

**SCHEME OF AMALGAMATION
OF
RANE DIECAST LIMITED
WITH
RANE (MADRAS) LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS**

**Under Sections 391 to 394 and other relevant provisions of the Companies Act,
1956**

This Scheme of Amalgamation (hereinafter referred to as the 'Scheme') is presented pursuant to Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 for amalgamation of Rane Diecast Limited ('RDL' or 'the Transferor Company') with Rane (Madras) Limited ('RML' or 'the Transferee Company').

I. PREAMBLE

1. Whereas Rane Diecast Limited was incorporated under the Companies Act, 1956 ("Act") as a public company under the name and style of Soubhagya Diecast Limited on 23 August, 1996. Subsequently, upon receipt of the requisite approvals the name of the Transferor Company was changed to Rane Diecast Limited. Its registered office is currently located at "Maithri", No.132, Cathedral Road, Chennai - 600 086.
2. Whereas the Transferor Company is engaged to carry on the business of manufacture, fabricate, assemble, convert and deal in all varieties of non-ferrous alloys used in industrial, commercial, domestic, business, public utilities, transport, aviation, shipping, building, power, railways, agriculture and other areas
3. Whereas Rane (Madras) Limited was originally incorporated under the Companies Act, 1956 as a public limited company under the name and style of Rane Holdings Limited on 31 March, 2004. The name was changed from Rane Holdings Limited to Rane (Madras) Manufacturing Limited on February 22, 2005. Subsequently, pursuant to the scheme of demerger sanctioned by Hon'ble High Court of Madras on April 25, 2005, the name of Rane (Madras) Manufacturing Limited was changed to Rane (Madras) Limited with effect from May 19, 2005. The registered

For RANE (MADRAS) LTD.



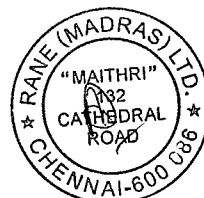
Authorised Signatory

office is located at "Maithri", No.132, Cathedral Road, Chennai – 600 086. The equity shares of Rane (Madras) Limited are presently listed on the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE') (together referred to as 'stock exchanges')

4. Whereas the Transferee Company is primarily engaged in the business of manufacturing and marketing of components for transportation and automobile industry.

II. RATIONALE OF AMALGAMATION

1. The Transferee Company is engaged to carry on business as manufacturers of and consultants for or relating to automotive ancillary products, components, accessories, tools, machine tools, their ancillaries, scientific instruments of any kind, all types of forgings and drop stampings for all trades and industry and engineering works including electrical, mechanical, structural and general engineering and import, export and transport all kinds of produce, articles and merchandise and also carry on the business as contractors in respect of these activities
2. The Transferor Company is engaged to carry on the business of manufacture, fabricate, assemble, convert and deal in all varieties of non-ferrous alloys used in industrial, commercial, domestic, business, public utilities, transport, aviation, shipping, building, power, railways, agriculture and other areas.
3. The amalgamation of RDL with RML is being proposed for the purpose of developing the potential for further growth and expansion of their respective businesses and to have better synergies, optimization of resources and fund raising capabilities. The amalgamation would result in following benefits:
 - i) Enable the two companies to consolidate their business operations and provide significant impetus to their growth since both the companies are engaged in the similar areas of business.
 - ii) Result in enhancing the scale of operations and reduction in overheads, administrative, managerial and other expenditure, operational rationalization, organizational efficiency, and optimal utilization of various resources.
 - iii) Result in improved shareholder value for both the companies by way of improved financial structure and cash flows, increased asset base and stronger consolidated revenue and profitability.
 - iv) Result in enhanced leveraging capability of the combined entity which in turn will allow the combined entity to undertake future expansion strategies and to tap bigger opportunities in the automotive industry.
 - v) Consolidation of managerial expertise of the Companies will facilitate greater focus and utilization of resources. Amalgamation will give additional strength to the operations and management of the amalgamated company.



III. PARTS OF THE SCHEME

The Scheme is divided into the following parts:-

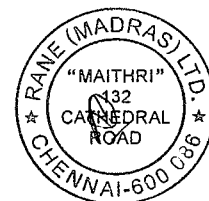
- (a) Part A – General (dealing with definitions and share capital);
- (b) Part B – Amalgamation of Rane Diecast Limited with Rane (Madras) Limited;
- (c) Part C – Other Terms and Conditions

PART A – GENERAL

1. DEFINITIONS

In this Scheme, unless repugnant to the context, 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 amendment thereof for the time being in force.
- 1.2 “**Appointed Date**” means the 1st day of April, 2013 or such other date as the High Court of Judicature at Madras may direct or fix from which date the Scheme comes into operation.
- 1.3 “**Court**” or “**High Court**” shall mean the High Court of Judicature at Madras, and shall include the National Company Law Tribunal as and when applicable.
- 1.4 “**Effective Date**” means the last of the dates on which the sanctions, approvals, or orders on the scheme have been obtained and the last of the dates on which the certified copies of the orders of the High Court of Judicature at Madras sanctioning the Scheme are filed with the Registrar of Companies, Chennai. All references in this scheme to the date of coming into effect of the Scheme shall mean “the Effective Date”.
- 1.5 “**RDL**” or “**Transferor Company**” means Rane Diecast Limited, a company incorporated under the Companies Act, 1956, having its registered office at “Maithri”, No.132, Cathedral Road, Chennai – 600 086, in the State of Tamil Nadu.



- 1.6 “RML” or “Transferee Company” means Rane (Madras) Limited, a company incorporated under the Companies Act, 1956, having its registered office at “Maithri”, No.132, Cathedral Road, Chennai – 600 086, in the State of Tamil Nadu.
- 1.7 “Record Date” shall mean the date to be fixed by the Board of Directors of the Transferee Company for the purpose of issue of equity and/ or preference shares in the Transferee Company to the shareholders of the Transferor Company upon merger of the Transferor Company with the Transferee Company.
- 1.8 “Scheme” or “the Scheme” or “this Scheme” means this Scheme of Amalgamation in its present form submitted to the high Court of Judicature at Madras with modifications approved or imposed or directed by the said High Court pursuant to amalgamation.

2. SHARE CAPITAL

- 2.1 The authorized, issued, subscribed and paid-up Share Capital of the Transferor Company as on 31 March, 2013 is as under:-

Particulars	(Amount in Rs.)
Authorized Capital	
1,40,00,000 Equity Shares of Rs.10 each	14,00,00,000
60,00,000 Preference Shares of Rs.10 each	6,00,00,000
Issued, Subscribed and paid up	
1,32,00,435 Equity Shares of Rs.10 each	13,20,04,350
60,00,000 9.25% Cumulative Preference Shares of Rs.10 each	6,00,00,000

As on the date of the Scheme being approved by the Board of Directors there is no change in Authorized, Issued, Subscribed and Paid-up equity share capital of Transferor Company. Further, as on date, out of above 1,32,00,435 equity shares, Rane Holdings Limited holds 1,03,95,135 equity shares in the Transferor Company constituting 78.75 per cent shareholding and balance 28,05,300 equity shares constituting 21.25 per cent are held by Rane (Madras) Limited. Further, the entire 60,00,000 9.25% Preference Shares amounting to Rs 6 Crores are held by Rane Holdings Limited.

- 2.2 The authorized, issued, subscribed and paid-up Share Capital of the Transferee Company as on 31 March, 2013 is as under:-



Particulars	(Amount in Rs.)
Authorized Capital	
1,10,00,000 Equity Shares of Rs.10/- each	11,00,00,000
45,00,000 Preference Shares of Rs. 10/- each	4,50,00,000
Total	15,50,00,000
Issued, Subscribed and Paid-Up Capital	
1,01,64,145 Equity Shares of Rs.10/- each	10,16,41,450

As on the date of the Scheme being approved by the Board of Directors there is no change in Authorized, Issued, Subscribed and Paid-up equity share capital of the Transferee Company

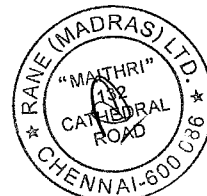
3. DATE WHEN THE SCHEME COMES INTO OPERATION

- 3.1 The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court of Judicature at Madras, shall be effective from the Appointed Date but shall be operative from the Effective Date and shall be in accordance with Section 2(1B) of the Income Tax Act, 1961

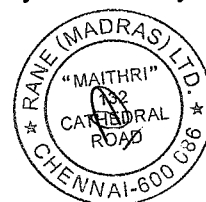
PART B - AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEEE COMPANY

4. AMALGAMATION

- 4.1 With effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company including but not limited to all its assets, land, buildings, plant and equipment, furniture & fixtures, office equipment, computer software, stock in trade, debtors, bank balances, cash in hand, loans and advances including but not limited to balances with Govt. Authorities, duty drawback receivable, export incentives receivable, prepaid expenses, deposits recoverable, advances to suppliers, advance taxes, TDS receivable, MAT credit, interest accrued, and other tangible and intangible assets and liabilities of the Transferor Company shall under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Court or any other appropriate authority 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 assets of the Transferee Company.



- 4.2 With effect from the Appointed Date, authorized share capital as well as all liabilities, obligations and debts including but not restricted to secured and unsecured loans, term loans from banks and related party, sales tax deferment, employee retirement benefits, short term borrowings, foreign currency packing credit facility, cash credit facility, trade payables, other current liabilities, gratuity, leave encashment, contingent liabilities and other liabilities of the Transferor Company, as on the Appointed Date whether provided for or not in the books of accounts of the Transferor Company, and all other liabilities which may accrue or arise after the Appointed Date up to the Effective Date, but which relates to the period on or up to the day of the Appointed Date shall, pursuant to the orders of the High Court or such other competent authority as may be applicable under Section 394 and other applicable provisions of the Act and without any further act or deed, be transferred or deemed to be transferred to and vest in and be assumed by the Transferee Company, so as to become as from the Appointed Date authorized share capital, outstanding creditors, provisions, guarantees, indemnities, contingent liabilities and other liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.
- 4.3 With effect from the Appointed Date the assets of the Transferor Company, which are moveable in nature or are otherwise capable of transfer by physical or constructive delivery or by endorsement and delivery, shall be so transferred by the Transferor Company and shall become the property of the Transferee Company without any act or deed on the part of the Transferor Company and the Transferee Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Transferee Company.
- 4.4 With effect from the Appointed Date, the immovable properties of the Transferor Company (including land, buildings and any other immovable property as set out in Schedule A) transferred to the Transferee Company, and any documents of title, rights and easements in relation thereto, shall stand vested in the Transferee Company, without any act, instrument or deed done by the Transferor Company or the Transferee Company, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges (if any and as may be applicable), and fulfill all obligations, in relation to or applicable to such immovable properties. The mutation/ substitution of the title to such immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the High Court and on the Scheme becoming effective, in accordance with the terms hereof and the Transferor Company shall be entitled to lawful, peaceful and unencumbered possession, right, title, interest of the immovable properties vested with it pursuant to the Scheme.
- 4.5 With effect from the Appointed Date and subject to the Scheme becoming effective, all rights, statutory licenses, permissions approvals or consents of the Transferor Company shall stand vested in or transferred to Transferee Company without any further act or deed and shall be appropriately mutated by the statutory



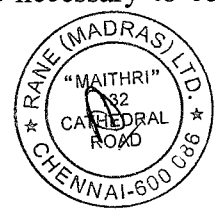
authorities concerned in favour of Transferee Company. The benefit of all statutory and regulatory permission, environment approvals and consents, registrations or other licenses and consents shall vest in and become available to Transferee Company pursuant to the Scheme. In so far as the various incentives, subsidies, rehabilitation schemes, 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, is concerned, the same shall vest with and be available to Transferee Company on the same terms and conditions

4.6 All taxes of any nature, duties, cess, or any other like payments or deductions made by the Transferor Company to any statutory authorities such as Income tax (including advance tax and TDS receivable and MAT credit), Service Tax, Customs Duty, VAT etc or any tax deducted/ collected at source relating to the period after the Appointed Date and up to the Effective Date shall be deemed to have been on account of or on behalf of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the order in the Scheme by High Court upon relevant proof and documents being provided to the said authorities to this effect.

4.7 All the loans, advances and other facilities sanctioned to the Transferor Company by its bankers and financial institutions prior to the Appointed Date, which are partly drawn or utilised shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn and utilised either partly or fully by the Transferor Company from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by the Transferor Company (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to the Transferee Company and all the obligations of the Transferor Company under any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act or deed on the part of the Transferee Company.

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

4.9 The Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever upto the Effective Date, the provisions of the said Section of the Income tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with



Section 2(1B) of the Income Tax Act, 1961. Such modifications shall however not affect other parts of the scheme.

- 4.10 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, to implement and carry out all formalities and compliances, if required, referred to above.

5. CONSIDERATION

- 5.1 Upon the Scheme becoming finally effective, in consideration of the transfer of and vesting of the said assets and said liabilities of RDL, in the Transferee Company in terms of this Scheme, the Transferee Company shall without any further application or deed, issue and allot:

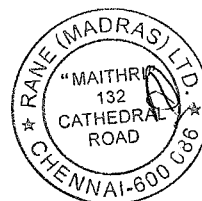
- i) 1 (One) fully paid up equity share of Rs.10/- (Rupees Ten only) each of the Transferee Company for every 30 (thirty) fully paid-up equity shares of Rs. 10/-(Rupees Ten Only) each, held by the shareholders in Transferor Company.
- ii) 82,32,164 fully paid-up 6.74% Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten only) each of the Transferee Company against 60,00,000 fully paid-up 9.25% Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten Only) each, held by the shareholders in Transferor Company.

- 5.2 The shareholders of Transferor Company, to whom equity shares are to be issued by the Transferee Company pursuant to clause 5.1(i) above, shall be issued in dematerialized form. Any fraction arising in issue of Equity Shares as above will be rounded off to the nearest integer.

- 5.3 Upon the Scheme coming into effect, the Authorised Share Capital of the Transferee Company shall deemed to be increased to the extent of the Authorized Share Capital of the Transferor Company in line with Clause 11 of this Scheme.

- 5.4 Equity shares of the Transferee Company issued in terms of Clause 5.1(i) above will be listed and/or admitted to trading on the NSE and BSE. The Transferee Company shall enter into such arrangements and give such confirmations as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchange(s). On such formalities being fulfilled the said Stock Exchange(s) shall list and or admit such equity shares also for the purpose of credit.

- 5.5 Equity shares to be issued and allotted in terms of Clause 5.1(i) above shall rank *pari passu* with the existing equity shares of the Transferee Company.



5.6 The issue and allotment of shares in the Transferee Company, by the Transferee Company to the shareholders of the Transferor Company as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out without any further act or deed by the Transferee Company as if the procedure laid down under Section 81(1A) of the Act and any other applicable provisions of the Act were duly complied with.

5.7 Further, upon the Scheme coming into effect, the Equity Shares of the Transferor Company held by the Transferee Company constituting 21.25% of the paid up share capital of the Transferor Company shall stand cancelled without any further act, deed or instrument.

6. STAFF WORKMEN AND EMPLOYEES

6.1 On the Scheme becoming operative, all employees of the Transferor Company in service on the Effective Date shall become employees of the Transferee Company on such date without any break or interruption in their service and on terms and condition not less favourable than those subsisting with reference to the Transferor Company as on the said date. The position, rank or designation of the employees would however be decided by the Transferee Company.

6.2 The Transferee Company shall abide by the terms and agreements, if any, entered into by the Transferor Company with its employees.

6.3 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Funds or Trusts, if any, created or existing for the benefit of the staff and employees of the Transferor Company shall become trusts/funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds 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, if any, 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. It is clarified that the services of the staff and employees if any of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.

7. ACCOUNTING TREATMENT IN BOOKS OF THE TRANSFEE COMPANY

7.1 Upon the Scheme becoming effective, the Transferee Company shall record the assets and liabilities of the Transferor Company transferred to the Transferee Company pursuant to this Scheme at their respective fair values, as determined by the Board of Directors of Transferee Company.

7.2 The Transferee Company shall account for the amalgamation pursuant to this Scheme under the Purchase Method of Accounting in accordance with Accounting



Standard 14 notified by the Companies (Accounting Standards) Rules, 2006, as amended from time to time.

- 7.3 The Transferee Company shall credit its Share Capital Account in its books of account with the aggregate face value of the new equity shares and preference shares issued to the shareholders of the Transferor Company pursuant to Clause 5.1 of this Scheme.
- 7.4 Intercompany loans or balances between the Transferor Company and the Transferee Company, if any, shall stand cancelled.
- 7.5 The difference between the aggregate of recorded value of assets and liabilities of the Transferor Company in the books of account of the Transferee Company, and the aggregate of face value of the shares allotted by the Transferee Company pursuant to the Scheme and the value of investments in shares of Transferor Company held by Transferee Company, in case of surplus, shall be credited to "Capital Reserve" or, in case of shortfall, shall be debited to "Goodwill Account", as the case may be.

8. LEGAL PROCEEDINGS

- 8.1 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company are pending prior to Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation 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 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. Any amount receivable under the pending suits, actions and proceedings shall solely belong to the transferee company. Similarly the Transferee Company will be responsible for discharging the liability in future in pending suits, actions and proceedings.

9. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 9.1 Subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party, or the benefit to which the Transferor Company is or 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 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 from the inception. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmation or enter into any multipartite agreement, confirmations or novations to which the Transferor Company will, if necessary, also be a party in



order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. 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.

10. TRANSACTION BETWEEN APPOINTED DATE AND EFFECTIVE DATE

10.1 With effect from the Appointed Date and upto and including the Effective Date:

- i) The Transferor Company shall carry on and be deemed to have carried on their business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its entire business and undertakings for and on account of and in trust for the Transferee Company. The Transferor Company shall carry on its activities in the ordinary course of business;
- ii) All the profits, taxes such as advance tax, tax deducted at source, minimum alternate tax credit, taxes withheld/paid in foreign country, underlying tax credit, tax sparing, if any, thereon or incomes accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and be deemed to be and accrue as the profits, taxes or incomes or expenditure or losses, as the case may be, of the Transferee Company; and
- iii) The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not venture into/expand any new businesses, 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.

10.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

10.3 The transfer of the entire business and undertakings of the Transferor Company 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 Company in regard thereto as having been done or executed on behalf of the Transferee Company.



PART C – OTHER TERMS AND CONDITIONS

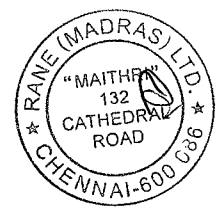
11. COMBINATION OF SHARE CAPITAL

11.1 Upon the Scheme becoming effective, the authorized share capital of the Transferee Company, shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to the Registrar of Companies, by the authorized share capital of the Transferor Company amounting to Rs.20,00,00,000 comprising of 1,40,00,000 equity shares of Rs 10 each amounting to Rs 1,400,00,000 and 60,00,000 preference shares of Rs 10 each amounting to Rs 6,00,00,000 and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of affecting this amendment, and no further resolution(s) under Section 16, 31, 94 and 394 and applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and / or fee by the Transferee Company for increase in the authorized share capital to that extent.

11.2 Consequently upon amalgamation of the Transferor Company into the Transferee Company, the authorized share capital of the Transferee Company will be as under:

Particulars	(Amount in Rs.)
Authorized Capital	
2,50,00,000 Equity Shares of Rs.10 each	25,00,00,000
1,05,00,000 Preference Shares of Rs. 10/- each	10,50,00,000
Total	35,50,00,000

11.3 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration to the Memorandum and Articles of Association of the Transferee Company as may be



required under the Act, and Para V of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

Para V of the Memorandum of Association of the Transferee Company:

“The Authorised Share Capital of the Company is Rs. 35,50,00,000 (Rupees Thirty Five Crores Fifty Lakhs only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity shares of Rs.10/- (Rupees Ten only) each and 1,05,00,000 (One Crore Five Lakhs) Preference shares of Rs.10/- (Rupees Ten only) each carrying such rate of dividend and other rights as may be decided by the company in general meeting from time to time.”

12. ALTERATION OF OBJECT CLAUSE

12.1 The Main objects of the Amalgamated Company shall stand altered with effect from the Appointed Date by inclusion of the following three main objects enumerated under Clause III A in the Memorandum of Association of the Transferor Company, which stand inserted immediately after paragraph 10 of the main objects enumerated under Clause III A in the Memorandum of Association of the Transferee Company:...

- (i) “To carry on the business in India or elsewhere to manufacture, fabricate, assemble, alter convert, extrude, design, develop, research, import, handle, job work, modify, machine, prepared , produce, finish, anodize, purchase, sell, resale, project, mould, remould, melt, cast and to act as stockists, distributor, agent, broker, representative, consultant, advisor, supplier, contractor, subcontractor, or otherwise to deal in all shapes, sizes, gauges, thickness, dimensions and varieties of products of non-ferrous alloys, such as rods, squares, flats, hexagons, tubes, packing materials, springs, plates, circles, coils, power, utensils, foils, furniture, rails , groves, door, windows, ladders, their parts, accessories, equipments, plant machinery, tools, tackles, components, raw materials, stores, consumables and other ingredients thereof used in industrial , commercial, domestic, business, public utilities, transport, aviation, shipping, building, power, railways, agriculture and other areas and to do all such incidental acts and things necessary for the attainment for the attainment of foregoing objects.
- (ii) To produce, manufacture, purchase, refine, prepare, import, export, sell and generally to deal in iron and steel in all forms and or by –products thereof and to manufacture wires, tapes, strips and pipes of Copper, Zinc, Aluminium, Iron and other materials in various gauges.
- (iii) To establish, own or acquire ferrous and non-ferrous metal melting furnaces and rolling mills and to carry on business as trades and manufacturers of ferrous and non-ferrous metal ingots, billets, blooms



slabs, sheets, cold rolled steel strips, galvanized steel strips & pipes of all kinds, round bars, angles channels auto parts, alloy and graded iron castings, grey iron castings, steel castings, steel forgings, components, galvanized pipes, tubes, tools and implements, machine parts, hardware, utensils, containers, vessels of every description and other engineering goods as well as to buy, sell, import, trade or deal in aforesaid goods and materials.

13. APPLICATION TO THE HIGH COURT OR SUCH OTHER APPROPRIATE AUTHORITY

- 13.1 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications / petitions to the High Court or any other appropriate authority, for sanction of the Scheme and for dissolution of the Transferor Company without winding up under Sections 391 to 394 of the Act and other applicable provisions of the Act.

14. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 14.1 The Transferor Company and the Transferee Company by their respective Board of Directors 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 of Transferor Company and Transferee Company and Committee of Directors / authorised officers of Transferee Company).
- 14.2 The Transferor Company and the Transferee Company by their respective Board of Directors shall be 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 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.

15. SCHEME CONDITIONAL ON APPROVAL/SANCTIONS

The Scheme is conditional upon and subject to:

- 15.1 The Transferee Company providing for voting by public shareholders through postal ballot and e-voting, in accordance with the provisions of the Act and as required under the Securities and Exchange Board of India Circular CIR / CFD/DIL/5 / 2013 dated February 4, 2013, and subsequent modifications thereof ('SEBI Circular'), while seeking their approval for the Scheme.



- 15.2 The Scheme being agreed with the requisite number of public shareholders of the Transferee Company as provided in the SEBI Circular in this regard.
- 15.3 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory, which by law may be necessary for the implementation of this Scheme.
- 15.4 Approval by requisite majority of the members/creditors of the Transferor Company and the Transferee Company as may be directed by the Jurisdictional High Court or any other appropriate authority.
- 15.5 Certified / authenticated copies of the orders of the High Court, sanctioning the Scheme being filed with the Registrar of Companies, Chennai by the Transferor Company and the Transferee Company.
- 15.6 All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

16. WINDING UP OF THE TRANSFEROR COMPANY

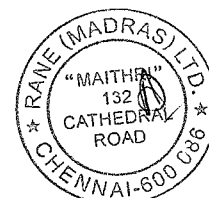
- 16.1 On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up under Section 394 of the Act.

17. SAVING OF CONCLUDED TRANSACTIONS

- 17.1 The transfer of properties and liabilities under clause 4 above and the continuance of proceedings by or against Transferor Company under Clause 8 above shall not affect any transaction or proceedings already concluded by Transferor Company on or after the appointed date till the effective date, to the end and intent that Transferee Company accepts and adopts all acts, deeds and things to be done and executed by Transferor Company in respect thereto as done and executed on behalf of itself.

18. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

- 18.1 In the event of any of the said sanctions and approvals referred to in Clause 11 not being obtained and/ or the Scheme not being sanctioned by the Jurisdictional High Court or such other competent authority, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme.



19. POWER TO WITHDRAW THE SCHEME AT ANYTIME

19.1 In the event of any condition or amendment or modification that may be imposed by the Hon'ble High Court or any competent authority, which the Board of Directors of the Transferor Company or the Board of Directors of the Transferee Company, may find it unacceptable for any reason or if the Board of Directors of the said Transferor Company or Transferee Company for any reason so decides, they shall be at a liberty to withdraw from the Scheme unconditionally.

20. COSTS

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



SCHEDULE A

Schedule of Property

Plot No. 143/A, admeasuring 2.00 Acres/0.81 Hectares in Survey no. 172/AA, situated in Bollaram Industrial Area, Bollaram Village, Narsapur Taluk, Medak District, and delineated in the plan annexed hereto and bounded on:

NORTH BY : 50ft. wide road

SOUTH BY : Plot No. 142

EAST BY : 50ft. wide road

WEST BY : Plot No. 143/B

Within the Gram Panchayat limits of Bollaram (vg.) Sub-Registration Dist. Narsapur and Registration District, Medak at Sangareddy.

