ELECON
GEARING THE FUTURE

26th November, 2018

To,

The Manager (Listing), **The BSE Ltd.** **Mumbai**	The Manager (Listing), **National Stock Exchange of India Ltd.** **Mumbai**
Company's Scrip Code: 505700	**Company's Scrip Code: ELECON**

Ref: Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sub: Intimation of Scheme of Amalgamation of Elecon Transmission International Limited (Mauritius) with Elecon Engineering Company Limited and their respective shareholders and creditors under Sections 230 – 234 read with other applicable provisions of the Companies Act, 2013 and rules framed thereunder

Dear Sir / Madam,

The Board of Directors of the Company at their meeting held on 1st November, 2018 have approved the Scheme of Amalgamation of Elecon Transmission International Limited (Mauritius) with Elecon Engineering Company Limited and their respective shareholders and creditors under Sections 230 – 234 read with other applicable provisions of the Companies Act, 2013 and rules framed thereunder.

In accordance with Paragraph 7 of the SEBI Circular CFD/D1L3/CIR/2017/21 dated 10th March, 2017 ('the Circular') further amended by SEBI Circular CFD/D1L3/CIR/2018/2 dated 3rd January, 2018, the provisions of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the schemes which solely provide for merger of wholly owned subsidiary with its parent company. Hence 'No Objection Letter' or 'Observation Letter' on the Scheme is not required to be obtained from the Stock Exchanges on which equity shares of the Company are listed.

Hence, in accordance with the provisions of SEBI Circular CFD/D1L3/CIR/2017/1 dated 10th March, 2017, following documents are being filed with for dissemination of the Exchange's website:

1. Certified true copy of Resolution of Board of Director dated 1st November, 2018 approving the draft Scheme of Amalgamation under Sections 230 – 234 of the Companies Act, 2013.

ELECON ENGINEERING COMPANY LIMITED VALLABH VIDYANAGAR

Gearing industries. Gearing economies.

ELECON ENGINEERING COMPANY LIMITED, Post Box # 6, Vallabh Vidyanagar - 388 120, Gujarat, India. Tel.: +91 - 2692 - 238701, 238702. Fax: +91 - 2692 - 227484.
CIN L29100GJ1960PLC001082 | infogear@elecon.com | www.elecon.com

2. Certified true copy of Scheme of Amalgamation.

In case you require any further information / clarification, we would be glad to furnish the same.

Thanking you.

Yours faithfully,

For Elecon Engineering Company Limited,

Bharti

Bharti Isarani
Company Secretary and Compliance Officer

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Encl.: As above

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS "BM: 5/2018-19" OF ELECON ENGINEERING COMPANY LIMITED AT ITS MEETING HELD ON THURSDAY, 1ST NOVEMBER, 2018 AT 11:30 A.M. AT "CONFERENCE HALL", MADHUBHAN RESORT & SPA, VALLABH VIDYANAGAR – 388 120

"**RESOLVED THAT** based on the recommendations of the Audit Committee of the Board of Directors of the Company and pursuant to the provisions of Sections 230 to 234 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, and subject to the requisite approvals, sanctions, consent, observations, no-objection from the shareholders and the creditors of the Company (as may be directed by the Hon'ble National Company Law Tribunal, Bench at Ahmedabad (NCLT)), NCLT or such other competent authority(ies) as may be applicable, the approval of the Board of Directors be and is hereby accorded for the amalgamation of Elecon Transmission International Limited (Transferor Company) having its registered office at 1st Floor, Felix House, 24 Dr. Joseph Riviere Street, Port Louis, Mauritius with the Company (Transferee Company), pursuant to the draft scheme of amalgamation ("Scheme") as placed before this Board. The Transferor Company is a wholly owned subsidiary of the Company.

RESOLVED FURTHER THAT the draft Scheme as recommended by the Audit Committee of the Board, placed before the Board and initialed by the Chairman for the purposes of identification, be and is hereby approved.

RESOLVED FURTHER THAT there is no requirement for the share entitlement ratio as the Transferor Company is the wholly owned subsidiary of the Company and no shares are allotted.

RESOLVED FURTHER THAT in the opinion of the Board, the draft Scheme will be of advantage and be beneficial to the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

RESOLVED FURTHER THAT by virtue of being the sole shareholder of Elecon Transmission International Limited (Transferor Company), approval of the Board of Directors be and is hereby accorded for conversion of Elecon Transmission International Limited from Category 1 Global Business Licensed Company to Authorized Company in accordance with the applicable laws of Mauritius.

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RESOLVED FURTHER THAT by virtue of being the sole shareholder of Elecon Transmission International Limited (Transferor Company) and pursuant to the procedure provided in paragraph 4 of part II of the Fourteenth Schedule and other applicable provisions, if any, of the Mauritius Companies Act, 2001 and in accordance with the Memorandum and Articles of Association of the Company and subject to requisite approval of the shareholder and the creditors, if any, of the Company and any other authorities as may be required in law and Sections 230 to 234 and other applicable provisions of the Companies Act, 2013 and other applicable provisions of the laws of Republic of India, approval of the Board of Directors be and is hereby accorded for the amalgamation of the Transferor Company with the Company (Transferee Company), pursuant to the draft scheme of amalgamation ("Scheme") as placed before this Board.

RESOLVED FURTHER THAT approval of the Board of Directors be and is hereby accorded for irrevocable appointment of administrator (process agent) of Elecon Transmission International Limited, CKLB International Management Ltd. on behalf of the Company to accept service of process in respect of proceedings for enforcement of any claim, debt, liability or obligation of Elecon Transmission International Limited, if any.

RESOLVED FURTHER THAT the Management Committee of the Company be and is hereby authorized to make and agree to such modifications or alterations or amendments to the draft Scheme which (a) do not amount to a material change to the substance of the Scheme; and (b) may otherwise be considered necessary, desirable, expedient or appropriate including for giving effect to the outcome of any proposed corporate actions which have commenced but not yet completed; or (c) may be necessary to comply with any conditions or limitations the Hon'ble NCLT or any other statutory authority(ies) may deem fit to direct or impose; or (d) may finalise, approve and issue the Notice of the Court Convened Meeting of shareholders and/or creditors (both secured and unsecured) alongwith the Explanatory Statement thereto as may be directed by the Hon'ble NCLT (e) may be necessary for solving all difficulties that may arise for carrying out in the Scheme; or (f) do all acts deeds and things necessary for putting the Scheme into effect.

RESOLVED FURTHER THAT Shri Prayasvin Patel, Chairman & Managing Director; Shri Prashant Amin, Executive Director; Shri Kamlesh Shah, Chief Financial Officer and Smt. Bharti Isarani, Company Secretary be and are hereby authorised, jointly and severally, to take all the necessary steps either jointly or severally to file all such applications, notices, certificates, documents and other instruments as shall appear to be necessary or appropriate with any local or foreign governmental or regulatory authorities in connection with the Scheme (collectively the "Approvals") and the Authorised Persons be and are hereby severally authorized to seek such Approvals from, and to give such notices to, any private persons or entities as are necessary, or are reasonably deemed necessary or appropriate in relation to the Scheme and that the

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Authorized Persons be and are hereby severally authorized to sign the relevant applications with or without amendments, modifications or alterations for Approvals on behalf of the Company and do all such other acts, deeds, matters and things and to finalize and execute all such deeds documents and writings as they consider necessary, desirable or expedient, and in connection with the following:

(a) To sign written resolution(s) as the sole shareholder of Elecon Transmission International Limited approving the conversion of Elecon Transmission International Limited from Category 1 Global Business Licensed company to Authorized Company in accordance with the applicable laws of Mauritius.

(b) To sign written resolution(s) as the sole shareholder of Elecon Transmission International Limited approving the proposed Scheme in accordance with the applicable laws of Mauritius and India;

(c) Making appropriate applications, filings and (as applicable) to notify BSE, NSE, SEBI, Registrar of Companies, Ministry of Corporate Affairs, Regional Director, Income Tax authorities or any other regulatory authority(ies}, in India or abroad, for approval and for the purpose of carrying into effect the Scheme;

(d) Filing of application(s)/ summons/ affidavits/ petition(s), if required, with the Hon'ble NCL Tor such other competent authority(ies) seeking directions as to convening / asking for dispensation of the meetings of the shareholders and/or creditors (both secured and unsecured) of the Company as may considered necessary, to give effect to the Scheme and to file all necessary affidavits, papers and proceedings;

(e) Convening and conducting of shareholders/ creditors meetings as may be directed by the Hon'ble NCLT;

(f) Filing of petitions, if required, for confirmation and sanction of the Scheme by the NCLT or such other competent authority(ies);

(g) Engaging and instructing advocates and if considered necessary, also engage services of counsel(s), legal experts and other concerned authority(ies), to do all things necessary and expedient in connection with the Scheme including to declare and file all pleadings, reports, and sign and issue public advertisements and notices;

(h) Obtaining approval for the implementation and consummation of the Scheme from and represent before BSE, NSE, SEBI, Hon'ble NCLT, Registrar of Companies, Ministry of Corporate Affairs, Regional Director, Income Tax

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authorities and all such other authorities and parties including the shareholders, bankers, financial institution(s), etc. as may be considered necessary;

(i) Signing and executing request letters/no-objection/sanction letters for dispensation of the meeting(s) of the shareholders and/or creditors of the Company for approving the Scheme and thereafter submitting the same on receipt thereof to the Hon'ble NCLT Tor any other appropriate authority, as may be required;

(j) Settling any questions or doubts or any difficulties that may arise with regards to the Scheme, including passing of accounting entries and/or making such other adjustments in the books of account as are considered necessary to give effect to the Scheme and this resolution;

(k) Accepting services of notices or other process which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to parties or person concerned;

(l) Producing all documents, matters or other evidence in connection with the matters aforesaid and any other proceedings incidental thereto or arising therefrom;

(m) Signing all the papers, documents, writings, applications, petitions, affidavits, representations, pleadings, public advertisements, notices, reports, e-forms to be filed with the Registrar of Companies, during the process etc., which are required to be signed, executed, delivered for carrying into effect the said Scheme in all respects whatsoever and/or for obtaining directions (including but not limited to from the Hon'ble NCL T and for this purpose, to appear in person and/or represent the Company before the Hon'ble NCLT or any other authority and to deliver a certified copy of this resolution to any concerned party or authorities and for this purpose, to appear in person and/or represent the Company before the Hon'ble NCLT or any other authority;

(n) Incur such expenses as may be necessary in relation to the above or the transaction;

(o) Taking all procedural steps for having the Scheme sanctioned by the Hon'ble NCLT including, without limitation, filing necessary applications, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary; and

(p) Doing all further acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto.

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RESOLVED FURTHER THAT THAT Shri Prayasvin Patel, Chairman & Managing Director; Shri Prashant Amin, Executive Director; Shri Kamlesh Shah, Chief Financial Officer and Smt. Bharti Isarani, Company Secretary be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to the aforesaid resolutions".

Certified True Copy
For Elecon Engineering Company Limited,

Bharti

Bharti Isarani
Company Secretary

ELECON ENGINEERING COMPANY LIMITED
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Dated : 1st November, 2018
Place : Vallabh Vidyanagar

SCHEME OF AMALGAMATION

OF

ELECON TRANSMISSION INTERNATIONAL LIMITED (MAURITIUS)

AND

ELECON ENGINEERING COMPANY LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 234 AND OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013

PREAMBLE

This Scheme ('the Scheme') more particularly defined in Clause 1.14 is presented under Sections 230 to 234 and other relevant provisions of the Companies Act, 2013 for amalgamation of Elecon Transmission International Limited with Elecon Engineering Company Limited and for matters consequential, supplemental and/ or otherwise integrally connected therewith.

PART I - DESCRIPTION OF THE COMPANIES

(a) Elecon Transmission International Limited (hereinafter referred as "the Transferor Company" or "ETIL") is a private company incorporated on 29th day September, 2010 with limited liability by shares under the Mauritius Companies Act, 2001 in the Republic of Mauritius and having its registered office at 1st Floor, Felix House, 24 Dr. Joseph Riviere Street, Port Louis, Mauritius. The Transferor Company is a wholly owned subsidiary of Elecon Engineering Company Limited and is currently engaged in the business of investment holding.

(b) Elecon Engineering Company Limited (hereinafter referred as "the Transferee Company" or "EECL") is public listed company incorporated under the provisions of the Companies Act, 1956 in the State of Gujarat and having its Registered Office at Anand-Sojitra Road, Vallabh Vidyanagar – 388 120, Gujarat. The Transferee Company was originally incorporated on 11th day of January, 1960 as a private limited company under the name

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and style of "Elecon Engineering Company Private Limited" as per the certificate of registration issued by Registrar of Companies, Bombay. Subsequently, the registered office of the Transferee Company was shifted from the State of Maharashtra to the State of Gujarat with effect from 24th day of August, 1961. Subsequently, further, the name of Elecon Engineering Company Private Limited was changed to Elecon Engineering Company Limited with effect from 28th day of November, 1961. The Transferee Company is a listed public company and its equity shares are listed on BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE'). The Transferee Company is engaged in the business of designing and manufacturing worm gears; parallel shaft and right angle shaft; helical and spiral level helical gears; fluid geared and flexible couplings, as well as planetary gear boxes and Material Handling Equipements.

PART II - RATIONALE AND PURPOSE OF THE SCHEME

The key objectives of the amalgamation are as follows:

a) Rationalizing the foreign subsidiary companies in the group to ensure optimized legal entity structure more aligned with the business by reducing the number of legal entities and reorganizing the legal entities in the group structure so as to obtain significant cost savings and/or simplification benefits;

b) Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company and the Transferee Company;

c) Elimination of administrative functions and multiple record-keeping, thus resulting in reduced expenditure; and

d) The amalgamation pursuant to this Scheme will create a focused platform for future growth of the Transferee Company.

e) This Scheme is presented under Sections 230 to 234 and other applicable provisions of the Act and Applicable Laws in Mauritius, for amalgamation of the Transferor Company with the Transferee Company.

f) Accordingly, this Scheme provides for the amalgamation of the Transferor Company with the Transferee Company.

g) The Scheme is divided into the following parts:

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i. Part I – Description of the companies;

ii. Part II – Rationale of the Scheme;

iii. Part III – Definitions;

iv. Part IV – Amalgamation of the Transferor Company with the Transferee Company;

v. Part V – General terms & conditions applicable to the Scheme

PART III – DEFINITION AND SHARE CAPITAL

1. DEFINITIONS

In this scheme, unless repugnant to the meaning or context thereof, the following expression shall have the meaning mentioned herein below:

1.1 **"Act" or "the Act"** means the Companies Act, 2013 and shall include any statutory modifications or amendments thereof for the time being in force and shall also include the provision of the Companies Act, 1956, to the extent corresponding provision in the Companies Act, 2013 has not been notified.

1.2 **"Applicable Law(s)"** means any statue, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.

1.3 **"Appointed Date"** means 1st April 2019.

1.4 **"Appropriate Authority"** means any governmental, statutory, regulatory, departmental or public body or authority of the Relevant Jurisdiction, including Securities and Exchange Board of India; Stock Exchanges; Registrar of Companies, courts of Mauritius and India in each case and the NCLT in relation to India and relevant competent authorities in relation to Mauritius.

1.5 **"Board of Directors"** means the Board of Directors of Elecon Transmission International Limited, Mauritius and/or Elecon Engineering Company Limited, as the context may require and includes committees of the Board (if any) constituted for the implementation of this Scheme.

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1.6 **"Effective Date"** means last of the dates on which all the conditions, matters and filings specified in Clause 16 of the Scheme are fulfilled.

References in this Scheme to the date of **"coming into effect of this Scheme"** or **"upon the Scheme being effective"** shall mean the Effective Date.

1.7 **"Elecon Engineering Company Limited" or "Transferee Company"** means Elecon Engineering Company Limited, a company incorporated under the Act and having its registered office at Anand – Sojitra Road, Vallabh Vidyanagar – 388 120.

1.8 **"Elecon Transmission International Limited" or "Transferor Company"** means Elecon Transmission International Limited means a private company incorporated under the Mauritius Companies Act 2001 in the Republic of Mauritius and having its registered office at 1st Floor, Flexi House, 24 Dr. Joseph Riviere Street, Port Louis, Mauritius.

1.9 **"Mauritius Companies Act"** means the Companies Act, 2001 of Mauritius or any statutory modification or re-enactment thereof for the time being in force.

1.10 **"NCLT"** means the National Company Law Tribunal, Bench at Ahmedabad and shall include, if applicable, such other forum or authority as may be vested with the powers of NCLT under the Act.

1.11 **"Relevant Jurisdiction"** means the territories of the Republic of India and Mauritius.

1.12 **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.

1.13 **"Stock Exchanges"** shall mean the BSE Limited and the National Stock Exchange of India Limited collectively.

1.14 **"Scheme" or "Scheme of Amalgamation" or "the Scheme" or "this Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) as approved or imposed or directed by the NCLT.

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

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2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other Appropriate Authority shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL

3.1 The Share Capital of the Transferor Company as at 30th September, 2018 was as follows:

Share Capital	**Amount (in GBP)**
Issued, subscribed and paid-up Share Capital	
1,75,36,292 ordinary shares of GBP 1 each	1,75,36,292
TOTAL	**1,75,36,292**

There has been no change in the capital structure of the Transferor Company subsequent to above. Further as on the date of filing of this Scheme, all the ordinary shares are held by the Transferee Company.

3.2 The share capital of the Transferee Company as at 30th September, 2018 is as under:

Share Capital	**Amount (in INR)**
Authorized Share Capital	
22,75,00,000 Equity Shares of INR 2 each	45,50,00,000
2,50,00,000 Cumulative Redeemable Preference Shares of INR 2 each	5,00,00,000
1,27,50,000 Non-Cumulative Non-Convertible Redeemable Preference Shares of INR 100 each	1,27,50,00,000
TOTAL	**1,78,00,00,000**
Issued, subscribed and paid-up Share Capital	
11,21,99,965 Equity Shares of INR 2 each	22,43,99,930
TOTAL	**22,43,99,930**

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There has been no change in the capital structure of the Transferee Company subsequent to above.

PART IV – AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

4. TRANSFER AND VESTING OF BUSINESS OF THE TRANSFEROR COMPANY

4.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme:

4.1.1 The entire business of the Transferor Company as a going concern shall, under the provisions of Sections 230 to 234 and other applicable provisions of the Act and pursuant to the order(s) of the NCLT sanctioning this Scheme and upon compliance with the process specified in Clause 8 hereof and without any further act 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 undertakings, estates, duties and obligations, properties and assets (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company) such as intellectual rights, licenses, permits, quotas, approvals, registrations, leases, permissions, investments, copyrights, patents, trademarks, trade names, contracts, agreements, consents, approvals or powers of every kind, nature and description whatsoever, of the Transferee Company.

4.1.2 All statutory licences, permissions, approvals or consents, certificates, clearances, authorities (including for the operations of bank accounts), power of attorneys to carry on the operations of the Transferor Company shall stand transferred to and vested in the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the Transferor Company pursuant to this Scheme. The benefit of all statutory and regulatory permissions or other licenses and approvals or consents shall vest in and become available to the Transferee Company pursuant to this Scheme. In so

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far as any incentives, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Company, as the case may be, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

4.2 All the assets acquired by or belonging to the Transferor Company and all the liabilities, if any, incurred by the Transferor Company after the Appointed Date and prior to the Effective Date shall also stand transferred to and vested in the Transferee company in the same manner as specified in Clause 4.1 upon coming into effect of the Scheme.

4.3 All the existing securities, mortgages, charges, encumbrances or liens, if any, created by the Transferor Company after the Appointed Date but before the Effective Date, over the assets of the Transferor Company transferred to the Transferee company 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. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend to any of the other assets of the Transferee Company.

4.4 Any 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 of the Transferee Company and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

4.5 All taxes of any nature, duties, cess or any other like payments or deductions made by the Transferor company to any Appropriate Authorities, relating to the period after the Appointed Date and upto the Effective Date shall be deemed to have been on account of and on behalf of the Transferee Company and the relevant Appropriate Authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the coming into effect of this Scheme and upon relevant proof and documents being provided to the said Appropriate Authorities.

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5. APPLICABILITY OF THE PROVISIONS OF THE INCOME-TAX ACT

5.1 The Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any term(s) or provision(s) 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 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modifications will, however, not affect other parts of the Scheme, except to the extent required to give effect to the Scheme.

5.2 Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income-tax Act, 1961 (including for Minimum Alternate Tax purposes and tax benefits), service tax law and other tax laws and to claim refunds and / or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income-tax Act, 1961 etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme.

6. CONSIDERATION

6.1 The entire share capital of the Transferor Company is held by the Transferee Company. Hence, upon the Scheme becoming effective, all shares held by the Transferee Company in the share capital of the Transferor Company as on the Effective Date shall stand cancelled, without any further act or deed, upon this Scheme becoming effective. In lieu thereof, no allotment of any new shares or any payment shall be made to any person whatsoever. The said cancellation of existing share capital of the Transferor Company shall be effected as an integral part of this Scheme.

7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

7.1 The Transferee Company shall account for the amalgamation in its books in accordance with applicable Accounting Standards and generally accepted accounting principles adopted in India.

7.2 The Transferee Company, shall upon the Scheme coming into effect, record the assets and liabilities, if any, of the Transferor Company vested in it pursuant to this Scheme, at

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the respective book values thereof and in the same form as appearing in the books of the Transferor Company.

7.3 The identity of the reserves or any item of equity of the Transferor Company as appearing in the relevant Financial Statements of the Transferee Company shall be preserved.

7.4 Pursuant to the amalgamation of the Transferor Company with the Transferee Company, 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.

7.5 The value of investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to amalgamation.

7.6 In case of any difference in accounting policy between Transferor Company and Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference shall be quantified and adjusted in the reserves to ensure that the financial statements of Transferor Company reflect the financial position on the basis of consistent accounting policy.

7.7 In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

8. PROCEDURE RELATING TO THE TRANSFEROR COMPANY UNDER THE LAWS OF MAURITIUS :

8.1 The Transferor Company is incorporated under the Mauritius Companies Act as a Category 1 Global Business Licensed company in Mauritius pursuant to the Financial Services Act, 2007 as amended and to be converted to an Authorized Company.

8.2 In terms of Mauritius law, a company licensed as Authorized Company can merge with one or more companies incorporated under the laws of a jurisdiction other than that of Mauritius where the merger is permitted by the laws of such jurisdiction. Accordingly, the Transferor Company would be converted into Authorized Company.

8.3 The Board of Directors of the Transferor Company has passed a resolution on 31st October, 2018 approving the scheme.

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8.4 In terms of Paragraph 4 (2) (a) of Part II of the Fourteenth Schedule to the Mauritius Companies Act, the Transferor Company is required to comply with the laws of Mauritius and the Transferee Company will have to comply with the laws of India regarding the amalgamation of the Transferor Company with the Transferee Company.

8.5 In terms of Paragraph 4 (2) (b) of Part II of the Fourteenth Schedule to the Mauritius Companies Act, the Transferee Company, being incorporated under the laws of a jurisdiction other than that of Mauritius, must submit the following to the Registrar of Companies, Mauritius in relation to the merger of the Transferor Company with the Transferee Company:

(a) An agreement that a service of process may be effected on it in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation, if any, of a constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Companies Act against the surviving company (being the Transferee Company);

(b) An irrevocable appointment of the Registrar of Companies of the Transferor Company as its agent to accept service of process in proceedings referred to in sub clause (a) above;

(c) An agreement that the Transferee Company shall promptly pay to the dissenting members, if any, of a constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act, the amount, if any, to which they are entitled under the Mauritius Companies Act, with respect to the rights of dissenting members. However, there is no dissenting member since the Scheme has been approved by the sole shareholder of the Transferor Company and therefore this provision does not apply; and

(d) A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (i.e. Order passed by the NCLT approving the Scheme) where it is incorporated.

8.6 Based on the above and given that there is no dissenting member of any constituent company (being the Transferor Company) incorporated under the Mauritius Companies

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Act, the Transferee Company will confirm in writing to the Registrar of Companies, Mauritius that (a) there is no such dissenting member and (b) the Transferee Company shall irrevocably appoint the administrator of the Transferor Company, CKLB International Management Ltd on behalf of the Transferee Company to accept service of process in respect of proceedings for enforcement of any claim, debt, liability or obligation of the Transferor Company, if any.

8.7 In terms of Paragraph 4(3) of Part II of the Fourteenth Schedule to the Mauritius Companies Act, where the surviving company (being the Transferee Company) is incorporated under the laws of a jurisdiction other than that of Mauritius, the effect of the merger shall be as same in the case of amalgamation under Part XVI of the Mauritius Companies Act except in so far as the laws of the other jurisdiction, i.e. the laws of India, otherwise provide.

8.8 In terms of Paragraph 4(4) of Part II of the Fourteenth Schedule to the Mauritius Companies Act, since the surviving company (being the Transferee Company) is incorporated under the laws of a jurisdiction other than that of Mauritius, the amalgamation will be effective as provided for by the laws of that jurisdiction, i.e. the laws of India.

8.9 The Transferor Company shall be required to file certain documents including those set out in Paragraph 4(2)(b) of Part II of the Fourteenth Schedule to the Mauritius Companies Act with the Registrar of Companies, Mauritius along with this Scheme and the corporate resolution of the Transferee Company or relevant extract thereof and the Transferor Company will be struck off the register maintained by the Registrar of Companies, Mauritius effective the date of the merger under the laws of India without the need for winding up.

PART V – GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

9. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

9.1 The Transferor Company 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 all the assets and liabilities, if any of the Transferor Company on account of and in trust for the Transferee Company;

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9.2 All profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation to any profits or income) shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be of the Transferee Company;

9.3 Any of the rights, powers, authorities, privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and in trust for and as agents of the Transferee Company. Similarly, any obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and

9.4 The Transferor Company shall not delineate, charge, mortgage, encumber or otherwise deal with its assets or any part thereof without prior written consent of the Transferee Company.

10. EMPLOYEES

10.1 Upon the coming into effect of this Scheme, all employees, if any, of the Transferor Company as on the Effective Date shall become the employees of the Transferee Company on terms and conditions not less favourable than those on which they are agreed by the Transferor Company and without any interruption of or break in service as a result of the amalgamation of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, past service of such employees with the Transferor Company and such benefits to which the employees are entitled in the Transferor Company shall also be taken into account and paid (as and when payable) by the Transferee Company.

10.2 The Board of Directors of each of the Transferor Company and the Transferee Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the permissions of this Clause.

11. LEGAL PROCEEDINGS

11.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date, as and from the Effective Date, shall be

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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 Transferor Company as the case may be.

11.2 After the Appointed Date, if any proceedings are taken against the Transferor Company in respect of the matters referred to in the sub-clause 11.1 above, the Transferor Company shall defend the same at the cost of the Transferee Company and the Transferee Company shall reimburse and indemnify the Transferor Company, including its directors, officers and administrative agent, against all liabilities and obligations incurred by the Transferor Company in respect thereof.

11.3 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause 11.1 above, transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company.

12. CONTRACTS, DEEDS, ETC.

12.1 Upon this Scheme becoming effective, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and to which the Transferor Company is a party and subsisting or having effect on 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 by or against the Transferee Company as fully and effectually as if instead of the Transferor Company, the Transferee Company had been a party thereto from inception. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations, in order to give formal effect to the provisions of this Scheme. After the Effective Date, the Transferee Company shall be deemed to be authorised to execute any 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.

12.2 It is hereby clarified that by virtue of the provisions of the Scheme and pursuant to the order of the NCLT sanctioning the Scheme, upon the Scheme coming into effect, all rights, services, obligations, liabilities, responsibilities undertaken by or in favour of the Transferor Company under any contractual arrangements shall automatically stand

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transferred to and vested in and/ or shall be deemed to have been transferred to and vested in the Transferee Company and all benefits to which the Transferor Company is entitled to shall be available to and vested in and/ or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-interest and the Transferee Company shall be entitled to deal with the same in place and stead of the Transferor Company, as if the same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its obligation in respect of the services to be performed/ provided or in respect of payment of service charges under any contractual arrangements instead of the Transferor Company.

12.3 Without prejudice to the above, the Transferee Company shall, if so desirable or required or become necessary, upon the coming into effect of this Scheme and with effect from the Appointed Date, enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme and to the extent that the Transferor Company are required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company, as the case may be. 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.

12.4 Without prejudice to the above, it is further clarified that with respect to approvals, permissions, licenses, registrations, consents that may require amendment for the purpose of giving effect to this Scheme and to ensure that there is no change in the entitlements otherwise available to the Transferor Company in the absence of this Scheme, the Transferee Company shall be permitted to use the name and approvals, permissions, licenses, registrations, consents of the Transferor Company till such approvals, permissions, licenses, registrations, consents are so amended and updated, so as to enable the Transferee Company to continue to avail the entitlements otherwise available to the Transferor Company.

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13. SAVING OF CONCLUDED TRANSACTIONS

13.1 The transfer and vesting of the assets, liabilities and obligations of the Transferor Company as per this Scheme and the continuance of the proceedings by or against the Transferee Company thereof shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Effective Date, to that end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company as acts deeds and things done and executed by and on behalf of the Transferee Company.

14. APPLICATIONS TO THE NCLT

14.1 The Transferee Company shall make applications/petitions under Sections 230 to 234 and other applicable provisions of the Act to the NCLT seeking orders for dispensing with or convening, holding and conducting the meetings of members and creditors and for an order sanctioning this Scheme of the Transferor Company with the Transferee Company and its shareholders and creditors.

14.2 The Transferor Company shall initiate and pursue all actions necessary under the local laws of their jurisdiction (i.e., Mauritius). The Transferor Company shall take all necessary steps for sanctioning of this Scheme and for their continuing as one company with the Transferee Company and apply for and obtain such other approvals, if any, required under the Applicable Laws.

15. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

15.1 Subject to requisite approvals of the NCLT and/ or the Appropriate Authorities (if applicable), 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 authorize, including any committee or sub-committee thereof, may consent to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the NCLT or such other Appropriate Authorities (if applicable), whether in pursuance of a change in law or otherwise. 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 authorize, including any committee or subcommittee thereof, shall be authorized to take all such

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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.

For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Transferor Company and/or the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

16. CONDITIONALITY OF THE SCHEME

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

16.1.1 the requisite consents, approvals or permissions of any Appropriate Authorities from India and Mauritius.

16.1.2 the approval by the requisite majority of the shareholders and/or creditors (as may be required and/or to the extent not dispensed with by the Appropriate Authorities) of the Transferor Company and the Transferee Company, as required under Applicable Law.

16.1.3 the Scheme being sanctioned by the NCLT in terms of Sections 230 to 234 and/or all other relevant provisions of the Act.

16.1.4 the certified copy of the order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, Gujarat by the Transferee Company;

16.1.5 compliance by the Transferor Company of all the necessary and applicable provisions of its Applicable Law (including without limitation, all necessary filings to be made under Applicable Laws of Mauritius).

16.1.6 the Transferee Company entering into agreements under Section 4 (2) (b) of Part II of the Fourteenth Schedule to the Mauritius Companies Act and appointing CKLB International Management Ltd as its agent to accept service of process, and the Registrar of Companies, Mauritius accepting the order passed by the

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NCLT as sufficient evidence of the Scheme being sanctioned and consequently striking off the Transferor Company, in its records.

16.2 This Scheme, although to come into operation from the Appointed Date, shall not become effective until the last of the following dates, namely:

16.2.1 That on which the last of the aforesaid consents, approvals, permissions, resolutions and orders as mentioned in Clause 16.1 shall be obtained or passed; or

16.2.2 That on which all necessary certified/ authenticated copies of orders under Sections 230 to 234 of the Act shall be duly filed with the Registrar of Companies, Gujarat at Ahmedabad/ Ministry of Corporate Affairs (MCA) by the Transferee Company.

16.3 The last of such dates shall be the "Effective Date" for the purpose of this Scheme.

17. DISSOLUTION OF THE TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company will be struck off the register maintained by the Registrar of Companies, Mauritius and shall stand dissolved without any further act or deed or without being wound-up.

18. EFFECT OF NON-RECEIPT OF APPROVALS

18.1 In the event of any of the said approvals or conditions referred to in Clause 16 above not being obtained and/ or complied with and/or satisfied and/or the Scheme not being sanctioned by the NCLT and/or order or orders not being passed as aforesaid before such date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company (who are empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s)), this Scheme shall stand revoked, cancelled and be of no effect, unless otherwise specifically decided by the Transferor Company and the Transferee Company. The Transferor Company and the Transferee Company shall, in such event, inter se bear and pay their respective costs, charges, expenses in connection with the Scheme.

18.2 In the event of revocation under Sub-Clause 18.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Company and the Transferee

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Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the applicable laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.

18.3 The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.

18.4 The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity post-amalgamation.

18.5 If any part of this Scheme hereof is invalid, ruled illegal by any NCLT, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Transferor Company and /or the Transferee Company, then in such case the Transferor Company and /or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part.

19. COSTS, CHARGES AND EXPENSES

19.1 All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or NCLT's order including this Scheme or in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by the Transferee Company.

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