to income taxes shall, for all purposes, be treated as the tax liabilities, tax payments or tax refunds and claims of the Transferee Company. Accordingly, simultaneously alongwith/upon the Scheme becoming effective or thereafter, the Transferor Company/Transferee Company, as applicable, are expressly permitted, to the extent considered necessary, to revise their income tax returns, tax withholding returns or any other tax filings, and to claim all refunds, advance tax credits, tax payment credits and withholding tax credits pursuant to the provisions of this Scheme.

15. LEGAL PROCEEDINGS

Upon the scheme becoming effective, If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings

may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

16. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- a. Subject to the other provisions of the Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, agreements, tax exemption and other instruments of whatsoever nature to which the Transferor Company are party, or the benefit to which the Transferor Company may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.
- b. The Transferee Company shall, if so required or becomes necessary, enter into and / or issue and / or execute deeds, writings or confirmation or enter into any tripartite agreement, confirmations or novations to which the Transferor Company is a party in order to give formal effect to the provisions of this Scheme. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.
- c. The Scheme shall not in any manner effect the rights of any of the Creditors of any of the Transferor Company, in particular secured and unsecured creditors shall continue to enjoy and hold charge, if any upon their respective securities.
- d. Subject to the other provisions of the Scheme, all kinds of rating for the instruments of the Transferor Company of whatsoever nature, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.

19. TREATMENT OF STAFF, WORKMEN AND EMPLOYEES

Upon the Scheme becoming effective, all staff, workmen and employees of the Transferor Company, who are in service on the date immediately preceding the effective Date, shall become staff, workmen and employees of the Transferee Company, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, of such immediate uninterrupted past services with the Transferor Company shall also be taken into account.

20. EMPLOYEES PROVIDENT FUND, GRATUITY FUND

- (i) It is expressly provided that, on the Scheme becoming effective, all employee benefit schemes including any provident fund, gratuity fund, superannuation fund or any other special fund/ scheme or trusts created or existing for the benefit of the employees of the Transferor Company shall be deemed to have been created by the Transferee Company in place of the Transferor Company for all purposes whatsoever in relation to the administration or operation of such funds/ schemes or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds or other applicable documents, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such funds/ schemes shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the said funds / schemes.
- (ii) In the event that any Trustees are constituted as holders of any securities, Trust funds or Trust monies, in relation to any such schemes/ funds including Provident Fund Trust, Group Gratuity Trust or Superannuation Trust of the Transferor Company, such securities/funds/monies shall be transferred by such Trustees of the Trusts of the Transferor Company, to the Trusts of the Transferee Company, if any, set up for the same purpose and shall be deemed to be a transfer of trust property from one set of Trustees to another set of Trustees in accordance with the provisions of the relevant labour laws, Indian Trust Act, and the Indian Income Tax Act 1961 and relevant Stamp and other Legislations as applicable. Appropriate Novations/ Deeds of Trusts and/or documents for transfer of Trust properties shall be simultaneously executed upon the sanction of the Scheme in accordance with the terms hereof by the Trustees of the Trusts of the Transferor Company in favour of the Trusts of the Transferee Company so as to continue the benefits to the employees of the Transferor Company. The said trusts including the Provident Fund Trusts, Gratuity Trusts or Superannuation Trusts of the Transferor Company shall continue to hold such securities, Trust Funds and/or Trust monies as hitherto fore, till such time as the transfer to the Trustees/Trusts of the Transferee Company is made.
- (iii) The Transferee Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into by the Transferor Company with any Labour union(s)/ employees of the Undertakings of the Transferor Company. The Transferee Company agrees that for the purpose of payment of any retrenchment,

compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

21. SAVING OF CONCLUDED TRANSACTIONS

The Transfer of the entire business and the undertakings of the Transferor Companies to the Transferee Company and the continuance of all contracts or proceedings by or against the Transferor Company shall not affect any contracts or proceedings already concluded by the Transferor Company on or after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things done and/or executed by the Transferor Companies in regard thereto as having been done or executed on behalf of the Transferee Company.

22. DISSOLUTION WITHOUT WINDING UP

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

23. APPLICATION TO THE HON'BLE HIGH COURTS

The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications jointly to the Hon'ble High Court of Delhi at New Delhi or such other competent authority under whose jurisdiction the Registered Offices of the Transferor Company and the Transferee Company are situated, for sanctioning this Scheme under Sections 391 to 394 of the Act and for dissolution of the Transferor Company without being wound up.

24. MODIFICATIONS / AMENDMENTS TO THE SCHEME

The Transferor Companies and the Transferee Company, by their respective Board of Directors (which includes any committee thereof) may make and/or consent to any modifications/ amendments to the Scheme or to any conditions or limitations that the Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors). The Transferor Companies and the Transferee Company by their respective Board of Directors shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or order of any other authority or otherwise however arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

25. CONDITIONALITY OF THE SCHEME

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

- i. The Sanction or approval under any law or of the central government or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which sanction or approval is required.
- ii. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/ or creditors of the Transferor Company and the Transferee Company, as may be directed by the Hon'ble High Court.
- iii. The sanction of the Hon'ble High Court under Sections 391 and 394 of the Act in favour of the Transferor Company and the Transferee Company under the said provisions and to the necessary Order under Section 394 of the Act being obtained.
- iv. Certified or authenticated copy of the Order of the Hon'ble High Court sanctioning the Scheme being filed with the Registrar of Companies at Delhi & Haryana by the Transferor Company and the Transferee Company, as may be applicable.

26. REDUCTION OF CAPITAL

The Scheme of Amalgamation does not envisage any reduction of capital. The Scheme of Amalgamation is built on the economic justification that it will enable Transferee Company to leverage synergies, strengths and financial resources of all entities post Amalgamation and consequently enable it to secure operational efficiencies by improved management of costs and resources. The Transferee Company will thus have access to augmented financial resource base and reserves post Amalgamation of Transferor Company.

27. COSTS, CHARGES & EXPENSES

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

SCHEDULE - I

Illustrative list of benefits, incentives, exemptions etc (as referred to in clause 7.1 of Part D hereto)

	Name of the Authority	Relevant section/Rule/Notification	Exemptions/ Subsidies
1.	Directorate of Industries, Uttarkhand Patel Nagar, Dehradun	No.285/ D.I.(V)-CIS/2010-11 dated 17 th April, 2010 as amended / updated from time to time.	15 % Central Investment Subsidy scheme.
2.	Central Board of Excise & Customs	Notification No. 49/2003 - Central Excise, Dated: June 10, 2003 as updated/ amended from time to time.	Exemption of goods specified in the schedule appended to this notification under sub section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), read with sub section (3) of section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957) and sub-section (3) of section 3 of the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 (40 of 1978).
3.	Central Board of Excise & Customs	Notification No. 50/2003 - Central Excise, Dated: June 10, 2003 as updated/ amended from time to time.	Exemption of goods specified in the schedule appended to this notification sub section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), read with sub section (3) of section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957) and sub-section (3) of section 3 of the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 (40 of 1978).
4.	Income Tax Department	Section 80-IC of the Income Tax Act, 1961	Special provisions in respect of undertakings of the Transferor Company in the special category states.

Schedule - II

FORM NO. 42

COMPANIES (COURT) RULES, 1959

SCHEDULE OF PROPERTIES OF TRANSFEROR COMPANY

PART I

(Description of the Freehold Properties)

S. NO.	TYPE OF PROPERTY	ADDRESS
1	OFFICE BUILDING	NO. 19, RAJA ANNA MALAI BUILDING, SECOND FLOOR, MARSHAL ROAD, EGMORE, CHENNAI, TAMIL NADU - 600008
2	OFFICE BUILDING	504 A WING, 5 TH FLOOR, QUEEN'S CORNER, APT-3, QUEEN'S ROAD, BANGLORE - 560001
3	FACTORY BUILDING	PLOT NO. 2 & 2 A, SECTOR 12, SIDCUL, INDUSTRIAL AREA, HARIDWAR, UTTARAKHAND

PART II
(Description of the Leasehold Properties)

S.NO.	USAGE OF PREMISES	LESSOR	ADDRESS
1	FACTORY LAND	SIDCUL	PLOT NO. 2 & 2 A, SECTOR 12, SIDCUL, INDUSTRIAL AREA, HARIDWAR, UTTARAKHAND.
2	OFFICE	S.DEEPAK	K.G. SQUARE BLDG. DOOR NO 42/1817A GROUND FLOOR EARNAKULAM VILLAGE, KANAYANNUR TALUK, EARNAKULAM
3	GODOWN	FLYJACK LOGISTICS PVT LTD	SHUTTER NO. 7, WAREHOUSE NO.2, KSSP COMPLEX, 7 TH MILE, KUNDLU GATE, HOSUR ROAD, BANGALORE - 5600068
4	GODOWN	AJAY KUMAR AGARWAL	JAMSHEDPUR ROLLER FLOUR MILL, SUNDER NAGAR, TATA NAGAR, 832107
5	GODOWN	PENMECHA VENKATA RAJU	WAREHOUSE NO. 6, SURVEY NO. 685, GUNDLA POCHAMPALLY VILLAGE, MEDCHAL MANDAL, RANGA REDDY DISTRICT SECUNDERABAD - 500 014
6	GUEST HOUSE	RAJ KUMAR SUNEJA	P2 - 239, DEEP GANGA APARTMENT, SIDCUL HARIDWAR

PART III
(Description of all stocks, shares, debentures and other charges in action)

Nil

Dated this the 27th September, 2011
By order of the Court

THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH
AT NEW DELHI
COMPANY PETITION NO. CAA-28 (PB) /2019

Under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies
(Compromises, Arrangements and amalgamations) Rules, 2016.

In the matter of		
Scheme of Amalgamation		
of		
Havells Global Limited		Transferor Company no. 1
AND		
Standard Electrical Limited		Transferor Company no. 2
AND		
Lloyd Consumer Private Limited		Transferor Company no. 3
AND		
Promptec Renewable Energy Solutions Private Limited		Transferor Company no. 4
With		
Havells India Limited		Transferee Company

Judgement Pronounced on : 31.01.2020

Coram:

MR. B.S.V PRAKASH KUMAR, HON'BLE ACTG. PRESIDENT

MR. S. K. MOHAPATRA, MEMBER (TECHNICAL)

For Petitioner Company:	Ms. Shweta Bharti, Advocate
	Ms. Katyani Mahendru, Advocate
For the OL:	Mr. Lakshya Sachdeva, Advocate
For the RD:	Ms. Tania Sharma, Standing Counsel
	Mr. P. S. Singh, Advocate
For the ITD:	Mr. Ajit Sharma, Advocate

ORDER

S. K. Mohapatra, Member

1. This Joint petition has been filed by all the four transferor companies and the transferee company under Sections 230 and 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016, for the purpose of the approval of the Scheme of Amalgamation of all the four Transferor Companies into the Transferee Company. The copy of the Scheme of Amalgamation (hereinafter referred as the "Scheme") has been placed on record.
2. The Transferor Company No. 1, M/s Havells Global Limited was incorporated on 04.07.2016 under the provisions of the Companies Act, 2013, and its registered office is presently situated at 904, 9th floor Surya Kiren Building, KG Marg, Connaught Place- New Delhi - 110001.
3. The transferor Company No. 2, M/s Standard Electrical Limited was incorporated on 12.09.2016, under the provisions of the Companies Act, 2013 and its registered office is presently situated at 904, 9th floor Surya Kiren Building, KG Marg, Connaught Place -New Delhi - 110001.
4. The Transferor Company No. 3, M/s Lloyd Consumer Private Limited (Transferor Company no. 3) was incorporated on 05.05.2017, under the provisions of the Companies Act, 2013 and its registered office is presently situated at 904, 9th floor Surya Kiren Building, KG Marg, Connaught Place - New Delhi-110001.
5. The Transferor Company No. 4, M/s Promptee Renewable Energy Solutions Private Limited was incorporated on 04.09.2008 under the provisions of the Companies Act, 1956. The registered office of the Company is presently situated at Shibra Farms, Nagasandra main Road, 8th Mile, Tumkur Road, Bangalore, Karnataka - 560073.
6. The "Transferee Company", M/s Havells India Limited was incorporated on 08.08.1983 under the provisions of the Companies Act, 1956, and its registered office is presently situated at 904, 9th floor Surya Kiren Building, KG Marg, Connaught Place - 110001.
7. It is pertinent to mention here that the registered office of transferor company no. 4 is situated in Bangalore, in respect of which a first motion application was filled before Bangalore Bench. Pursuant to the order dated 11.10.2018 passed by the Principal Bench, the first motion application filled by Transferor company no. 4 before the Bangalore Bench was withdrawn and a fresh application was accordingly filled by the transferor company no. 4 before this Bench and both the first motion applications were consolidated vide order dated 02.11.2018. An amended memo of parties in C.A (CAA) 160/PB/2018 was also filled by all the five applicant companies.
8. It is seen from the records that the First Motion application was filled before this Bench vide CA (CAA) No. 160 (PB) / 2018 and based on such joint application moved under Sections 230-232 of the Companies Act, 2013, this Bench vide order dated 06.12.2018 issued directions to convene separate meetings of unsecured creditors of the transferor company no. 4 and equity shareholders, secured creditors and unsecured creditors of the Transferee Company. In respect of equity shareholders, secured creditors and unsecured creditors of the transferor company No. 1, 2, 3 and equity shareholders and secured creditors of the transferor company no.4; the requirement to convene their respective meetings were dispensed with.
9. Subsequently, the aforesaid meetings in terms of the order dated 06.12.2018 were duly convened on 28.01.2019 and the Scheme of Amalgamation was unanimously approved by the members present in the said respective meetings. The report of the Chairperson and Scrutinizer have been placed on record. It is thus seen that the members and creditors of all the five petitioner companies have given consent in favour of the Scheme.
10. Thereafter, on 27.02.2019 the Petitioner were directed to carry out publication in Delhi and Bangalore editions of the newspapers namely 'Business standard' English edition and "Jansatta" Hindi edition, and "Samyukta" Kannad Edition.
11. In addition to the public notice as directed above, each of the Petitioner Companies were also directed to serve notices to the Central Government through Regional Director both Northern as well as Southern Region, Ministry of Corporate Affairs, the Income Tax Authorities, Registrar of Companies National Capital Territory of Delhi and Haryana, Registrar of Companies, Karnataka, Official Liquidator at High Court of Delhi and Official Liquidator at Karnataka High Court and also to the other relevant sectoral regulators.

12. It is seen from the records that the Petitioners have filed affidavits dated 19.03.2019 affirming compliance of the order passed by the Tribunal dated 27.02.2019. A perusal of the affidavits disclose that the petitioners have effected the newspaper publication as directed in one issue of the Delhi and Bangalore editions of the newspapers namely 'Business standard' English edition on 11.03.2019 and "Jansatta" Hindi edition on 11.03.2019, and in "Samyukta" Kannad Edition on 11.03.2019 in relation to the date of hearing of the petition.
13. Further, the affidavits also disclose the copies of petition have been duly served to the Central Government through Regional Director both Northern as well as Southern Region, Ministry of Corporate Affairs, the Income Tax Authorities, Registrar of Companies National Capital Territory of Delhi and Haryana, Registrar of Companies, Karnataka, Official Liquidator at High Court of Delhi and official liquidator at Karnataka High Court and to the other relevant sectoral regulators.
14. The Regional Director, Northern Region has filed its representation in respect of Transferor Company No. 1, 2 & 3 and Transferee Company, in which it has been submitted that the Petitioner Companies have filed their upto date Annual Returns and Balance Sheets upto 31.03.2018. It is also submitted that no prosecution has been filed and no inspection or investigation has been conducted in respect of any of the the petitioner companies. The Regional Director further submitted that:

"This office has prepared by the above factual report /representation based on the Scheme of Amalgamation and annexures there to as provided, records, maintained and documents filed by the concerned Company(s) from time to time. In the light of the above and in terms of the provisions of section 230(5) of the Companies Act, 2013 this office has no adverse observations".
15. It is seen from the report of the Regional Director that no specific objection has been raised against the approval of the Scheme in respect of the Transferor Company No. 1, 2, & 3 and the Transferee Company.
16. The Official Liquidator attached with High Court of Delhi has filed its report in respect of Transferor Company No. 1, 2 & 3 and Transferee Company, wherein no material objection has been raised in relation to the Scheme. It is submitted in the report that the Official Liquidator has not received any complaint against the proposed Scheme from any person/party interested in the Scheme in any manner and that the affairs of the transferor companies do not appear to have been conducted in a manner prejudicial to the interest of its members or to public interest.
17. It is pertinent to note here that the Transferor Company No. 4 has filed an affidavit dated 15.07.2019 in respect of the report pertaining to the Regional Director Bangalore, and submitted as follows :

"Based on the instructions of RD at Hyderabad, the office of RoC Bengaluru issued its Affidavit dated 20.06.2019 for being filed before this Hon'ble Tribunal and reproducing the verbatim contents of the communication dated 13.06.2019 of RD. Copy of the Affidavit/ Report dated 20.06.2019 of RoC Bengaluru is annexed hereto as Annexure D.

"That erroneous observations appearing in the Affidavit/Report of RoC, and relevant explanation thereto are set out as follows:

a. It has been observed in clause (c) to para 3 of the Affidavit/Report of RoC that MGT-7 for 2017-18 of does not reflect that Promptee Renewable Energy Solutions Pvt. Ltd. Is a wholly owned subsidiary of Transferee Company. In this regard it is pointed out that Promptee Renewable Energy Solutions Pvt. Ltd. Became wholly owned by the Transferee Company in August 2018, i.e. subsequently to the period in reference in the MGT-7 for 2017-18, and therefore, the same is not reflected in the said MGT-7. In fact this fact of acquisition of shares by the Transferee Company, vide Share Purchase Agreement dated 26.07.2018 is well reflected from MGT-14, duly tiled with the RoC vide SRN: 1107801970 dated 06.09.2018. The above stated acquisition of 100% equity shares of Transferor Company No. 4 by the Transferee Company is reflected from the latest audited balance sheet of the Transferor Company No. 4 as on 31.03.2019 showing it to be 100% owned by the Transferee Company, as reflect from Note 11 thereof. It is, therefore, submitted that Scheme of Amalgamation correctly records that Transferor No. 4 is wholly owned subsidiary of Transferee Company and therefore, there was no requirement of providing for share exchange ratio in relation to Transferor no. 4 and its shares are proposed to be cancelled pursuant to sanction of the Scheme. Copy of Form MGT-14 with filing Challan as well as the latest audited balance sheet of Transferor Company no. 4 as on 31.03.2019 are annexed here with as Annexure E (Colly).

- b. It has been erroneously observed in Clause (f) of para 3 of the Affidavit /Report of RoC that the subject Scheme of Amalgamation does not indicate the "Effective Date". In this regard Clause 3.5 of the Scheme need be referred, which defines the Effective Date as the date when the orders of NCLT is filed with the RoC.
- c. As regards observation of 'RoC in Clause (g) of para 3 of its Affidavit/Report, regarding compliance of Section 188 in relation to related party transactions, it is submitted that all the related party transactions have been well compliant with Section 1,88, as would reflect from the Balance Sheet and other statements on the record. Without prejudice to aforesaid, **the Transferor Company no. 4 otherwise undertakes to obliged to abide by law in this regard.**
- d. With respect to observation of RoC in Clause (h) of para 3 of its Affidavit/Report, regarding payment of fee on the increase of authorized share capital of Transferee Company, by the amount of authorized share capital of Transferor no. 4, the Transferee Company has already filed an affidavit before this Hon'ble Tribunal, **undertaking to abide by law in that regard. It is submitted that the Transferor Company no. 4 shall also abide by law in that regard.**
- e. As regards observation of RoC in Clause (i) of para 3 of its Affidavit /Report, it is submitted that entire liability of the Transferor Company no. 4 has to be transferred to the Transferee Company, and further that the Creditors have already approved the Scheme. **Hence, there is no impediment in sanctioning the Scheme on this count.**
- f. The observation in Clause (j) of para 3 of the Affidavit Report of RoC, appears to have crept in at the behest of some misconception, in as much as, there is no approval required from any sectoral regulator in relation to Renewable Energy, qua the present Scheme, as sought to be observed in the Affidavit of RoC. Transferor Company no. 4 is a wholly owned subsidiary of Transferee Company and there is no foreign investment made in its business, which would require any kind of approval, including from RBI, in relation to present Scheme of Amalgamation. **Hence, there is no impediment in sanctioning the Scheme on this count.**
- g. So far as the observation in Clause (k) of para 3 of the Affidavit /Report of RoC is concerned, it is apparent that the Order dated 06.12.2018 of this Hon'ble Tribunal could not have directed for convening of meeting of any earlier date of 28.01.2018. As such the date of meeting for all intent and purposes has been 28.01.2019 only, which was duly convened and resolutions therein was duly approved. Apparently, therefore, such observation in the Affidavit/ Report of RoC is too technical and liable to be discarded. **Hence, there is no impediment in sanctioning the Scheme on this count.**

It is submitted that the Income Tax Department has already accorded no demand certificate in favour of Transferor Company No. 4 which has been placed on the record. "

18. It is seen that Transferor Company No. 4 has given suitable undertaking in compliance of the observations of RoC Bangluru. During final hearing also none of the counsels of both the Regional Directors have raised any objection against the scheme.
19. In respect of the reports of the Income Tax Department all the transferor companies and the transferee company have filed respective affidavits dated 16.04.2019 and submitted as follows:

" That the income Tax Department vide their certificated no. 3781, 3783 and 3784 dated 20.03.2019, has confirmed no demand to be pending in respect of the Transferor Company No. 1, 3 and 4 and further in relation to the Transferor Company No. 2, the Income Tax Department has issued a certificate vide no. F. No. ACIT(OSD) /W/ 24-(2)/Misc/2019-20 dated 12.04.2019, stating that there is no demand to be pending with respect to the Transferor Company No. 2 Original certificates received from the Income Tax Department dated 20.03.2019 and 12.04.2019, are marked and annexed herewith as Annexure C.

That the Transferor Companies have not received any objections against the Scheme of Amalgamation from any person. That apart from the above regulatory authorities, the affairs of the Transferor Companies No.1 to 4 are not regulated by any other authority.

Affidavit of Transferee Company :

5. *That the Income Tax Department vide their certificate no. 3785 dated 20.03.2019, has stated that a demand of Rs. 9,40,74,898/- is pending in respect of the Transferee Company, Havells India Limited. Original*

Certificates received from the Income Tax Department dated 20.03.2019 is marked and annexed herewith as Annexure C.

6. *It is submitted that against aforesaid demand for the Assessment Year 2017-18 the Transferee Company has filed a rectification request, claiming demand. The copy of proof of the said rectification request filed by Transferee Company is annexed hereto as Annexure D. It is further submitted that the Demand of Income Tax in relation to Assessment Year 2006-07, 2011-12 and 2012-13 has been stayed by the Deputy Commissioner of Income Tax vide order dated 07. 05.2018 to payment of 20% of the demand amount. The copy of order dated 07.05.2018 of DCIT is annexed hereto as Annexure E. That in terms of order dated 07.05.2018 of DCIT the Transferee Company has paid 20% of Demand being Rs. 1,98,00,000-vide Challan dated 17. 05.2018, a copy of which is annexed hereto as Annexure F. It is submitted that the Transferee Company shall continue to remain in existence and thus it shall take steps in relation to the Demand of Income Tax as available in law. **The transferee company undertakes to abide by law in relation to the said Income tax Demand as and when the same shall become due and payable upon availing of all legal remedies as are available to it in law.***
7. *I state that against the Notice served upon SEBI, no representation/report has been received by Transferee Company from SEBI, and therefore it is submitted that there is no objection from end to the Scheme of Amalgamation. That the Transferee Company otherwise undertake to abide by law."*
20. It is thus seen that the transferee company has undertaken to pay income tax dues in accordance with law. However, in order to protect the interest of the Revenue it is clarified that there shall be no limitation on the power of the Income Tax Department for recovery of pending Income Tax dues, including imposition of penalties etc. as provided in law.
21. In the joint petition the petitioner companies have submitted the rational of the Scheme as under:

"The amalgamation will facilitate consolidation of the business of the Transferor Company No. 1 and the Transferee Company into single corporate operation.

The amalgamation of the Transferor Company No. 1 to 4 and the Transferee Company will create synergies of operations besides economics in administrative and managerial costs by combining operations, and will further result in improved performance for the amalgamated Transferee Company and would enhance the shareholders' value.

The amalgamation will improve the management of the Transferee Company by combining the legal entities and the amalgamation will reduce expenditure by eliminating administrative functions and multiple record keeping.
22. In the joint petition it has also been affirmed that no proceeding for inspection, inquiry or investigation under the provisions of the Companies Act, 2013 or under provisions of Companies Act, 1956 is pending against the Petitioner Companies.
23. Certificates of respective Statutory auditors of all the petitioner companies have been placed on record to the effect that Accounting Treatment proposed in the Scheme of Amalgamation is in conformity with the Accounting Standard notified by the Central Government as specified under the provisions of Section 133 of the Companies Act, 2013.
24. The shareholders of the petitioner companies are the best Judges of their interest, fully conversant with market trends, and therefore, their decision should not be interfered with by the Tribunal for the reason that it is not a part of judicial function to examine entrepreneurial activities and their commercial decisions. It is well settled that the Tribunal evaluating the Scheme of which sanction is sought under Section 230-232 of the Companies Act of 2013 will not ordinarily interfere with the corporate decisions of companies approved by shareholders and creditors.
25. In the case of Hindustan Lever Employees Union Vs. Hindustan Lever Limited reported in (1995) 5 SCC 491, the three Judges Bench of Hon'ble Supreme Court has held that:

"A company court does not exercise appellate jurisdiction over a scheme and its jurisdiction is limited to ascertaining fairness, justness and reasonableness of the Scheme and to ensure that neither any law has been violated or public interest compromised in the process."
26. Right to apply for the sanction of the Scheme has been statutorily provided under Section 230-234 of the Companies Act, 2013 and therefore, it is open to the petitioner companies to avail the benefits extended by statutory provisions and the Rules.

27. It has also been affirmed in the petition that the Scheme is in the interest of all the Transferor companies and also the transferee company including their shareholders, creditors, employees and all concerned.
28. In view of the foregoing, upon considering the approval accorded by the members and creditors of the Petitioner companies to the proposed Scheme, and the report filed by the Regional Director, Northern Region, Ministry of Corporate Affairs, report filed by the official liquidator, Income Tax Department and also as no objection from any quarter against the Scheme has been received; there appears to be no impediment in sanctioning the present Scheme.
29. Consequently, the sanction is hereby granted to the Scheme under Section 230 to 232 of the Companies Act, 2013.
30. The Petitioner shall however remain bound to comply with the statutory requirements in accordance with law.
31. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this court to the scheme will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the petitioners.
32. While approving the Scheme as above, we further clarify that this order should not be constructed as an order in any way granting exemption from payment of stamp duty, taxes or any other charges, if any, and payment in accordance with law or in respect to any permission/ compliance with any other requirement which may be specifically required under any law.
33. **THIS TRIBUNAL DO FURTHER ORDER**
1. *That all the four Transferor Companies shall stand dissolved without following the process of winding-up; and*
 2. *That all the property, rights and powers of all the four Transferor Companies, be transferred without further act or deed, to the transferee company and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013, be transferred to and vest in the transferee company.*
 3. *That all the liabilities and duties of all the four Transferor Companies, 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 any of the transferor companies, be continued by or against the transferee company ; and*
 5. *That all the employees of all the four Transferor Companies in service, on the date immediately preceding the date on which the scheme takes effect, i.e. the effective date shall become the employees of the transferee company on such date without any break or interruption in service and upon terms and condition not less favorable than those subsisting in the concerned transferor company on the said date.*
 6. *That Petitioner companies shall within thirty days of the date of the receipt of this order cause a certified copy of this order to be delivered to the concerned Registrar of Companies for registration and on such certified copy being so delivered all the four Transferor Companies shall be dissolved and the Registrar of Companies shall place all documents relating to all the the transferor companies on the file kept by him in relation to the transferee company and the files relating to all the petitioner companies shall be consolidated accordingly; and*
 7. *That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.*
- The petition stands disposed of in the above terms.
Let copy of the order be served to the parties.

Sd/-
(B. S. V. PRAKASH KUMAR)
ACTING PRESIDENT

Sd/-
(S. K. MOHAPATRA)
MEMBER (T)

SCHEME OF AMALGAMATION

BY & BETWEEN

1. HAVELLS GLOBAL LTD.
2. STANDARD ELECTRICAL LTD.
3. LLOYD CONSUMER PVT. LTD.
4. PROMPTEC RENEWABLE ENERGY SOLUTIONS PVT. LTD.

.....TRANSFEROR COMPANIES

AND

HAVELLS INDIA LIMITED

..... TRANSFEREE COMPANY

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

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

Prepared by:

M/s. HAMMURABI & SOLOMON PARTNERS

Advocates & Corporate Law Advisors

SCHEME OF AMALGAMATION BY & BETWEEN
HAVELLS GLOBAL LTD.
STANDARD ELECTRICAL LTD.
LLOYD CONSUMER PVT. LTD.
PROMPTEC RENEWABLE ENERGY SOLUTIONS PVT. LTD.
("Transferor Companies")

AND

HAVELLS INDIA LIMITED
("Transferee Company")

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INTRODUCTION

This Scheme of Amalgamation ("**Scheme**") provides for the amalgamation of the Transferor Companies with the Transferee Company pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the Act).

The Scheme is carved out into following parts:

- (i) **Part A** - Description of the Companies;
- (ii) **Part B** - Rationale of the scheme;
- (iii) **Part C**- Definitions of the terms used in this Scheme, and share capital of the Transferor Companies and the Transferee Company;
- (iv) **Part D**- Transfer and vesting of all the Undertakings (as hereinafter defined) of the Transferor Companies in favour of Transferee Company;
- (v) **Part E**- Accounting Treatment for the amalgamation in the books of the Transferee Company; and
- (vi) **Part F**- General Terms and conditions applicable to this Scheme and, other matters consequential and integrally connected thereto.

PART A

1. DESCRIPTION OF THE TRANSFEROR & TRANSFEEE COMPANIES

- 1.1 "Havells Global Ltd.", the Transferor Company no.1 herein is a public company, limited by shares incorporated under the provisions of Companies Act, 2013, having its registered office at 904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi - 110001. The Transferor Company no. 1 is carrying on the business of manufacturing, assembling, altering, exchanging, buying, selling, importing, exporting, trading or otherwise dealing in all types of electrical goods and instruments including circuit breakers, HRC Fuses, Meters, rectifiers, converters and alternators, current transformers, switches, switchgears panels, contacts, all type of relays, plate switches, piano type switches, contractors, relays, motor control centre, connectors, capacitors, electric motors, generators, electric magnets, motor control centres, power control centres, distribution board, rising mains, bus trunking, overhead busbar systems, feeder pillars, lighting fixtures, fans, exhaust fans, air coolers, wiring accessories, iron clad switches, fuse units, distribution boxes, cut- outs, wires and cables, all aluminium conductor and aluminium conductor steel reinforced transformers, G.L.S Lamps, fancy shades, heating elements, bulbs, fluorescent tubes and its accessories such as chokes, starters, switches and condensers and also household and industrial appliances, vessels and utensils of all types including kitchenware, lifestyle products, other consumer durables and FMCG products.
- 1.2 "Standard Electrical Ltd.", the Transferor Company no.2 herein is a public company, limited by shares incorporated under the provisions of Companies Act, 2013, having its registered office at 904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi - 110001. The Transferor Company no. 2 is carrying on the business of manufacturing, assembling, exchanging, buying, selling, importing, exporting, trading or otherwise dealing in all types of electrical goods, light engineering goods and instruments such as all type of switches, plate switches, piano type switches, circuit breakers, HRC Fuses, Meters, rectifiers, converters and alternators, current transformers, switches, switchgears panels, contacts, all type of relays, contractors, relays, motors control centre, connectors, capacitors, electric motors, generators, electric magnets, motor control centres, power control centres, distribution board, rising mains, bus fans, air coolers, wiring accessories, iron clad switches, fuse units, distribution boxes, cut-outs, wires and cable, all aluminium conductor and aluminium conductor steel reinforced transformer, G.L.C Lamps, fancy shades, heating elements, bulbs, fluorescent tubes and its accessories such as chokes, starters, switches and condensers.
- 1.3 "Lloyd Consumer Pvt. Ltd.", the Transferor Company no.3 herein is a private company, limited by shares incorporated under the provisions of Companies Act, 2013, having its registered office at 904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi - 110001. The Transferor Company no. 3 is carrying on the business of manufacturing assembling, altering, exchanging, buying, selling, importing, exporting, trading or otherwise dealing in all types of electrical goods and instruments including circuit breakers, HRC fuses, meters, rectifiers, converters and alternators, current transformers, switches, switchgears, panels, electric motors, generators, electric magnets motor control centres, power control centres, distribution boards, rising mains, bus trunking, overhead busbar systems, feeder pillars, lighting fixtures, fans, exhaust fan, air coolers, wiring accessories, iron clad switches, fuse units, distribution boxes, cutouts, wires and cables all aluminium conductor and aluminium conductor steel reinforced transformers, G.L.C. lamps, fancy shades, heating elements, bulbs, fluorescent tubes and its accessories including chokes, starters, switches and condensers.

- 1.4 "Promptec Renewable Energy Solutions Pvt. Ltd.", the Transferor Company no.4 herein, is a private company, limited by shares incorporated under the provisions of the Companies Act, 1956, having its registered office at Shibra Farms, Nagasandra Main Road, 8th Mile, Tumkur Road, Bangalore, Karnataka - 560073. The Transferor Company No. 4 is carrying on the business of analyzing, designing, developing, enhancing, testing, manufacturing, marketing, sales, servicing electrical and electronics products, solutions, components used in renewable energy, general lighting, any other areas of power and energy industry in domestic and international markets; analyzing, designing, developing, enhancing, testing, manufacturing, marketing, sales, servicing of products, solutions, components used in solar lighting, water heating, LED lighting, general lighting, any other consumer, commercial utilities to cater to domestic and international markets in the renewable energy, power and lighting industry.
- 1.5 "Havells India Limited", the Transferee Company herein, is a listed public company, limited by shares incorporated under the provisions of the Companies Act, 1956, having its registered office at 904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi - 110001. The Transferee Company is carrying on the business of manufacturing assembling, altering, exchanging, buying, selling, importing, exporting or otherwise dealing in all types of electrical goods and instruments including circuit breakers, HRC fuses, meters, rectifiers, converters and alternators, current transformers, switches, switchgears, panels, electric motors, generators, electric magnets motor control centres, power control centres, distribution boards, rising mains, bus trunking, overhead busbar systems, feeder pillars, lighting, fixtures, fans, exhaust fan, air coolers, wiring accessories, iron clad switches, fuse units, distribution, boxes, cutouts, wires and cables all aluminium conductor and aluminium conductor steel reinforced, transformers, G.L.C. lamps, fancy shades, heating elements, bulbs, fluorescent tubes and its accessories, including chokes, starters, switches and condensers.

PART B

2. RATIONALE OF THE SCHEME OF AMALGAMATION

- 2.1 The amalgamation will facilitate consolidation of the businesses of the Transferor Companies and the Transferee Company into a single corporate operation.
- 2.2 The amalgamation of the Transferor Companies into the Transferee Company would create synergies of operations besides economies in administrative and managerial costs by combining operations and would result in improved performance for the amalgamated Transferee Company and would enhance the shareholders' value.
- 2.3 The amalgamation will improve the management of the Transferee Company by combining the legal entities and the amalgamation will reduce expenditure by eliminating administrative functions and multiple record keeping.
- 2.4 In view of aforesaid, the Board of Directors of Transferor Companies and Transferee Company have considered and proposed the amalgamation of entire undertaking and business of Transferor Companies with Transferee Company in order to benefit their respective stakeholders. Accordingly, Board of Directors of Transferor Companies and Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of entire undertaking and business of Transferor Companies with and into Transferee Company, pursuant to provisions of Section 230 to Section 232 and other relevant provisions of the Act.

PART C

3. DEFINITIONS AND SHARE CAPITAL

3. In this Scheme, unless repugnant to the context, the following expressions shall have the following meaning:
- 3.1 **"Act"** or **"the Act"** shall mean the Companies Act, 2013, and shall include any statutory modifications, re-enactment or amendments thereof.
- 3.2 **"Applicable Laws"** means any applicable statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority, including any statutory modifications or re-enactment thereof for the time being in force.
- 3.3 **"Appointed Date"** means the opening business hours of 1st day of April, 2018 or such other date as may be approved by the New Delhi Bench and Bangalore Bench of the National Company Law Tribunal.
- 3.4 **"Board of Directors"** or **"Board"** means the respective board of directors of the Transferor Companies and/or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.
- 3.5 **"Effective Date"** means the date on which the certified copies of the orders of the National Company Law Tribunal, New Delhi Bench and National Company Law Tribunal, Bangalore Bench sanctioning this Scheme, is filed with the Registrar of Companies, Delhi & Haryana at Delhi and Registrar of Companies, Bangalore.

- 3.6 **"Legal Proceedings"** means any proceedings taken by and/or against the Transferor Companies in any Court/ Tribunal/Forum/Authority, as pending on the Appointed Date.
- 3.7 **"National Company Law Tribunal"** means the National Company Law Tribunal, New Delhi Bench and National Company Law Tribunal, Bangalore Bench, collectively.
- 3.8 **"Shareholders"**, with respect to the Transferor Companies and the Transferee Company, means respectively, the persons registered from time to time, as the holders of the equity shares of the respective companies concerned.
- 3.9 **"Transferor Companies"** means:
- "Havells Global Ltd.", a company registered under Companies Act, 2013 and having its registered office at 904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi - 110001;
 - "Standard Electrical Ltd.", a company registered under Companies Act, 2013 and having its registered office at 904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi - 110001;
 - "Lloyd Consumer Pvt. Ltd.", a company registered under Companies Act, 2013 and having its registered office at 904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi - 110001;
 - "Promptec Renewable Energy Solutions Pvt. Ltd.", a company registered under the Companies Act, 1956 and having its registered office at Shibra Farms, Nagasandra Main Road, 8th Mile, Tumkur Road, Bangalore, Karnataka - 560073;
- 3.10 **"Transferee Company"** means "Havells India Limited", a company registered under the Companies Act, 1956, and having its registered office at 904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi - 110001.
- 3.11 **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) approved or directed by the National Company Law Tribunal, .
- 3.12 **"Undertaking"** or **"the Undertakings"**, means the whole of the undertaking and entire business of the Transferor Companies as a going concern, including (without limitation):
- All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) (**List of tangible and intangible assets enclosed as Schedule I**) of the Transferor Companies, including but not limited to, plant and machinery, equipment, buildings and structures, offices, residential and other premises, sundry debtors, furniture, fixtures, office equipment, appliances, packing material, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), and interests in its subsidiaries, cash balances or deposits with banks, loans, advances, disbursements, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Companies, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, borrowing limits, investment limits benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/ or residential properties for the employees or other persons, guest houses, godowns, warehouses, fixed and other assets, domain names, tradenames, brandname, trademarks service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, good will, licenses (**List of Licenses/ Brand/ Trade Names enclosed as Schedule II**), 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, title, interests, other benefits (including tax benefits), easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the Transferor Companies and advantages of whatsoever nature and wheresoever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies or in connection with or relating to the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies, whether in India or abroad;
 - All liabilities (including contingent liabilities), including but not limited to, secured and unsecured debts, sundry creditors, duties and obligations of the Transferor Companies, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised;
 - All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, authorities, allotments, benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the business activities and operations of the Transferor Companies;

- IV. All records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Companies;
- V. All Permanent staff, workmen and employees engaged by the Transferor Companies as on the Effective Date.
- VI. All brand names, trademarks, trade names, patents and domain names, filings, dossiers copyrights, industrial designs, trade secrets, know-how; data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, product registrations, applications and authorizations and other intellectual property and all other interests exclusively relating to the goods or services being dealt with by the Transferor Companies; and
- VII. All intellectual property rights created, developed or invented by employees concentrated on the research, development or marketing of products (including process development or enhancement) in connection with the Transferor Companies;

All capitalized terms not defined but used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations and byelaws, as the case may be, or any statutory amendment(s) or re-enactment thereof, for the time being in force.

4. **SHARE CAPITAL:**

4.1 **TRANSFEROR COMPANIES:**

- a. The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company No.1, namely, Havells Global Ltd., as on March 31, 2018 is as under: -

Authorised Share Capital	Amount (Rs.)
Equity Shares of Rs.10/- each	5,00,000
Issued, Subscribed and Paid-up Capital	Amount (Rs.)
Equity Shares of Rs.10/- each, fully paid	5,00,000

- b. The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company No.2, namely, Standard Electrical Ltd., as on March 31, 2018 is as under: -

Authorised Share Capital	Amount (Rs.)
Equity Shares of Rs.10/- each	5,00,000
Issued, Subscribed and Paid-up Capital	Amount (Rs.)
Equity Shares of Rs.10/- each, fully paid	5,00,000

- c. The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company No.3, namely, Lloyd Consumer Pvt. Ltd., as on March 31, 2018 is as under: -

Authorised Share Capital	Amount (Rs.)
Equity Shares of Rs.10/- each	5,00,000
Issued, Subscribed and Paid-up Capital	Amount (Rs.)
Equity Shares of Rs.10/- each, fully paid	5,00,000

- d. The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company No.4, namely, Promptec Renewable Energy Solutions Pvt. Ltd., as on March 31, 2018 is as under: -

Authorised Share Capital	Amount (Rs.)
Equity Shares of Rs.10/- each	3,00,00,000/-
Redeemable Preference Shares of Rs. 10/-	55,00,000/-
Issued, Subscribed and Paid-up Capital	Amount (Rs.)
Equity Shares of Rs.10/- each, fully paid	2,63,62,260/-

4.2 **TRANSFeree COMPANY:**

The Authorised, Issued, Subscribed and Paid-up share capital of the Transferee Company, namely, Havells India Limited as on March 31, 2018 is as under: -

4.3 The shares of Transferor Companies are not listed on any Stock Exchange. The

Authorised Share Capital	Amount (Rs.)
Equity Shares of Rs.1/- each	100,05,00,000/-
Issued, Subscribed and Paid-up Capital	Amount (Rs.)
Equity Shares of Rs.1/- each, fully paid	62,51,48,473/-

shares of Transferee Company are listed on National Stock Exchange and BSE Limited.

4.5 The Scheme does not involve any Reduction in the Share Capital or Corporate Debt Restructuring, hence disclosures under Section 230 (2) (b) and 230 (2) (c) are not required to be made by the Transferor Companies or the Transferee Company.

4.6 The Transferor Companies being wholly owned subsidiaries of the Transferee Company and consequently, the present Scheme being not involving either issuance or subscription of shares, the compliance of proposed Rule 9A of The Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018, towards the requirement of dematerialization of the existing equity shares of any of the Transferor Companies is not required. The Transferee Company being a listed company, its shares are already in dematerialized form.

5. **GENERAL DISCLOSURES**

5.1 **TRANSFEROR COMPANIES**

i. The Transferor Company No.1, Havells Global Ltd. is a Public Limited Company incorporated on 04.07.2016 under the Companies Act, 2013 with CIN U31909DL2016PLC302444 and PAN AADCH9332C having email id bhavna.chugh@havells.com and registered office at 904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi - 110001 and has the following main objects:

- To carry on the business of manufacturing, assembling, altering, exchanging, buying, selling, importing, exporting, trading or otherwise dealing in all types of electrical goods and instruments including circuit breakers, HRC Fuses, Meters, rectifiers, converters and alternators, current transformers, switches, switchgears panels, contacts, all type of relays, plate switches, piano type switches, contractors, relays, motor control centre, connectors, capacitors, electric motors, generators, electric magnets, motor control centres, power control centres, distribution board, rising mains, bus trunking, overhead busbar systems, feeder pillars, lighting fixtures, fans, exhaust fans, air coolers, wiring accessories, iron clad switches, fuse units, distribution boxes, cut- outs, wires and cables, all aluminium conductor and aluminium conductor steel reinforced transformers, G.L.S Lamps, fancy shades, heating elements, bulbs, fluorescent tubes and its accessories such as chokes, starters, switches and condensers and also household and industrial appliances, vessels and utensils of all types including kitchenware, lifestyle products, other consumer durables and FMCG products.*
- To carry on the business of manufacturing, assembling, altering, exchanging, buying, selling, importing, exporting, trading or otherwise dealing in electronic and audio-visual goods of every nature and description as well as electronic goods required in any trade, industry, domestic or manufacture as well as all type of component parts, accessories, ancillaries, stores and spares and to engineer develop, design, assemble, import and export, buy, sell, trade and otherwise deal in industrial, mining, agricultural and such other machines and machinery and all types of tools, plants, equipments, instruments, appliances and hardware and software of all kinds, general fitting amalgams, accessories and appliances of all description made of metal, alloy, glass, synthetic and other fibres, chemicals and PVC compounds, plastic or any other materials and to take agencies of any firms, company or companies, within or outside India and to appoint agents, distributors, salesman, travellers, convessors, sales organisers for the products likewise in India or abroad.*

ii. The detail of Directors of Transferor Company no.1 is as under:

Sl. No.	Name of Directors	DIN No.	Date of Appointment
1	Sh. Anil Rai Gupta	00011892	04.07.2016
2	Sh. Surjit Kumar Gupta	00002810	04.07.2016
3	Sh. Ameet Kumar Gupta	00002838	04.07.2016

iii. The Transferor Company No.2, Standard Electrical Ltd. is a Public Limited Company incorporated on 12.09.2016 under the Companies Act, 2013 with CIN U31900DL2016PLC305794 and PAN AAXCS5894A having email id bhavna.chugh@havells.com and registered office at 904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi - 110001 and has the following main objects:

- a. *To carry on the business of manufacturing, assembling, exchanging, buying, selling, importing, exporting, trading or otherwise dealing in all types of electrical goods, light engineering goods and instruments such as all type of switches, plate switches, piano type switches, circuit breakers, HRC Fuses, Meters, rectifiers, converters and alternators, current transformers, switches, switchgear panels, contacts, all type of relays, contractors, relays, motors control centre, connectors, capacitors, electric motors, generators, electric magnets, motor control centres, power control centres, distribution board, rising mains, bus fans, air coolers, wiring accessories, iron clad switches, fuse units, distribution boxes, cut-outs, wires and cable, all aluminium conductor and aluminium conductor steel reinforced transformer, G.L.C Lamps, fancy shades, heating elements, bulbs, fluorescent tubes and its accessories such as chokes, starters, switches and condensers.*
- b. *To carry on the business of manufacturing, producers, processors, makers, converters, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, stockist, agents, factors, dealers, distributors, hirers or otherwise deal in every description of household and industrial appliances, vessels and utensils of all types including induction cookers, transformers, stabilizers, UPS, inverters, batteries, dispensers, water purifiers, utensils, cooktops, cookware, kitchenware, lifestyle products, kitchen hoods (chimneys), hobs and other consumer durables and FMCG products.*

iv. The detail of Directors of Transferor Company no.2 is as under:

Sl. No.	Name of Directors	DIN No.	Date of Appointment
1	Sh. Ameet Kumar Gupta	00002838	03.07.2018
2	Sh. Pardeep Kumar Gupta	00183838	12.09.2016
3	Smt. Bhavna Banerjee	07730454	08.02.2017

v. The Transferor Company No.3, Lloyd Consumer Pvt. Ltd. is a Private Limited Company incorporated on 05.05.2017 under the Companies Act, 2013 with CIN U29309DL2017PTC317324 and PAN AADCL3103B having email id bhavna.chugh@havells.com and registered office at 904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi - 110001 and has the following main objects:

- a. *To carry on the business of manufacturing assembling, altering, exchanging, buying, selling, importing, exporting, trading or otherwise dealing in all types of electrical goods and instruments including circuit breakers, HRC fuses, meters, rectifiers, converters and alternators, current transformers, switches, switchgear panels, electric motors, generators, electric magnets motor control centres, power control centers, distribution boards, rising mains, bus trunking, overhead busbar systems, feeder pillars, lighting fixtures, fans, exhaust fan, air coolers, wiring accessories, iron clad switches, fuse units, distribution boxes, cutouts, wires and cables all aluminum conductor and aluminum conductor steel reinforced transformers, G.L.C. lamps, fancy shades, heating elements, bulbs, fluorescent tubes and its accessories including chokes, starters, switches and condensers.*
- b. *To carry on the business of manufacturing, assembling, altering, exchanging, buying, selling, importing exporting, and otherwise dealing in electronic and audio-visual goods of every nature and description such as Television, Tape recorders, Radios, Records Players, Video Sets, Stereo system, decks, loud speakers, amplifiers, gramophones, records, tapes, watches, clocks, walkie talkies, cameras, cassettes, transistors, assemblers and distributor, electronic flash guns, electronic digital goods, microwave ovens, radio paging systems, computers, miniaturized circuits goods, micro modules, intercommunications sets, microphones, Dictaphones, telecommunication requisites, wireless/ laboratory/ testing equipment's, electronic consumer and domestic goods, musical and visual appliances, apparatus, instruments, equipment's and devices for amusement and entertainment, electronic goods required in any trade, industry or manufacture such as photographic, surgical, medical films, nautical, aeronautical, electrical defense industry and including equipment, instruments and goods used in generation, transmission and receiving of any impulses such as and sound, light, electronic and electrical impulses and all kinds of electronic accessories, appliances, implements, components, instruments, equipment stores and spares, spare parts, devices, contrivances, apparatus and supplies related to or connected with the aforesaid, and all such electronic goods adapted, invented and discovered in future.*

- c. *To carry on business of electrical engineers and manufacture of all kinds of heavy and light electrical machinery and equipment and apparatus for any purpose and to install, sell, hire or otherwise deal with the same in any manner whatsoever.*
 - d. *To produce, manufacture, refine, treat, cure, process, prepare, import, export, purchase, sell, and generally deal in all kinds of sanitary fittings and bathroom fittings such as brass fittings, steel fittings tiles and ceramic ware.*
 - e. *To carry on the business as manufacturers, producers, processors, makers, convertors, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, stockiest, agents, factors, dealers, distributors, hirers or otherwise deal in every description of household and industrial appliances, vessels and utensils of all types including induction cookers, transformers, stabilizers, UPS, inverters, batteries, dispensers, water purifiers, utensils, cooktops, cookware, kitchenware, lifestyle products, kitchen hoods (chimneys), hobs and other consumer durables and FMCG products.*
- vi. The detail of Directors of Transferor Company No.3 is as under:

Sl. No.	Name of Directors	DIN No.	Date of Appointment
1	Sh. Anil Rai Gupta	00011892	08.05.2017
2	Sh. Ameet Kumar Gupta	00002838	08.05.2017

- vii. The Transferor Company No.4, Promptec Renewable Energy Solutions Pvt. Ltd., is a Private Limited Company incorporated on 04.09.2008 under the Companies Act, 1956 with CIN U40108KA2008PTC047683 and PAN AAACP8149G having email id ameet.gupta@havells.com and registered office at Shibra Farms, Nagasandra Main Road, 8th Mile, Tumkur Road, Bangalore , Karnataka - 560073 and has the following main objects:
- a. *To carry on the business of analysing, designing, developing, enhancing, testing, manufacturing, marketing, sales, servicing electrical and electronics products, solutions, components used in renewable energy, general lighting, any other areas of power and energy industry in domestic and international markets.*
 - b. *To carry on the business of analysing, designing, developing, enhancing, testing, manufacturing, marketing, sales, servicing of products, solutions, components used in solar lighting, water heating, LED lighting, general lighting, any other consumer, commercial utilities to cater to domestic and international markets in the renewable energy, power and lighting industry.*
 - c. *To carry on the business of providing training, educational programs, consultancy services in relation to renewable energy, lighting and electronics.*
 - d. *To carry on the business of undertaking various testing, measurements, introduction of quality control systems and measures, to assess and implement various types of quality standards for products, process and services, conforming to various international and national standards in the area of power electronics, renewable energy systems and general lighting.*

- viii. The detail of Directors of Transferor Company no.4 is as under:

Sl. No.	Name of Directors	DIN No.	Date of Appointment
1.	Sh. Surjit Kumar Gupta	00002810	03.07.2018
2.	Sh. Ameet Kumar Gupta	00002838	15.05.2015
3.	Sh. Rajiv Goel	00714821	15.05.2015

5.2 There was no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in their Audit Report, obtained for the FY ended 31st March, 2018 of the Transferor Companies.

5.3 There is no investigation or proceeding pending against the Transferor Companies.

5.5 TRANSFEREE COMPANY

The Transferee Company is a Public Limited Company with CIN L31900DL1983PLC016304. The Transferee Company was incorporated on 08.08.1983 as a Private Limited Company in the name and style of "Havell's

India Private Limited" under the Companies Act, 1956. Subsequently, the Transferee Company was converted to Public Limited Company under the name of "Havell's India Limited" and a fresh Certificate of Incorporation dated 31.03.1992 was provided by the Registrar of Companies, Delhi & Haryana. Later on, the name of the Transferee Company was also changed from "Havell's India Limited" to Havells India Limited and a fresh Certificate of Incorporation dated 28.07.2007 was provided by the Registrar of Companies, Delhi & Haryana. The Transferee Company is having PAN AAACH0351E with email id sanjaykumar.gupta@havells.com and registered office at 904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi - 110001 has the following main objects:

- a. *To carry on the business of manufacturing assembling, altering, exchanging, buying, selling, importing, exporting or otherwise dealing in all types of electrical goods and instruments including circuit breakers, HRC fuses, meters, rectifiers, converters and alternators, current transformers, switches, switchgears, panels, electric motors, generators, electric magnets motor control centres, power control centres, distribution boards, rising mains, bus trunking, overhead busbar systems, feeder pillars, lighting fixtures, fans, exhaust fan, air coolers, wiring accessories, iron clad switches, fuse units, distribution boxes, cut outs, wires and cables all aluminium conductor and aluminium conductor steel reinforced transformers, G.L.C. lamps, fancy shades, heating elements, bulbs, fluorescent tubes and its accessories including chokes, starters, switches and condensers.*
- b. *To carry on the business of manufacturing, assembling, altering, exchanging, buying, selling, importing exporting, and otherwise dealing in electronic and audio-visual goods of every nature and description such as Television, Tape recorders, Radios, Records Players, Video Sets, Stereo system, decks, loud speakers, amplifiers, gramophones, records, tapes, watches, clocks, walkie talkies, cameras, cassettes, transistors, assemblers and distributor, electronic flash guns, electronic digital goods, microwave ovens, radio paging systems, computers, miniaturised circuits goods, micro modules, intercommunications sets, microphones, Dictaphones, telecommunication requisites, wireless/laboratory/ testing equipment, electronic consumer and domestic goods, musical and visual appliances, apparatus, instruments, equipment and devices for amusement and entertainment, electronic goods required in any trade, industry or manufacture such as photographic, surgical, medical films, nautical, aeronautical, electrical defence industry and including equipment, instruments and goods used in generation, transmission and receiving of any impulses such as and sound, light, electronic and electrical impulses and all kinds of electronic accessories, appliances, implements, components, instruments, equipment stores and spares, spare parts, devices, contrivances, apparatus and supplies related to or connected with the aforesaid, and all such electronic goods adapted, invented and discovered in future.*
- c. *To carry on business of electrical engineers and manufacture of all kinds of heavy and light electrical machinery and equipment and apparatus for any purpose and to install, sell, hire or otherwise deal with the same in any manner whatsoever.*
- d. *To produce, manufacture, refine, treat, cure, process, prepare, import, export, purchase, sell, and generally deal in all kinds of sanitary fittings and bathroom fittings such as brass fittings, steel fittings tiles and ceramic ware.*
- e. *To carry on the business as manufacturers, producers, processors, makers, convertors, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, stockist, agents, factors, dealers, distributors, hirers or otherwise deal in every description of household and industrial appliances, vessels and utensils of all types including induction cookers, transformers, stabilizers, UPS, inverters, batteries, dispensers, water purifiers, utensils, cooktops, cookware, kitchenware, lifestyle products, kitchen hoods (chimneys), hobs and other consumer durables and FMCG products.*
- f. *To manufacture, set-up, buy, sell, store, distribute, generate, develop, advise, repair and deal in all kinds and sources of energy such as electrical, mechanical and light derived from conventional and nonconventional method, natural and other sources including renewable energy, in particular from the use of oil, gas, coal, water and other source of energy such as Solar, Geothermal, Wind, Bio Gas, Gobar Gas, Waste and other residual products thereof and also to use, purchase, acquire, supply, distribute and apply the same for electrical, electronic and other products which the company deals in presently or may deal in future.*

- 5.6 There was no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in their Audit Report obtained for the FY ended 31st March, 2018 of the Transferee Company.

5.7 Details of the Directors of the Transferee Company as on March 31, 2018 are as under:

Sl. No.	Name of Directors	DIN No.	Date of Appointment
1.	Sh. Anil Rai Gupta	00011892	30.09.1992
2.	Sh. Surjit Kumar Gupta	00002810	08.08.1983
3.	Sh. Ameet Kumar Gupta	00002838	22.12.2014
4.	Sh. Rajesh Kumar Gupta	00002842	21.03.1992
5.	Sh. Surender Kumar Tuteja	00594076	11.05.2010
6.	Sh. Vijay Kumar Chopra	02103940	30.01.2009
7.	Dr. Adarsh Kishore	02902810	28.07.2010
8.	Smt. Pratima Ram	03518633	28.07.2014
9.	Sh. Mohandas Tellicheery Venkataraman Pai	00042167	22.12.2014
10.	Sh. Puneet Bhatia	00143973	22.12.2014
11.	Sh. Vellayan Subbiah	01138759	18.10.2016
12.	Sh. Jalaj Ashwin Dani	00019080	16.08.2017
13.	Sh. Upendra Kumar Sinha	00010336	01.03.2018

PART D

6. TRANSFER AND VESTING OF ALL THE UNDERTAKINGS OF THE TRANSFEROR COMPANIES INTO THE TRANSFEE COMPANY

- 6.1 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 without limitation, all the assets, properties, 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, 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 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 National Company Law Tribunal, 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 of the Transferee Company.

6.1.1 Without prejudice to the generality of Clause 6.1 above, upon occurrence of the Effective Date, the Transferor Companies shall stand merged and amalgamated into the Transferee Company with effect from the Appointed Date.

6.2 Transfer of Assets

6.2.1 All the assets and properties, including all rights, title, interest and all entitlements therein, comprised in the Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 230

to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, shall stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.

6.2.2 Without prejudice to the provisions of Clause 6.2.1 above, in respect of such of the assets and properties of the Undertaking as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Companies and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertaking, without requiring any separate deed or instrument or conveyance or any further additions or implications of stamp duty for the same.

6.2.3 In respect of movables other than those dealt with in Clause 6.2.2 above including sundry debts, Investment Limits, receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.

6.2.4 All the licenses, brand names (as signified in the names of Transferor Companies), permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Companies so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Companies and shall remain valid, effective and enforceable on the same terms and conditions. With respect to transfer of brand names (signified in the names of Transferor Companies), suitable intimation shall be delivered to Registrar of Companies to not to make them available for others as the same are brand names transferable in favour of the Transferee Company.

6.2.5 All assets and properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of the respective Transferor Companies, and all assets and properties which are acquired by the Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme. Provided however that no onerous assets shall have been acquired by the Transferor Companies after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

6.3 Transfer of Liabilities

6.3.1 All liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Companies of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "Liabilities"), shall, pursuant to the sanction of this Scheme by the National Company Law Tribunal 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, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

6.3.2 All debts, liabilities, duties and obligations of the Undertaking as on the Appointed Date, whether or not provided in the books of the respective Transferor Companies, and all debts and loans raised, and duties,

liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.

6.3.3 Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.

6.3.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

6.4 Encumbrances

6.4.1 The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under Clauses 6.1 and 6.2 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.

6.4.2 All the existing securities, mortgages, charges, encumbrances or liens (the "**Encumbrances**"), if any, as on the Appointed Date and created by the Transferor Companies after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Companies, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company, provided however that no Encumbrances shall have been created by the Transferor Companies over its assets after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

6.4.3 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Undertaking transferred to and vested in the Transferee Company by virtue of this Scheme.

6.4.4 Any reference in any security documents or arrangements (to which the Transferor Companies are a party) to the Transferor Companies and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Companies transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Companies and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Company to give formal effect to the above provisions, if required.

6.4.5 Upon occurrence of the Effective Date, the Transferor Companies shall stand merged and amalgamated into the Transferee Company with effect from the Appointed Date and the Transferee Company alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.

7. CONTRACTS, DEEDS, ETC.

7.1 All contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.

7.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Companies are a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall,

under provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of Transferor Companies.

- 7.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies shall without any further act or deed, stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

8. LEGAL PROCEEDINGS

- 8.1 All Legal Proceedings of whatsoever nature by or against the respective Transferor Companies pending at the Appointed Date and or arising after the Appointed Date till the Effective Date, shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the respective Transferor Companies, as and from the Effective Date.
- 8.2 After the Appointed Date, if any Legal Proceedings are taken against the respective Transferor Companies it shall defend the same at the cost of the Transferee Company and the Transferee Company shall reimburse and indemnify the respective Transferor Companies against all liabilities and obligations incurred by the Transferor Companies in respect thereof.
- 8.3 The Transferee Company undertakes to have all Legal Proceedings initiated by or against the respective Transferor Companies, transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the respective Transferor Companies.

9. CONDUCT OF BUSINESS

- 9.1 Upon occurrence of the Effective Date:

- (a) The respective Transferor Companies shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for, the Transferee Company.
- (b) All the profits or income accruing or arising to the respective Transferor Companies, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Companies shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company.
- (c) Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the respective Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Companies shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

- 9.2 With effect from the date of filing of this Scheme with the National Company Law Tribunal and up to and including the Effective Date:

- (a) The respective Transferor Companies shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group Company or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances:
 - (i) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with National Company Law Tribunal; or
 - (ii) if the same is permitted by this Scheme; or
 - (iii) if consent of the Board of Directors of the Transferee Company has been obtained.

- (b) The respective Transferor Companies shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations other than decisions already taken prior to approval of the Scheme by the respective Board of Directors (ii) any agreement or transaction; (iii) any new business, or discontinue any existing business or change the capacity of facilities and (iv) such other matters as the Transferee Company may notify from time to time save and except in each case in the following circumstances:
- (i) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with National Company Law Tribunal; or
 - (ii) if the same is permitted by this Scheme; or
 - (iii) if consent of the Board of Directors of the Transferee Company has been obtained.

10. TREATMENT OF TAXES

Upon occurrence of the Effective Date:

- 10.1 Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956, any other state Sales Tax / Value Added Tax laws, Goods and Services Tax, luxury tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the respective Transferor Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.
- 10.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, GST etc.) paid or payable by the respective Transferor Companies in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the respective Transferor Companies in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 10.3 Any refund under the Tax Laws due to respective Transferor Companies consequent to the assessments made on Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 10.4 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, GST etc., to which the respective Transferor Companies are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

11. STAFF, WORKMEN & EMPLOYEES

- 11.1 All the permanent employees of the respective Transferor Companies who are in its employment as on the Effective Date shall become the permanent employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Companies. It is clarified that the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, shall be entitled to all such employment policies and shall be entitled to avail of all schemes and benefits that may be applicable and available to any of the employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the employees of the Transferee Company), unless otherwise determined by the Board of Directors of the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the Transferor Companies with any union/employee of the Transferor Companies (as may be recognized by the Transferor Companies). After the Effective Date, the Transferee Companies shall be entitled to vary the terms and conditions as to employment and remuneration of the employees of the Transferor Companies on the same basis as it may do for the employees of the Transferee Company.
- 11.2 The existing provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits created by the Transferor Companies or any other special funds created or existing for the benefit of the concerned permanent employees of the Transferor Companies (collectively referred to as the "Funds") and the investments made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the

Transferee Company for the benefit of the employees of the Transferor Companies or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing Funds separately and contribute thereto, until such time as the Transferee Company creates its own funds at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Companies shall be transferred to such funds of the Transferee Company.

12. CONSIDERATION:

12.1 Transferor Companies are the wholly owned subsidiaries of the Transferee Company. Upon the Scheme being sanctioned by the Hon'ble Tribunal and the transfer having been effected as provided hereinabove, all equity shares held by the Transferee Company and its Nominee(s) in the Transferor Companies shall be cancelled and extinguished as on the Appointed Date. Accordingly, there will be no issue and allotment of equity shares of the Transferee Company to the Shareholders of the Transferor Companies upon this Scheme becoming effective.

12.2 Upon the Scheme becoming effective, the Authorized Share Capital of the Transferee Company of Rs. 100,05,00,000/- (Rupees One Hundred Crore and Five Lakhs only) divided into 100,05,00,000 equity shares of Re. 1/- each, in terms of the provisions of the Companies Act, shall without further act or deed stand increased by the amount of cumulative Authorised Share Capital of the all the Transferor Companies by Rs. 3,15,00,000 and Rs. 55,00,000 divided into 5,50,000 Redeemable Preference Shares of Rs. 10 each, without payment of any additional fees or charges to the Registrar of Companies. The fees paid by respective Transferor Companies to the Registrar of Companies for their respective authorized share capital shall be deemed to have been paid by the Transferee Company. Upon the coming into effect of the Scheme, the Capital Clause V of the Memorandum of Association of the Transferee Company shall, without any further act or deed be replaced by the following Clause and the Transferee Company will not be required to pass any fresh resolution in this regard:

"The Authorised Capital of the Company is Rs. 103,75,00,000/- (Rupees One Hundred and Three Crores Seventy Five Lakhs only) divided into 103,20,00,000 (One Hundred and Three Crores Twenty Lakhs only) Equity Shares of Re. 1/- (Rupee One only) each and 5,50,000 (Five Lakh Fifty Thousand only) Redeemable Preference Shares of Rs. 10 (Rupees Ten only) each."

12.3 It is clarified that for the purposes of Clause 12.2, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the amendment, and no further resolution(s) under the applicable provisions of the Act, would be required to be separately passed, nor any registration fee, stamp duty, etc. shall be payable by the Transferee Company.

12.4 Save as provided in Clause 12.2 above, the Transferee Company shall increase/ modify its Authorized Share Capital, as applicable, for the purpose of implementing the terms of this Scheme.

12.5 It is clarified that no Special Resolution under Section 62 of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of shares to the shareholders of the Transferor Companies under this Scheme and on the members of the Transferee Company approving this Scheme, it shall be deemed that they have given their consent to the issue of equity shares of the Transferee Company to the shareholders of the Transferor Companies in the Share Exchange Ratio.

PART E

13. ACCOUNTING TREATMENT

13.1 Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in its books of account in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, or any other relevant or related requirement under the Companies Act, as applicable on the Effective Date.

13.2 Accounting policies of the Transferor Companies will be harmonized with that of the Transferee Company following the amalgamation (i.e. merger by way of absorption).

13.3 The Transferee Company shall, upon the Scheme being sanctioned by the National Company Law Tribunal, record the assets and liabilities of the Transferor Companies vested in it pursuant to the Scheme of Amalgamation, at the respective book values thereof as appearing in the books of the Transferor Companies, prepared in accordance with Indian Accounting Standards.

13.4 Amounts lying in the balance of the "Profit and Loss Account" in the books of account of the Transferor Companies shall be adjusted by the Transferee Company to its "Profit and Loss Account."

- 13.5 The inter-company balances between the Transferee Company and the Transferor Company, if any appearing in the books of the Transferee Company shall stand cancelled. Further, the value of investments held by the Transferee Company on the Appointed date shall stand cancelled pursuant to amalgamation.
- 13.6 If there is any difference in accounting policies of the Transferor Companies and that of the Transferee Company, the impact of the same till the appointed date will be quantified and same should be appropriately adjusted and reported in accordance with the applicable accounting rules and principles, so as to ensure that the financial statement of the Transferee Company reflects the financial position on the basis of consistent accounting policies.
- 13.7 The difference between the share-capital of the Transferor Companies and the book value of the investments cancelled in terms of Clause 13.5 above shall be transferred to Capital Reserve and would be presented separately from other capital reserves in the books of Transferee Company. However, where such difference between the share-capital of the Transferor Companies and the book value of the investments cancelled in terms of Clause 13.5 is negative, such negative balance shall be adjusted to General Reserve.
- 13.8 Subject to the above, the reserves of the Transferor Company will be incorporated in the books of the Transferee Company in the same form as they appeared in the financial statements, prepared in accordance with Indian Accounting Standards, of the Transferor Company.
- 13.9 Further in case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted in the Retained earnings of the Transferee Companies, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

PART F

GENERAL TERMS AND CONDITIONS

14. COMPLIANCE WITH LAW

- 14.1 **Scheme becoming effective:** Subject to the stipulations of Clause 17 (Conditionality), this Scheme shall become effective on occurrence of Effective Date.
- 14.2 This Scheme is presented and drawn up to comply with the provisions/ requirements of Sections 230 to 232 of the Act, for the purpose of amalgamation of the Transferor Companies with the Transferee Company and other related arrangements and compromise, including reorganization of shareholding, etc., amongst the Transferor Companies, the Transferee Company and / or their respective shareholders.
- 14.3 This Scheme has been drawn up to comply with the conditions relating to 'amalgamation' as specified under the tax laws, including section 2(1B) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Transferor Companies and the Transferee Company, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.
- 14.4 Upon occurrence of the Effective Date, Transferee Company is expressly permitted to revise its financial statements, as may be necessary to give effect to this Scheme.
- 14.5 This Scheme shall not in any manner affect the right of any of the creditors of the Transferor Companies, who shall continue to enjoy all such rights against the Transferee Company, as they had against the Transferor Companies.

15. DISSOLUTION OF THE TRANSFEROR COMPANIES WITHOUT WINDING UP

Upon occurrence of the Effective Date, the Transferor Companies shall stand dissolved without winding-up, and the Board of Directors and any committees thereof of the Transferor Companies shall without any further act, instrument or deed be and stand dissolved.

16. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon occurrence of the Effective Date, the resolutions, if any, of Transferor Companies, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have 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 to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

17. CONDITIONS TO AND DATE OF SCHEME BECOMING EFFECTIVE:

17.1 Subject to Clause 17.2 hereof, the Scheme in its present form or with any modification(s) approved or directed by the National Company Law Tribunal or any other appropriate authority shall be effective from the Appointed Date, but shall be operative from the Effective Date

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

- i. The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme;
- ii. The certified copies of the orders of the National Company Law Tribunal under Sections 230 to 232 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Delhi and Haryana and the Registrar of Companies, Bangalore; and
- iii. Compliance with such other conditions as may be directed by the National Company Law Tribunal.

18. APPLICATION TO NATIONAL COMPANY LAW TRIBUNAL

The Transferor Companies and the Transferee Company shall, with all reasonable diligence, make and pursue applications to the National Company Law Tribunal, New Delhi and Bangalore Bench, for sanctioning this Scheme of Amalgamation under Section 230 and 232 of the Act, for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up.

19. MODIFICATIONS

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

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

20. EFFECT OF NON-RECEIPT OF APPROVALS

20.1 In the event any of the approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Transferee Company and the Transferor Companies shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme is not sanctioned by the National Company Law Tribunal, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

20.2 Further, in the case of non-receipt of approvals to the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Transferor Companies or the Transferee Company or their shareholders or creditors or employees or any other person.

21. COSTS, CHARGES, EXPENSES AND STAMP DUTY

All costs, charges and expenses (including any taxes and duties) incurred or payable by each of the Transferor Companies and Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company in pursuance of this Scheme, including stamp duty on the Orders of National Company Law Tribunal, if any and to the extent applicable and payable, shall be borne and paid by the Transferee Company.

Schedule-I

List of Tangible and Intangible Assets as on 1st Day of April, 2018

S No	Asset	Location
1.	Leasehold Land and Building-Unit-1	Shibra Farms,Nagasandra Main Road,Near 8th Mile Tumkur Road, Bangalore-560073
2.	Leasehold Land and Building-Unit-2	Survey No. 250/2, Murli Mohan Godown N H 4 Huchegowdanapalya T.Begur Village & Post, Nelamangala T.Begur Bangalore Rural Karnataka 562123
3.	Other Moveable Assets - Unit -1	Shibra Farms,Nagasandra Main Road,Near 8th Mile Tumkur Road, Bangalore-560073
4.	Other Moveable Assets - Unit - 2	Survey No. 250/2, Murli Mohan Godown N H 4 Huchegowdanapalya T.Begur Village & Post, Nelamangala T.Begur Bangalore Rural Karnataka 562123

Schedule-II

List of Licenses/Brand/Trade Names, etc. as on 1st day of April, 2018

A. List of Licences & Trade Marks

S No	Type of Registration Certificate	Reg. No	Valid Upto	Issuing Authority
1.	Factory License -Unit-1	MYB-17482	31.12.2020	Department of Factories & Boilers
2.	Factory License -Unit-2	MYB-22635	31.12.2018	Department of Factories & Boilers
3.	Hazardous Waste Authorisation	NO.PCB/152/WMC/ AUTHORIZATI ON/ 2015/H1400	30.06.2020	Karnataka State Pollution Control Board
4.	PF Registration	KN/BN/ PYPNY0031335000	NA	Employee Provident Fund organisation Regional Office Bangalore
5.	ESI Registration	KAR.INSRN.49-30264-52	NA	Employee State Life Insurance Corporation
6.	PT Registration	P01212608	NA	Commercial Tax Department
7.	Contract Labour License -Unit1Office	ALCB1/CLA/P-31/2015-16	NA	Department of Labour
8.	Contract Labour License -Unit1Factory	ALC-B-1/CL A/P-1000000356/201617	NA	Department of Labour
9.	Combined Consent for operating Air & Water KSPCB - Unit1-Office	PCB/BNG- DASARAHALLI/WPC /APC/201314/R1451	31.12.2022	Karnataka State Pollution Control Board
10.	Combined Consent for operating Air & Water KSPCB - Unit 2 Factory	CTE-10539913	29.12.2022	Karnataka State Pollution Control Board

S No	Type of Registration Certificate	Reg. No	Valid Upto	Issuing Authority
11.	Legal Metrology	KAR-1124436/16-17	NA	Department of Legal Metrology
12.	BBMP Trade License	DA06039746153608341	31.03.2019	Bruhat Bangalore Mahanagara Palike
13.	Fire NOC -Unit-1-Office	C.NO.69/CFO/BWZ/2017	17.11.2018	Karnataka Fire & Emergency Services Department
14.	Fire NOC -Unit-2-factory	C.NO.70/CFO/BWZ/2017	17.11.2018	Karnataka Fire & Emergency Services Department
15.	Shops & Establishment License - Unit II	NML/T.B/CE/0006/2016	31.12.2020	Office of Labour Inspector Nelamangala Circle
16.	ISO 9001:2015 QMS	PRESPL/QMS/GR/01/435	23.08.2019	ISO
17.	ISO 14001:2015 EMS	PRESPL/QMS/GR/01/435	23.08.2019	ISO
18.	R&D Certificate	TU/IV-RD/3877/2018	31.03.2021	Department of Scientific & Industrial Research
19.	GST registration	29AAECP8149G1Z1	NA	Government of Karnataka
20.	PAN	AAECP8149G	NA	Income Tax Department
21.	Export License	EEPC/ROC/DVK/REGN/2018/2159	31.03.2019	Engineering Export Promotion Council
22.	Trade Mark Registration	Trade Mark No. 3370339 as of date 22/09/2016	NA	Trade Marks Registry, Mumbai, Government of India
23.	Trade Mark Registration	Trade Mark No. 3370342 as of date 22/09/2016	NA	Trade Marks Registry, Mumbai, Government of India

B. List of Trade Names & Brand Names

1. Trade Name comprised in "**Standard Electrical**"
2. Trade Name comprised in "**Promptec**"
3. Trade Name comprised in "**Lloyd**"