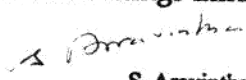


**SCHEME OF AMALGAMATION  
OF  
INTERFIT INDIA LIMITED  
MERIT INDUSTRIES LIMITED  
WITH  
NATIONAL FITTINGS LIMITED  
AND THEIR RESPECTIVE  
SHAREHOLDERS  
AND CREDITORS**

**For National Fittings Limited**

  
**S. Aravinthan  
Company Secretary**

**SCHEME OF AMALGAMATION  
OF  
INTERFIT INDIA LIMITED  
AND  
MERIT INDUSTRIES LIMITED  
WITH  
NATIONAL FITTINGS LIMITED  
AND THEIR RESPECTIVE EQUITY SHAREHOLDERS  
(Under Section 61, 66 and 230 to 233 of the Companies Act, 2013)**

**PART I - GENERAL**

**1. DEFINITIONS**

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

- 1.1 **"Act"** means the Companies Act, 2013 with any statutory modification or re-enactment thereof;
- 1.2 **"Appointed Date"** means the date from which this Scheme shall become operative viz., **01<sup>st</sup> April 2017** or if the Board of Directors of the Transferor Companies and the Transferee Company require any other date prior or subsequent date and/or Tribunal modifies the Appointed Date to such other date, then the same shall be the Appointed Date;
- 1.3 **"IIL" or "Transferor Company 1"** means **Interfit India Limited**, a Company incorporated under the Companies Act, 1956 and having its registered office at 112/3D Mathapur Road, Kaniyur Village, Palladam Taluk Karumathampatti, Coimbatore - 641659, Tamil Nadu; IIL is the Holding Company of NFL (Transferee Company)
- 1.4 **"MIL" or "Transferor Company 2"** means **Merit Industries Limited**, a Company incorporated under the Companies Act, 1956 and having its registered office at No 26, Damu Nagar, Coimbatore - 641045, Tamil Nadu; MIL is the Wholly Owned Subsidiary of NFL (Transferee Company).
- 1.5 **"NFL" or "Transferee Company"** means **National Fittings Limited**, a Company Incorporated under the Companies Act, 1956 and having its registered office at SF 112 Mathapur Road, Kaniyur Village, Karumathampatty, Coimbatore - 641659, Tamil Nadu. NFL is the subsidiary of IIL (Transferor Company - 1);



- 1.6 **"Tribunal"** means the Hon'ble National Company Law Tribunal or such other Court / Tribunal empowered to sanction the Scheme as per the provisions of the Act;
- 1.7 **"Effective Date"** means the date or last of the dates on which the certified copy of the Order of the Tribunal sanctioning this Scheme is filed with the concerned Registrar of Companies by the Transferor Companies and the Transferee Company;
- 1.8 **"Board"** means Board of Directors;
- 1.9 **"Scheme of Amalgamation"** or **"Scheme"** or **"The Scheme"** or **"This Scheme"** means this Scheme of Amalgamation as per the provisions of Section 61, 66 and 230 to 233 of the Companies Act, 2013 read with the applicable Rules thereon, between Transferor Companies and Transferee Company and their respective Equity and preference Shareholders inter se in its present form or with any modification(s) approved, imposed, or as directed by the Tribunal;
- 1.10 **"Share Capital"** means Equity Share Capital and Preference Share capital;
- 1.11 **"Undertaking"** shall mean and include –
- a) All the assets and properties of the Transferor Companies including the interest accruing out of the assets as on the Appointed Date (hereinafter referred to as a "the said assets"); The details of the immovable properties with their relevant survey numbers and extent of Land is given in **Schedule -A** and which shall form part and parcel of this Scheme.
  - b) All the debts, liabilities, duties and obligations of the Transferor Companies including contingent liabilities as on the Appointed Date (hereinafter referred to as "the said liabilities");
  - c) Without prejudice to the generality of sub-clause (a) above, the Undertaking of the Transferor Companies shall include the Transferor Companies' reserves by whatever name called, balances in the Profit and Loss Accounts, movable and immovable properties including Computers, hardware, software, plant and machinery, equipments, furniture, fixtures, vehicles, stock and inventories, leasehold assets, real corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, amounts lying in the banks to the credit of the Transferor Companies, investments, claims, powers, authorities, allotments, approvals, consents, investments,





letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, club memberships, advantages, leasehold rights, brands, sub-letting tenancy rights, with or without the consent of the landlord as may be required by law, goodwill, other intangibles, industrial and other licenses, permits, authorizations, quota rights, trademarks, trade names, patents copyrights, and other industrial and intellectual properties and rights of any nature whatsoever including know-how, domain names, or any applications for patents, patent rights, trademarks, trade names, copyrights whether tangible or otherwise and licenses, assignments and grants in respect thereof, import quotas, and other quota rights, right to use and avail of telephones, telex, facsimile and other communication facilities connections, installations and equipment, rights, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, reserves, provisions, funds, and benefits of all agreements, arrangements, Loans and Advances, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other person including customers, contractors or other counter parties, etc., cash and bank balances, all earnest monies, tax holidays, tax relief under the Income-tax Act, 1961 such as credit for advance and/or deposits, rights, titles, claims and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits, exemptions and approvals of whatsoever nature including but not limited to benefits of all tax, taxes deducted at source, brought forward accumulated tax losses, unabsorbed depreciation etc, interest accruing out of the assets of the Company, benefits under the Sales Tax Act, sales tax set off, benefits of any unutilized MODVAT/CENVAT credits, Goods and Services Act, Relief and Refund etc. and where so ever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favor of or enjoyed by the Transferor Companies as on the Appointed Date and thereafter.

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





## 2. CAPITAL STRUCTURE

2.1. The Capital Structure of the Transferor Company - 1 as on the date of this Scheme is as under:

PARTICULARS	Amount (In Rs.)
<b>AUTHORISED:</b>	
38,00,000 Equity Shares of Rs.10/- each	3,80,00,000
4,20,000 Preference Shares of Rs. 100/- each	4,20,00,000
<b>ISSUED, SUBSCRIBED AND PAID-UP:</b>	
36,40,128 Equity Shares of Rs.10/- each	3,64,01,280

2.2 The Capital Structure of the Transferor Company - 2 as on the date of this Scheme is as under:

PARTICULARS	Amount (In Rs.)
<b>AUTHORISED:</b>	
12,50,000 Equity Shares of Rs.10/- each	1,25,00,000
6,50,000 Preference Shares of Rs. 100/- each	6,50,00,000
<b>ISSUED, SUBSCRIBED AND PAID-UP:</b>	
10,00,000 Equity Shares of Rs.10/- each	1,00,00,000
6,00,000.9 % Redeemable Non- Cumulative Non-convertible Preference Shares of Rs. 100/- each	6,00,00,000

2.3 The Capital Structure of the Transferee Company as on the date of this Scheme is as under:

PARTICULARS	Amount (In Rs.)
<b>AUTHORISED:</b>	
87,50,000 Equity Shares of Rs. 10/- each	8,75,00,000
5,00,000 Preference Shares of Rs. 100/- each	5,00,00,000



<b>ISSUED, SUBSCRIBED AND PAID-UP:</b> 83,20,000 Equity Shares of Rs. 10/- each	8,32,00,000
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As on date of approval of this Scheme, by the respective Boards Directors of the Transferor Companies and Transferee Company, there is no change in the Authorised, Issued and Paid up Capital in respect of both Equity Share Capital as well as Preference Share Capital of the Transferor and Transferee Companies, from the above.

## **PART II – PREAMBLE & RATIONALE**

### **PREAMBLE**

This Scheme of Amalgamation is being mainly conceived and proposed by the respective Board of Directors of the Transferor Company(ies) and Transferee Company, to consolidate the group entities and beneficially combine the existing products, manufacturing facilities and optimum utilization of Human resources all under one roof and under single management. There is intense competition for the products manufactured by these entities i.e., Transferor Company 1 and 2 and Transferee Company due to cheaper imports from overseas sources. Unless consolidation of these entities is completed, cost effective measures and benefits of large scale economies are adopted, there would be drastic erosion in the turnover and profits of these entities. Hence, it is imperative in the interest of all stakeholders that these entities be combined into a single entity for sustainable growth in terms of revenue and profits. It is also to be noted that the product manufactured by these entities are inter related / inter connected thereby substantial advantages can accrue in terms of GST input credit and standardization of cost and the managerial supervision would also be optimally used for the overall benefits in the combined entity. The **Appointed Date** for the merger shall be **01.04.2017** or such other date as may be approved by the Hon'ble NCLT.



### **BACKGROUND AND RATIONALE FOR THE AMALGAMATION**

- 3.1 The Transferor Company - 1 viz., Interfit India Limited is a Public Limited Company which is in existence since 1982 and is mainly engaged in the business of manufacturing castings for Pipe Fittings for Fire Protection and HVAC industries.
- 3.2 The only client / customer of Transferor -1 Company is Transferee Company NFL, which is a subsidiary of Transferor -1 Company. The Transferee Company is a listed entity with a good track record of profitability and dividend distribution to its Shareholders.
- 3.3 MIL, Transferor Company - 2 is the wholly owned subsidiary of Transferee Company as on date and is mainly engaged in the business of manufacturing castings.

All the 3 Companies, as stated supra are engaged in the same or similar line of business and there is a synergy in the operational activities of these Companies. It is reiterated the economies of scale, optimum utilisation of man power and material resources can be advantageously used for the combined entity thereby increasing the value of stakeholders in the years to come.

- 3.4 The Scheme of Amalgamation envisaged would greatly enhance the value proposition to Shareholders, creditors, employees and the stakeholders connected with these Companies.
- 3.5 All the 3 Companies are managed by the same Promoter and as such managerial control and supervision would become convenient and there would an ease in administrative and management decision.
- 3.6 The Board of Directors of the Transferor Company(ies) - 1 & 2 and Transferee Company envisage the following benefits arising from this amalgamation:

- 3.6.1 Amalgamation enables the combined pooling of operational, financial and other resources of the Companies together for deriving optimum benefits. There would therefore, be better operational efficiency in utilization of the





administrative, managerial, financial and other resources by one large Company leading to higher profitability and optimum utilization of resources.

- 3.6.2 The amalgamation will result in increased financial strength, flexibility, better borrowing capability and enhance the ability of the amalgamated entity to expand its activities, thereby contributing to the enhancement of future business potential;
- 3.6.3 Operational integration, co-ordination, synchronization, and planning will improve the overall performance. Operational synergy will lead to time and cost saving. The cost savings will substantially improve cash inflows providing valuable financial resources for modernization, expansion etc., which makes a Company remain competitive at all times in this technologically advanced Global space.
- 3.6.4 The integration of administrative systems, centralized control over operational facilities, implementation of uniform management practices, accounting and financial systems as well as integration of employees of the Companies will create a strong, vibrant and versatile organization, with necessary size, capabilities and resources that would make it a globally competitive enterprise;
- 3.6.5 The Scheme does not provide for any compromise with creditors, both secured and unsecured, of any of the Companies involved and also does not affect the interests and rights of the creditors of the concerned Transferor Companies and Transferee Company in any manner whatsoever;
- 3.6.6 The Scheme will not thus be prejudicial to the interest of the Creditors of neither the Transferor Companies nor the Transferee Company, since no compromise is entered into between them and all the said & declared Liabilities would stand vested unto the Transferee Company without any compromise. The said Scheme if approved will not be prejudicial to the any of the Shareholders of the Transferor Companies and/or Transferee Company.



- 3.7 The combined financial strength of the Transferee Company would be more than sufficient to meet the financial commitments of banks/financial institutions and to meet trade, operational creditors and other statutory liabilities of the merged entity.
- 3.8 As a whole, the Amalgamation will be in the best interests of all the stakeholders, i.e. Shareholders, creditors, banks, financial institutions employee's et al.

### **PART III – TRANSFER AND VESTING**

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

- 4.1 The Undertaking/s shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:
- (a) With effect from the Appointed Date but effective from the date of filing of the Approved Scheme of Amalgamation with the Statutory Authorities, the whole of the Undertaking of the Transferor Companies comprising their entire business, all assets and liabilities of whatsoever nature and where so ever situated, including the immovable properties, if any, shall, under the provisions of Section 232 read with all other applicable provisions, if any, of the Act, without any further Act or Deed (save as provided in Sub-clauses (b), (c) and (d) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as from the Appointed Date, the undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Companies therein.

Provided that for the purpose of giving effect to the vesting, Order passed under Sections 61, 66 and 230 to 233 of the Act in respect of this Scheme, the Transferee Company shall at any time pursuant to the Orders on this Scheme, be entitled to get the record of the change in the title and the appurtenant legal right(s) upon the vesting of such assets of the Transferor Companies in accordance with the provisions of Sections 61, 66 and 230 to 233 of the Act, at the office of the respective Registrar of Assurances or any other concerned authority, where any such property is situated.



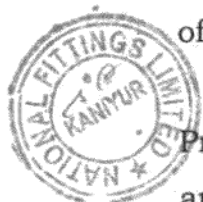
The immoveable properties of the Transferor 1 and 2 Companies shall vest with the Transferee Company upon the Scheme being approved by the Hon'ble NCLT and the details of the property of the Transferor Companies are detailed in **Schedule A**

- (b) All movable assets including cash in hand, if any, of the Transferor Companies, capable of passing by physical delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company, such delivery shall be made on a date mutually agreed upon between the Board of Directors of the Transferor Companies and the Transferee Company or the date as may be directed by the Tribunal.
- (c) In respect of movables other than those specified in sub-clause (b) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the following modus operandi for intimating third parties shall, to the extent possible, be followed:
- (i) The Transferee Company shall give notice in such form as it may deem fit and proper, to each person, debtor, loanee or depositor as the case may be, that pursuant to the Tribunal having sanctioned the Scheme, the said debts, loans, advances, bank balances or deposits be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the respective Transferor Companies to recover or realize the same stands extinguished and that appropriate entry should be passed in its books to record the aforesaid change;
- (ii) The Transferor Companies shall also give notice in such form as it may deem fit and proper to each person, debtor, loanee or depositor that pursuant to the Tribunal having sanctioned the Scheme, the said debt, loan, advance or deposit be paid or made good or held on account of the Transferee Company and that the right of the Transferor Companies to recover or realize the same stands extinguished.





- (d) In relation to the assets, if any, belonging to the Transferor Companies, which require separate documents of transfer, the respective Transferor Companies and the Transferee Company will execute necessary documents, as and when required.
- (e) With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet of the Transferor Companies shall also, under the provisions of Section 232 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause. However, the Transferee Companies may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Companies or in favour of any other party to the contract or arrangement to which the Transferor Companies is a party or any writing, as may be necessary, in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Companies as well as to implement and carry out all such formalities and compliances referred to above.
- (f) The transfer and vesting of the undertaking of the Transferor Companies as aforesaid shall be subject to the existing securities, charges and mortgages, if any subsisting, over or in respect of the property and assets or any part thereof of the respective Transferor Companies.



Provided however that any reference in any security documents or arrangements (to which any Transferor Companies is a party) pertaining to the assets of the Transferor Companies offered, or agreed to be offered, as security

for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the undertaking of the said Transferor Companies as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that, such security, charge and mortgage shall not extend or be deemed to extend to any of the other assets of the said Transferor Companies or any of the assets of the Transferee Company.

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

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Companies which shall vest in the Transferee Company by virtue of the amalgamation of the Transferor Companies with the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefore, after the amalgamation has become operative.

- (g) With effect from the Appointed Date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, licences (including but not limited to Industrial licences, Pollution Authorities, Fire safety, Electrical Inspectorate, EPCG licence), if any, accreditations to trade and industrial bodies, privileges, powers, facilities, subsidies, rehabilitation Schemes, special status and other benefits or privileges (granted by any Government body, local authority or by any other person) of every kind and description of whatsoever nature in relation to the Transferor Companies, or to the benefit of which the Transferor Companies may be eligible, or having effect immediately before the Effective Date, shall be, and remain in, full force and effect in favour of the Transferee Company, and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a beneficiary thereto.





- (h) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person and availed of by the Transferor Companies are concerned, the same shall vest with, and be available to, the Transferee Company on the same terms and conditions.
- (i) Loans or other obligations, if any, due between the Transferor Companies and the Transferee Company shall stand discharged and there shall be no liability in that behalf. In so far as any Shares, securities, debentures or notes issued by the Transferor Companies, and held by the Transferee Company and vice versa, the same shall, unless sold or transferred by the said Transferor Companies or the Transferee Company, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective Date, and shall have no effect and the Transferor Companies or the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.
- (j) The Transferor Companies shall have taken all steps as may be necessary to ensure that vacant, lawful, peaceful and unencumbered possession, right, title, interest of immovable property, if any, is given to the Transferee Company.
- (k) Where any of the liabilities and obligations/assets attributed to the Transferor Companies on the Appointed Date has been discharged / sold by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company.
- (l) From the effective date and till such time that the names of the bank accounts of the Transferor Companies are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies, in its name, in so far as may be necessary.

## **5. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**



5.1 Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments of whatsoever nature to which the Transferor Companies is a party, subsisting or having



effect immediately before this arrangement under this Scheme, shall be, in full force and effect, against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Companies, the Transferee Company had been a party thereto. The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmation or enter into any arrangement, confirmation or novations to which the Transferor Companies will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or become necessary.

- 5.2 As a consequence of the Amalgamation of the Transferor Companies with the Transferee Company and in accordance with this Scheme, the recording of change in name from the Transferor Companies to the Transferee Company if any, whether for the purposes of any licence, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.
- 5.3 The Transferee Company may, at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Companies is a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Companies, implement or carry out all such formalities or compliances referred to above on the part of the Transferor Companies, as the case may be, to be carried out or performed.
- 5.4 For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Companies without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any instrument or beneficial interest to which the Transferor Companies are a party thereto and



shall not affect any right, privilege, obligations or liability, acquired, or deemed to be acquired prior to Appointed Date and all such references in such agreements, contracts and instruments to the Transferor Companies shall be construed as reference only to the Transferee Company with effect from the Appointed Date.

## **6. LEGAL PROCEEDINGS**

- 6.1 All suits, actions and proceedings of whatsoever nature by or against the Transferor Companies on the Appointed Date shall be transferred to the name of the Transferee Company and the same shall be continued and enforced by or against the Transferee Company, to the exclusion of the Transferor Companies, as the case may be.
- 6.2 If proceedings are taken against any Transferor Companies, in respect of matters referred to above, it shall defend the same in accordance with the advice of, and at the cost of, the Transferee Company, as the case may be from Appointed Date till Effective Date, and the latter shall reimburse and indemnify the Transferor Companies, against all liabilities and obligations incurred by the said Transferor Companies in respect thereof.

## **7. TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES**

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



- d) It is provided that the existing Provident Fund, Gratuity, Pension, Superannuation Fund or any other special funds that are applicable to the employees of the Transferor Companies and Transferee Company shall continue on "**as is where is**" basis.

The other employee benefits including medical benefits etc., shall continue on existing basis followed by the respective Companies.

Notwithstanding what is stated herein above in respect of applicability of Employees Provident Fund to the employees of Transferor Companies with retrospective effect from a date to be determined by the Board of Directors of Transferee Company, the extension of benefit to the employees of Transferor Companies shall be subject to the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the approvals of the appropriate Authorities concerned for giving effect to the implementation date.

## **8. SAVING OF CONCLUDED TRANSACTIONS**

The transfer of undertaking under Clause 4 above, the continuance of the effectiveness of contracts and deeds under Clause 5 above and legal proceedings by or against the Transferee Company under Clause 6 above and shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Companies on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

## **9. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANIES TILL EFFECTIVE DATE**

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

- 9.1 The Transferor Companies shall carry on, and be deemed to have been carrying on, all or any business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.





- 9.2 All profits or income or taxes, including but not limited to income-tax, advance taxes, tax deducted at source by or on behalf of the Transferor Companies, wealth tax, sales tax, Goods and Services Act (yet to be implemented) Tax, value added tax, excise duty, service tax, customs duty, refund, reliefs, etc, accruing or arising to the Transferor Companies, or losses arising or expenditure incurred by them, on and from Appointed Date up to the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the said taxes of the Transferee Company.
- 9.3 The Transferor Companies shall carry on their business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose of any of their business undertaking(s) or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Companies prior to the Appointed Date).-
- 9.4 The Transferor Companies shall also be entitled to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities viz., Income Tax department, Registrar of Companies, Regional Director, Reserve Bank of India and such other Authorities, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required / granted under any law for the time being in force for carrying on business by the Transferee Company. As the Transferee Company is a listed entity, the approvals from the Securities Exchange Board of India (SEBI) and Bombay Stock Exchange Limited shall also need to be obtained and the necessary disclosures as per the applicable provisions of SEBI (Listing Obligation & Disclosure Requirements) Regulations (LODR), SEBI (Prohibition of Insider Trading) Regulations and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations shall also be made.
- 9.5 The Transferor Companies shall not make any modification to their capital structure, either by an increase (by issue of rights Shares, bonus Shares, convertible debentures or otherwise), decrease, reclassification, sub-division or



reorganisation in any other manner, whatsoever, except by mutual consent of the Boards of Directors of the Transferor Companies and of the Transferee Company.

- 9.6 The Transferor Companies shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.

## **10 CANCELLATION / REDUCTION OF SHARE CAPITAL**

### **10.1 Equity Shares**

- 10.1.1. Upon the Scheme coming into effect, 46,97,010 Equity Shares of Rs. 10/- each held by the Transferor Company -1 in Transferee Company shall stand cancelled automatically.
- 10.1.2. Since the Transferor Company - 2 is the wholly-owned subsidiary of the Transferee Company, 10,00,000 Equity Shares of Rs. 10/- each held by the Transferee Company in Transferor Company - 2 shall also stand cancelled automatically.

### **10.2 Preference Shares**

- 10.2.1. Upon the Scheme coming into effect, 2,00,000 9% Redeemable Non-cumulative and Non- convertible Preference Shares of Rs. 100/- each held by the Transferor Company - 1 in Transferor Company - 2 shall stand cancelled.

The Equity Shares and the Preference Shares held by the Transferor Company - 1 in Transferee and in Transferor Company - 2 respectively shall stand cancelled as stated above without any further application, act or deed, as the Transferor Companies cease to exist and the said cancellation shall amount to reduction of Share Capital to that extent in pursuance to this Scheme of Amalgamation and no new Shares shall be issued by the Transferee Company in respect of these cancelled Shares, both Equity and Preference.



## 11 AUTHORISED SHARE CAPITAL

### EQUITY

11.1 Upon the Scheme becoming fully effective, the Authorised Share Capital of the Transferee Company shall stand combined with the Authorised Share Capital of the Transferor Companies. Filing fees and stamp duty, if any, paid by the Transferor Companies on their respective authorised Share capital, shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to pay any fee/ stamp duty for its increased Authorised Share capital.

11.2 Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 61 and 230-233 of the Companies Act 2013 and other applicable provisions of the Act by deleting the existing Clause and replacing it by the following:

**“V A. The Authorised Share Capital of the Company shall be Rs. 29,50,00,000/- (Rupees Twenty nine Crores fifty lakhs only) divided into:**

- a) Rs. 24,50,00,000/- (Rupees Twenty Four Crores fifty lakhs only) divided into 2,45,00,000 (Two Crores and forty five lakhs) Equity Shares of Rs.10/- (Rupees Ten Only) each**
- b) Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 5,00,000 (Five Lakhs) Preference Shares of Rs.100/- (Rupees Hundred Only) each**

**Subject to such increase/decrease/consolidation/subdivision or otherwise dealt with in accordance with the provisions of Companies Act, 2013 and statutory regulations for the time being in force in this regard.**





**B. The Company shall have the power to increase the said capital and to issue any Shares in the original or new capital with any preferential rights, privileges, conditions or advantages over or as compared with any Shares previously issued or to be thereafter issued whether in respect of dividend or repayment of capital or both and whether with any special rights of voting or without any right of voting and generally on such terms as the Company may from time to time by Special Resolution determine, but so nevertheless that in the event of the Company (including the original Capital) being or becoming divided into shares of different classes, the rights of privileges attached to any class may be affected, altered, modified or dealt with only in accordance with the provisions in that behalf contained in the Articles of Association of the Company for the time being.**

11.3 The Authorised Capital of the **Merged Company** would be as follows:

<b>AUTHORISED:</b>  2,45,00,000 <b>Equity Shares</b> of Rs. 10/- each  5,00,000 <b>Preference Shares</b> of Rs. 100/- each	<b>Rs. 24,50,00,000</b>  <b>Rs. 5,00,00,000</b>
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11.4 The approval of this Scheme under Sections 61, 66 and 230 to 233 of the Act shall be deemed to have the approval under applicable provisions of the Companies Act 2013 and any other consents and approvals required in this regard. The sanction of the Tribunal under Sections 61, 66 and 230 to 233 of the Act for the Scheme shall consequentially deemed to be a sanction under any other applicable provisions of the Act.

## **12 CONSIDERATION AND PAID UP SHARE CAPITAL**

### **12.1 EQUITY SHARE CAPITAL**

12.1.1. The Valuation Report or Share Exchange Ratio report has been prepared by M/s. Rangarajan & Co, Chartered Accountants for the purpose of this Scheme of Amalgamation. The Board of Directors of the Transferor



Companies and Transferee Company have passed and approved the same unanimously in their respective Boards and given their consent to the Share Exchange Ratio of 3 (Three) Equity Shares for every 2 (Two) Equity Shares, of Rs 10/- each as fully paid up (1.5:1) based on the Share Valuation Report.

- 12.1.2. Upon the Scheme becoming finally effective, that in consideration of the transfer and vesting of the undertaking of the Transferor Companies in the Transferee Company in terms of the Scheme, the Transferee Company shall without any further act or deed, issue and allot to every member of the Transferor Company - 1, 3 (Three) Equity Shares for every 2 (Two) Equity Shares, of Rs 10/- each as fully paid up (1.5 : 1 as mentioned in the valuation report) held in the Transferor Company - 1. The fractional number of shares, if any, shall be rounded off to the nearest number of shares for the purpose of allotment to the shareholders.

The additional Equity Shares to be issued by Transferee Company to the shareholders of Transferor Company - 1 as per the Share Exchange Ratio (1.5: 1) is tabled below:

S. No	Category of shareholders	No of shares
1	Promoter	7,78,540
2	Directors & relatives	1,86,160
3	Non Resident Indians	1,08,827
4	Body Corporates	1,30,460
5	Individuals upto Rs. 1 lac	3,68,290
6	Individuals more than Rs. 1 lac	2,18,237
7	Hindu Undivided Families	29,550
	<b>TOTAL ADDITIONAL SHARES</b>	<b>18,20,064</b>

The post-merger Share Capital (Equity and Preference) and the list of Shareholders (Equity and Preference) of the Transferee Company have been enclosed in **Schedule B.**



- 12.1.3. The Equity Shares to be issued and allotted by the Transferee Company as aforesaid in terms of this Scheme shall rank pari passu in all respects with the existing Equity Shares of the Transferee Company but shall not rank for dividend for the period prior to the date of their allotment. The pre and post Shareholding pattern of the Promoters has been enclosed in **Schedule - C**.

## 12.2 PREFERENCE SHARE CAPITAL

- 12.2.1 There are two Shareholders each holding 2,00,000 9% Redeemable Non-Cumulative Non-convertible Preference Shares of Rs.100/- each in Transferor Company - 2. These Preference Shareholders shall continue to hold the same number of Shares with similar rights as per the terms of issue of the said Shares in the Transferee Company.
- 12.2.2 The Transferee Company shall redeem the 4,00,000 9 % Redeemable Non-Cumulative Non-convertible Preference Shares of Rs. 100/- each, as per the terms of issue of the said Shares, out of the distributable profits of the Transferee Company or out of the proceeds of a fresh issue of shares made for the purposes of such redemption in due compliance with the provisions of the Act.

## 12.3 PAID UP SHARE CAPITAL

The Paid up Share Capital of the **Merged Company** would be as follows:

<p><b>ISSUED, SUBSCRIBED AND PAID-UP:</b></p> <p>90,83,182 <b>Equity Shares</b> of Rs. 10/- each</p> <p>4,00,000 <b>9 % Redeemable Non- Cumulative Non-convertible Preference Shares</b> of Rs. 100/- each</p>	<p><b>Rs. 9,08,31,820</b></p> <p><b>Rs. 4,00,00,000</b></p>
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#### 12.4 **FAIRNESS OPINION**

The Fairness Opinion has been obtained from Vivro Financial Services Private Limited, Category – I Merchant Banker registered with the Securities Exchange Board of India as per the Regulations stipulated under the SEBI (Listing Obligation and Disclosure Requirement), 2015 and Bombay Stock Exchange(BSE).

#### 12.5 **AUDITOR CERTIFICATE**

M/s V. Krish and Associates, Chartered Accountants, the Statutory Auditors of the Transferee Company has certified that the Accounting treatment of Amalgamation is in compliance with the AS – 14 and IND AS – 103 – Accounting for Business Combinations.

#### 12.6 **RECORD DATE**

Record date shall be the date on which the Scheme is approved by the Adjudicating Authority and filed with the Registrar of Companies and approved by them. It is also subject to the approval or compliances if any and as may be stipulated by the Bombay Stock Exchange (BSE).

### 13. **LISTING AND TRADING**

The Transferee Company i.e., Merged entity would take such necessary steps as may be required or considered necessary to comply with the listing and trading requirements as may be stipulated by the BSE as per the SEBI (LODR) Regulations existing as on that date.

- 13.1 Upon the Scheme coming into effect, the Equity Shares allotted to the Shareholders of the Transferor Company shall be listed in the Bombay Stock Exchange subject to the approval from the Bombay Stock Exchange (BSE) and any other authorities as may be necessary. The Listing agreement shall be also be modified and such fee as may be required shall be paid to the merged entity pursuant to the merger.



13.2 The approval of this Scheme under Sections 61, 66 and 230 to 233 of the Act shall be deemed to have the approval under applicable provisions of the Companies Act 2013 and any other consents and approvals required in this regard. The sanction of the Tribunal under Sections 61, 66 and 230 to 233 of the Act for the Scheme shall consequentially deemed to be a sanction under any other applicable provisions of the Act.

#### **14. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFeree COMPANY**

14.1 On the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as per the "Pooling of Interest Method" of Accounting prescribed under the AS - 14 read with IND AS 103 - Accounting for Business Combinations issued by the Institute of Chartered Accountants of India such that -

- i) The Fixed Assets including immoveable properties, recorded in the books of the Transferor Companies shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at the book values (except for adjustments required to have uniform accounting policies) and approved in respect of the Companies.
- ii) All assets and liabilities (other than Fixed Assets), recorded in the books of the Transferor Companies shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Companies at the book values of the assets and Liabilities of the Transferor Company except in situations where uniformity in Accounting Policies must be ensured;
- iii) The excess of, or deficit in, the Net Asset value of the Transferor Companies after reducing the aggregate face value of the Shares issued by the Transferee Company to the members of the Transferor Companies pursuant to this Scheme and the cost of investment in the books of the Transferee Company for the Shares of the Transferor Companies held by



it on the effective date, be either credited to the Capital Reserve, or debited to the Goodwill account, as the case may be, in the books of the Transferee Company. Such resultant Goodwill, if any, shall be amortized or shall be dealt with in the books of the Transferee Company, as per the principles laid down in the AS – 14 - Accounting for Amalgamation read with IND AS – 103 – Accounting for Business Combinations as prescribed by the Institute of Chartered Accountants of India.

- 14.2 The identity of the reserves of the Transferor Companies shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Companies. The difference between the amount recorded as Share capital issued (plus any additional consideration in the form of cash or other assets) and the amount of Share capital of the Transferor Companies, if any, shall be adjusted in reserves in the financial statements of the Transferee Companies.
- 14.3 Further, in case of any differences in accounting policy between the Companies, the impact of the same till the amalgamation will be quantified and adjusted in the Profit & Loss Account mentioned earlier to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 14.4 To the extent that there are inter-Company loans, investments, deposits or balances, if any, as between or amongst the Transferor Companies and the Transferee Company, the obligations in respect thereof shall deemed to come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of any such inter-Company loans, investments, deposits or balances, if any, with effect from the Appointed date.

## 15. CONSEQUENTIAL MATTERS RELATING TO TAX



Upon the Scheme coming into effect, all taxes/ cess/ duties, direct and/or indirect, payable by or on behalf of the Transferor Companies from the Appointed Date onwards including all or any refunds and claims, including



refunds or claims pending with the Revenue Authorities and including the right to claim credit for minimum alternate tax and carry forward of accumulated losses, shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims and accumulated losses of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise, if it becomes necessary, its Income tax returns, Sales tax returns, Excise & Cenvat returns, service tax returns, other tax returns including the Goods and Service Tax (GST) and to claim refunds/ credits, pursuant to the provisions of this Scheme. The Transferee Company is also expressly permitted to claim refunds / credits in respect of any transaction between or amongst any Transferor Company and the Transferee Company or inter se amongst the Transferor Company.

Provided further that upon the Scheme becoming effective, the Transferee Company is also expressly permitted to revise, if it becomes necessary, its income tax returns and related TDS Returns, including TDS Certificates relating to transactions between or amongst any Transferor Company and the Transferee Company or inter se amongst the Transferor Company, and to claim refunds, advance tax and withholding tax credits, benefit of credit for minimum alternate tax and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.

15.2 In accordance with the Cenvat Credit Rules framed under the Cenvat Credit Rules, 2004, the unutilized credits relating to Excise Duty or Service tax, Goods and Service Tax paid on inputs/capital goods/ input services lying in the accounts of the Undertaking of the Transferor Companies shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the excise duty or service tax or GST or by whatever name called payable by it.

15.3 In accordance with the Tamil Nadu Value Added Tax Act, 2006, the unutilized credits, if any, relating to VAT paid on inputs/capital goods lying in the accounts of the Undertaking of the Transferor Companies shall be permitted to



be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the VAT/ CST payable by it.

15.4 It is further clarified that no undue tax advantage will be availed nor will inure to the Transferee Company on account of the appointed date as envisaged in the Scheme with regard to the regular operation of the Transferor Companies commencing from the appointed date being aggregated along with the financials of the Transferee Company consequent to the merger of the Companies being approved.

15.5 The Scheme has been drawn up in compliance with the applicable provisions of the Companies Act 2013 as also in compliance with the definition of Section 2(1B) of the Income Tax Act. The Board of Directors of the respective Companies is duly empowered to modify the Scheme suitably in case there arises any conflict between the above referred provisions.

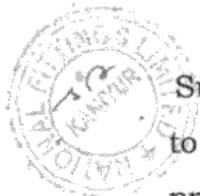
#### **PART IV – GENERAL TERMS AND CONDITIONS**

##### **16. APPLICATION TO TRIBUNAL**

The Transferor Companies shall, with reasonable dispatch, apply to the Tribunal for necessary Orders or directions for holding meetings of the Shareholders, Secured Creditors and unsecured Creditors of the respective Transferor Companies and Transferee Company for sanctioning this Scheme of Amalgamation under Sections 61, 66 and 230 to 233 of the Act or for dispensing the holding of such meetings and orders under the Act, for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up.

##### **17. DISSOLUTION OF TRANSFEROR COMPANIES**

Subject to an Order being made by the Tribunal under Sections 61, 66 and 230 to 233 of the Act, the Transferor Company 1 & 2 shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made thereunder.





## **18. MODIFICATIONS / AMENDMENTS TO THE SCHEME**

- 18.1 The Transferor Companies and the Transferee Company through their respective Boards of Directors including Committees of Directors or other persons, duly authorised by the respective Boards in this regard, may make, or assent to, any alteration or modification to this Scheme or to any conditions or limitations, which the Tribunal or any other Competent Authority may deem fit to direct, approve or impose and may give such directions including an order of dissolution of the Transferor Companies without process of winding up as they may consider necessary, to settle any doubt, question or difficulty, arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do and to execute all such acts, deeds, matters and things necessary for putting this Scheme into effect, or to review the portion relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permitted under law) for bringing this Scheme into effect.
- 18.2 If any part or provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Companies and the Transferee Company, affect the validity of implementation of the other parts and/or provisions of the Scheme. If any Part or provision of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Parties that such Part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part or provision, as the case may be, shall cause this Scheme to become materially adverse to any Party, in which case the Parties shall attempt to bring about a modification in the Scheme, as will best preserve for the Parties the benefits and obligations of the Scheme, including but not limited to such Part or provision.

## **19. DATE OF TAKING EFFECT**



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



## **20. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS**

This Scheme is conditional on and subject to –

- 20.1 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- 20.2 The approval of agreement to the Scheme by the requisite majorities in number and value of such classes of persons including the respective members and / or creditors of the Transferor Companies and the Transferee Company as may be directed by the Hon'ble National Company Law Tribunal, Chennai Bench under Section 61, 66 and 230 to 233 of the Act.
- 20.3 If necessary, the Transferee Company will take appropriate steps to accommodate the objects of the Transferor Companies in its Memorandum of Association either during the course of pending the approval of the present Scheme or after the sanctioning of the Scheme.
- 20.4 Since there are Non-Resident Shareholders in the Transferor Companies, this Scheme will be served to the Reserve Bank of India for necessary compliance.
- 20.5 All other sanctions and orders as are legally necessary or required in respect of the Scheme has been obtained/or shall be obtained to comply with the requirements of Law as may be stated by the Central/State / local authorities as may be deemed necessary and applicable.

## **21. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and / or the Scheme not being sanctioned by the Tribunal and / or the Order or Orders not being passed as aforesaid 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.

**22. EXPENSES CONNECTED WITH THE SCHEME**

All costs, charges, taxes including duties, levies and all other expenses, if any arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.



**SCHEDULE - A****FREEHOLD IMMOVABLE PROPERTIES**

The details of Freehold Immovable Properties of Transferor Companies vested unto Transferee Company pursuant to this Scheme of Amalgamation are tabled below:

**TRANSFEROR COMPANY - 1**

S. No	S. F. No	Location	Extent
	637/1	SILVARPATTI VILLAGE (AMMA PATTI)	6.872 acres
	638		3.76 acres
	645/1		0.06 acres
	645/4		0.1 acres
	635/4		73 cents
	630/1A	THOTTANUTHU VILLAGE, DINDIGUL	4 acres
	631/5A, 3A		2400 Sq. Ft
	629/2, 5A, 5B, 8		2400 Sq. Ft
	112/ 3D	KANIYUR VILLAGE, SULUR TALUK	2.94 acres
	112/2		1
	112/3A		0.95 acres
	112/3B		0.95 acres
	112/1C		1.07 acres
	112/3C	SITHUR VILLAGE, VEDASANDUR	0.99 acres
	497		5 cents
	498/1B2		12 cents
	505/1A4		83 cents
	505/7B		5 cents
	504/3A		37 cents
	504/1A		19 cents
	498/2A		12 cents
	504/2A		180 cents
	504/1A		2.5 cents
	504/1B		23.5 cents
	504/1C		12.5 cents
	502/1A		15 cents
	498/2B		16 cents
	498/2C		4 cents
	498/2E		3.5 cents
	498/2G		4 cents
	498/2D		2.5 cents
	498/2F		2.5 cents
	504/1D		11 cents
	496/6C		16 cents
	497/3		11 cents
	505/1A3		82 cents
	505/5B		25 cents
	505/6		37 cents
	505/7A		37 cents
	505/4		7 cents
	505/5		24 cents
	505/6		34 cents
	505/7		38 cents

**TRANSFEROR COMPANY - 2**

S. No	S. F. No	Location	Extent
	426/2A1, 2A2, 2B, 2C	THEKKALUR	5.83 acres





**SCHEDULE B****POST MERGER – SHAREHOLDING PATTERN****I. AUTHORISED SHARE CAPITAL**

<b>Particulars</b>	<b>Amount (In Rs.)</b>
<b><u>EQUITY</u></b> (2,45,00,000 Equity Shares of Rs. 10/- each)	24,50,00,000
<b><u>PREFERENCE</u></b> (5,00,000 Preference Shares of Rs. 100/- each)	5,00,00,000
<b>Post-Merger Authorised Share Capital</b>	<b>29,50,00,000</b>

**II. PAID UP SHARE CAPITAL**

<b>Particulars</b>	<b>Amount (In Rs.)</b>
<b><u>EQUITY</u></b> (90,83,182 Equity Shares of Rs. 10/- each)	9,08,31,820
<b><u>PREFERENCE</u></b> (4,00,000 9 % Redeemable Non- Cumulative Non-convertible Preference Shares of Rs. 100/- each)	4,00,00,000
<b>Post Merger Paid Up Share Capital</b>	<b>13,08,31,820</b>



### III. POST MERGER - LIST OF SHAREHOLDERS

#### A. EQUITY SHAREHOLDERS

S. No	Category of shareholders	Number of Shares	% of holding
1	A V Palaniswamy - Promoter	30,92,093	34.04%
2	Public Shareholding - Institution	500	0.01%
3	Public Shareholding -Bank	100	0.01%
4	Non Resident Indians	5,79,307	6.38%
5	Body Corporates	7,29,508	8.03%
6	Individuals upto Rs. 1 lac	22,48,747	24.75%
7	Individuals more than Rs. 1 lac	15,89,500	17.50%
8	Directors and Relatives	7,11,380	7.83%
9	Clearing members	7,956	0.09%
10	Hindu Undivided Families	1,24,091	1.37%
	<b>TOTAL</b>	<b>90,83,182</b>	<b>100.00%</b>

#### B. PREFERENCE SHAREHOLDERS

S. No	Category of Shareholders	No of Preference Shares	% of holding
1	Western India Steel Company Private Limited	2,00,000	50.00%
2	Mohamed Ali (Asian Fittings)	2,00,000	50.00%
	<b>TOTAL NO OF PREFERENCE SHARES</b>	<b>4,00,000</b>	<b>100.00%</b>



**SCHEDULE - C****SHAREHOLDING OF THE PROMOTERS****I. Pre - Merger**

<b>TRANSFeree COMPANY</b>			
<b>NATIONAL FITTINGS LIMITED</b>			
<b>S. No</b>	<b>Name of the promoter</b>	<b>Number of Equity Shares</b>	<b>% of holding</b>
1	A V Palaniswamy	7,56,472	9.09 %
2	Interfit India Limited	46,97,010	56.45 %

<b>TRANSFEROR COMPANY- 1</b>			
<b>INTERFIT INDIA LIMITED</b>			
<b>S. No</b>	<b>Name of the Promoter</b>	<b>Number of Equity Shares</b>	<b>% of holding</b>
1	A V Palaniswamy	15,57,081	42.78 %

<b>TRANSFEROR COMPANY - 2</b>			
<b>MERIT INDUSTRIES LIMITED</b>			
<b>S. No</b>	<b>Name of the Promoter</b>	<b>Number of Equity Shares</b>	<b>% of holding</b>
1	National Fittings Limited	10,00,000	100 %

**II. POST - MERGER**

<b>NATIONAL FITTINGS LIMITED</b>			
<b>S.NO</b>	<b>NAME OF THE PROMOTER</b>	<b>NO. OF EQUITY SHARES</b>	<b>% OF HOLDING</b>
	A V Palaniswamy	30,92,093	34.04 %

