

SCHEME OF AMALGAMATION

BETWEEN

KUNJAL INVESTMENTS PRIVATE LIMITED (Transferor Company)

AND

VOLTAMP TRANSFORMERS LIMITED (Transferee Company)

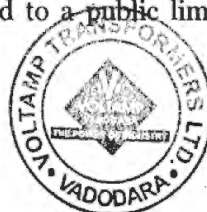
AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**(Under sections 230 – 232 of the Companies Act, 2013 read with
Companies (Compromises, Arrangements and Amalgamations) Rules,
2016)**

PREAMBLE

1. This scheme of amalgamation ('Scheme') is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The Scheme provides for Amalgamation of Kunjal Investments Private Limited ('KIPL' or Transferor Company) with Voltamp Transformers Limited ('VTL' or Transferee Company).
 - a) Kunjal Investments Private Limited (hereinafter referred to as "KIPL" or "Transferor Company") was originally incorporated under the provisions of the Companies Act, 1956 as a private limited company under the name of Hari Steel Private Limited on 23rd October 1973 and thereafter, the name of the Company has since been changed to present name w.e.f. 07.01.2010 and is having its registered office "NIRMAYA, Bhaili Raipura Road, Bhaili Vadodara-391410, Gujarat, India.
 - b) Voltamp Transformers Limited (hereinafter referred to as "VTL" or "Transferee Company") was originally incorporated under the provisions of the Companies Act, 1956 as a private limited company under the name of "Voltamp Transformers Private Limited" on 02.03.1967 and thereafter, the company was converted to a public limited company and the name of the



For Voltamp Transformers Ltd.

Sanket K. Rathod
Company Secretary

Company has since been changed to the present name w.e.f. 22.02.2006 and is having its registered office at Makarpura, Vadodara- 390014, Gujarat, India.

2. Rationale for the Scheme of Amalgamation

KIPL forms part of the promoter group of VTL. It presently holds 43,44,474 equity shares in VTL representing about 42.94% of total paid up share capital.

It is proposed to amalgamate transferor company into transferee company under this scheme, as a result of which shareholders of the transferor company shall directly hold shares in the transferee company and with the result following advantages will accrue to the companies.

- The amalgamation will lead to simplification of the shareholding structure and reduction of shareholding tiers and demonstrate promoters' direct commitment to and engagement with VTL. The amalgamation shall have no adverse implications for KIPL, VTL or Public Shareholders of VTL.
- The promoter group cumulatively will continue to hold the same number and also same percentage of shares in VTL, pre and post amalgamation. There will be no change in the financial position of the transferee company.
- Reduction in number of entity will lead to apparent and flexible group structure and aligned promoter shareholding; and
- The Scheme provides that the promoters will indemnify, defend and hold harmless the transferee company, its directors, employees, officers, representatives, or any other person authorized by the transferee company for any liability, claim, or demand, which may devolve upon the transferee company on account of this amalgamation.

3. The Scheme is divided into the following parts:

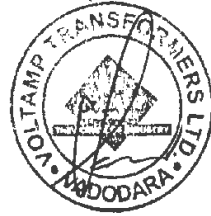
Part A – Definitions and Share Capital

Part B – Amalgamation of KIPL with VTL;



Part C – General Terms and Conditions that would be applicable to the Scheme

The Scheme also provides for various other matters consequential, incidental or otherwise integrally connected therewith.



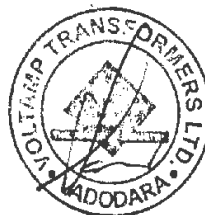
PART A - DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

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

- 1.1 **“Act”** or **“the Act”** means the Companies Act, 2013 or Companies Act, 1956 as in force from time to time. References in the Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 2013 or Companies Act, 1956. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall, unless a different intention appears, be construed as references to the provisions so re-enacted.
- 1.2 **“Appointed Date”** means, 1st June 2020 or such other date as may be fixed or approved by the National Company Law Tribunal (NCLT) as and when applicable.
- 1.3 **“Appropriate Authority”** means and includes any governmental, statutory, departmental or public body or authority, including SEBI, Stock Exchanges, Registrar of Companies, Reserve Bank of India and the NCLT;
- 1.4 **“Board”** means the Board of Directors of Companies or any Committee of Directors constituted or appointed and authorized to take any decision for the implementation of this Scheme on behalf of such Board of Directors.
- 1.5 **“Companies”** means KIPL and VTL collectively.
- 1.6 **“Effective Date”** means the date on which the certified copy of the order sanctioning this Scheme, passed by the Tribunal, as and when applicable is filed with Registrar of Companies at Ahmedabad, Gujarat.

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



- 1.7 **“Kunj Investments Private Limited”** (hereinafter referred to as “KIPL” or “Transferor Company”) was originally incorporated under the provisions of the Companies Act, 1956 as a private limited company under the name of Hari Steel Private Limited on 23rd October 1973 and thereafter, the name of the Company has since been changed to present name w.e.f. 07.01.2010 and is having its registered office at Nirmaya, Bhaili Raipura Road, Bhaili, Vadodara-391410, Gujarat, India. KIPL is an Investment Company and is registered as NBFC Company with Reserve Bank of India (RBI).
- 1.8 **Promoter means a person who is defined as promoter in Sec 2(69) of the Act.**
- 1.9 **“Record Date”** means the date fixed by the Board of Directors or committee thereof, if any, of the Transferee Company for the purpose of determining the members of the Transferor Company to whom New Equity Shares will be allotted pursuant to this Scheme;
- 1.10 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) as approved or directed by the National Company Law Tribunal.
- 1.11 **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.12 **“Stock Exchanges”** means BSE Limited, National Stock Exchange of India Limited and any other recognised stock exchange(s);
- 1.13 **“Tribunal”** means the National Company Law Tribunal, Ahmedabad bench.
- 1.14 **“Voltamp Transformers Limited”** (hereinafter referred to as “VTL” or “Transferee Company”) was originally incorporated under the provisions of the Companies Act, 1956 as a private limited company under the name of “Voltamp Transformers Private Limited” on 02.03.1967 and thereafter, the company was converted to a public limited company and the name of the Company has since been changed to the present name w.e.f. 22.02.2006 and is having its registered office at Makarpura, Vadodara- 390014, Gujarat, India. VTL is presently engaged in the business of Manufacturing of Electric



Transformers. VTL is listed on the National Stock Exchange and Bombay Stock Exchange.

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

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) and amendment(s) made under Clause 20 of the Scheme shall be effective from the Appointed date but shall be operative from the effective date

3. SHARE CAPITAL

- 3.1 The share capital of KIPL the Transferor Company, as on 31st March 2020 is as under:

Particulars	Amount (in Rs.)
Authorized Share Capital	
4,000 Equity shares of Rs. 100/- each	4,00,000
TOTAL	4,00,000
Issued, Subscribed and Paid-up Share Capital	
1263 Equity shares of Rs. 100/- each	1,26,300
TOTAL	1,26,300

There has been no change in the capital structure of KIPL subsequent to above date till the date of approving of the Scheme by the Board of Directors.



- 3.2 The share capital of VTL the Transferee Company, as on 31st March 2020 is as under:

Particulars	Amount (in Rs.)
Authorized Share Capital	
1,20,00,000 Equity shares of Rs. 10/- each	12,00,00,000
TOTAL	12,00,00,000
Issued, subscribed and paid-up Share Capital	
1,01,17,120 Equity shares of Rs. 10/- each	10,11,71,200
TOTAL	10,11,71,200

There has been no change in the capital structure of VTL subsequent to above date till the date of approving of the Scheme by the Board of Directors.

PART B - Amalgamation of KIPL with VTL

4. TRANSFER AND VESTING OF KIPL TO VTL

- 4.1 On the coming into effect of this Scheme and with effect from the Appointed Date, KIPL and all its assets, properties, liabilities, rights, benefits and interests therein, subject to existing charges if any, thereon, shall, without any further deed, act, matter or thing, shall vest in VTL pursuant to Section 230-232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 for consideration as set out hereinafter in this Scheme.
- 4.2 The Amalgamation shall be in compliance with the Income-tax Act, 1961 specifically section 2(1B) of the Income-tax Act, 1961 and other relevant provisions of the Income-tax Act. If any of the terms of this Scheme are inconsistent with the provisions of sections 2(1B) of the Income-tax Act, 1961, shall to the extent of such inconsistency, prevail and the Scheme shall, stand and be deemed to be modified to that extent to comply with the said provisions and such modifications shall not affect the other parts of the Scheme.



5. ASSETS AND LICENCES:

- 5.1 Without limiting the generality of Clause 4.1, upon the Scheme becoming effective, and with effect from the Appointed Date, all the immovable properties (including land, building and other immovable property) of KIPL shall stand transferred to, and be vested in, the VTL, pursuant to the provisions of sections 230 to 232 of Act read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 without requiring any deed or instrument of conveyance and shall upon such transfer become the property of the VTL. With effect from the appointed date, VTL shall be entitled to exercise all rights and privileges, and be liable to pay all taxes and charges, and fulfill all obligations, in relation to or applicable to such immovable properties.
- 5.2 All the assets of KIPL which are movable in nature or are otherwise capable of being transferred by endorsement and delivery shall stand transferred to and be vested in the VTL, pursuant to the provisions of sections 230 to 232 of the Act read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 without requiring any deed or instrument of conveyance and shall upon such transfer become the property of the VTL so as to vest in the VTL all the rights, title and interest in such assets. The transfer or vesting pursuant to this sub-clause shall be deemed to have occurred by physical delivery or endorsement and delivery, as appropriate to the property being transferred/ vested and the title to such property shall be deemed to have been transferred and vested accordingly.
- 5.3 All the assets (other than those specified in sub-clauses 5.1 and 5.2 above) of KIPL, including sundry debtors, investments and other financial assets, receivables, bills, outstanding loans and advances, bank balances, deposits etc. shall stand transferred to and vested in the VTL, pursuant to the provisions of sections 230 to 232 of the Act, 2013 read with Companies (Compromise, Arrangement and Amalgamation) Rules, 2016, without requirement of any notice or other intimation to any person, to the end and intent that right of the KIPL to recover or realize the same stands transferred to the VTL. VTL shall at its sole and absolute discretion, and without being obliged and if it so deems appropriate, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the Scheme sanctioned by the Tribunal, the said debt, receivable, bill, loan, advance or deposit stands

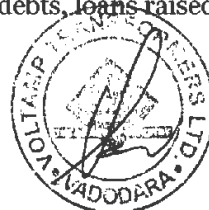


transferred and vested in the VTL and the same be paid to or made good to or held on account of the VTL.

- 5.4 All licences, permissions, approvals, consents, certificates, registrations, no-objections, clearances, concessions, exemptions or rights granted to, issued to or executed in favour of the KIPL, except the registration of KIPL as a non banking financial company granted by the Reserve Bank of India, shall pursuant to the provisions of sections 230 to 232 of Act read with Companies (Compromise, Arrangement and Amalgamation) Rules, 2016, stand transferred or vested in favour of the VTL as if the same were originally granted to, issued to or executed in favour of the VTL, and shall be appropriately transferred or assigned by the concerned statutory authorities in favour of the VTL pursuant to this Scheme. The benefit of all statutory and regulatory permissions, consents, registration or other licences, and consents shall vest in and become available to the VTL pursuant to the Scheme. The registration certificate of KIPL with Reserve Bank of India as non-banking financial company shall be surrendered.

6. LIABILITIES

- 6.1 Without limiting the generality of Clause 4.1, upon the Scheme becoming effective, and with effect from the Appointed Date, all secured and unsecured debts, sundry creditors, liabilities, contingent liabilities, guarantees, duties and obligations of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised by the KIPL, shall become and be the debts, liabilities, guarantees, duties and obligations of the VTL along with any charge, lien, encumbrance or security thereon, pursuant to the provisions of sections 230 to 232 of Act read with Companies (Compromise, Arrangement and Amalgamation) Rules, 2016, without requirement of any further act, instrument, matter, thing or deed. 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. Further, all debts and loans raised and duties, liabilities and obligations incurred or which arise or accrue to the KIPL on or after the Appointed Date till the Effective Date, shall be deemed to have been raised, used or incurred for and on behalf of the VTL and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be transferred to and be deemed to be transferred to the VTL and shall become the debts, loans raised, duties, liabilities



and obligations incurred by the VTL by virtue of this Scheme. Where any of the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of the KIPL as on the Appointed Date be deemed to be transferred to the VTL which have been discharged by the KIPL after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the VTL.

7. EMPLOYEES, STAFF AND WORKMEN

- 7.1 Without limiting the generality of Clause 4.1, upon the Scheme becoming effective, and with effect from the Appointed Date, all employees, staff and workmen of the KIPL and who are in such employment as on the Effective Date shall become employees of the VTL from the Appointed Date or their respective joining date, whichever is later, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the VTL shall be no less favourable than those on which they are engaged in the KIPL.
- 7.2 The VTL agrees that the services of all the employees of KIPL prior to the amalgamation, shall be taken into account for the purposes of all benefits to which such employees may be eligible and accordingly, the period of service of such employees shall be reckoned therefore from the date of their respective appointment in the KIPL.
- 7.3 In the event of retrenchment of the employees of the KIPL, the VTL will be liable to pay compensation in accordance with law on the basis that the services of the employees shall have been continuous and shall not have been interrupted by reason of such Amalgamation. On and from the Effective Date, VTL shall make appropriate contributions to such provident fund and/or other funds in respect of the staff, workmen and employees taken over by it pursuant to this Scheme.
- 7.4 Any question that may arise as to whether any employee belongs or does not belong to the KIPL shall be decided by the Board.

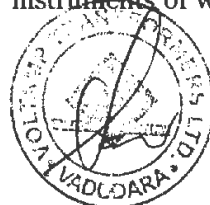
8. CONTRACTS AND DEEDS

- 8.1 Without limiting the generality of Clause 4.1, upon the Scheme becoming effective, and with effect from the Appointed Date, subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements,



arrangements and other instruments (including all leases, licenses and other assurances in favour of the KIPL or powers or authorities granted by or to it) of whatsoever nature to which the KIPL is a party or to the benefit of which the KIPL may be eligible, or having effect immediately before the Effective Date, shall, without any further act, instrument or deed, continue in full force and effect in favour of, by, for or against the VTL and may be enforced as fully and effectually as if, instead of the KIPL, the VTL had been a party or beneficiary or obligee or obligor thereto or thereunder. It is hereby clarified that upon the Scheme becoming effective, and with effect from the Appointed Date, KIPL shall have no liabilities in respect of any of the aforesaid contracts / arrangements transferred to the VTL.

- 8.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the KIPL in the VTL occurs by virtue of this Scheme itself, the VTL may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required, under any law or otherwise, take such actions or enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of, any party to any contract or arrangement to which the KIPL is a party or any writings as may be necessary to be executed in order to give formal effect to the provisions of this Scheme. The VTL shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the KIPL and to carry out or perform all such formalities or compliances required for the purposes referred to above.
- 8.3 For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, certificates, authorities, powers of attorney given by, issued to or executed in favour of the KIPL shall stand transferred to the VTL, as if the same were originally given by, issued to or executed in favour of the VTL, and the VTL shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the VTL.
- 8.4 Without prejudice to the aforesaid, it is clarified that if any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the KIPL, cannot be transferred to the VTL for any reason whatsoever, the KIPL shall hold such assets, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature



in trust for the benefit of the VTL, in so far as it is permissible so to do, till such time as the transfer is given effect to.

9. LEGAL PROCEEDINGS

Without limiting the generality of Clause 4.1, all legal proceedings (including but not limited to arbitration proceedings, proceedings in relation to cheques and other negotiable instruments, payment orders received or presented for encashment, etc.) of whatsoever nature by or against KIPL pending and / or arising at the Appointed Date, as and from the Effective Date shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the VTL in the manner and to the same extent as would or might have been continued and enforced by or against VTL as if the Scheme had not been made. All tax assessment proceedings/appeals of whatsoever nature by or against KIPL pending and/or arising at the Appointed Date shall be continued and/or enforced until the Effective Date by KIPL. In the event of KIPL failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by VTL, at the cost of VTL. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against VTL in the same manner and to the same extent as would or might have been continued and enforced by or against KIPL. On and from the Effective Date, VTL shall and may, if required, initiate any legal proceedings in relation to the business of KIPL.

10. TAXES

- 10.1 Upon the Scheme becoming effective, and with effect from the Appointed Date, all taxes, duties, cess of any nature (including Income-tax, Goods and Service tax etc.) paid or payable, including any tax deduction or collection at source, Goods and Service tax input credit receivables, by the KIPL and relating to the period after the Appointed Date until the Effective Date, shall be deemed to have been on account of or on behalf of or paid or payable by the VTL and shall, in all proceedings, be dealt with accordingly.
- 10.2 Upon scheme becoming effective, the Transferor Company and the Transferee Company are expressly permitted to revise their financial statements and its income tax returns along with prescribed forms, filings and annexures under



the Income-tax Act, 1961 and other statutory returns, including but not limited to tax deducted / collected at source returns, GST returns, as may be applicable. The Transferee Company has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income-tax Act, 1961 read with section 115JAA of the Income Tax Act, 1961, i.e. credit of minimum alternate tax, credit of dividend distribution tax, credit of tax deducted at source, etc. if any, as may be required for the purposes of/consequent to implementation of this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. All compliances done by Transferor Company will be considered as compliances by Transferee Company.

11. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

With effect from the Appointed Date and till the Effective Date:

- 11.1 KIPL shall carry on, and shall be deemed to have carried on, all the business, activities, operations, and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the assets, properties and liabilities of KIPL, on account of and / or on behalf of and / or for the benefit of and / or in trust for, the VTL.
- 11.2 All the profits or incomes accruing or arising and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the KIPL shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes, or as the case may be, expenditure or losses (including taxes) of, the VTL.
- 11.3 Any of the rights, powers, authorities and privileges attached or related or pertaining to the KIPL and exercised by or available to the KIPL, shall be deemed to have been exercised for and on behalf of and as an agent for the VTL. Further, any of the obligations, duties and commitments attached, relating or pertaining to KIPL shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for the VTL.



12. CONSIDERATION

Upon coming into effect of the Scheme, and in consideration for the transfer and vesting of KIPL with the VTL, the VTL, without any application or deed, issue and allot 43,44,474 fully paid up new equity shares to the members of the KIPL whose names appear in the register of members of the KIPL as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of the KIPL in proportion of the equity shares held by them in KIPL.

- 12.1 The New Equity Shares of the VTL to be issued pursuant to this Scheme shall rank pari passu with the existing equity shares of the VTL.
- 12.2 The new Equity Shares will be listed on the Stock Exchanges where the shares of the Transferee Company are listed without any further act or deed being an integral part of the Scheme, subject to completing necessary formalities with the stock exchanges.
- 12.3 Any fraction arising on issue of equity shares to the members of the KIPL shall be rounded off to the nearest integer.
- 12.4 The issue and allotment of New Equity Shares by the VTL, to the KIPL as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under section 62(1)(c) of the Act and any other applicable provisions of the Act were duly complied with.

13. CANCELLATION OF EQUITY SHARES OF THE TRANSFEE COMPANY HELD BY THE TRANSFEROR COMPANY

- 13.1 Upon the Scheme becoming effective, the issued, subscribed and paid up share capital of VTL shall be automatically cancelled and reduced by Rs.4,34,44,740 being the face value of 43,44,474 equity shares held by KIPL in VTL, in terms of section 66 of the Act.
- 13.2 The said cancellation shall result in reduction of capital under section 66 of the Act. However, since the aforesaid reduction is consequential and is proposed as an integral part of the Scheme, the Transferee Company shall not be required to undertake separate procedure under section 66 of the Act. Further, as the aforesaid reduction does not result in either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share



capital, the provisions of section 66 of the Act shall not be applicable. The order of the NCLT sanctioning the scheme shall be deemed to be the Order under section 66 of the Act for the purpose of confirming reduction. Further, the Transferee Company shall not be required to add “and reduced” as a suffix to its name consequent upon such reduction.

14. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY.

The Transferee Company shall account for the amalgamation in its books as per the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) prescribed under Section 133 of the Act and the accounting treatment prescribed below, to the extent consistent with IndAS. Upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as under -

- 14.1 All the asset and liabilities appearing in the books of accounts of the Transferor Company shall be recorded by the Transferee Company at their respective carrying values as appearing in the books of the Transferor Company. No adjustments shall be made to reflect fair values, or recognize any new assets or liabilities. No adjustments shall be made except for harmonizing accounting policies.
- 14.2 All reserves and surplus of the Transferor Company as on the Appointed Date shall be transferred to and vested in the Transferee Company at their existing carrying amounts and in the same form in which they appear in the books of the Transferor Company.
- 14.3 The equity shares of the Transferee Company held by the Transferor Company shall stand cancelled in accordance with Clause 13.1 of the Scheme and as a result equivalent equity share capital of the Transferee Company and the book value of investments held by the Transferor Company in the Transferee Company recorded as per Clause 14.1 above shall stand cancelled.
- 14.4 The face value of New Equity Shares issued by the Transferee Company to the shareholders of the Transferor Company pursuant to Clause 12.1 above shall be credited to the Equity Share Capital Account of the Transferee Company.



14.5 The difference, if any, of the value of assets over the value of liabilities and reserves transferred to the Transferee Company as stated above, after providing for adjustments as stated above and the face value of New Equity Shares issued by the Transferee Company shall be adjusted in the capital reserves of the Transferor Company as recorded in the books of Transferee Company (to the extent available) and the balance, if any, in the reserves and surplus of the Transferee Company.

15. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the KIPL under this Scheme shall not affect any transactions or proceedings already concluded on or after the Appointed Date till the Effective Date, to the end and intent that the VTL accepts and adopts all acts, deeds and things made, done and executed by the KIPL as acts, deeds and things made, done and executed by or on behalf of the VTL.

16. BUSINESS UNTIL EFFECTIVE DATE

With effect from the date of approval of the Scheme by the respective boards and upto and including the effective date:

- i. KIPL and VTL shall carry on their businesses with reasonable diligence in the same manner as the KIPL had been doing hitherto.
- ii. KIPL and VTL shall be entitled to declare any dividends, whether interim or final to their respective equity shareholders in respect of the period after the appointed date and before the effective date;
- iii. KIPL shall be deemed to have been carrying on and shall carry on its business and activities and shall hold and stand possessed of the assets for and on account of, and in trust for the VTL;
- iv. all profits or income arising or accruing to the KIPL and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, etc.) or losses arising or incurred by the KIPL shall be treated as and deemed to be the profits or income, taxes or losses of the VTL; and



- v. all loans raised and all liabilities and obligations incurred by the KIPL after the Appointed Date and prior to the Effective Date shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the VTL in which it shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also, without any further act, instrument or deed be and be deemed to become the debts, liabilities, duties and obligations of the VTL;

PART – C GENERAL TERMS AND CONDITIONS THAT WOULD BE APPLICABLE TO THE SCHEME

17. COMBINATION AND INCREASE OF AUTHORISED SHARE CAPITAL OF VTL

- 17.1 Upon the coming into effect of this Scheme, the Authorized Share Capital of the VTL shall automatically stand increased without any further act, deed or thing on the part of the VTL Company including payment of stamp duty and fees, if any payable to the concerned Registrar of Companies under the Act, by the authorised share capital of the Transferor Company amounting to Rs. 4,00,000/- and consequently, Clause V of the Memorandum of Association of VTL shall, without any further act, instrument or deed, be and shall stand altered, modified and amended pursuant to Sections 13, 14 and 61 of the Act as the case may be in the manner set out below and be replaced by the following clause:

“The authorised share capital of the Company is Rs. 12,04,00,000/- (Rupees Twelve Crores Four Lakhs Only) divided into 1,20,40,000 (One Crore Twenty Lakhs Forty Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each.”

- 17.2 The approval of this Scheme by the shareholders of VTL shall be deemed to be the approval for increase of the Authorised Share Capital of VTL, under applicable provisions of the Act and any other consents and approvals required in this regard.
- 17.3 Pursuant to this Scheme, VTL shall file the necessary documents/ intimations as per the provisions of the Act with the Registrar of Companies, Gujarat or any other applicable authority to record the change in the authorised share capital.



18. DISSOLUTION OF THE TRANSFEROR COMPANY

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

19. APPLICATION TO THE TRIBUNAL

19.1 The Companies shall with all reasonable dispatch, make applications to the Tribunal or such other appropriate authority under section 230 – 232 of the Act seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of Companies as may be directed by the Tribunal or such other appropriate authority.

19.2 On the Scheme being agreed to by the requisite majorities of the classes of the members and/or creditors of the Companies as directed by the Tribunal or such other appropriate authority, the Companies, if required, shall, with all reasonable dispatch, apply to the Tribunal or such other appropriate authority for sanctioning the Scheme under sections 230 to 232 of the Act, and for such other order or orders, as the said Tribunal or such other appropriate authority may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Company without winding-up.

20. MODIFICATION / AMENDMENT TO THE SCHEME

20.1 On behalf of the Companies, the Board of respective companies, may consent, on behalf of all persons concerned, to any modifications or amendments of the Scheme or to any conditions or limitations that the Tribunal may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e, the Board) and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.

20.2 For the purpose of giving effect to this Scheme or to any modification thereof, the Board of Directors of the VTL may give and are authorised to give such directions including directions for settling any question of doubt or difficulty that may arise.



21. CONDITIONALITY OF THE SCHEME

The Scheme is conditional upon and subject to the following:

- 21.1 The Scheme being approved by the requisite consent of the members and/or creditors of the Companies as may be directed by the Tribunal.
- 21.2 The Transferee Company complying with the provisions of Circular No. CFD/DIL3/CIR/ 2017/ 21 dated 10th March, 2017 issued by SEBI including any modifications or amendments thereto or any other subsequent circular governing the Scheme of Arrangements issued by SEBI from time to time.
- 21.3 The Transferee Company seeking approval of its shareholders through e-voting provided that the Scheme shall be acted upon only if the number of votes cast by the public shareholders in favour of the Scheme are more than the votes cast against it, and the term 'public' shall carry the same meaning as defined under Rule 2 of the Securities Contracts (Regulation) Act, 1957.
- 21.4 The requisite consent, approval or permission of Appropriate Authority any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- 21.5 The sanction of the Tribunal under section 230 to 232 of the Act in favour of the Companies under the said provisions and to the necessary order under section 232 of the Act being obtained;
- 21.6 Certified copy of the order of the Tribunal sanctioning the Scheme being filed with the Registrar of Companies at Gujarat by the Companies.

22. 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, 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.



23. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed), incurred in carrying out and implementing this Scheme and matters incidentals thereto, shall be borne by **KIPL**. It is further agreed that if there is a deficit or surplus in the total expenses in relation to this scheme compared to the amount of cash and bank balance (including amount refundable from Income Tax department) held by the **KIPL** on the appointed date, the same shall be reimbursed by or refunded to Mr. Kunjal L. Patel, the promoter of **KIPL** as the case may be.

24. MISCELLANEOUS

If any part of this Scheme hereof is invalid, ruled illegal by any Tribunal of competent jurisdiction or unenforceable under present or future laws, then it is intention of parties to the Scheme that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties to the Scheme shall attempt to bring about a modification in the Scheme, as will best preserve for such parties the benefits and obligations of the Scheme, including but not limited to such part.

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For Voltamp Transformers Ltd


Sanket K. Rathod
Company Secretary