

**Scheme of Amalgamation**  
(PURSUANT TO SECTIONS 230 AND 232 OF THE COMPANIES ACT, 2013)  
of

**Techno Electric & Engineering Company Limited**  
with  
**Simran Wind Project Limited**

**PART - I**  
(Preliminary)

**1. DEFINITIONS:**

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

- i. **"Act"** means the Companies Act, 2013 or any statutory modifications or re-enactment thereof.
- ii. **"Appointed Date"** means the 1st day of April, 2017.
- iii. **"Board of Directors" or "Board"** means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.
- iv. **"Effective Date"** means the date or last of the dates on which certified copies of the order of the Hon'ble Tribunal sanctioning this Scheme are filed by the Transferor Company and the Transferee Company with the Registrar of Companies, Uttar Pradesh.
- v. **"Scheme"** means this Scheme of Amalgamation of the Transferor Company with the Transferee Company in its present form or with such modifications as sanctioned by the Hon'ble Tribunal.
- vi. **"Transferor Company"** means Techno Electric & Engineering Company Limited, a Company incorporated under the provisions of the Companies Act, 1956 and being a Company within the meaning of the Companies Act, 2013 having its registered office at C-218, Ground Floor (GR-1), Sector-63, NOIDA 201 307 in the State of Uttar Pradesh..
- vii. **"Transferee Company"** means Simran Wind Project Limited, a Company incorporated under the provisions of the Companies Act, 1956 and being a Company

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within the meaning of the Companies Act, 2013 and having its registered office at C-218, Ground Floor (GR-2), Sector-63, NOIDA 201307 in the State of Uttar Pradesh.

viii. **"Tribunal"** means the Hon'ble National Company Law Tribunal having its Bench at Allahabad.

ix. **"Undertaking of the Transferor Company"** means and includes:

- (i) All the properties, assets, rights and powers of the Transferor Company; and
- (ii) All the debts, liabilities, duties and obligations of the Transferor Company.

Without prejudice to the generality of the foregoing clause the said Undertaking shall include all rights, powers, interests, authorities, privileges, liberties and all properties and assets, real or personal, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and wherever situate including all lands, buildings, plant and machinery, office equipments, inventories, investments in shares, debentures, bonds and other securities, sundry debtors, cash and bank balances, loans and advances, leases and all other interests and rights in or arising out of such property together with all liberties, easements, advantages, exemptions, approvals, licenses, trade marks, patents, copyrights, import entitlements and other quotas, if any, held, applied for or as may be obtained hereafter by the Transferor Company or which the Transferor Company is entitled to together with the benefit of all respective contracts and engagements and all respective books, papers, documents and records of the Transferor Company.

x. Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto.


## 2. **SHARE CAPITAL:**

The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company and the Transferee Company as on the date of the approval of the Scheme by the Boards of the said Companies, i.e. as on 6<sup>th</sup> July, 2017 is as under:

### i. The Transferor Company:

<u>Authorised Share Capital:</u>	<u>(Rs.)</u>
42,49,00,000 Equity Shares of Rs.2/- each	84,98,00,000
5,50,20,000 Preference Shares of Rs.10/- each	55,02,00,000
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	140,00,00,000

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Issued, Subscribed and Paid up Share Capital:

11,26,82,400 Equity Shares of Rs.2/- each fully paid up	22,53,64,800
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ii. The Transferee Company:

<u>Authorised Share Capital:</u>	<u>(Rs.)</u>
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97,50,00,000 Equity Shares of Rs.2/- each	195,00,00,000
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2,50,00,000 Preference Shares of Rs.10/- each	25,00,00,000
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220,00,00,000  
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Issued, Subscribed and Paid up Share Capital:

89,10,56,331 Equity Shares of Rs.2/- each fully paid up	178,21,12,662
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The entire Paid-up Equity Share Capital of the Transferee Company is held by the Transferor Company along with its nominees. Accordingly, the Transferee Company is a wholly owned (100%) subsidiary of the Transferor Company.

**3. OBJECTS AND REASONS:**

i. The Transferor Company is a well established engineering, procurement and construction (EPC) contracting company with its focus primarily on the Indian power sector. The Transferor Company provides engineering, procurement and construction services for Fuel Oil Storage and Handling Systems, Comprehensive Piping systems including Power Cycle Piping, Process Plant installation, Fire Protection Systems, Extra High Voltage (EHV) Switchyards, EHV Sub Stations, Power Plant Cabling System, Plant Electrical Distribution System including Plant Earthing Systems and Lightning Protection System and Plant Illumination Systems and such like. The Transferor Company also possess specific domain knowledge that enables it to serve the Steel, Fertilizer, Metals and Petrochemicals sectors along with specialized jobs in diversified manufacturing. The Transferor Company has also forayed into providing transmission network solutions on the Build, Own, Operate and Transfer (BOOT) and Build, Own, Operate and Maintain (BOOM) segment of such business through two of its subsidiaries. The Transferor Company also has substantial interests in the business of generating power from wind mills through the Transferee Company as mentioned hereinafter.

ii. The Transferee Company is engaged in the business of acquiring and commissioning wind mills. Recognising the potential existing in such business, the Transferor Company acquired the entire Share Capital of the Transferee Company from its promoters and the Transferee Company is accordingly a wholly owned (100%) subsidiary of the Transferor Company. At present, the Transferee Company has a

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total of 79 wind mills with an aggregate rated power generating capacity of 129.90 MW at various locations in the States of Tamil Nadu and Karnataka. Such business of generating power from wind mills has good potential for further growth and developments as it represents an environment friendly alternative to thermal and nuclear power. The other businesses of the Transferor Company also have good potential for growth and development. In view, inter alia, of the same, there are plans for expansion in all the business segments for which significant funds are required to be raised in the coming years.

- iii. The undertakings and business of the Transferor Company and the Transferee Company can be combined, held and pursued in one entity more conveniently and advantageously with better capacity for fund raising, growth and expansion. Further, the Transferee Company is a project ownership company which has invested substantial amount in its capital assets. In the new projects being undertaken and proposed to be undertaken in the business of the Transferor Company, ownership of such capital assets will enable the said business to fulfill more effectively the pre-qualification criteria for bidding for such new projects. Amalgamation of the two companies is proposed accordingly. The operating units of the Transferee Company are however situated at various locations and are also more numerous as compared to those of the Transferor Company, as aforesaid. Further, the Transferor Company does not have any permanent operating facility in its EPC business in any one location, as the nature of such business is such that it is primarily carried on by providing on-site services at various customer locations. In view, inter alia, of the same and nature of the respective undertakings and assets of the said companies, as aforesaid, operationally it is considered more convenient to amalgamate the Transferor Company with the Transferee Company than vice-versa.
- iv. In the circumstances it is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company with the resulting amalgamated entity adopting and succeeding to the more established name and goodwill of the Transferor Company in the manner and on the terms and conditions stated in this Scheme of Amalgamation.
- v. The amalgamation will enable appropriate consolidation and integration of the operations and activities of the Transferor Company and the Transferee Company and result in the formation of a larger and more broad based company having greater capacity to raise and access funds for growth and expansion of its business, marketing and selling its products and services and conducting trade on more favourable terms.

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- vi. The business of the amalgamated entity will be carried on more efficiently and economically as a result, inter alia, of pooling and more effective utilisation of the combined resources of the said companies and substantial reduction in costs and expenses which will be facilitated by and follow the amalgamation. As such the amalgamation of the Transferor Company with the Transferee Company will enable greater realisation of the potential of the business of the Transferor Company and the Transferee Company in the merged entity and have beneficial results for the said Companies, their shareholders and all concerned.

## **PART - II**

### **(The Scheme)**

#### **4. TRANSFER OF UNDERTAKING:**

- 4.1 With effect from the Appointed Date, the Transferor Company shall stand amalgamated with the Transferee Company, as provided in the Scheme. Accordingly, the Undertaking of the Transferor Company shall, pursuant to the provisions contained in Section 232 and other applicable provisions of the Act and subject to the provisions of the Scheme in relation to the mode and manner of vesting, stand transferred to and vest in or be deemed to be transferred to and vested in the Transferee Company, as a going concern without any further act, deed, matter or thing (save as provided in Clause 4.2 below) so as to become on and from the Appointed Date, the Undertaking of the Transferee Company.
- 4.2 It is expressly provided that in respect of the assets of the Transferor Company as are movable in nature or otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee Company accordingly without requiring any deed or instrument of conveyance for the same.
- 4.3 In respect of the assets of the Transferor Company other than those referred to in Clause 4.2 above, the same shall, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company pursuant to an order passed under the provisions of Section 232 of the Act.
- 4.4 All debts, liabilities, duties and obligations of the Transferor Company shall be transferred to the Transferee Company, without any further act or deed, pursuant to the provisions of Section 232 of the Act, so as to become the debts, liabilities, duties and obligations of the Transferee Company.
- 4.5 The transfer of the Undertaking of the Transferor Company, as aforesaid, shall be subject to the existing charges, if any, over or in respect of any of the assets or any



part thereof, provided however that such charges shall be confined only to the relative assets of the Transferor Company or part thereof on or over which they are subsisting on transfer of such assets to the Transferee Company and no such charges shall extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to any assets of the Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company. Similarly, the Transferee Company shall not be required to create any additional security over assets acquired by it under this Scheme for any loans, debentures, deposits or other financial assistance already availed/to be availed by it and the charges in respect of such indebtedness of the Transferee Company shall not extend or be deemed to extend or apply to the assets so acquired by the Transferee Company.

- 4.6 Subject to the other provisions of this Scheme, all licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates obtained by the Transferor Company for their operations and/or to which the Transferor Company is entitled to in terms of the various Statutes and / or Schemes of Union and State Governments, shall be available 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. Since the Undertaking of the Transferor Company will be transferred to the Transferee Company as a going concern without any break or interruption in the operations thereof, the Transferee Company shall be entitled to the benefit of all such licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates and to carry on and continue the operations of the Undertaking of the Transferor Company on the basis of the same upon this Scheme becoming effective. Further, all benefits to which the Transferor Company is entitled in terms of the various Statutes and / or Schemes of Union and State Governments, including credit for MAT, Advance tax and tax deducted at source and other benefits under Income Tax Act, tax credits and benefits relating to Excise (including Modvat/Cenvat), Sales Tax, Service Tax, Goods and Services Tax subsidies, grants etcetera shall be available to the Transferee Company upon this Scheme becoming effective.
- 4.7 Taxes, if any, paid or payable by the Transferor Company on or after the Appointed Date shall be treated as paid or payable by the Transferee Company and the Transferee Company shall be entitled to claim the credit, refund or adjustment for the same as may be applicable. Upon the Scheme becoming effective, the Transferor Company and / or the Transferee Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and

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annexures under the Tax laws and to claim refunds and/ or credit for taxes paid and for matters incidental thereto, as may be required to give effect to the various provisions of this Scheme.

- 4.8 For the removal of doubts, it is clarified that to the extent that there are inter-company loans, deposits, obligations, balances or other outstanding as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

**5. LEGAL PROCEEDINGS:**

If any suits, actions and proceedings of whatsoever nature (hereinafter called "**the Proceedings**") by or against the Transferor Company is pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.

**6. CONTRACTS AND DEEDS:**

Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements, engagements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.

**7. SAVING OF CONCLUDED TRANSACTIONS:**

The transfer of the Undertaking of the Transferor Company under Clause 4 above, the continuance of Proceedings under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above, shall not affect any transaction or Proceedings already concluded by the Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts,

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deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

**8. EMPLOYEES:**

On and from the Effective Date:

8.1 All the employees of the Transferor Company in service on the Effective Date shall become the employees of the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company without treating it as a break, discontinuance or interruption in service on the said date. Accordingly, it is clarified that the terms and conditions of service applicable to the said employees in the Transferee Company will not in any way be less favourable to them than those applicable to them immediately before the transfer.

8.2 The services of such employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company.

8.3 It is expressly provided that the Provident Funds, Gratuity Funds, Superannuation Fund or any other Fund or Funds created or existing for the benefit of the employees, as applicable, of the Transferor Company shall be continued by the Transferee Company and the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company.

**9. DISSOLUTION OF THE TRANSFEROR COMPANY:**

The Transferor Company shall be dissolved without winding up pursuant to the provisions of Section 232 of the Act.

**10. CONDUCT OF BUSINESS TILL EFFECTIVE DATE:**

10.1 With effect from the Appointed Date and up to the Effective Date:

- i. The Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall hold and stand possessed of and be deemed to have held and stood possessed of all its assets for and on account of and in trust for the Transferee Company.

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- ii. The Transferor Company shall carry on its businesses and activities with due diligence and business prudence and shall not charge, mortgage, encumber or otherwise deal with their assets or any part thereof, nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of their business, without the prior written consent of the Transferee Company.
  - iii. All profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company including accumulated losses shall for all purposes be deemed to have accrued as the profits or income or expenditure or losses, as the case may be, of the Transferee Company.
- 10.2 The Transferor Company and the Transferee Company shall however be entitled to declare and pay dividend, to their respective shareholders for the period from the Appointed Date to the Effective Date or any part thereof consistent with the past practice or in ordinary course of business, whether interim or final. Any other dividend shall be recommended/ declared only by mutual consent of the Transferor Company and the Transferee Company. It is clarified that the aforesaid provisions in respect of dividend are enabling provisions only and shall not be deemed to confer any right on any shareholder of the said companies to demand or claim or be entitled to any dividend which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of the Transferor Company and the Transferee Company and subject to approval, if required, of their shareholders.
- 11. ISSUE OF EQUITY SHARES**
- 11.1 Upon the Scheme coming into effect, and without any further application, act or deed, the Transferee Company shall, in consideration of the amalgamation, issue and allot to the members of the Transferor Company holding fully paid-up Equity Shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on such date ("**Record Date**"), as the Board of Directors of the Transferee Company shall determine, Equity Shares of the face value of Rs.2/- each in the Transferee Company, credited as fully paid up with rights attached thereto as hereinafter mentioned (hereinafter referred to as the "**New Equity Shares**") in the following ratio:
- 1 (One) New Equity Share of Rs.2/- each in the Transferee Company credited as fully paid up for every 1 (One) Equity Share of Rs.2/- each fully paid-up held by them in the capital of the Transferor Company.



- 11.2 The New Equity Shares of the Transferee Company to be issued and allotted in lieu of the Equity Shares of the Transferor Company shall rank pari passu in all respects with the existing Equity Shares of the Transferee Company. Further such new Equity Shares shall pursuant to the Securities Exchange Board of India ("SEBI") Circular CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017 ("SEBI Circular"), and subject to compliance with requisite formalities, be listed and/or admitted to trading on the relevant stock exchange(s) where the existing Shares of the Transferor Company are listed and/or admitted to trading.
- 11.3 In respect of the shareholding of the members of the Transferor Company held in dematerialised form, the Equity Shares in the Transferee Company shall, subject to applicable regulations, also be issued to them in the dematerialised form pursuant to clause 11.1 above with such shares being credited to the existing depository accounts of the members of the Transferor Company entitled thereto, as per records maintained by the National Securities Depository Limited and / or Central Depository Services (India) Limited on the Record Date. In respect of the shareholding of the members in the Transferor Company held in the certificate form, the Equity Shares in the Transferee Company shall be issued to such members in certificate form. Members of the Transferor Company desirous of receiving the new shares in the Transferee Company in dematerialised form should have their shareholding in the Transferor Company dematerialised on or before the Record Date.
- 11.4 The New Equity Shares of the Transferee Company allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.
- 11.5 Apart from cancellation of existing shares of the Transferee Company as provided in clause 12 herein, there shall be no change in the shareholding pattern or control in the Transferee Company between the Record Date and the listing which may affect the status of the approval of the Stock Exchanges to this Scheme.
- 11.6 Consequent to and as part of the amalgamation of the Transferor Company with the Transferee Company herein, the Authorised Share Capital of the Transferor Company shall stand merged into and combined with the Authorised Share Capital of the Transferee Company pursuant to the Scheme, without any further act of deed, and without payment of any registration or filing fee on such combined Authorised Share Capital, the Transferor Company and the Transferee Company having already paid such fees. Accordingly, the Authorised Share Capital of the Transferee Company resulting from the amalgamation of the Transferor Company with the Transferee Company shall be a sum of Rs. 360,00,00,000/- divided into 139,99,00,000 Equity Shares of Rs.2/- each and 8,00,20,000 Preference Shares of Rs.10/- each. Clause V of

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the Memorandum of Association of the Transferee Company shall stand altered accordingly and substituted by the following Clause:

*"The Authorised Share Capital of the Company is Rs 360,00,00,000/- (Rupees Three Hundred Sixty Crores) divided into 139,99,00,000 (One Hundred Thirty Nine Crores Ninety Nine Lakhs) Equity Shares of Rs.2/- (Rupees Two) each and 8,00,20,000 (Eight Crores Twenty Thousand) Preference Shares of Rs.10/- (Rupees Ten) each."*

**12. CANCELLATION OF EXISTING EQUITY SHARES OF THE TRANSFEE COMPANY:**

Upon the Scheme becoming effective, all Equity Shares held by the Transferor Company in the share capital of the Transferee Company, shall stand cancelled, without any further act or deed as an integral part of this Scheme and in lieu thereof no allotment of any new shares in the Transferee Company shall be made to any person whatsoever.

**13. CHANGE OF NAME:**

- 13.1 Consequent to the amalgamation and upon the Scheme becoming effective, the name of the Transferee Company shall be changed to "Techno Electric & Engineering Company Limited". Clause I of the Memorandum of Association shall stand altered accordingly and substituted by the following Clause:

*"The Name of the Company is Techno Electric & Engineering Company Limited."*

- 13.2 The Transferee Company shall file the requisite forms and take necessary steps to give effect to such change of name.

**14. ACCOUNTING:**

- 14.1 The amalgamation shall be accounted for in the books of account of the Transferee Company according to the pooling of interests method under Indian Accounting Standard (Ind AS) 103, Appendix C, applicable to business combinations of entities under common control notified under the Companies (Indian Accounting Standards) Rules, 2015.
- 14.2 Accordingly on and from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required and except to the extent required otherwise by law, all assets and liabilities of the Transferor Company transferred to the Transferee Company under the Scheme shall be recorded in the books of accounts of the Transferee Company at the book value as recorded in the Transferor Company' books of accounts. Further, all reserves of the Transferor Company shall

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be incorporated in the books of account of the Transferee Company in the same form in which they appear in the books of account of the Transferor Company.

14.3 The difference between the carrying amount in the books of the Transferor Company of its investment in the Equity Share Capital of the Transferee Company which shall stand cancelled consequent to this Scheme and the aggregate face value of such Equity Share Capital shall, subject to the other provisions contained herein, be adjusted against the Securities Premium Account of the Transferee Company. The Securities Premium Account of the Transferee Company shall stand reduced accordingly.

14.4 In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

**15. APPLICATIONS:**

The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make necessary applications pursuant to Sections 230 and 232 of the Act, to the Hon'ble Tribunal for sanction and carrying out of the Scheme and for consequent dissolution of the Transferor Company without winding up. The said companies shall also apply for and obtain such other approvals, as may be necessary in law, if any, for bringing the Scheme into effect and be entitled to take such other steps and proceedings as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

**16. APPROVALS AND MODIFICATIONS:**

The Transferor Company and the Transferee Company (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) are empowered and authorised:

16.1 To assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble Tribunal and / or any authorities under law may deem fit to approve or direct or as may be otherwise deemed expedient or necessary by the respective Board of Directors as being in the best interest of the said companies and their shareholders.

16.2 To settle all doubts or difficulties that may arise in carrying out the Scheme; to give their approval to all such matters and things as is contemplated or required to be

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given by them in terms of this Scheme; and to do and execute all other acts, deeds, matters and things necessary, desirable or proper for putting the Scheme into effect.

Without prejudice to the generality of the foregoing the Transferor Company and the Transferee Company (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) shall each be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

**17. SCHEME CONDITIONAL UPON:**

The Scheme is conditional upon and subject to:

- 17.1 Approval of the Scheme by the requisite majority of the members of the Transferor Company and the Transferee Company in accordance with law; and
- 17.2 Sanction of the Scheme by the Hon'ble Tribunal pursuant to Sections 230 and 232 of the Act.

Accordingly, it is provided that the Scheme although operative from the Appointed Date, shall become effective on the Effective Date upon filing of certified copies of the order sanctioning the same with the Registrar of Companies by the Transferor Company and the Transferee Company on such date.

**18. COSTS, CHARGES AND EXPENSES:**

All costs, charges and expenses, in connection with the Scheme, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company.

**19. RESIDUAL PROVISIONS:**

- 19.1 On the approval of the Scheme by the members of the Transferor Company and the members of the Transferee Company pursuant to Section 230 of the Act, it shall be deemed that the said members have also accorded all relevant consents under any other provisions of the Act, including Sections 13, 61, 62(1)(c) and 66 of the Act, to the extent the same may be considered applicable.
- 19.2 Without prejudice to the generality of the foregoing, it is clarified and provided that cancellation of Share Capital of the Transferee Company in terms of Clause 12 of this Scheme, including consequent reduction of Securities Premium Account of the Transferee Company in terms of Clause 14.3 of this Scheme, shall be effected as an integral part of this Scheme. Such cancellation of Share Capital and reduction of

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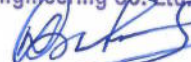
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Securities Premium Account of the Transferee Company, does not involve either diminution of liability in respect of unpaid share capital or payment of paid-up share capital. Further, since such cancellation and reduction is an integral part of the Scheme, the provisions of Section 66 of the Act are not applicable. It is further clarified and provided that notwithstanding such cancellation of Share Capital and reduction of Securities Premium Account of the Transferee Company, it shall not be required to add "And Reduced" as suffix to its name.

- 19.3 Upon the coming into effect of this Scheme, the resolutions, and other actions undertaken by the Transferor Company, including approvals that may have been obtained by Transferor Company from its shareholders, if required, under the provisions of the Companies Act, 1956 or the Companies Act, 2013 and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the said Acts or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute a part of the aggregate of the said limits in the Transferee Company.
- 19.4 Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all Bank Accounts of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.
- 19.5 In terms of this Scheme, the Undertaking of the Transferor Company shall stand transferred to the Transferee Company without any further act or deed and by operation of law, i.e by virtue of and upon an order being passed by the Hon'ble Tribunal under Section 232 of the Act. It is clarified that since the Transferor Company owns the entire (100%) of the issued Share Capital of the Transferee Company and stamp duty is remitted on all instruments evidencing transfer of property between such companies by Finance Department Notification No. M.599/X-501, dated March 25, 1942 issued under Section 9 of the Indian Stamp Act, 1899, no stamp duty will be payable on or in respect of the said order of the Hon'ble Tribunal effecting transfer of the Undertaking of the Transferor Company herein to the Transferee Company under Section 232 of the Act as such order is eligible for remission of stamp duty in the State of Uttar Pradesh in terms of the said notification.

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- 19.6 The amalgamation of the Transferor Company with the Transferee Company and transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company has been proposed in compliance with the provisions of Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the said Section. Such modification will however not affect the other parts of the Scheme.
- 19.7 In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights or liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person.
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For Techno Electric & Engineering Co. Ltd.



(Niranjana Brahma)  
Company Secretary (A-11652)

