

POLYCAB INDIA LIMITED

Polycab House, 771 Mogul Lane, Mahim (W), Mumbai – 400016

CIN: L31300GJ1996PLC114183

Tel : +91 22 2432 7070-74 Fax : +91 22 2432 7075

Email: shares@polycab.com Website: www.polycab.com



Date: 14th February 2023

To
Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001

To
Listing Department,
National Stock Exchange of India Limited
C-1, G-Block, Bandra-Kurla Complex
Bandra, (E), Mumbai – 400 051

**Scrip Code: 542652 Scrip Symbol: Polycab
ISIN:- INE455K01017**

Dear Sir / Madam

Sub: Notice of the National Company Law Tribunal (“NCLT”) Convened Meeting of Equity Shareholders of Polycab India Limited (“the Company”)

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Notice of the NCLT Convened Meeting dated February 10, 2023, for convening separate meeting of the equity shareholders of the Company on Friday, March 17, 2023 at 11.00 a.m. IST, by way of Video-Conferencing / other audio-visual means, as directed by Hon'ble NCLT, Ahmedabad Bench, vide its order dated February 08, 2023, for the purpose of considering and if thought fit, approving the Scheme of Amalgamation of Silvan Innovation Labs Private Limited (“Transferor Company”) with Polycab India Limited (“Transferee Company”) and their respective members and creditors (“Scheme of Amalgamation”) for Amalgamation of Transferor Company with the Transferee Company.

Further, the Company has provided voting facility through remote e-voting and electronic voting system during the meeting to the equity shareholders of the Company in connection with the resolution proposed in the aforesaid Notice of the NCLT Convened Meeting of the equity shareholders. The voting period for remote e-voting will commence from Tuesday, March 14, 2023 at 9:00 a.m. IST and will end on Thursday, March 16, 2023 at 5:00 p.m. IST. The cut-off date for determining the eligibility to vote is Friday, March 10, 2023.

The Notice of the NCLT Convened Meeting is being sent via e-mail to all the equity shareholders whose e-mail ids are registered with RTA / depositories and physical delivery to those equity shareholders who have not registered their e-mail ids with RTA/depositories.

A copy of said Notice of NCLT Convened Meetings of equity shareholders is available on website of the Company at www.polycab.com and on the website of National Securities Depository Limited at <https://www.evoting.nsdl.com/>.

For **Polycab India Limited**

Manita Carmen A. Gonsalves

Company Secretary and Head Legal

Membership No.: A18321

Address: Polycab House, 771, Mogul Lane, Mahim (West), Mumbai - 400 016

Encl: As above



Registered Office:
Unit No.4, Plot No.105, Halol Vadodara Road
Village Nurpura, Taluka Halol, Panchmahal, Gujarat-389350
Tel : 2676- 227600 / 227700

NOTICE - EQUITY SHAREHOLDERS



POLYCAB INDIA LIMITED

Registered Office	:	Unit 4, Plot No 105, Halol Vadodara Road Village Nurpura, Taluka Halol, Panchamahal, Gujarat - 389350
Tel No.	:	+91 22 6735 1400
CIN	:	L31300GJ1996PLC114183
Website	:	www.polycab.com
E-mail	:	cs@polycab.com
PAN	:	AAACP6474E

**MEETING OF THE EQUITY SHAREHOLDERS
OF
POLYCAB INDIA LIMITED**

*(Convened pursuant to the order dated 08thFebruary, 2023
passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench)*

MEETING:

Day	Friday
Date	March 17, 2023
Time	11.00 a.m.
Mode	Through Video Conferencing/Other Audio-Visual Means

REMOTE E-VOTING:

Start Day, Date and Time	Tuesday, March 14, 2023, 9:00 a.m.
End Day, Date and Time	Thursday, March 16, 2023, 5:00 p.m.
Cut-off Date for E-Voting	March 10, 2023

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENCH,
AT AHMEDABAD
C.A. (CAA)/ 61 (AHM) 2022**

In the matter of the Companies Act,
2013;

And

In the matter of Sections 230 - 232
read with other relevant provisions
of the Companies Act, 2013;

And

In the matter of Silvan Innovation
Labs Private Limited

And

In the matter of Polycab India
Limited;

And

In the matter of Scheme of
Amalgamation of Silvan Innovation
Labs Private Limited with Polycab
India Limited;

Polycab India Limited
(CIN: L31300GJ1996PLC114183),
A company incorporated under the
Provisions of the Companies Act, 1956
Having its registered office at Unit 4,
Plot No 105, Halol Vadodara Road,
Village Nurpura, Taluka Halol,
Panchmahal, Gujarat – 389350

**.... Applicant Company 1/
Transferee Company**

Silvan Innovation Labs Private Limited
(CIN: U72900GJ2008PTC135164),
A company incorporated under the
Provisions of the Companies Act, 1956
Having its registered office at
Unit 4, Plot No 105, Halol Vadodara Road,
Village Nurpura, Taluka Halol,
Panchmahal, Gujarat – 389350.

**.... Applicant Company 2/
Transferor Company**

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF
POLYCAB INDIA LIMITED**

To,

All the equity shareholders of Polycab India Limited ('Applicant Company 1 / Transferee Company'):

NOTICE is hereby given that by an order dated February 8, 2023 ("**Order**"), the Hon'ble National Company Law Tribunal Bench, at Ahmedabad ("**NCLT**") has, *inter alia*, directed a meeting to be held of the equity shareholders of Polycab India Limited (hereinafter referred to as the "**Applicant Company 1**" or the "**Transferee Company**", as the context may admit) for the purpose of considering, and if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of Silvan Innovation Labs Private Limited (hereinafter referred to as the "**Applicant Company 2**" or the "**Transferor Company**" as the context may admit) with the **Transferee Company** ("**Scheme**") pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 and the other applicable provisions thereof and applicable rules thereunder.

In pursuance of the Order and as directed therein further, this Notice is hereby given that a meeting of the equity shareholders of the Transferee Company will be held on March 17, 2023 at 11:00 a.m. IST (11:00 hours) through Video Conferencing ("**VC**")/Other Audio-Visual Means ("**OAVM**") ("**Meeting**") in compliance with the applicable provisions of the Companies Act, 2013 ("**Companies Act**"); and General Circulars No. 14/2020 dated April 8, 2020; No. 17/2020 dated April 13, 2020; No. 20/2020 dated May 5, 2020; No. 22/2020 dated June 15, 2020; No. 33/2020 dated September 28, 2020; No. 39/2020 dated December 31, 2020; No. 10/2021 dated June 23, 2021; No. 20/2021 dated December 8, 2021; No.21/2021 dated December 14, 2021; No. 2/2022 dated May 5, 2022 and No. 11/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as the "**MCA Circulars**"), and the said equity shareholders are requested to attend the Meeting. At the Meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Sections 230 - 232 and other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, Sections 2(1B) of the Income-tax Act, 1961, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Securities and Exchange Board of India Master Circular No. SEBI/HO/CFD/DIL/1/CIR/P/2021/0000000665 dated 23 November 2021 and duly amended from time to time, and subject to the provisions of the memorandum of association and articles of association of Polycab India Limited ("**Company**") and

subject to the approval of Hon'ble National Company Law Tribunal, Ahmedabad Bench ("**NCLT**") and subject to such other approvals, permissions and sanctions of regulatory and other authorities or tribunals, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Scheme of Amalgamation of Silvan Innovation Labs Private Limited with Polycab India Limited ("**Scheme**") as per the draft enclosed to this Notice, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT or tribunals while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise or meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

TAKE FURTHER NOTICE that since this Meeting is held, pursuant to the Order passed by the NCLT and in compliance with the MCA Circulars, through VC/OAVM, physical attendance of the equity shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the equity shareholders will not be available for the present Meeting and hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, authorized representatives of institutional/corporate shareholders may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting, provided that such equity shareholder sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting and/or to vote through remote e-voting.

TAKE FURTHER NOTICE that

- a) in compliance with the provisions of (i) MCA Circulars; (ii) Sections 108 and 230 of the Companies Act read with the rules framed thereunder; and (iii) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015, as amended, the Transferee Company has provided the facility of voting by remote e-voting and e-voting at the Meeting so as to enable the equity shareholders to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Transferee Company to the Scheme shall be carried out only through remote e-voting and e-voting at the Meeting;

- b) in compliance with the aforesaid MCA Circulars and the Order passed by NCLT, (a) the aforesaid Notice, (b) the Scheme, (c) the explanatory statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of Companies Act and the rules made thereunder, and (d) the enclosures as indicated in the Index (collectively referred to as “**Particulars**”), are being sent (i) through electronic mode to those equity shareholders whose e-mail ids are registered with RTA/depositories/the Transferee Company; and (ii) through registered post or speed post or courier, physically, to those equity shareholders who have not registered their e-mail ids with RTA/depositories/the Transferee Company. The aforesaid Particulars are being sent to all the equity shareholders whose names appear in the register of members/list of beneficial owners on February 10, 2023;
- c) the equity shareholders may note that the aforesaid Particulars will be available on the Transferee Company’s website www.polycab.com, websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of National Securities Depository Limited (“**NSDL**”) at <https://www.evoting.nsdl.com/>;
- d) copies of the aforesaid Particulars can be obtained free of charge, between 10:30 a.m. to 12:30 p.m. on all working days from Wednesday, February 15, 2023, at the registered office of the Transferee Company, up to the date of the Meeting, at Unit 4, Plot No 105, Halol Vadodara Road, Village Nulpura, Taluka Halol, Panchmahal, Gujarat – 389350 or from the office of its advocate Mr. Prashant Patel, 409, West Face, Near Baghban Party Plot, Zydus Hospital Road, Thaltej, Ahmedabad - 380059;
- e) The Transferee Company has extended the remote e-voting facility for its equity shareholders to enable them to cast their votes electronically. The instructions for remote e-voting and e-voting at the Meeting are appended to the Notice. The equity shareholders, opting to cast their votes by remote e-voting and voting during the Meeting through VC/ OAVM are requested to read the instructions in the Notes below carefully. In case of remote e-voting, the votes should be cast in the manner described in the instructions from Tuesday, March 14, 2023 [9:00 a.m. IST (09:00 hours)] to Thursday, March 16, 2023 [5:00 p.m. IST (17:00 hours)];
- f) the NCLT has appointed Mr. Dipak Rachchha, Advocate or in his absence Mr. Mehul Rajput, Advocate, to be the Chairman of the Meeting including for any adjournment or adjournments thereof;

- g) one independent director of the Transferee Company and the statutory auditor (or his authorized representative who is qualified to be an auditor) of the Transferee Company shall be attending the Meeting through VC/OAVM;
- h) Mr. Satyanarain Samdani (Membership No. F3677), Practicing Company Secretary or in his absence Mr. Chirag Shah (Membership No. F5545), Practicing Company Secretary have been appointed as the scrutinizer to scrutinize the e-voting during the Meeting and remote e-voting process in a fair and transparent manner;
- i) the scrutinizer shall after the conclusion of e-voting at the Meeting, first download the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and submit his combined report to the Chairman of the Meeting. The scrutinizer's decision on the validity of the votes shall be final. The results of the votes cast through remote e-voting and e-voting during the Meeting will be announced on or before close of business hours on Monday, March 20, 2023. The results, together with the scrutinizer's report, will be displayed at the registered office of the Transferee Company, on the website of the Transferee Company, www.polycab.com and on the website of NSDL at www.evoting.nsdl.com, besides being communicated to BSE Limited and the National Stock Exchange of India Limited;
- j) the Scheme, if approved at the Meeting, will be subject to the subsequent approval of NCLT; and
- k) a copy of the explanatory statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of Companies Act and the rules made thereunder, the Scheme and the other enclosures as indicated in the Index are enclosed.

Dipak Rachchha
Chairman appointed for the Meeting

Dated this February 10, 2023

Registered office:

Unit 4, Plot No 105, Halol Vadodara Road, Village
Nurpura, Taluka Halol, Panchmahal, Gujarat
389350.

Notes:

1. General instructions for accessing and participating in the Meeting through VC/OAVM Facility and voting through electronic means including remote e-voting.

- (a) Pursuant to the Order passed by the NCLT read with MCA Circulars, Meeting of the equity shareholders of the Transferee Company will be held through VC/OAVM.
- (b) Since, the Meeting is being held pursuant to Order passed by the NCLT and MCA Circulars through VC/OAVM, physical attendance of the equity shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the equity shareholders will not be available for the Meeting. However, in pursuance of Section 113 of the Companies Act, authorized representatives of institutional/corporate shareholders may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided that such shareholder sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting and/or to vote through remote e-voting, on its behalf. The scanned image of the abovementioned documents should be in the name format 'PIL'. The said resolution/authorization shall be sent to the scrutinizer by email through his registered email id address to projects.csa@gmail.com and to the Transferee Company at shares@polycab.com, before the VC/OAVM Meeting or before the remote e-voting, as the case may be. The corporate equity shareholders can also upload documents in NSDL e-voting system for verification by scrutinizer.
- (c) The proceedings of this Meeting would be deemed to have been conducted at the registered office of the Transferee Company located at Unit 4, Plot No 105, Halol Vadodara Road, Village Nurpura, Taluka Halol, Panchmahal Gujarat – 389350.
- (d) The quorum of the Meeting of the equity shareholders of the Transferee Company shall be 30 (Thirty) equity shareholders of the Transferee Company. The equity shareholders attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act.
- (e) The aforesaid Particulars are being sent (i) through electronic mode to those equity shareholders whose e-mail ids are registered with Kfin/depositories/the Transferee Company; and (ii) through registered post or speed post or courier, physically, to those equity shareholders who have not registered their e-mail ids with Kfin/depositories/the Transferee Company. The aforesaid Particulars are being sent to all the equity shareholders whose names appear in the register of members/list of beneficial owners as on Friday, February 10, 2023.
- (f) NSDL, the Transferee Company's e-voting agency, will provide the facility for voting by the equity shareholders through remote e-voting, for

participation in the Meeting through VC/OAVM and e-voting during the Meeting.

- (g) All the documents referred to in the accompanying explanatory statement, shall be available for inspection through electronic mode during the proceedings of the Meeting. Equity shareholders seeking to inspect copies of the said documents may send an email at shares@polycab.com. Further, all the documents referred to in the accompanying explanatory statement shall also be open for inspection by the equity shareholders at the registered office of the Transferee Company between 10:30 a.m. to 12:30 p.m. from Wednesday, February 15, 2023, on all working days up to the date of the Meeting. A transcript of the Meeting shall also be made available on the website of the Transferee Company.
- (h) The Notice convening the Meeting will be published through advertisement in English Daily “Financial Express” Gujarat Edition and Gujarati daily “Gujarat Samachar” Gujarat Edition.
- (i) The Scheme shall be considered approved by the equity shareholders of the Transferee Company if the resolution mentioned in the Notice has been approved by majority of persons representing three-fourth in value of the equity shareholders voting at the Meeting through VC/OAVM or by remote e-voting, in terms of the provisions of Sections 230 – 232 of the Companies Act.
- (j) Since the Meeting will be held through VC/OAVM in accordance with the Order passed by NCLT and MCA Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
- (k) The voting rights of the equity shareholders shall be in proportion to their shareholding of the paid-up equity share capital of the Transferee Company as on Cut-Off Date, i.e., Friday, March 10, 2023.
- (l) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the Cut-Off Date only shall be entitled to avail the facility of remote e-voting as well as e-voting at the Meeting.
- (m) Securities and Exchange Board of India (“**SEBI**”) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Equity shareholders holding shares in electronic form are requested to submit their PAN to their Depository Participants, and those holding shares in physical form are requested to submit their PAN to the Transferee Company’s Registrar and Transfer Agent, Kfin at einward.ris@kfintech.com.
- (n) All grievances connected with the facility for voting by electronic means may be addressed to NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

The instructions for e-voting are as follows:

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jspVisit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

Type of shareholders	Login Method
	<p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;">  App Store  Google Play </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****

c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
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5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

- 7. Now, you will have to click on "Login" button.
- 8. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to projects.csa@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Rimpa Bag at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to shares@polycab.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@polycab.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-voting for Individual shareholders holding securities in demat mode

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE MEETING ARE AS UNDER:-

1. The procedure for e-Voting on the day of the meeting is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the meeting through VC/OAVM facility and have not casted their vote on the Resolution through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the meeting.
3. Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the meeting.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the meeting shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:

- i. Member will be provided with a facility to attend the meeting through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under **“Join General meeting”** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- v. Members who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at shares@polycab.com. The same will be replied by the company suitably.
 - vi. Members who would like to express their views or ask questions during the meeting may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at shares@polycab.com latest by Wednesday, March 15, 2023 till 5:00 p.m. IST. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the meeting.
2. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.
 3. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company’s website at www.polycab.com and on the website of the Company’s RTA. It may be noted that any service request can be processed only after the folio is KYC Compliant. SEBI vide its Circular dated January 25, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialise the shares held by them in physical form.
 4. Members can contact the Company or RTA, for assistance in this regard. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
 5. As per the provisions of Section 72 of the Act and aforesaid SEBI Circulars, the facility for making nomination is available for the Members in respect of the shares held by them in physical mode. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 with RTA.
 6. Further members holding physical shares are informed that they can opt out of nomination or cancel the existing nomination by filing following form with RTA:
 - a. Form ISR – 3: For opting out of nomination by shareholder(s)
 - b. Form SH -14: For cancellation or variation to the existing nomination of the shareholder(s)

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENCH,
AT AHMEDABAD
C.A. (CAA)/ 61 (AHM) 2022**

In the matter of the Companies Act,
2013;

And

In the matter of Sections 230 - 232
read with other relevant provisions
of the Companies Act, 2013;

And

In the matter of Silvan Innovation
Labs Private Limited;

And

In the matter of Polycab India
Limited;

And

In the matter of Scheme of
Amalgamation of Silvan Innovation
Labs Private Limited with Polycab
India Limited;

Polycab India Limited

A company incorporated under the
Provisions of the Companies Act, 1956
Having its registered office at
Unit 4, Plot No 105, Halol Vadodara Road,
Village Nulpura, Taluka Halol,
Panchmahal, Gujarat – 389350

**....Applicant Company 1/
Transferee Company**

Silvan Innovation Labs Private Limited

A company incorporated under the
Provisions of the Companies Act, 1956
Having its registered office at
Unit 4, Plot No 105, Halol Vadodara Road,
Village Nulpura, Taluka Halol,
Panchmahal, Gujarat – 389350

**.... Applicant Company 2/
Transferor Company**

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to the Order dated February 8, 2023 passed by the Hon'ble National Company Law Tribunal Bench, at Ahmedabad ("**NCLT**"), in C.A. (CAA)/61(AHM) 2022 ("**Order**"), a meeting of the equity shareholders of Polycab India Limited (hereinafter referred to as the "**Applicant Company 1**" or the "**Transferee Company**", as the context may admit) is being convened through Video Conferencing ("**VC**")/Other Audio-Visual Means ("**OAVM**"), on March 17, 2023 at 11:00 a.m. IST (1100 hours), for the purpose of considering, and if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of Silvan Innovation Labs Private Limited (hereinafter referred to as the "**Applicant Company 2**" or the "**Transferor Company**" as the context may admit) with the Transferee Company ("**Scheme**"). The Transferor Company, referred to as the "**Transferor Company**". The Transferor Company and the Transferee Company are together referred to as the "**Companies**" or "**Parties**", as the context may admit. A copy of the Scheme, which has been, *inter alios*, approved by the Audit Committee and the Board of Directors of the Transferee Company at their respective meetings, all held on October 18, 2022 is enclosed as **Annexure 1**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.
2. The Scheme, *inter alia*, provides for amalgamation of the Transferor Companies with the Transferee Company, with effect from the Appointed Date (*as defined in the Scheme*), pursuant to the provision of Sections 230 – 232 and/or other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the "**Act**") and in accordance with Section 2(1B) of the Income Tax Act, 1961.
3. In terms of the Order, the quorum for the said meeting shall be 30 (thirty). Equity shareholders attending the meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Further in terms of the Order, the NCLT, has appointed Mr. Dipak Rachchha, Advocate, and in his absence, Mr. Mehul Rajput, Advocate, to be the Chairman of the meeting including for any adjournment or adjournments thereof.
5. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Rules**").

6. As stated earlier, NCLT by its Order has, *inter alia*, directed that a meeting of the equity shareholders of the Transferee Company shall be convened through VC/OAVM, on Friday, March 17, 2023 at 11:00 a.m. IST (1100 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme (“**Meeting**”). Equity shareholders would be entitled to vote either through remote e-voting or e-voting at the Meeting.
7. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the equity shareholders, of the Transferee Company, voting through remote e-voting and e-voting at the Meeting, agree to the Scheme.
8. If the entries in the records/registers of the Transferee Company in relation to the number or value, as the case may be, of the equity shares are disputed, the Chairman of the Meeting shall determine the number or value, as the case may be, for the purposes of the said Meeting.

Particulars of the Applicant Company 1/the Transferee Company

9. The Applicant Company 1 is a Listed public limited Company and the shares of the Applicant Company 1 are listed on National Stock Exchange of India Limited and BSE Limited. The Applicant Company 1 Company was incorporated as ‘Polycab Wires Private Limited’ at Mumbai as a private limited company under the Companies Act, 1956 on January 10, 1996. On June 30, 2000, Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956, and the word ‘private’ was struck off from the name of Company with effect from June 30, 2000. Thereafter, Company was converted into a private limited company under section 43A(2A) of the Companies Act, 1956, and the word ‘private’ was added in the name of Company with effect from June 15, 2001. Later, Company was converted into a public limited company, the word ‘private’ was struck off from the name of Company and consequently, a fresh certificate of incorporation dated August 29, 2018 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana (“RoC Delhi”), recording the change of Company’s name to ‘Polycab Wires Limited’. Thereafter, the name of Company was changed from ‘Polycab Wires Limited’ to ‘Polycab India Limited’ and fresh certificate of incorporation issued by RoC Delhi on October 13, 2018. On June 27, 2020 the registered office of the Company has been shifted from National Capital Territory of Delhi to the state of Gujarat and is bearing corporate identification number L31300GJ1996PLC114183 and PAN: AAACP6474E. The e-mail address of the Transferee Company is shares@polycab.com. The Registered Office of the Transferee Company is Unit 4, Plot No 105, Halol Vadodara Road Village Nulpura, Taluka Halol, Panchmahal, Gujarat - 389350.

10. The Transferee Company is engaged in the business of Manufacturing of Wires and Cables in India and is one of the fastest growing players in FMEG space. The objects for which the Transferee Company has been established are set out in its clause (III) (A) of Memorandum of Association. The main objects of the Transferee Company are as follows:

1. *"To buy, sell, manufacture, design, import, export, process of Aluminum, Copper, Steel, irons and metals of all kinds including alloys and Metal Composites, as well as to buy, sell, design, manufacture, export, import all kinds of insulated wires and cables, sheathed wires-P.V.C. cables, flexible wire and cables, power and control cables, XLPE, FRIS CABLES, Instrumentations, and Signaling cables and to buy, sell, manufacture, design, import, export; process of all kinds of equipment / instruments used in the Power Infrastructure Industry including but not exclusively, Transformers, Switchgears, Motors, Switches, Light and Fittings, Panels, overhead conductors, sub-stations and related PC Contract Activities."*
- 1A *To buy, sell, manufacture, design, import, export, process, anneal, bare aluminum and copper wire, plastics / rubber insulated aluminum conductor and copper conductor, polythene insulated jelly filled cables (PIF), optical fiber cables, armoured and unarmoured power and control cable, house wires, high tension cables, telecommunication cables, data transmission cables*
- 1B *To carry on the business of manufacturers, importers, exporters, dealers and distributors of electrical and electronic goods, Electrical Cables, Wires, instruments, apparatus, generators, transformers, futurities and fittings, machinery and equipment operated by electricity, other domestic, commercial and industrial appliances, goods and equipment used in generation; transmission and distribution of electricity and components, parts, accessories (all allied products of all and or any kind of the aforesaid items.*
- 1C *To carry on the business of assembling, fabricating, repairing, processing or altering of the electrical and electronic articles and apparatus of every nature and description including the electrical and electronic household/ domestic items.*
- 1D *To carry on the business of manufacturing, buying, selling, distributing, importing, exporting and dealing in all types of Plastics, Polymers, PVC Compounds, elastomer, Polypropylene, Polyethylene, Bakelite, thermoplastic and raw materials for them.*
- 1E *To carry on the business of manufacturers, importers, exporters, dealers and distributors of Electrical Cables, Wires, Instruments, wires made of aluminum, copper, steel, iron, and other metals including Jelly Filled Cables and components.*

11. The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferee Company as on September 30, 2022 was as follows:

Particulars	Amount (in Rupees)
<u>Authorized Capital</u>	
18,62,50,000 Equity Shares of Rs. 10 each	186,25,00,000
Total	186,25,00,000
<u>Issued, subscribed and Paid up Share Capital</u>	
14,96,51,002 Equity Shares of Rs.10 each fully paid up	1,49,65,10,020
Total	1,49,65,10,020

Particulars of the Applicant Company 2/ Transferor Company

12. The Applicant Company 2 is incorporated in the name of Knowledge Repositories And innovations Solutions India Private Limited the Companies Act, 1956 on June 30, 2008, Subsequently, the name was changed from Knowledge Repositories And innovations Solutions India Private Limited to Silvan innovation Labs Private Limited vide fresh Certificate of incorporation issued by the ROC on November 5, 2008. and registered office of the Company was shifted from The state of Karnataka to the State of Gujarat vide fresh Certificate of incorporation issued by the ROC on September 1, 2022. The Applicant Company 2 is the wholly owned subsidiary of Applicant Company 1. Transferor Company is bearing corporate identification number U72900GJ2008PTC135164 and PAN: AADCK4193Q. The e-mail address of the Transferor Company is srilekha@silvanlabs.com. The Registered Office of the Transferor Company is Unit 4, Plot No 105, Halol Vadodara Road Village Nulpura, Taluka Halol, Panchmahal, Gujarat -389350.
13. The objects for which the Transferor Company has been established are set out in its Memorandum of Association. The main objects of the Transferor Company have been established are set out in its clause (III) (A) of Memorandum of Association. The main objects of the Transferee Company are as follows:

1. *To carry on the business of computer software Development of all kinds, to promote, encourage, plan, develop, design, establish, maintain, organize, undertake, manage, operate, test, conduct and to run in India or abroad computer software, database, administration, consultation, software testing data processing, dissemination knowledge and skills to the foregoing, computer educational and courseware development, to facilitate development and maintenance of business and software applications on all popular mainframe and minicomputer platforms and to carry on the work of development of software and related services in all kinds and fields including export of computer software and services.*
2. *To carry on the business of providing personnel services in India and*

abroad, arrange for their training whether technical or commercial in India and abroad and to provide management services in the field of software portfolio management investment counselling financial consultancy, corporate counsellors on merger, acquisitions and other allied activities.

3. To carry on the business of providing software training consulting and project management services related to various activities of other companies and system analysis and management of engineering and application systems whether technical or commercial in India or abroad and to provide consultancy services.
4. To establish, acquire, and operate facilities in India and abroad for the provision of information Technology services, including (a) business process outsourcing solutions (b) software development, maintenance and over related tasks (c) data generation entry processing research and analysis and monitoring and maintenance of computer systems.

14. The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company as on [†] September 30,2022 was as follows:

Particulars	Amount (in Rupees)
Authorized Capital	
1,80,392 Equity shares of Rs.100 each	1,80,39,200
3,00,000 0.1 % Compulsorily Convertible Preference shares of Rs.10 each(Class A)	30,00,000
1,451 0.1% Compulsory Convertible Preference shares of Rs. 200 each (Class A1)	2,90,200
4,353 0.1% Compulsorily Convertible Preference shares of Rs.200 each (Class A2)	8,70,600
14,000 0.1% Compulsorily Convertible Preference shares of Rs.200 each (Class A'3)	28,00,000
25,000 0.1 % Compulsorily Convertible Preference shares of Rs.200 each (Class B)	50,00,000
Total	3,00,00,000
Issued, subscribed and paid-up capital	
1,01,956 Equity shares of Rs. 100 each, fully paid up	1,01,95,600
2,91,177 0.1 % Compulsorily Convertible Preference shares of Rs.10 each (Class A)	29,11,770
1,451 0.1% Compulsory Convertible Preference shares of Rs. 200 each (Class A1)	2,90,200
4,353 0.1 % Compulsorily Convertible Preference shares of Rs. 200 each (Class A2)	8,70,600
13,236 0.1 % Compulsorily Convertible Preference shares of Rs.200 each (Class A3)	26,47,200
10,864 0.1% Compulsorily Convertible Preference shares of Rs. 200 each (Class B)	21,72,800
Total	1,90,88,170

Rationale for the Scheme

15. The rationale for the Scheme is as under:
 1. The nature of business carried on by the Transferor Company is complimentary to the business carried on by the Transferee Company.
 2. The Transferor Company is a wholly owned subsidiary of the Transferee Company and it was acquired with the purpose of building capabilities in the area of Internet of Things (IoT) based home solutions and setting up an integrated platform for appliances to talk with each other.
 3. The proposed Amalgamation would ensure transformation of the Transferee Company from inter alia an electrical manufacturing company to a technology focused solutions provider with inhouse research and development for IoT based products and will boost the FMEG business of the Transferee Company.
 4. The proposed Amalgamation will result in the following benefits to the Companies:
 - 4.1 **Consolidation of Internet of Things (IoT) based home and office automation Products:** The proposed Amalgamation will enable the technology of the Transferor Company to be consolidated with the product range of the Transferee Company.
 - 4.2 **Synergised Operations:** The proposed Amalgamation will result in synergy benefits arising out of product and technology consolidation thereby reducing costs and increasing operational efficiencies.
 - 4.3 **Technology and R&D integration:** The proposed Amalgamation will likely result in optimized technology transfer, reduced R&D costs, sharing of best practices and cross-functional learning and development. IoT Automation can be achieved across varied product categories plants of the Transferor Company, by using the Transferee Company's information technology applications and systems.
 - 4.4 **Optimisation of resource utilisation:** The proposed Amalgamation will result in greater economies of scale, reduction in overheads and other expenses and improvement in various operating parameters. The proposed Amalgamation will result in utilisation of research and development expertise across various FMEG products of the Transferee Company.
 - 4.5 **Consolidation of compliances:** The proposed Amalgamation will lead to reduction in the multiplicities and duplicities of statutory, legal and regulatory compliances. The time and efforts for consolidation of financials at group level would stand reduced.

- 4.6 **Improved customer interaction, service and satisfaction:** The proposed Amalgamation will provide easier accessibility to customers of all products of both companies and would make it easier to improve customer satisfaction and service.
- 4.7 **Rationalization of apportioning:** The proposed Amalgamation will ensure rationalizing apportioning of various costs relating to management, administrative and compliance.
- 4.8 **Simplifying corporate structure:** The proposed Amalgamation will help in streamlining and simplifying the operating and corporate structure of the Transferee Company.
- 4.9 **Proposed Amalgamation not prejudicial to shareholders:** The Transferor Company is wholly owned subsidiary of the Transferee Company and all the shares of the Transferor Company are held by the Transferee Company jointly nominee holder. The Scheme envisages transfer of the Undertaking of the Transferor Company to the Transferee Company. Accordingly, the Scheme is not prejudicial to the interest of the shareholders of the Transferor Company.
- 4.10 **Scheme is in best interest of shareholders and creditors:** The Scheme is in the best interests of the shareholders, employees and the creditors of the Companies.
- 4.11 **Scheme to benefit stakeholders:** The Scheme does not have any adverse effect on either the shareholders, the employees or the creditors of the companies. The Boards of Directors of the companies believe that the Scheme would ensure benefit to all the stakeholders and will enhance the value for all shareholders / promoters.

Relationship among Companies who are parties to the Scheme

- 16. The Transferor Company is the wholly owned subsidiary of the Transferee Company. The entire paid-up equity share capital of each of the Transferor company is held by the Transferee Company and its nominees.

Corporate Approvals and action taken in relation to the Scheme

- 17. The Scheme was placed before the Board of Directors of the Transferor Company at its meeting held on October 12, 2022. The Board of Directors of the Transferor Company approved the Scheme at its meeting held on October 12, 2022. The meeting of the Board of Directors of the Transferor Company, held on October 12, 2022, was attended by the 2 (Two) directors (namely, Mr. Bindignavile Seshadri Praveen and Mr. Ajay Gupta, in person.) None of the directors of the Transferor Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.
- 18. The Board of Directors of the Transferee Company approved the Scheme at its meeting held on October 18, 2022. The meeting of the Board of Directors

of the Transferee Company, held on October 18, 2022, was attended by the 8 (Eight) directors (namely, Mr. Inder T. Jaisinghani, Mr. Bharat A. Jaisinghani, Mr. Nikhil R. Jaisinghani, Mr. Rakesh Talati, Mr. T.P. Ostwal, Mr. R.S.Sharma, Mr. Pradeep Poddar and Ms. Sutapa Banerjee, in person.) None of the directors of the Transferee Company, who attended the meeting, voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

19. As stated earlier, the equity shares of the Transferee Company are listed on the Stock Exchanges. Since the provisions of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "LODR") are not applicable in case of amalgamation of wholly owned subsidiary into the holding company, there was no requirement for the Transferee Company to obtain 'No-objection letter' from the Stock Exchanges. However, in terms of Regulation 37(6) of the LODR read with SEBI Master Circular No. SBI/HO/CFD/DIL1/CIR/P/2021/ 0000000665 dated November 23, 2021, the Transferee Company was required to file the Scheme with the Stock Exchanges for disclosure purposes. Further, the Stock Exchanges were required to disseminate the Scheme documents on their respective websites. Copy of the letter dated October 21, 2022 addressed by the Transferee Company to the Stock Exchanges, in this regard, is annexed hereto and marked as **Annexure 2**.
20. The Companies would obtain the respective necessary approvals/sanctions/no objection(s) from the regulatory or other Governmental Authorities in respect of the Scheme in accordance with law, if so required.
21. C.A. (CAA)/61(AHM) 2022 along with annexures thereto (which includes the Scheme) was jointly e-filed by the Companies with the NCLT, on November 3, 2022. The hard copy whereof was filed with the NCLT on November 4, 2022.

Salient extracts of the Scheme

22. Certain clauses of the Scheme are extracted below:

PART I

DEFINITIONS, INTERPRETATION, SHARE CAPITAL AND DATE OF TAKING INTO EFFECT OF THE SCHEME

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context thereof (i) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; (ii) all terms and words not defined in this Scheme shall have the meaning ascribed to them under the relevant Applicable Laws; and (iii) the following expressions shall have the meanings ascribed hereunder:

- 1.1. **“Act” or “the Act”** means the Companies Act, 2013, and any rules, regulations, notifications, circulars or guidelines issued thereunder including any modifications, re-enactments or amendments thereof as in force from time to time;
- 1.2. **“Appointed Date”** means 1st April, 2022 or such other date as may be approved by the Tribunal and agreed to by the Board of the Parties;
- 1.3. **“Applicable Law” or “Law”** means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) approvals; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;
- 1.4. **“Appropriate Authority”** means the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunal, central bank, commission, tax authorities, SEBI, stock exchanges, or other authority thereof; any public international organization or supranational body and its institutions, departments, agencies and instrumentalities; and any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing, exporting or other governmental or quasi-governmental authority;

- 1.5. **“Board” or “Board of Directors”** in relation to the Transferee Company and Transferor Company, as the case may be, means the Board of Directors of such company, and shall include a Committee of Directors or any person authorized by such board of directors or such Committee of Directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto;
- 1.6. **“Effective Date”** has the meaning ascribed to it in Clause 21 hereof. References in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date;
- 1.7. **“Encumbrance”** means (a) any charge, lien (statutory or other), pledge, hypothecation, mortgage, assignment, or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term **“Encumber”** shall be construed accordingly;
- 1.8. **“Income Tax Act”** means the Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.9. **“INR”** means Indian Rupee, the lawful currency of the Republic of India;
- 1.10. **“Parties” or “Companies”** means collectively the Transferee Company, Transferor Company and **“Party” or “Company”** shall mean each of them individually;
- 1.11. **“Paid-up capital” or “Paid-up Share capital”** means aggregate of Equity Share Capital and Preference Share Capital.
- 1.12. **“Permits”** means all consents, licences, permits, certificates, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, right to claims, exclusions, grants, benefits, registrations, filings, whether governmental, statutory, regulatory or otherwise as required under Applicable Law and includes all rights of way associated under Applicable Law or otherwise;

- 1.13. **“Person”** means an individual, a partnership, body corporate, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unlimited liability company, an unlimited liability partnership firm, union, association or Governmental Authority or other entity that may be treated as a person under Applicable Laws;
- 1.14. **“ROC”** means the Registrar of Companies having jurisdiction over the Transferee Company or Transferor Company, as the case may be;
- 1.15. **“Scheme”** or **“thisScheme”** means this scheme of Amalgamation as modified from time to time;
- 1.16. **“Taxation”** or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, claims, contributions, cess and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and service or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and service tax or otherwise or attributable directly or primarily to Transferee Company, Transferor Company, as the case may be, and shall include all penalties, charges, costs and interest relating thereto;
- 1.17. **“Tax Laws”** means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax / value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;
- 1.18. **“Transferee Company”** or **“Polycab”** in relation to the Scheme means Polycab India Limited, a company incorporated under the provisions of the Companies Act, 1956, bearing CIN L31300GJ1996PLC114183 having its registered office at Unit 4, Plot No 105, Halol Vadodara Road Village Nurpura, Taluka Halol, Panchmahal, Gujarat - 389350;
- 1.19. **“Transferor Company”** or **“Silvan”** in relation to the Scheme means **Silvan Innovation Labs Private Limited** a company incorporated under the provisions of the Companies Act, 1956 bearing CIN: U72900GJ2008PTC135164, having its registered office at Unit 4, Plot No 105, Halol Vadodara Road Village Nurpura, Taluka Halol, Panchmahal, Gujarat - 389350;

1.20. **“Tribunal”** means the Ahmedabad Bench of the National Company Law Tribunal;

1.21. **“Undertaking”** means all the undertakings and the entire business of the Transferor Company as a going concern as of the Appointed Date, including all its properties, investments, rights, approvals, and all its debts, outstanding, liabilities, duties, obligations and employees, if any, including, but not in any way limited to, the following:

- a) all books, records, files, papers, whether in physical or electronic form;
- b) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, brands, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature;
- c) all the assets and properties (whether movable or immovable, tangible or intangible (including but not limited to rights, titles, interest, goodwill, etc.), real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature), whether or not recorded in the books of accounts of the Transferor Company (including, without limitation, furniture, fixtures, machinery, office equipment, computers, fixed assets, current assets (including, without limitation, all inventories, stocks, advertisement, promotional and packaging material), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, vehicles, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
- d) all the credits for taxes such as income tax, wealth tax, central sales tax, service tax, applicable state value added tax, goods and services

tax including but not limited to the right to claim credit for indirect taxes such as CENVAT credit, VAT credit, GST credit, or any other input tax credit, advance tax, withholding tax/ TDS, taxes withheld/paid in a foreign country, self-assessment tax, regular tax, minimum alternate tax, dividend distribution tax, securities transaction tax, deferred tax assets/liabilities, accumulated losses under the Income Tax Act and allowance for unabsorbed depreciation under the Income Tax Act, losses brought forward and unabsorbed depreciation as per the books of accounts and tax refunds of the Transferor Company; and

- e) *all contracts, agreements, memorandum of understanding, memorandum of undertakings, memorandum of agreements, memorandum of agreed points, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder.*

2. INTERPRETATION

In this Scheme, unless the context otherwise requires:

- 2.1 *words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders;*
- 2.2 *headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information and convenience only and shall not form part of the operative provisions of this Scheme and shall be ignored in construing the same;*
- 2.3 *the words “include” and “including” are to be construed without limitation;*
- 2.4 *reference to a clause, paragraph or schedule is a reference to a clause, paragraph or schedule of this Scheme;*
- 2.5 *reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder; and*
- 2.6 *references to days, months and years are to calendar days, calendar months and calendar years, respectively.*

PART II

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY AND OTHER RELATED MATTERS

5 TRANSFER AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY

- 5.1 *With effect from the Appointed Date, and subject to the provisions of this Scheme and pursuant to Section 232 of the Act, the Transferor Company shall stand amalgamated with the Transferee Company as a going concern and all assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, privileges, easements, advantages, benefits, intellectual property rights, etc. of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Transferee Company by virtue of, and in the manner provided in this Scheme.*
- 5.2 *Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date:*
- 5.2.1 *all the assets of the Transferor Company that are movable in nature or are otherwise capable of being transferred by physical or manual delivery or by paying over or endorsement and/ or delivery, shall be so transferred and deemed to have been so transferred by the Transferor Company by operation of law and shall be deemed to have been handed over by physical delivery or endorsement or presentment with the intent of vesting such assets with the Transferee Company as on the Appointed Date without the need for any further act or execution of a separate instrument;*
- 5.2.2 *the assets of the Transferor Company, other than those referred to in Clause 5.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investment in shares of any body corporate, fixed deposits, mutual funds, bonds and any other securities, actionable claims, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, cash and bank balances, earnest moneys and deposits, if any, with government, semi-government, local and other authorities and bodies, customers or other persons or companies, whether or not the same is held in the name of the Transferor Company, shall, without the need for any further act,*

instrument or deed, be transferred to and vested in and be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law or as transmission, as the case may be, in favour of Transferee Company. With regard to the licenses of the properties, the Transferee Company will enter into novation agreements, if it is so required by Applicable Law;

5.2.3 The Transferee Company, may issue notices in such form as the Transferee Company deems fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme of Amalgamation of the Transferor Company with the Transferee Company under Sections 230 to 232 of the Companies Act 2013, the relevant debt, loan, advance, bank balance or other asset, 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 Transferor Company to recover or realize the same stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes without the need for any further act or execution of a separate instrument;

5.2.4 all the immovable properties (including but not limited to the land, buildings, offices, factories, sites, tenancy rights related thereto, and other immovable property, including accretions and appurtenances), whether or not included in the books of the Transferor Company, whether freehold or leasehold (including but not limited to any other document of title, rights, interest and easements in relation thereto, and any shares in cooperative housing societies associated with such immovable property) shall stand transferred to and be vested in the Transferee Company, as successor to the Transferor Company, without the need for any act or deed to be done or executed by the Transferor Company, as the case may be and/ or the Transferee Company;

5.2.5 all debts, liabilities, contingent liabilities, duties and obligations of every kind and nature (debentures, commercial paper, bonds, notes or other debt securities, loan from companies) of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 5.2.5;

- 5.2.6 *for the removal of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Appointed Date, to the extent there are inter-corporate loans, deposits, obligation, balances or other outstanding as between the Transferor Company inter-se and/or the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be;*
- 5.2.7 *the Transferee Company will be entitled to all the trade and service names and marks, brands, patents, copyrights, licenses, marketing authorisations, approvals and marketing tangibles of the Transferor Company including registered and unregistered trademarks along with all rights of commercial nature including those attached to goodwill, title, interest, labels and brands registrations, copyrights, trademarks and all such other industrial or intellectual rights of whatsoever nature;*
- 5.2.8 *all the brands, intellectual property rights, and trademarks (including logo and right to use the trademarks) of the Transferor Company including registered and unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature shall be transferred to the Transferee Company. The Transferee Company shall take such actions as may be necessary and permissible to get the same transferred and/ or registered in the name of the Transferee Company;*
- 5.2.9 *the vesting of the entire undertaking of the Transferor Company, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of Transferor Company or part thereof on or over which they are subsisting and no such Encumbrances shall extend over or apply to any other asset(s) of Transferee Company. Any reference in any security documents or arrangements (to which Transferor Company is a party) related to any assets of Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Transferee Company. Similarly, Transferee Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of/ to be availed of by it, and the Encumbrances in respect of such indebtedness of Transferee Company shall not extend or be deemed to extend or apply to the assets so vested;*

5.2.10 on and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferor Company and credited to the account of the Transferee Company, if presented by the Transferee Company;

5.2.11 without prejudice to the foregoing provisions of Clause 5, the Transferor Company and/ or the Transferee Company shall be entitled to apply to the Appropriate Authorities as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and / or modification(s) of charge, with the concerned ROC or filing of necessary applications, notices, intimations or letters with any authority or Person, to give effect to the above provisions;

5.2.12 all taxes and cess or other like payments or deductions (including but not limited to advance tax, self-assessment tax, regular tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withhold/paid in a foreign country, value added tax, sales tax, service tax, goods and service tax, etc.) paid / payable by or refunded / refundable to the Transferor Company with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the Income Tax Act, losses brought forward and unabsorbed depreciation as per books of account, deductions otherwise admissible such as under section 40, 40A, 43B, etc of the Income Tax Act, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc, as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. This clause is to be read along with Clause 10 of this Scheme and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the coming into effect of this Scheme and upon relevant proof and documents being provided to the said authorities;

5.2.13 *This Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2(1B) and other relevant provisions of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961;*

5.2.14 *Without prejudice to the above provisions, with effect from the Appointed Date, all inter-party transactions between Transferor Companies and Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.*

11. CONSIDERATION

The Transferor Company is the wholly-owned subsidiary of the Transferee company and entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company and/or its nominees. Hence, upon the Scheme becoming effective no shares of the Transferee Company shall be allotted in lieu or exchange of the holding in the Transferor Company and the entire share capital of the Transferor Company and/or its nominees shall stand cancelled and extinguished without any further acts or deeds.

12. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY

12.1 *Upon the Scheme becoming effective, from the Appointed date, the Transferee Company shall account for the Amalgamation in accordance with “the Pooling of Interest Method” as laid down in Appendix C of Indian Accounting Standard (Ind AS) 103 - Business Combinations of entities under Common Control, notified under section 133 of the Act, read with relevant rules framed thereunder and/or any other applicable Ind AS, as the case may be.*

12.2 *The Transferee Company, shall upon the Scheme coming into effect, record the assets and liabilities, including but not limited to Goodwill, if any, of Transferor Company, as on the Appointed date, as vested in it pursuant to the Scheme, at the respective carrying value as appearing in the consolidated financial statements of the Transferee Company. No adjustments are made to reflect fair values, or recognizes any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies.*

- 12.3 *The balance of Retained Earnings as appearing into the consolidated financial statements of the of Transferor Company shall be aggregated with the corresponding balance appearing in the consolidated financial statements of the Transferor Company.*
- 12.4 *The identity of the other reserves as appearing into the financial statements of the of Transferor Company shall be preserved and 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 Company.*
- 12.5 *Pursuant to Amalgamation of Transferor Company into Transferee Company, inter-company balances between the Transferor Company and Transferee Company shall stand cancelled. Further, the value of investments held by Transferee Company in the Transferor Company shall stand cancelled.*
- 12.6 *The difference between the value of the assets over the value of liabilities including reserves pertaining to Transferor Company, after adjusting the book value of the investments in the shares of Transferor Company and any adjustment from Clause 12.5, if any, shall be adjusted to retained earnings of the Transferee Company.*
- 12.7 *The Loans and Advance or payables or receivables of any kind. held inter-se, if any between Transferor Company and the Transferee Company, as appearing in their respective books of accounts shall stand discharged prior to Effective Date*
- 12.8 *In case of any difference in accounting policies between the Transferor Company and the Transferee Company., the accounting policies of the Transferee Company will prevail and the difference shall be quantified and adjusted in the reserves of the Transferee Company, The effect on the financial statements of any change in the Accounting Policies shall be reported in accordance with applicable "Indian Accounting Standard (Ind AS) 8 for Accounting Policies, Changes in Accounting. Estimates and Errors"*
- 12.9 *All costs and expenses incurred in connection with the Scheme and to put it into operation and any other expense or charges attributable to the implementation of the Scheme shall be debited to the Profit & Loss of the Transferee Company.*

15. COMBINATION OF AUTHORISED SHARE CAPITAL

- 15.1 *Upon the Scheme becoming effective, the authorised share capital of the Transferor Company will get amalgamated with that of the Transferee Company without payment of any additional fees and duties as the said fees have already been paid. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the Registrar of Companies and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.*
- 15.2 *Upon this Scheme becoming effective the authorized share capital of the Transferee Company upon consolidation of the authorised capital as per Clause 15.1 shall be Rs. 1,89,25,00,000/- (Rupees One Eighty Nine Crores Twenty Five Lakhs only) divided into –*
- i. Rs. 1,86,25,00,000 divided into 18,62,50,000 Equity Shares of Rs.10 each*
 - ii. Rs. 1,80,39,200 divided into 1,80,392 Equity shares of Rs.100 each,*
 - iii. Rs. 30,00,000 divided into 3,00,000 0.1 % Compulsorily Convertible Preference shares of Rs.10 each,*
 - iv. Rs. 2,90,200 divided into 1,451 0.1% Compulsory Convertible Preference shares of Rs. 200 each (Class A1),*
 - v. Rs. 8,70,600 divided into 4,353 0.1% Compulsorily Convertible Preference shares of Rs.200 each (Class A2),*
 - vi. Rs. 28,00,000 divided into 14,000 0.1% Compulsorily Convertible Preference shares of Rs.200 each (Class A3) and*
 - vii. Rs. 50,00,000 divided into 25,000 0.1 % Compulsorily Convertible Preference shares of Rs.200 each (Class B)*
- 15.3 *Simultaneously, pursuant to Clause 15.2 upon this Scheme becoming effective the authorized share capital of the Transferee Company shall be reclassified to Rs. 1,89,25,00,000/- (Rupees One Eighty Nine Crores Twenty Five Lakhs only) divided into 18,92,50,000 (Eighteen Crores Ninety-Two lakhs Fifty thousand) equity shares of Rs. 10 (Rupees Ten Only) each without any further act or deed on the part of the Transferee Company and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall without any further act, instrument or deed be and stand altered, modified, reclassified, amended and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution(s) under Sections 13, 14, 61, 64 and applicable provisions of the Act would be required to be separately passed, as the case may be. For this purpose, the filing fees and stamp duty already paid by the Transferor Company towards their authorised share capital shall be utilised and applied to the increased authorised share capital of the Transferee Company and*

shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and, accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased. However, for any additional increase in authorized share capital as required necessary fees as per the provisions of the Act and stamp duty would be required to be paid.

- 15.4 *It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association of the Transferee Company.*

The amended clause shall read as:

“The authorized share capital of the company is Rs. 1,89,25,00,000/- (Rupees One Eighty-Nine Crores Twenty-Five Lakhs only) divided into 18,92,50,000 (Eighteen Crores Ninety-Two Lakhs Fifty thousand) equity shares of Rs. 10 (Rupees Ten Only) each.”

PART III

GENERAL TERMS & CONDITIONS

21 SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

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

- 21.1 *The requisite consent, approval, no-objection, deemed acceptance or permission of the any government or any other statutory or regulatory authority which by law or otherwise may be necessary for the implementation of this Scheme.*

- 21.2 *the approval by the respective requisite majority of the shareholders and/or creditors (where applicable) of the Companies in accordance with the Act, subject to any dispensation that may be granted by the Tribunal;*

- 21.3 *the Tribunal having accorded its sanction to the Scheme;*

- 21.4 *certified copies of the order(s) of the Tribunal, sanctioning the Scheme,*

being filed with the Registrar of Companies, Gujarat, by all the Companies.

22. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the effectiveness of this Scheme, the Transferor Company shall be dissolved without winding up, and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand ceased and discharged. The name of the Transferor Company shall be struck off from the records of the ROC and the Transferee Company shall make necessary filings in this regard and no separate consent / approval of the Transferee's shareholders shall be required under applicable provisions of the Act.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient extracts thereof.

Accounting treatment

23. The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. The certificate issued by the Statutory Auditor of the Transferee Company is open for inspection as mentioned herein below.
24. The respective statutory auditors of the Transferor Companies have also issued separate certificates to the effect that the accounting treatment as prescribed in the Scheme is in conformity with the accounting standards as prescribed under Section 133 of the Act. The certificates issued by the respective statutory auditors of the Transferor Companies are also open for inspection as mentioned herein below.

Effect of the Scheme on various parties

25. The effect of the proposed Scheme on the stakeholders of the Transferor Company would be as follows:

(a) *Shareholders (promoter)*

The Transferor Company has two class of shares i.e Equity Shares and Preference Shares. Further, Transferor Company is the wholly owned subsidiary of the Transferee Company and Transferee Company is the sole preference shareholder of the Transferor Company.

Under the Scheme, there is no arrangement sought to be entered into between the Transferor Company and its equity shareholder(s). However, the equity shareholder(s) of the Transferor Company would

cease to be the equity shareholder(s) of the Transferee Company pursuant to the sanctioning of the Scheme.

(b) Creditors, Deposit Holders and Debenture Holders

Under the Scheme, there is no arrangement proposed with the creditors of the Transferor Company. No compromise is offered under the Scheme to any of the creditors of the Transferor Company. The liabilities of the creditors of the Transferor Company, under the Scheme, is neither being reduced nor being extinguished except liability of the Transferee Company. The creditors of the Transferor Company would in no way be affected by the Scheme.

As on date, the Transferor Company has no outstanding Secured debentures and therefore, the effect of the Scheme on any such debenture holders or debenture trustee(s) does not arise.

As on date, the Transferor Company has no outstanding public deposits and therefore, the effect of the Scheme on any such deposit holders or deposit trustee(s) does not arise.

(c) Employees, Staff and Workmen along with Directors & KMP

As stated in Clause 6.1 of the Scheme and with effect from the Effective Date, all the staff and employees of the Transferor Company shall become, and be deemed to have become, the staff and employees of the Transferee Company, on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service. In the circumstances, the rights of the staff and employees of the Transferor Company would in no way be affected by the Scheme.

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. In the circumstances, the directors and key managerial personnel of the Transferor Company shall cease to be the directors and key managerial personnel of the Transferor Company.

None of the directors or key managerial personnel (as defined under the Act and the rules framed thereunder) of the Transferor Company and their respective relatives (as defined under the Act and the rules framed thereunder) have any material interest in the Scheme, except to the extent that one of the directors of the Transferee Company is the nominee shareholder of the Transferor Companies. None of the directors and key managerial personnel of the Transferor Company are holding more than two per cent. of the paid-up share capital of the Transferee Company.

26. The effect of the proposed Scheme on the stakeholders of the Transferee Company would be as follows:

(a) *Shareholders (promoter and non-promoter)*

The Transferee Company has only one class of shares, i.e., equity shares. Under the Scheme, (i) there is no arrangement sought to be entered into between the Transferee Company and its equity shareholders; and (ii) no equity shares are allotted by the Transferee Company to any person. Accordingly, the equity shareholders of the Transferee Company will not be affected by the Scheme, in any manner.

(b) *Creditors, Deposit Holders and Debenture Holders*

Under the Scheme, there is no arrangement proposed with the creditors of the Transferee Company. No compromise is offered under the Scheme to any of the creditors of the Transferee Company. The liabilities of the creditors of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferee Company would in no way be affected by the Scheme.

As on date, the Transferee Company has no outstanding debentures and therefore, the effect of the Scheme on any such debenture holders or debenture trustee(s) does not arise.

As on date, the Transferee Company has no outstanding public deposits and therefore, the effect of the Scheme on any such deposit holders or deposit trustee(s) does not arise.

(c) *Employees, Staff and Workmen along with Directors & KMP*

Under the Scheme, no rights of the staff and employees of the Transferee Company are being affected. The services of the staff and employees of the Transferee Company, shall continue on the same terms and conditions on which they were engaged by the Transferee Company.

None of the directors or key managerial personnel (as defined under the Act and the rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Act and the rules framed thereunder) have any material interest in the Scheme, except to the extent that one of the director of the Transferee Company is the nominee shareholder in the Transferor Company. None of the directors and key managerial personnel of the Transferee Company, Except Mr. Inder T. Jaisinghani, Mr. Bharat Jaisinghani and Mr. Nikhil

Jaisinghani, are holding more than two per cent. of the paid-up share capital of the Transferee Company.

27. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Transferor Company and Transferee Company, in their respective meetings, all held on October 12, 2022 and October 18, 2022 respectively, have adopted a report, *inter alia*, explaining the effect of the Scheme on its shareholders and key managerial personnel, amongst others. Copy of the Reports adopted by the respective Board of Directors of the Transferor Company and the Transferee Company are enclosed as **Annexure 3 and Annexure 4** respectively.

Other matters

28. No investigation proceedings have been instituted or are pending in relation to the Companies under Chapter XIV of the Act or under the corresponding provisions of Sections 235 to 251 of the Companies Act, 1956.
29. No proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against any of the Companies.
30. To the knowledge of the respective Companies, no winding up proceedings have been filed or pending against any of the Companies under the Act or the corresponding provisions of the Companies Act, 1956.
31. There is no capital restructuring or debt restructuring being undertaken pursuant to this Scheme.
32. Appointed date is April 1, 2022.
33. Effective date is when certified copies of the order(s) of the Tribunal, sanctioning the Scheme, being filed with the Registrar of Companies, Gujarat, by all the Companies.
34. The unaudited financial results of the Transferor Company and the Transferee Company for the quarter ended December 31, 2022 are enclosed as **Annexure 5 and Annexure 6** respectively.
35. As per the books of accounts of (as on February 1, 2023) the Transferor Company, the amount due to the unsecured creditors is Rs. 13,38,16,908/-.
36. As per the books of accounts of (as on February 1, 2023) the Transferee Company, the amount due to the unsecured creditors is Rs. 4,064,089,428/-.

37. The name and address of the promoter of the Transferor Company, including its shareholding in the Transferor Company as on December 31, 2022 is as under:

Sr. No.	Name and Address of the Promoters	No. of Shares held in the Transferee Company	% of holding
1.	Polycab India Limited Address : Unit - 4, Plot No. 105, Halol Vadodara Road, Village Nurpura, Taluka Halol, , Panchmahal , Gujarat, 389350	1,01,955	100.00%
2.	Mr. Inder T. Jaisinghani (Nominee of Polycab India Limited) 1401/B, Beau Monde, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025	1	0.00%
	Total	1,01,956	100.00%

38. The name and address of the promoters of the Transferee Company including their shareholding in the Transferee Company as on December 31, 2022 are as under:

Sr. No.	Name and Address of the Promoters	No. of Shares held in the Transferee Company	% of holding
1.	Inder T. Jaisinghani 1401/B, Beau Monde, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025	1,88,83,976	12.61%
2.	Girdhari T. Jaisinghani 801/802, Morning glory, Plot No 223/224, St. Andrews Road, Bandra West, Mumbai 400050	1,47,36,283	9.84%
3.	Ajay T. Jaisinghani Flat 1301, Tower B, Beau Monde, Appasaheb Marathe Marg,	1,79,60,747	12.00%

	Prabhadevi, Mumbai- 400025		
4.	Ramesh T. Jaisinghani 701-702, Salisbury Park, 82, Pali Mala Road, Pali Hill, Bandra (West), Mumbai - 400050	1,75,85,008	11.75%
	Total	6,91,66,014	46.2%

None of the aforesaid promoters of the Transferee Company are holding any shares in any of the Transferor Companies except Mr. Inder T. Jaisinghani Chairman & Managing Director of the Transferee Company is the nominee shareholder of the Transferor Company.

39. The names and addresses of the directors of the Transferor Company as on December 31, 2022 are as follows:

Sr. No.	Name and Designation	Address	DIN
1	Bindingnavile Seshadri Praveen (Director)	2086 Sobha Carnation, Behind H & M Royal, Kondhwa Budruk Pune Maharashtra 411048 India	03017823
2	Ajay Gupta (Director)	K 73, Diamond District, Old Airport Road Kodihalli, HAL 2 nd Stage Bengaluru Karnataka 560008 India	09447933

40. The names and addresses of the directors of the Transferee Company as on December 31, 2022 are as follows:

Sr. No.	Name and Designation	Address	DIN
1.	Mr. Inder T. Jaisinghani (Chairman & Managing Director)	Flat No 1401, Tower B, Beau Monde , Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025	00309108
2.	Mr. Bharat Jaisinghani (Executive Director)	17/6, Khiaram Bhavan, R.A.Kidwai Road, Wadala, Mumbai 400031	00742995
3.	Mr. Nikhil Jaisinghani (Executive Director)	701, Salisbury Park,82 Pali Mala Road, Bandra West, Mumbai 400050	00742771
4.	Mr. Rakesh Talati	15.Krishna Darshan Soc,	08591299

	(Executive Director)	Opp Hotel Airport, Harni Road, Vadodara 390022	
5.	Mr. Tilokchand Punamchand Ostwal (Independent Director)	103, Falcon Crest, G D Ambedkar Marg, Parel, Mumbai - 400012	00821268
6.	Mr. Radhey Shyam Sharma (Independent Director)	B3-1102, the World Spa W, Sector 30, Gurgaon, HR – 122001	00013208
7.	Mr. Pradeep Poddar (Independent Director)	222, Mont Blanc, August Kranti Marg, Off Kemps Corner, Mumbai - 400036	00025199
8.	Mrs. Sutapa Banerjee (Independent Director)	Springs 1, Flat No 3003 A and B, 30th Floor, G D Ambekar Marg, Wadala Tel Exchange, Naigaon Dadar East, Mumbai 400014	02844650

41. The details of the shareholding of the Directors and the Key Managerial Personnel (hereinafter referred to as the “KMP”) of the Transferor Company in the Companies as on December 31, 2022 are as follows:

Sr. No.	Name of the Director and KMP	Position	Equity Shares held in (No. of Shares of Rs. 10/-)	
			Transferor Company	Transferee Company
1	Bindingnavile Seshadri Praveen	(Director)	NIL	NIL
2	Ajay Gupta	(Director)	NIL	NIL

42. The details of the shareholding of the Directors and the KMP of the Transferee Company in the Transferor / Transferee Companies as on December 31, 2022 are as follows:

Sr. No.	Name of the Director and KMP	Position	Equity Shares held in (No. of Shares of Rs. 10/-)	
			Transferor Company	Transferee Company
1.	Mr. Inder T. Jaisinghani	(Chairman & Managing Director)	1*	1,88,83,976
2.	Mr. Bharat Jaisinghani	(Executive Director)	NIL	54,72,572
3.	Mr. Nikhil Jaisinghani	(Executive Director)	NIL	53,32,472
4.	Mr. Rakesh	(Executive	NIL	21,205

	Talati	Director)		
5.	Mr. Tilokchand Punamchand Ostwal	(Independent Director)	NIL	NIL
6.	Mr. Radhey Shyam Sharma	(Independent Director)	NIL	NIL
7.	Mr. Pradeep Poddar	(Independent Director)	NIL	NIL
8.	Mrs. Sutapa Banerjee	(Independent Director)	NIL	NIL
9.	Mr. Gandharv Tongia	Chief Financial Officer	NIL	31,810
10.	Ms. Manita Carmen A. Gonsalves	Company Secretary & Compliance Officer	NIL	NIL

* As a nominee of the Transferee Company

43. The pre-amalgamation shareholding pattern of the Companies as on December 31, 2022 are as under:

Pre-Amalgamation Equity Shareholding Pattern of the Transferor Company

Sr. No.	Name of Equity Shareholders	No. of Equity Shares	% of holding
1.	Polycab India Limited (PIL)	1,01,955	100.00%
2	Mr. Inder T. Jaisinghani (Nominee of Polycab India Limited)	1	0.00%
	Total	1,01,956	100.00%

Pre-Amalgamation Equity Shareholding Pattern of the Transferee Company

Sr. No.	Name of Equity Shareholder	No. of Equity Shares	% of holding
1.	Promoter & Promoter Group	9,97,19,399	66.61
	Total Promoter Group	9,97,19,399	66.61
2.	Public Institutions	1,51,31,066	10.11
3.	Public Institutions (Foreign)	1,21,68,360	8.13
4.	Public Non-Institutions	2,26,87,892	15.15
	Total Public	4,99,87,318	33.39
	Total	14,97,06,717	100.00

There would be no change in the equity shareholding pattern of the Transferee Company post-amalgamation.

upon the Scheme becoming effective no shares of the Transferee Company shall be allotted in lieu or exchange of the holding in the Transferor Company and the entire share capital of the Transferor Company and/or its nominees shall stand cancelled and extinguished without any further acts or deeds.

The post-amalgamation capital structure of the Transferee Company (assuming the continuing capital structure as on December 31, 2022) are as under:

AUTHORISED SHARE CAPITAL	Amount (In Rs.)
18,62,50,000 Equity Shares of Rs.10 each	186,25,00,000
Total	186,25,00,000
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	
14,97,06,717 Equity Shares of Rs.10 each fully paid up	149,70,67,170
Total	149,70,67,170

44. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.
45. The following documents will be available for inspection by the equity shareholders of the Transferee Company through electronic mode, basis the request being sent on shares@polycab.com. Further, the following documents will also be open for inspection by the equity shareholders of the Transferee Company at its registered office at Unit - 4, Plot No. 105, Halol Vadodara Road, Village Nurpura, Taluka Halol, Panchmahal, Gujarat, 389350, between 10.30 a.m. and 12.30 pm on all working days up to the date of the meeting:
 - (i) Copy of the order passed by NCLT in C.A. (CAA)/61(AHM) 2022, dated February 8, 2023, *inter alia*, directing the Transferee Company to convene the meetings of its equity shareholders, secured creditors and unsecured creditors;
 - (ii) Copy of C.A. (CAA)/61(AHM) 2022 (with annexures) jointly filed by the Companies before NCLT along with additional affidavit dated November 4, 2022 filed by the Companies before NCLT;
 - (iii) Copy of the Memorandum and Articles of Association of the Companies;

- (iv) Copy of the audited financial results of the Companies including Consolidated financials for the year ended March 31, 2022;
- (v) Copy of the unaudited/audited financial results of the Companies for the quarter ended December 31, 2022;
- (vi) Copy of the resolution passed by the Board of Directors of the Transferor Company dated October 12, 2022;
- (vii) Copy of the resolution passed by the Board of Directors of the Transferee Company dated October 18, 2022;
- (viii) Copy of each of the certificate issued by the auditor of the respective Companies to the effect that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.
- (ix) Copy of the Scheme; and
- (x) Copy of the Reports of Transferor Company dated October 12, 2022 and Transferee Company dated October 18, 2022 adopted by the Board of Directors of the respective Companies pursuant to the provisions of section 232(2)(c) of the Act;

The equity shareholders shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed above.

46. This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules. Hard copies of the Particulars as defined in this Notice can be obtained free of charge within 1 (one) working day on a requisition being so made for the same by the equity shareholders of the Transferee Company at the registered office of the Transferee Company or at the office of its advocates, M/s. Mr. Prashant Patel, 409, West Face, Near Baghban Party Plot, Zydus Hospital Road, Thaltej, Ahmedabad - 380059.
47. After the Scheme is approved, by the equity shareholders, secured creditors and unsecured creditors of the Transferee Company, it will be subject to the approval/sanction by NCLT or any other statutory or regulatory authorities as may be applicable.

Dated this February 10, 2023

Dipak Rachchha
Chairman appointed for the Meeting

Registered office: Unit - 4, Plot No. 105, Halol
Vadodara Road, Village
Nurpura, Taluka Halol,
Panchmahal , Gujarat, 389350

THE SCHEME OF AMALGAMATION

OF

SILVAN INNOVATION LABS PRIVATE LIMITED

WITH

POLYCAB INDIA LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF

THE COMPANIES ACT, 2013

Contents:

The Scheme is divided into the following parts:

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	Part I. Definitions, Interpretation, Share Capital and Date of taking into effect of the Scheme	
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A. BACKGROUND & DESCRIPTION OF THE COMPANIES

1. **Polycab India Limited** (hereinafter referred to as “**Polycab**” or “**Transferee Company**”) is a listed public company whose equity shares are listed on the BSE Limited and the National Stock Exchange of India Limited and is incorporated under the provisions of the Companies Act, 1956 and is bearing corporate identification number L31300GJ1996PLC114183 and PAN: AAACP6474E and having its registered office at Unit 4, Plot No.105, Halol Vadodara Road Village Nurpura, Taluka Halol, Panchamahal Panch Mahals - 389350, Gujarat, India. The Company is the largest manufacturer of Wires and Cables in India and is one of the fastest growing players in FMEG space.
2. **Silvan Innovation Labs Private Limited** (hereinafter referred to as the “**Silvan**” or “**Transferor Company**”) is a private limited company incorporated under the provisions of the Companies Act, 1956 bearing corporate identification number U72900GJ2008PTC135164 and PAN: AADCK4193Q, having its registered office at Unit 4, Plot No. 105, Halol Vadodara Road, Village Nurpura, Taluka Halol, Panchamahal, Gujarat - 389350. The Company is in the business of manufacture of computer software and providing automation solutions for homes, offices and hotels.

B. PREAMBLE

1. This Scheme of Amalgamation (hereinafter referred to as the “Scheme”) is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (including any statutory modifications and re-enactments thereof) and the rules and regulations made thereunder, as may be applicable, and in compliance with Section 2(1B) of the Income-tax Act, 1961 for Amalgamation of Transferor Company and Transferee Company on a going concern basis.

2. The Scheme also provides for various other matters consequential to Amalgamation or otherwise integrally connected herewith.

C. RATIONALE OF THE SCHEME

1. The nature of business carried on by the Transferor Company is complimentary to the business carried on by the Transferee Company.
2. The Transferor Company is a wholly owned subsidiary of the Transferee Company and it was acquired with the purpose of building capabilities in the area of Internet of Things (IoT) based home solutions and setting up an integrated platform for appliances to talk with each other.
3. The proposed Amalgamation would ensure transformation of the Transferee Company from inter alia an electrical manufacturing company to a technology focused solutions provider with inhouse research and development for IoT based products and will boost the FMEG business of the Transferee Company.
4. The proposed Amalgamation will result in the following benefits to the Companies:
 - 4.1 **Consolidation of Internet of Things (IoT) based home and office automation Products:** The proposed Amalgamation will enable the technology of the Transferor Company to be consolidated with the product range of the Transferee Company.
 - 4.2 **Synergised Operations:** The proposed Amalgamation will result in synergy benefits arising out of product and technology consolidation thereby reducing costs and increasing operational efficiencies.
 - 4.3 **Technology and R&D integration:** The proposed Amalgamation will likely result in optimized technology transfer, reduced R&D costs, sharing of best practices and cross-functional learning and development. IoT Automation can be achieved across varied product categories plants of the Transferor Company, by using the Transferee Company's information technology applications and systems.

- 4.4 **Optimisation of resource utilisation:** The proposed Amalgamation will result in greater economies of scale, reduction in overheads and other expenses and improvement in various operating parameters. The proposed Amalgamation will result in utilisation of research and development expertise across various FMEG products of the Transferee Company.
- 4.5 **Consolidation of compliances:** The proposed Amalgamation will lead to reduction in the multiplicities and duplicities of statutory, legal and regulatory compliances. The time and efforts for consolidation of financials at group level would stand reduced.
- 4.6 **Improved customer interaction, service and satisfaction:** The proposed Amalgamation will provide easier accessibility to customers of all products of both companies and would make it easier to improve customer satisfaction and service.
- 4.7 **Rationalization of apportioning:** The proposed Amalgamation will ensure rationalizing apportioning of various costs relating to management, administrative and compliance.
- 4.8 **Simplifying corporate structure:** The proposed Amalgamation will help in streamlining and simplifying the operating and corporate structure of the Transferee Company.
- 4.9 **Proposed Amalgamation not prejudicial to shareholders:** The Transferor Company is wholly owned subsidiary of the Transferee Company and all the shares of the Transferor Company are held by the Transferee Company jointly nominee holder. The Scheme envisages transfer of the Undertaking of the Transferor Company to the Transferee Company. Accordingly, the Scheme is not prejudicial to the interest of the shareholders of the Transferor Company.
- 4.10 **Scheme is in best interest of shareholders and creditors:** The Scheme is in the best interests of the shareholders, employees and the creditors of the Companies.

4.11 **Scheme to benefit stakeholders:** The Scheme does not have any adverse effect on either the shareholders, the employees or the creditors of the companies. The Boards of Directors of the companies believe that the Scheme would ensure benefit to all the stakeholders and will enhance the value for all shareholders / promoters.

D. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- (i). PART I deals with the definitions of capitalized terms used in this Scheme and the details of the share capital of Transferee Company and Transferor Company;
- (ii). Part II deals with the amalgamation of the Transferor Company with the Transferee Company;
- (iii). PART III deals with the general terms and conditions that would be applicable to this Scheme.

PART I
DEFINITIONS, INTERPRETATION, SHARE CAPITAL AND DATE OF TAKING
INTO EFFECT OF THE SCHEME

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context thereof (i) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; (ii) all terms and words not defined in this Scheme shall have the meaning ascribed to them under the relevant Applicable Laws; and (iii) the following expressions shall have the meanings ascribed hereunder:

- 1.1. **“Act” or “the Act”** means the Companies Act, 2013, and any rules, regulations, notifications, circulars or guidelines issued thereunder including any modifications, re-enactments or amendments thereof as in force from time to time;
- 1.2. **“Appointed Date”** means 1st April, 2022 or such other date as may be approved by the Tribunal and agreed to by the Board of the Parties;
- 1.3. **“Applicable Law” or “Law”** means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) approvals; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;

- 1.4. **“Appropriate Authority”** means the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunal, central bank, commission, tax authorities, SEBI, stock exchanges, or other authority thereof; any public international organization or supranational body and its institutions, departments, agencies and instrumentalities; and any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing, exporting or other governmental or quasi-governmental authority;
- 1.5. **“Board” or “Board of Directors”** in relation to the Transferee Company and Transferor Company, as the case may be, means the Board of Directors of such company, and shall include a Committee of Directors or any person authorized by such board of directors or such Committee of Directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto;
- 1.6. **“Effective Date”** has the meaning ascribed to it in Clause 21 hereof. References in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date;
- 1.7. **“Encumbrance”** means (a) any charge, lien (statutory or other), pledge, hypothecation, mortgage, assignment, or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term **“Encumberer”** shall be construed accordingly;

- 1.8. **“Income Tax Act”** means the Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.9. **“INR”** means Indian Rupee, the lawful currency of the Republic of India;
- 1.10. **“Parties” or “Companies”** means collectively the Transferee Company, Transferor Company and **“Party” or “Company”** shall mean each of them individually;
- 1.11. **“Paid-up capital” or “Paid-up Share capital”** means aggregate of Equity Share Capital and Preference Share Capital.
- 1.12. **“Permits”** means all consents, licences, permits, certificates, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, right to claims, exclusions, grants, benefits, registrations, filings, whether governmental, statutory, regulatory or otherwise as required under Applicable Law and includes all rights of way associated under Applicable Law or otherwise;
- 1.13. **“Person”** means an individual, a partnership, body corporate, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unlimited liability company, an unlimited liability partnership firm, union, association or Governmental Authority or other entity that may be treated as a person under Applicable Laws;
- 1.14. **“ROC”** means the Registrar of Companies having jurisdiction over the Transferee Company or Transferor Company, as the case may be;
- 1.15. **“Scheme” or “this Scheme”** means this scheme of Amalgamation as modified from time to time;

- 1.16. **“Taxation”** or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, claims, contributions, cess and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and service or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and service tax or otherwise or attributable directly or primarily to Transferee Company, Transferor Company, as the case may be, and shall include all penalties, charges, costs and interest relating thereto;
- 1.17. **“Tax Laws”** means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax / value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;
- 1.18. **“Transferee Company”** or **“Polycab”** in relation to the Scheme means Polycab India Limited, a company incorporated under the provisions of the Companies Act, 1956, bearing CIN L31300GJ1996PLC114183 having its registered office at Unit 4, Plot No 105, Halol Vadodara Road Village Nulpura, Taluka Halol, Panchamahals Panch Mahals-389350, Gujarat, India;
- 1.19. **“Transferor Company”** or **“Silvan”** in relation to the Scheme means **Silvan Innovation Labs Private Limited** a company incorporated under the provisions of the Companies Act, 1956 bearing CIN: U72900GJ2008PTC135164, having its registered office at Unit 4, Plot No 105, Halol Vadodara Road Village Nulpura, Taluka Halol, Panchamahals Panch Mahals-389350, Gujarat, India;
- 1.20. **“Tribunal”** means the Ahmedabad Bench of the National Company Law Tribunal;

1.21. **“Undertaking”** means all the undertakings and the entire business of the Transferor Company as a going concern as of the Appointed Date, including all its properties, investments, rights, approvals, and all its debts, outstandings, liabilities, duties, obligations and employees, if any, including, but not in any way limited to, the following:

- a) all books, records, files, papers, whether in physical or electronic form;
- b) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, brands, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature;
- c) all the assets and properties (whether movable or immovable, tangible or intangible (including but not limited to rights, titles, interest, goodwill, etc.), real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature), whether or not recorded in the books of accounts of the Transferor Company (including, without limitation, furniture, fixtures, machinery, office equipment, computers, fixed assets, current assets (including, without limitation, all inventories, stocks, advertisement, promotional and packaging material), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, vehicles, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or

vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

- d) all the credits for taxes such as income tax, wealth tax, central sales tax, service tax, applicable state value added tax, goods and services tax including but not limited to the right to claim credit for indirect taxes such as CENVAT credit, VAT credit, GST credit, or any other input tax credit, advance tax, withholding tax/ TDS, taxes withheld/paid in a foreign country, self-assessment tax, regular tax, minimum alternate tax, dividend distribution tax, securities transaction tax, deferred tax assets/liabilities, accumulated losses under the Income Tax Act and allowance for unabsorbed depreciation under the Income Tax Act, losses brought forward and unabsorbed depreciation as per the books of accounts and tax refunds of the Transferor Company; and
- e) all contracts, agreements, memorandum of understanding, memorandum of undertakings, memorandum of agreements, memorandum of agreed points, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder.

2. INTERPRETATION

In this Scheme, unless the context otherwise requires:

- 2.1 words denoting the singular shall include the plural and *vice versa* and words denoting any gender shall include all genders;
- 2.2 headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information and convenience only and shall not form part of the operative provisions of this Scheme and shall be ignored in construing the same;

- 2.3 the words “include” and “including” are to be construed without limitation;
- 2.4 reference to a clause, paragraph or schedule is a reference to a clause, paragraph or schedule of this Scheme;
- 2.5 reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder; and
- 2.6 references to days, months and years are to calendar days, calendar months and calendar years, respectively.

3. SHARE CAPITAL

- 3.1 The share capital of Transferee Company as on 30th September 2022 was as under:

Particulars	Amount (In Rs.)
Authorised Capital	
18,62,50,000 Equity Shares of Rs.10 each	186,25,00,000
TOTAL	186,25,00,000
Issued, Subscribed and Paid up Capital	
14,96,51,002 Equity Shares of Rs.10 each fully paid up	1,49,65,10,020
TOTAL	1,49,65,10,020

- 3.2 Subsequent to the above date and up to the date of approval of this Scheme by the Board of Directors of Transferee Company, there has been no change in the share capital of the Transferee Company.

- 3.3 The share capital of Transferor Company as on 30th September 2022 was as under:

Particulars	Amount (In Rs.)
Authorised Capital	
1,80,392 Equity shares of Rs.100 each,	1,80,39,200

Particulars	Amount (In Rs.)
3,00,000 0.1 % Compulsorily Convertible Preference shares of Rs.10 each (Class A),	30,00,000
1,451 0.1% Compulsory Convertible Preference shares of Rs.200 each (Class A1),	2,90,200
4,353 0.1% Compulsorily Convertible Preference shares of Rs.200 each (Class A2),	8,70,600
14,000 0.1% Compulsorily Convertible Preference shares of Rs.200 each (Class A3)	28,00,000
25,000 0.1 % Compulsorily Convertible Preference shares of Rs.200 each (Class B)	50,00,000
TOTAL	3,00,00,000
Issued, Subscribed and Paid-up Capital	
1,01,956 Equity shares of Rs. 100 each, fully paid up	1,01,95,600
291177 0.1 % Compulsorily Convertible Preference shares of Rs.10 each (Class A),	29,11,770
1451 0.1% Compulsory Convertible Preference shares of Rs. 200 each (Class A1),	2,90,200
4353 0.1% Compulsorily Convertible Preference shares of Rs. 200 each (Class A2),	8,70,600
13,236 0.1% Compulsorily Convertible Preference shares of Rs. 200 each (Class A3),	26,47,200
10,864 0.1 % Compulsorily Convertible Preference shares of Rs. 200 each (Class B)	21,72,800
TOTAL	1,90,88,170

3.4 Subsequent to the above date and up to the date of approval of this Scheme by the Board of Directors of Transferor Company, there has been no change in the share capital of the Transferor Company.

4. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

This Scheme in its present form or with any modification(s), as may be approved or imposed or directed by the Tribunal, shall become effective from the Appointed Date but shall be operative from the Effective Date.

PART II

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY AND OTHER RELATED MATTERS

5. TRANSFER AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY

5.1 With effect from the Appointed Date, and subject to the provisions of this Scheme and pursuant to Section 232 of the Act, the Transferor Company shall stand amalgamated with the Transferee Company as a going concern and all assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, privileges, easements, advantages, benefits, intellectual property rights, etc. of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Transferee Company by virtue of, and in the manner provided in this Scheme.

5.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date:

5.2.1 all the assets of the Transferor Company that are movable in nature or are otherwise capable of being transferred by physical or manual delivery or by paying over or endorsement and/ or delivery, shall be so transferred and deemed to have been so transferred by the Transferor Company by operation of law and shall be deemed to have been handed over by physical delivery or endorsement or presentment with the intent of vesting such assets with the Transferee Company as on the Appointed Date without the need for any further act or execution of a separate instrument;

5.2.2 the assets of the Transferor Company, other than those referred

to in Clause 5.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investment in shares of any body corporate, fixed deposits, mutual funds, bonds and any other securities, actionable claims, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, cash and bank balances, earnest moneys and deposits, if any, with government, semi-government, local and other authorities and bodies, customers or other persons or companies, whether or not the same is held in the name of the Transferor Company, shall, without the need for any further act, instrument or deed, be transferred to and vested in and be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law or as transmission, as the case may be, in favour of Transferee Company. With regard to the licenses of the properties, the Transferee Company will enter into novation agreements, if it is so required by Applicable Law;

5.2.3 The Transferee Company, may issue notices in such form as the Transferee Company deems fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme of Amalgamation of the Transferor Company with the Transferee Company under Sections 230 to 232 of the Companies Act 2013, the relevant debt, loan, advance, bank balance or other asset, 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 Transferor Company to recover or realize the same stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes without the need for any further act or execution of a separate instrument;

5.2.4 all the immovable properties (including but not limited to the land, buildings, offices, factories, sites, tenancy rights related thereto, and other immovable property, including accretions and appurtenances), whether or not included in the books of the

Transferor Company, whether freehold or leasehold (including but not limited to any other document of title, rights, interest and easements in relation thereto, and any shares in cooperative housing societies associated with such immoveable property) shall stand transferred to and be vested in the Transferee Company, as successor to the Transferor Company, without the need for any act or deed to be done or executed by the Transferor Company, as the case may be and/ or the Transferee Company;

5.2.5 all debts, liabilities, contingent liabilities, duties and obligations of every kind and nature (debentures, commercial paper, bonds, notes or other debt securities, loan from companies) of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 5.2.5;

5.2.6 for the removal of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Appointed Date, to the extent there are inter-corporate loans, deposits, obligation, balances or other outstanding as between the Transferor Company inter-se and/or the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be;

5.2.7 the Transferee Company will be entitled to all the trade and service names and marks, brands, patents, copyrights, licenses,

marketing authorisations, approvals and marketing tangibles of the Transferor Company including registered and unregistered trademarks along with all rights of commercial nature including those attached to goodwill, title, interest, labels and brands registrations, copyrights, trademarks and all such other industrial or intellectual rights of whatsoever nature;

5.2.8 all the brands, intellectual property rights, and trademarks (including logo and right to use the trademarks) of the Transferor Company including registered and unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature shall be transferred to the Transferee Company. The Transferee Company shall take such actions as may be necessary and permissible to get the same transferred and/ or registered in the name of the Transferee Company;

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

- 5.2.10 on and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferor Company and credited to the account of the Transferee Company, if presented by the Transferee Company;
- 5.2.11 without prejudice to the foregoing provisions of Clause 5, the Transferor Company and/ or the Transferee Company shall be entitled to apply to the Appropriate Authorities as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and / or modification(s) of charge, with the concerned ROC or filing of necessary applications, notices, intimations or letters with any authority or Person, to give effect to the above provisions;
- 5.2.12 all taxes and cess or other like payments or deductions (including but not limited to advance tax, self-assessment tax, regular tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withhold/paid in a foreign country, value added tax, sales tax, service tax, goods and service tax, etc.) paid / payable by or refunded / refundable to the Transferor Company with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc. as the case may be, of the Transferee Company, and any tax incentives, advantages,

privileges, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the Income Tax Act, losses brought forward and unabsorbed depreciation as per books of account, deductions otherwise admissible such as under section 40, 40A, 43B, etc of the Income Tax Act, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc, as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. This clause is to be read along with Clause 10 of this Scheme and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the coming into effect of this Scheme and upon relevant proof and documents being provided to the said authorities;

5.2.13 This Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2(1B) and other relevant provisions of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961;

5.2.14 Without prejudice to the above provisions, with effect from the Appointed Date, all inter-party transactions between Transferor Companies and Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

6. EMPLOYEES, STAFF AND WORKMEN

- 6.1 On the Scheme becoming effective, all employees of the Transferor Company on the Effective Date, shall be deemed to have become employees of the Transferee Company, without any break in their service and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those subsisting on the Effective Date. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company recognized by the Transferor Company. It is hereby clarified that the accumulated balances, if any, standing to the credit of the employees in the existing provident fund, gratuity fund and superannuation fund of which the employees of the Transferor Company are members shall be deemed to be funds of the Transferee Company and/or shall stand transferred to such provident fund, gratuity fund and superannuation fund of the Transferee Company or to be established and caused to be recognized by the Appropriate Authorities, by the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous, uninterrupted and taken into account for the purpose of the said fund or funds.
- 6.2 Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the employees of the Transferor Company would continue to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company.
- 6.3 Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to applicable laws, shall be entitled to retain separate funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company.
- 6.4 The Transferor Company shall not vary the terms of service of employment of any employee except in the ordinary course of business.

7. LEGAL PROCEEDINGS

- 7.1 On the Scheme becoming effective, any suit, petition, appeal or other proceeding of whatsoever nature and any orders of court, judicial or quasi-judicial tribunal or other governmental authorities enforceable by or against the Transferor Company pending as on the Effective Date, shall not abate or be discontinued or in any way prejudicially affected by reason of the Amalgamation of the Transferor Company or of any order of or direction passed or issued in the Amalgamation proceedings or anything contained in this Scheme, but by virtue of the order sanctioning the Scheme, such legal proceedings shall be continued and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented.
- 7.2 After the approval of the Scheme by the Parties and until the Effective Date, the Transferor Company shall defend all legal proceedings, other than in the ordinary course of business, with the advice and instructions of the Transferee Company.
- 7.3 The transfer and vesting of the assets and liabilities under the Scheme and the continuance of the proceedings by or against the Transferee Company shall not affect any transaction or proceeding already completed by the Transferor Company between the Appointed Date and the Effective Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

8. PERMITS

With effect from the Appointed Date, all the Permits held or availed of by, and all rights and benefits that have accrued to, the Transferor Company, pursuant to the provisions of Section 232 of the Act, shall without any further act, instrument or deed, be transferred to, and vest in, or be deemed to have been transferred to, and vested in, and be available to, the Transferee Company so as to become as and from the Appointed Date, the Permits, estates, assets,

rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws. Upon the Effective Date and until the Permits are transferred, vested, recorded, effected, and/ or perfected, in the record of the Appropriate Authority, in favour of the Transferee Company, the Transferee Company is authorized to carry on business in the name and style of the Transferor Company, and under the relevant license and/ or permit and/ or approval, as the case may be, and the Transferee Company shall keep a record and/ or account of such transactions.

9. CONTRACTS, DEEDS, BONDS, AGREEMENTS ETC.

9.1 On the Scheme becoming effective, all contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, permits, rights, entitlements, power of attorneys, certificates, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Transferor Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before this Scheme coming into effect, shall pursuant to the order of the Authority sanctioning the Scheme, and on this Scheme becoming effective be deemed to be contracts, deeds, bonds, Agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) of the Transferee Company. It is clarified that all conditions, stipulations, pre-requisites, terms laid down under any Governmental, statutory or regulatory bodies, fulfilled by the Transferor Company prior to the Effective Date, shall be deemed to have been fulfilled and complied with by the Transferee Company. The Transferee Company shall be entitled to the benefit of all qualification criteria, track-record, experience, goodwill and all other rights, claims and powers of whatsoever nature and whosoever situate belonging to or in the possession of or granted in favour of or enjoyed by

the Transferor Company for all intents and purposes for its business. Such properties and rights described hereinabove shall stand vested in the Transferee Company and shall be deemed to be the property and become the property by operation of law as an integral part of the Transferee Company. Such contracts and properties described above shall continue to be in full force and continue as effective as hitherto in favour of or against the Transferee Company and shall be the legal and enforceable rights and interests of the Transferee Company, which can be enforced and acted upon as fully and effectually as if it were the Transferor Company.

9.2 Upon this Scheme becoming effective, the rights, benefits, privileges, duties, liabilities, obligations and interest whatsoever, arising from or pertaining to contracts and properties, shall be deemed to have been entered into and stand assigned, vested and novated to the Transferee Company by operation of law and the Transferee Company shall be deemed to be the Transferor Company substituted party or beneficiary or obligor thereto. It being always understood that the Transferee Company shall be the successor in the interest of the Transferor Company. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company, shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company.

9.3 Without prejudice to other provisions of this Scheme and notwithstanding the fact that vesting of the entire undertaking of the Transferor Company occurs by virtue of the Scheme itself, the Transferee Company 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, 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 Transferor Company 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 be deemed to be authorised to execute any such writings on behalf and in the name of the Transferor Company and to carry out or perform all such formalities

or compliances required for the purposes referred to above on the part of the Transferor Company.

- 9.4 Without prejudice to the provisions of this Scheme, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes, from the Appointed Date. Any taxes (including tax deducted at source or dividend distribution tax) paid in relation to such transaction shall, to the extent permissible by applicable law, be claimed as a refund.
- 9.5 The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as “Insured” in the policies as if the Transferee Company was initially a party thereto.
- 9.6 Any inter-se contracts between the Transferor Company on the one hand and the Transferee Company on the other hand shall cease to operate upon the coming into effect of this Scheme.

10. TAXES/ DUTIES / CESS ETC.

This Scheme has been drawn up to comply with the conditions as specified under Section 2(1B) of the Income Tax Act and other relevant provisions of the Income Tax Act involving as aforesaid. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act and other relevant provisions of the Income Tax Act. Upon the effectiveness of the Scheme, by operation of law pursuant to the order of the Tribunal:

- 10.1 Upon scheme becoming effective, the Transferor Company (if required) 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, service tax returns, excise tax returns, sales tax / VAT / 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, credit of foreign taxes paid/withheld, 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.

- 10.2 If Transferor Company is entitled to any benefits under incentive schemes and policies under Tax Laws, all such benefits under all such incentive schemes and policies shall be and stand vested in Transferee Company.
- 10.3 Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, along with the necessary forms, filings and annexures even beyond the due date, if required, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/withheld, etc. if any, as may be required for the purposes of/consequent to implementation of the Scheme.
- 10.4 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., Transferee Company, if so required, shall issue notice in the name of Transferor Company, in such form as it may deem fit and proper stating that pursuant to the Tribunal having sanctioned

this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of Transferee Company, as the person entitled thereto, to the end and intent that the right of Transferor Company, to recover or realise the same, stands transferred to Transferee Company.

- 10.5 Obligation for deduction of tax at source on any payment made by or to be made by Transferor Company, under Tax Laws or other applicable laws/ regulations dealing with Taxes/ duties / levies duly complied by Transferor Company shall be made or deemed to have been made and duly complied with by Transferee Company.
- 10.6 All deductions otherwise admissible to the Transferee Company including payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deduction at source (such as under Section 40, 40A, 43B, etc. of the Income Tax Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Company.
- 10.7 The accumulated losses and the allowance for unabsorbed depreciation of the Transferor Company shall be deemed to be the loss and the allowance for unabsorbed depreciation of the Transferee Company in accordance with Section 72A of the Income Tax Act.
- 10.8 Right to any claim not preferred or made by the Transferor company's in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India.

11. CONSIDERATION

The Transferor Company is the wholly-owned subsidiary of the Transferee company and entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company and/or its nominees. Hence, upon the Scheme becoming effective no shares of the Transferee Company shall be allotted in lieu or exchange of the holding in the Transferor Company and the entire share capital of the Transferor Company and/or its nominees shall stand cancelled and extinguished without any further acts or deeds.

12. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY

12.1 Upon the Scheme becoming effective, from the Appointed date, the Transferee Company shall account for the Amalgamation in accordance with “the Pooling of Interest Method” as laid down in Appendix C of Indian Accounting Standard (Ind AS) 103 - Business Combinations of entities under Common Control, notified under section 133 of the Act, read with relevant rules framed thereunder and/or any other applicable Ind AS, as the case may be.

12.2 The Transferee Company, shall upon the Scheme coming into effect, record the assets and liabilities, including but not limited to Goodwill, if any, of Transferor Company, as on the Appointed date, as vested in it pursuant to the Scheme, at the respective carrying value as appearing in the consolidated financial statements of the Transferee Company. No adjustments are made to reflect fair values, or recognizes any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies.

12.3 The balance of Retained Earnings as appearing into the consolidated financial statements of the of Transferor Company shall be aggregated with the corresponding balance appearing in the consolidated financial statements of the Transferor Company.

12.4 The identity of the other reserves as appearing into the financial statements of the of Transferor Company shall be preserved and 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 Company.

- 12.5 Pursuant to Amalgamation of Transferor Company into Transferee Company, inter-company balances between the Transferor Company and Transferee Company shall stand cancelled. Further, the value of investments held by Transferee Company in the Transferor Company shall stand cancelled.
- 12.6 The difference between the value of the assets over the value of liabilities including reserves pertaining to Transferor Company, after adjusting the book value of the investments in the shares of Transferor Company and any adjustment from Clause 12.5, if any, shall be adjusted to retained earnings of the Transferee Company.
- 12.7 The Loans and Advance or payables or receivables of any kind. held inter-se, if any between Transferor Company and the Transferee Company, as appearing in their respective books of accounts shall stand discharged prior to Effective Date
- 12.8 In case of any difference in accounting policies between the Transferor Company and the Transferee Company., the accounting policies of the Transferee Company will prevail and the difference shall be quantified and adjusted in the reserves of the Transferee Company, The effect on the financial statements of any change in the Accounting Policies shall be reported in accordance with applicable "Indian Accounting Standard (Ind AS) 8 for Accounting Policies, Changes in Accounting. Estimates and Errors"
- 12.9 All costs and expenses incurred in connection with the Scheme and to put it into operation and any other expense or charges attributable to the implementation of the Scheme shall be debited to the Profit & Loss of the Transferee Company.

13. CONDUCT OF BUSINESS FROM APPOINTED DATE UPTO THE EFFECTIVE DATE:

13.1 The Transferor Company with effect from the date of approval of the Scheme by Board of the Parties and until the Effective Date:

13.1.1 shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets for and on account of, and in trust for the Transferee Company;

13.1.2 all profits or income arising or accruing to the Transferor Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, goods and service tax, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, etc.) or losses arising or incurred by the Transferor Company shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Transferee Company; and

13.1.3 all loans raised and all liabilities and obligations incurred by the Transferor Company 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 Transferee Company in which the undertaking of the Transferor Company shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Transferee Company.

13.2 From the Effective Date, the Transferee Company shall carry on and shall be entitled to carry on the business of the Transferor Company.

- 13.3 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authority and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require, to carry on the business of the Transferor Company and to give effect to the Scheme.
- 13.4 The Transferee Company shall be entitled to credit the tax paid including credit of the tax deducted at source and input tax credit under the GST law in relation to The Transferor Company, for the period between the Appointed Date and the Effective Date.
- 13.5 For the purpose of giving effect to the Amalgamation order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Authority, the Transferee Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the Amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme.

14. SAVING OF CONCLUDED TRANSACTIONS

The vesting of the undertaking of the Transferor Company as above and the continuance of proceedings by or against the Transferor Company shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date in accordance with this Scheme, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

15. COMBINATION OF AUTHORISED SHARE CAPITAL

- 15.1 Upon the Scheme becoming effective, the authorised share capital of the Transferor Company will get amalgamated with that of the Transferee Company without payment of any additional fees and duties as the said fees have already been paid. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the Registrar of Companies and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.
- 15.2 Upon this Scheme becoming effective the authorized share capital of the Transferee Company upon consolidation of the authorised capital as per Clause 15.1 shall be Rs. 1,89,25,00,000/- (Rupees One Eighty Nine Crores Twenty Five Lakhs only) divided into –
- i. Rs. 1,86,25,00,000 divided into 18,62,50,000 Equity Shares of Rs.10 each
 - ii. Rs. 1,80,39,200 divided into 1,80,392 Equity shares of Rs.100 each,
 - iii. Rs. 30,00,000 divided into 3,00,000 0.1 % Compulsorily Convertible Preference shares of Rs.10 each,
 - iv. Rs. 2,90,200 divided into 1,451 0.1% Compulsory Convertible Preference shares of Rs. 200 each (Class A1),
 - v. Rs. 8,70,600 divided into 4,353 0.1% Compulsorily Convertible Preference shares of Rs.200 each (Class A2),
 - vi. Rs. 28,00,000 divided into 14,000 0.1% Compulsorily Convertible Preference shares of Rs.200 each (Class A3) and
 - vii. Rs. 50,00,000 divided into 25,000 0.1 % Compulsorily Convertible Preference shares of Rs.200 each (Class B)
- 15.3 Simultaneously, pursuant to Clause 15.2 upon this Scheme becoming effective the authorized share capital of the Transferee Company shall be reclassified to Rs. 1,89,25,00,000/- (Rupees One Eighty Nine Crores Twenty Five Lakhs only) divided into 18,92,50,000 (Eighteen Crores Ninety-Two lakhs Fifty thousand) equity shares of Rs. 10 (Rupees Ten Only) each without any further act or deed on the part of the Transferee Company and the Memorandum of Association and Articles of

Association of the Transferee Company (relating to the authorized share capital) shall without any further act, instrument or deed be and stand altered, modified, reclassified, amended and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution(s) under Sections 13, 14, 61, 64 and applicable provisions of the Act would be required to be separately passed, as the case may be. For this purpose, the filing fees and stamp duty already paid by the Transferor Company towards their authorised share capital shall be utilised and applied to the increased authorised share capital of the Transferee Company and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and, accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased. However, for any additional increase in authorized share capital as required necessary fees as per the provisions of the Act and stamp duty would be required to be paid.

- 15.4 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association of the Transferee Company.

The amended clause shall read as:

“The authorized share capital of the company is Rs. 1,89,25,00,000/- (Rupees One Eighty-Nine Crores Twenty-Five Lakhs only) divided into 18,92,50,000 (Eighteen Crores Ninety-Two Lakhs Fifty thousand) equity shares of Rs. 10 (Rupees Ten Only) each.”

16. AMENDMENT TO MEMORANDUM OF ASSOCIATION OF TRANSFEE COMPANY

- 16.1 Upon this Scheme becoming effective, Memorandum of Association (“MOA”) of Transferee Company shall be amended to include main objects of the Transferor Company in MOA of the Transferee Company.
- 16.2 The additional clauses to be added to the Clause III(A) of MOA of Transferee Company shall read as below:

- 1F. *To carry on the business of computer software Development of all kinds, to promote, encourage, plan, develop, design, establish, maintain, organize, undertake, manage, operate, test, conduct and to run in India or abroad computer software, database, administration, consultation, software testing data processing, dissemination knowledge and skills to the foregoing, computer educational and courseware development, to facilitate development and maintenance of business and software applications on all popular mainframe and minicomputer platforms and to carry on the work of development of software and related services in all kinds and fields including export of computer software and services.*
- 1G. *To carry on the business of providing personnel services in India and abroad, arrange for their training whether technical or commercial in India and abroad and to provide management services in the field of software portfolio management investment counselling financial consultancy, corporate counsellors on Amalgamation, acquisitions and other allied activities.*
- 1H. *To carry on the business of providing software training consulting and project management services related to various activities of other companies and system analysis and management of engineering and application systems whether technical or commercial in India or abroad and to provide consultancy services.*
- 1I. *To establish, acquire, and operate facilities in India and abroad for the provision of information Technology services, including (a) business process outsourcing solutions (b) software development, maintenance and over related tasks (c) data generation entry processing research and analysis and monitoring and maintenance of computer systems.*

16.3 It is hereby clarified that for the purpose of acts and events as mentioned in Clauses 16.1 and 16.2, the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed, and shall be subject to the payment of relevant RoC fees and charges by the Transferee Company.

PART III
GENERAL TERMS & CONDITIONS

17. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect this Scheme, the resolutions/ power of attorney of/ executed by the Transferor Company , as are considered necessary by the Board of the Transferor Company, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Transferee Company, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits as are considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

18. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Transferor Company are transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of the Transferee Company, such company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the relevant Parties, the Transferor Company will continue to hold the property and/or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of the Transferee Company.

19. APPLICATIONS/PETITIONS TO THE TRIBUNAL

- 19.1 The Parties shall dispatch, make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, under whose jurisdiction the registered offices of the respective Parties are situated, for sanction of this Scheme under the provisions of Applicable Law and shall apply for such approvals as may be required under Applicable Law.
- 19.2 The Parties shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the Parties may require to own the assets and/or liabilities of the respective Undertakings and to carry on the business of the respective Undertakings.

20. MODIFICATION OR AMENDMENTS TO THIS SCHEME

- 20.1 On behalf of each of the Parties, the Board of the respective Parties acting themselves or through authorized Persons, may consent jointly but not individually, on behalf of all Persons concerned, to any modifications or amendments to this Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the Tribunal or any other Appropriate Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by all of them (i.e., the Boards of the Parties) and solve all difficulties that may arise for carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect.
- 20.2 For the purposes of giving effect to this Scheme or to any modification hereof, the Boards of the Parties acting themselves or through authorized Persons may jointly but not individually, give and are jointly authorised to give such directions including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all Parties, in the same manner as if the same were specifically incorporated in this Scheme.

- 20.3 The Transferor Company and/or Transferee Company shall each be at liberty to withdraw the scheme in entirety in case any condition or alteration imposed by the Tribunal or appropriate authority is unacceptable to them or as may otherwise be deemed expedient or necessary.
- 20.4 In the event of revocation/ withdrawal of the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter-se Transferor Company and/or Transferee Company, or the respective shareholders or creditors or employees or any other person except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and preserved or walk out as is specifically provided in the Scheme or in accordance with the applicable law and as agreed between the parties and in such case, each party shall bear its own cost unless mutually agreed.
- 20.5 It is hereby clarified that submission of this Scheme to the Tribunal and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the Parties may have under or pursuant to all Applicable Law.
- 20.6 On the approval of this Scheme by the shareholders of the Parties and such other classes of Persons relating to the Parties, if any, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable to all the matters related or arising pursuant to the Scheme.

21. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

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

- 21.1 The requisite consent, approval, no-objection, deemed acceptance or permission of the any government or any other statutory or regulatory authority which by law or otherwise may be necessary for the implementation of this Scheme.

21.2 the approval by the respective requisite majority of the shareholders and/or creditors (where applicable) of the Companies in accordance with the Act, subject to any dispensation that may be granted by the Tribunal;

21.3 the Tribunal having accorded its sanction to the Scheme;

21.4 certified copies of the order(s) of the Tribunal, sanctioning the Scheme, being filed with the Registrar of Companies, Gujarat, by all the Companies.

22. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the effectiveness of this Scheme, the Transferor Company shall be dissolved without winding up, and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand ceased and discharged. The name of the Transferor Company shall be struck off from the records of the ROC and the Transferee Company shall make necessary filings in this regard and no separate consent / approval of the Transferee's shareholders shall be required under applicable provisions of the Act.

23. EFFECT OF NON-RECEIPT OF APPROVALS

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.

24. COSTS AND EXPENSES

All costs, charges and expenses payable in relation to or in connection with this Scheme and incidental to the completion of the transfer and vesting of assets and liabilities of Transferor Company to Transferee Company in pursuance of

this Scheme including stamp duty on the order(s) of the Tribunal, if any, to the extent applicable and payable shall be borne and paid by the Transferee Company, except in the event of this Scheme not taking effect as provided in Clause above in which case, each company shall bear and pay its own costs, charges and expenses incurred in relation to or in connection with this Scheme.

25. SEVERABILITY

If any part of this Scheme is found to be unenforceable, unworkable or unviable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Companies, affect the validity or implementation of the other parts and/or provisions of this Scheme.

Legal

From: neaps@nse.co.in
Sent: Friday, October 21, 2022 7:35 PM
To: Legal
Subject: Scheme of Amalgamation with Wholly owned subsidiary Submitted

**** CAUTION: This message has been sent from outside our organization. Please do not click links or open attachments unless you recognize the source of this email and know the content is safe.**

Dear Sir/Madam

Application No. 171 for Scheme of Amalgamation with Wholly owned subsidiary has been Submitted.



Legal

From: Legal
Sent: Friday, October 21, 2022 7:17 PM
To: bse.schemes@bseindia.com
Cc: Legal; Manita Gonsalves; Ved Prakash; Ashwini Ambrale
Subject: Polycab India Limited - Submission of Scheme of Amalgamation under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')
Attachments: Acknowledgment of payment of processing fee.pdf;
 Submissionofschemeofamalgamation.pdf

Date: 21st October 2022

To
 Department of Corporate Services,
 BSE Limited

Scrip Code: 542652 Scrip Symbol: Polycab
ISIN:- INE455K01017

Dear Sir / Madam,

Sub: Submission of Scheme of Amalgamation under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

With reference to our letter dated 18th October 2022 whereby we had intimated that the Board of Directors of the Company at its meeting held on 18th October 2022 had approved the Amalgamation of Silvan Innovation Labs Private Limited ('Wholly-owned Subsidiary') {'Transferor Company'} with Polycab India Limited ('Holding Company') {'Transferee Company'}.

In terms of Regulation 37(6) of the Listing Regulations, the provisions of Regulation 37 of Listing Regulations are not applicable to the draft scheme which solely provides for Amalgamation of Wholly-owned Subsidiary with its Holding Company. However, in accordance with the provisions of Regulations 37(6) of Listing Regulations, such draft scheme shall be filed with the Stock Exchanges for the purpose of disclosures and the Stock Exchanges shall disseminate the scheme documents on their website.

Accordingly, the following documents are enclosed:

1. Certified true copy of the Scheme of Amalgamation and
2. Certified true copy of the resolution passed by the Board of Directors of the Company dated 18th October 2022 approving the draft scheme.

We have also made payment of Processing fee (non-refundable) of Rs. 25,000/- plus GST, acknowledgement of the same has been attached herewith for your reference.

You are requested to kindly take note of the same.



Regards
 Manita Carmen A. Gonsalves
 Company Secretary & Head – Legal
 Polycab India Limited
 Polycab House, 771, Pandit Satawalekar Marg, Mahim (West), Mumbai – 400 016



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Annexure: 3

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SILVAN INNOVATION LABS PRIVATE LIMITED IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 AT ITS MEETING HELD ON OCTOBER 12, 2022.

Background

1. The Board of Directors of the Company (the "Board") at its Meeting held today i.e. October 12, 2022, has considered and reviewed the draft Scheme of Amalgamation of Silvan Innovation Labs Private Limited (the Company is wholly owned subsidiary of Polycab India Limited) with Polycab India Limited under the provisions of Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 read with rules framed thereunder ("Scheme").
2. The Proposed Scheme, inter-alia, provides for:
 - (i). amalgamation of Silvan Innovation Labs Private Limited (the Company is wholly owned subsidiary of Polycab India Limited) with Polycab India Limited, pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act.
 - (ii). Amalgamation of the Undertaking (as defined in Scheme), as a going concern of the Company with its holding company, Polycab India Limited, with effect from the Appointed Date i.e. April 1, 2022.

The scheme is proposed to be effective from the Appointed Date (as defined in the Scheme) and operative from the Effective Date (as defined in the Scheme) and was approved by the Board of Directors at its meeting held on October 12, 2022.

3. As per the provisions of Section 232(2)(c) of the Act, the directors of Silvan Innovation Labs Private Limited to adopt a report explaining the effect of the Scheme on shareholders, key managerial personnel, promoters and non-promoter shareholders.
4. As the Scheme is proposed for amalgamation of the whole undertaking as a going concern of the Company with Polycab India Limited; valuation and fairness reports are no more required. This report of the Board is accordingly being made in pursuance of the requirements of Sections 232(2)(c) of the Act.

Silvan Innovation Labs Pvt.Ltd

Registered Office.: Unit 4, Plot No. 105, Halol Vadodara Road, Village Nulpura, Taluka Halol, Panchmahal, Panch Mahals, Gujarat 389 350

Corporate Office.: B-78, #18th, 04th Main Road KSSIDC Industrial Area, 06th Block Rajaji Nagar, Bengaluru Karnataka 560 010. Ph : +91-080-29911872 E-info@silvanlabs.com www.silvanlabs.com

CIN: U72900GJ2008PTC135164

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5. The following documents were placed before the Board:

- (a) A draft of the proposed Scheme.
- (b) Other presentations, documents and information made to/ furnished before the Board pertaining to the draft Scheme.

Effect of the proposed Scheme

The Board perused the provisions in the Scheme which, inter alia, contains the rationale for the proposed Scheme of Amalgamation. The Board noted that the Transferor Company is carrying on business of manufacturing of computer software and providing automation solutions for homes, offices and hotels and the Transferee Company is carrying on business of manufacturing of Wires and Cables in India and is one of the fastest growing players in FMEG space.

The proposed Amalgamation would ensure transformation of the Transferee Company from inter alia an electrical manufacturing company to a technology focused solutions provider with inhouse research and development for IoT based products and will boost the FMEG business of the Transferee Company.

The proposed Amalgamation will result in the following benefits to the Companies:

Consolidation of Internet of Things (IoT) based home and office automation Products: The proposed Amalgamation will enable the technology of the Transferor Company to be consolidated with the product range of the Transferee Company.

Synergised Operations: The proposed Amalgamation will result in synergy benefits arising out of product and technology consolidation thereby reducing costs and increasing operational efficiencies.

Technology and R&D integration: The proposed Amalgamation will likely result in optimized technology transfer, reduced R&D costs, sharing of best practices and cross-functional learning and development. IoT Automation can be achieved across varied product categories plants of the Transferor Company, by using the Transferee Company's information technology applications and systems.

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Optimisation of resource utilisation: The proposed Amalgamation will result in greater economies of scale, reduction in overheads and other expenses and improvement in various operating parameters. The proposed Amalgamation will result in utilisation of research and development expertise across various FMEG products of the Transferee Company.

Consolidation of compliances: The proposed Amalgamation will lead to reduction in the multiplicities and duplicities of statutory, legal and regulatory compliances. The time and efforts for consolidation of financials at group level would stand reduced.

Improved customer interaction, service and satisfaction: The proposed Amalgamation will provide easier accessibility to customers of all products of both companies and would make it easier to improve customer satisfaction and service.

Rationalization of apportioning: The proposed Amalgamation will ensure rationalizing apportioning of various costs relating to management, administrative and compliance.

Simplifying corporate structure: The proposed Amalgamation will help in streamlining and simplifying the operating and corporate structure of the Transferee Company.

Proposed Amalgamation not prejudicial to shareholders: The Transferor Company is wholly owned subsidiary of the Transferee Company and all the shares of the Transferor Company are held by the Transferee Company jointly nominee holder. The Scheme envisages transfer of the Undertaking of the Transferor Company to the Transferee Company. Accordingly, the Scheme is not prejudicial to the interest of the shareholders of the Transferor Company.

Scheme is in best interest of shareholders and creditors: The Scheme is in the best interests of the shareholders, employees and the creditors of the Companies.

Scheme to benefit stakeholders: The Scheme does not have any adverse effect on either the shareholders, the employees or the creditors of the companies. The Boards of Directors of the companies believe that the Scheme would ensure benefit to all the stakeholders and will enhance the value for all shareholders / promoters.

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CIN: U72900GJ2008PTC135164

(i) Effect of the proposed scheme on Shareholders (including promoter)

The Transferor Company has two class of shares i.e Equity Shares and Preference Shares. Further, Transferor Company is the wholly owned subsidiary of the Transferee Company and Transferee Company is the sole preference shareholder of the Transferor Company.

Under the Scheme, there is no arrangement sought to be entered into between the Transferor Company and its equity shareholder(s). However, the equity shareholder(s) of the Transferor Company would cease to be the equity shareholder(s) of the Transferee Company pursuant to the sanctioning of the Scheme.

(ii) Effect of the proposed scheme on Creditors, Deposit Holders and Debenture Holders

Under the Scheme, there is no arrangement proposed with the creditors of the Transferor Company. No compromise is offered under the Scheme to any of the creditors of the Transferor Company. The liabilities of the creditors of the Transferor Company, under the Scheme, is neither being reduced nor being extinguished except liability of the Transferee Company. The creditors of the Transferor Company would in no way be affected by the Scheme.

As on date, the Transferor Company has no outstanding Secured debentures and therefore, the effect of the Scheme on any such debenture holders or debenture trustee(s) does not arise.

As on date, the Transferor Company has no outstanding public deposits and therefore, the effect of the Scheme on any such deposit holders or deposit trustee(s) does not arise.

(iii) Effect of the proposed scheme on Employees, Directors and Key Managerial Personnel

As stated in Clause 6.1 of the Scheme and with effect from the Effective Date, all the staff and employees of the Transferor Company shall become, and be deemed to have become, the staff and employees of the Transferee Company, on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break

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CIN: U72900GJ2008PTC135164

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in service. In the circumstances, the rights of the staff and employees of the Transferor Company would in no way be affected by the Scheme.

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. In the circumstances, the directors and key managerial personnel of the Transferor Company shall cease to be the directors and key managerial personnel of the Transferor Company.

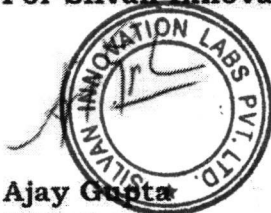
None of the directors or key managerial personnel (as defined under the Act and the rules framed thereunder) of the Transferor Company and their respective relatives (as defined under the Act and the rules framed thereunder) have any material interest in the Scheme, except to the extent that one of the directors of the Transferee Company is the nominee shareholder of the Transferor Companies. None of the directors and key managerial personnel of the Transferor Company are holding more than two per cent. of the paid-up share capital of the Transferee Company.

After consideration of the rationale and purpose of the Scheme, the members of the Board approved the Scheme.

Adoption of the Report by the Board

The Board has adopted this report after noting and considering the information set forth in this report.

**By order of the Board
For Silvan Innovation Labs Private Limited**



Ajay Gupta
Director
DIN: 09447933
Date: October 12, 2022
Place: Bangalore

Silvan Innovation Labs Pvt.Ltd

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CIN: U72900GJ2008PTC135164

POLYCAB INDIA LIMITED

Polycab House, 771 Mogul Lane, Mahim (W), Mumbai - 400016

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Annexure 4

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF POLYCAB INDIA LIMITED IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON OCTOBER 18, 2022.

Background

1. The Board of Directors of the Company (the "Board") at its Meeting held today i.e. October 18, 2022, has considered and reviewed the draft Scheme of Amalgamation of Silvan Innovation Labs Private Limited (the Company is wholly owned subsidiary of Polycab India Limited) with Polycab India Limited under the provisions of Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 read with rules framed thereunder ("Scheme").
2. The proposed Scheme, inter-alia, provides for:
 - (i). Amalgamation of Silvan Innovation Labs Private Limited (the Company is wholly owned subsidiary of Polycab India Limited) with Polycab India Limited, pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act.
 - (ii). Amalgamation of the Undertaking (as defined in Scheme), as a going concern of the Company with its holding company, Polycab India Limited, with effect from the Appointed Date i.e. April 1, 2022.

The scheme is proposed to be effective from the Appointed Date (as defined in the Scheme) and operative from the Effective Date (as defined in the Scheme) and was approved by the Board of Directors at its meeting held on October 18, 2022.

3. As per the provisions of Section 232(2)(c) of the Act, the directors of Polycab India Limited to adopt a report explaining the effect of the Scheme on shareholders, key managerial personnel, promoters and non-promoter shareholders.
4. As the Scheme is proposed for amalgamation of the whole undertaking as a going concern of the Company with Polycab India Limited; valuation and fairness reports are no more required. This report of the Board is accordingly being made in pursuance of the requirements of Sections 232(2)(c) of the Act.



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5. The following documents, were placed before the Board:

- (a) A draft of the proposed Scheme.
- (b) Auditors' Certificate issued by the statutory auditors of the Company, to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Act, read with applicable rules and/or the accounting standards and principles.
- (c) Other presentations, documents and information made to/ furnished before the Board pertaining to the draft Scheme.

Effect of the proposed Scheme

The Board perused the provisions in the Scheme which, inter alia, contains the rationale for the proposed Scheme of Amalgamation. The Board noted that the Transferor Company is carrying on business of manufacturing of computer software and providing automation solutions for homes, offices and hotels and the Transferee Company is carrying on business of manufacturing of Wires and Cables in India and is one of the fastest growing players in FMEG space.

The proposed Amalgamation would ensure transformation of the Transferee Company from inter alia an electrical manufacturing company to a technology focused solutions provider with inhouse research and development for IoT based products and will boost the FMEG business of the Transferee Company.

The proposed Amalgamation will result in the following benefits to the Companies:

Consolidation of Internet of Things (IoT) based home and office automation Products: The proposed Amalgamation will enable the technology of the Transferor Company to be consolidated with the product range of the Transferee Company.

Synergised Operations: The proposed Amalgamation will result in synergy benefits arising out of product and technology consolidation thereby reducing costs and increasing operational efficiencies.

Technology and R&D integration: The proposed Amalgamation will likely result in optimized technology transfer, reduced R&D costs, sharing of best practices and cross-functional learning and development. IoT Automation can



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Village Nurpura, Taluka Halol, Panchamaharaj, Gujarat-389350
Tel : 2676- 227600 / 227700

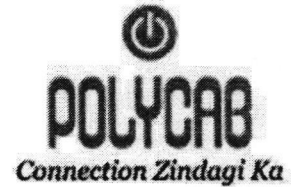
POLYCAB INDIA LIMITED

Polycab House, 771 Mogul Lane, Mahim (W), Mumbai - 400016

CIN: L31300GJ1996PLC114183

Tel : +91 22 2432 7070-74 Fax : +91 22 2432 7075

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be achieved across varied product categories plants of the Transferor Company, by using the Transferee Company's information technology applications and systems.

Optimisation of resource utilisation: The proposed Amalgamation will result in greater economies of scale, reduction in overheads and other expenses and improvement in various operating parameters. The proposed Amalgamation will result in utilisation of research and development expertise across various FMEG products of the Transferee Company.

Consolidation of compliances: The proposed Amalgamation will lead to reduction in the multiplicities and duplicities of statutory, legal and regulatory compliances. The time and efforts for consolidation of financials at group level would stand reduced.

Improved customer interaction, service and satisfaction: The proposed Amalgamation will provide easier accessibility to customers of all products of both companies and would make it easier to improve customer satisfaction and service.

Rationalization of apportioning: The proposed Amalgamation will ensure rationalizing apportioning of various costs relating to management, administrative and compliance.

Simplifying corporate structure: The proposed Amalgamation will help in streamlining and simplifying the operating and corporate structure of the Transferee Company.

Proposed Amalgamation not prejudicial to shareholders: The Transferor Company is wholly owned subsidiary of the Transferee Company and all the shares of the Transferor Company are held by the Transferee Company jointly nominee holder. The Scheme envisages transfer of the Undertaking of the Transferor Company to the Transferee Company. Accordingly, the Scheme is not prejudicial to the interest of the shareholders of the Transferor Company.

Scheme is in best interest of shareholders and creditors: The Scheme is in the best interests of the shareholders, employees and the creditors of the Companies.

Scheme to benefit stakeholders: The Scheme does not have any adverse effect on either the shareholders, the employees or the creditors of the companies. The Boards of Directors of the companies believe that the Scheme



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would ensure benefit to all the stakeholders and will enhance the value for all shareholders / promoters.

(i). Effect of the proposed scheme on Shareholders (including promoter and non-promoter)

The Transferee Company has only one class of shares, i.e., equity shares. Under the Scheme, (i) there is no arrangement sought to be entered into between the Transferee Company and its equity shareholders; and (ii) no equity shares are allotted by the Transferee Company to any person. Accordingly, the equity shareholders of the Transferee Company will not be affected by the Scheme, in any manner.

(ii). Effect of the proposed scheme on Creditors, Deposit Holders and Debenture Holders

Under the Scheme, there is no arrangement proposed with the creditors of the Transferee Company. No compromise is offered under the Scheme to any of the creditors of the Transferee Company. The liabilities of the creditors of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferee Company would in no way be affected by the Scheme.

As on date, the Transferee Company has no outstanding debentures and therefore, the effect of the Scheme on any such debenture holders or debenture trustee(s) does not arise.

As on date, the Transferee Company has no outstanding public deposits and therefore, the effect of the Scheme on any such deposit holders or deposit trustee(s) does not arise.

(iii). Effect of the proposed scheme on Employees, Directors and Key Managerial Personnel

Under the Scheme, no rights of the staff and employees of the Transferee Company are being affected. The services of the staff and employees of the Transferee Company, shall continue on the same terms and conditions on which they were engaged by the Transferee Company.

None of the directors or key managerial personnel (as defined under the Act and the rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Act and the rules framed



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thereunder) have any material interest in the Scheme, except to the extent that one of the director of the Transferee Company is the nominee shareholder in the Transferor Company. None of the directors and key managerial personnel of the Transferee Company, Except Mr. Inder T. Jaisinghani, Mr. Bharat Jaisinghani and Mr. Nikhil Jaisinghani, are holding more than two per cent. of the paid-up share capital of the Transferee Company.

After consideration of the rationale and purpose of the Scheme, the members of the Board approved the Scheme.

Adoption of the Report by the Board

The Board has adopted this report after noting and considering the information set forth in this report.

**By order of the Board
For Polycab India Limited**



Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108
Date: October 18, 2022
Place: Halol



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Village Nurpura, Taluka Halol, Panchmahal, Gujarat-389350
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JAIN NIKHIL N & CO
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To

The Board Of Directors

Silvan Innovation Labs Private Limited

Report on the Interim Financial Statements

Opinion

We have audited the accompanying Interim Financial Statements of **Silvan Innovation Labs Private Limited** (the 'Company'), which comprise the Balance Sheet as at 31st December, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period ended 31st December, 2022, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'Interim Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Interim Financial Statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st December, 2022, of its loss and total comprehensive income, its statement of changes in equity and its statement of cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the Interim Financial Statements in accordance with the Standards on Auditing (SA's) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Interim Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Interim Financial Statements.



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JAIN NIKHIL N & CO **CHARTERED ACCOUNTANTS**

Management's Responsibility for the Interim Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Interim Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Interim Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Interim Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Interim Financial Statements

Our objectives are to obtain reasonable assurance about whether the Interim Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Interim Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Interim Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve



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- collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Interim financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Interim Financial Statements, including the disclosures, and whether the Interim Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Interim Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Interim Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our audit work; and (ii) to evaluate the effect of any identified misstatements in the Interim Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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JAIN NIKHIL N & CO
CHARTERED ACCOUNTANTS

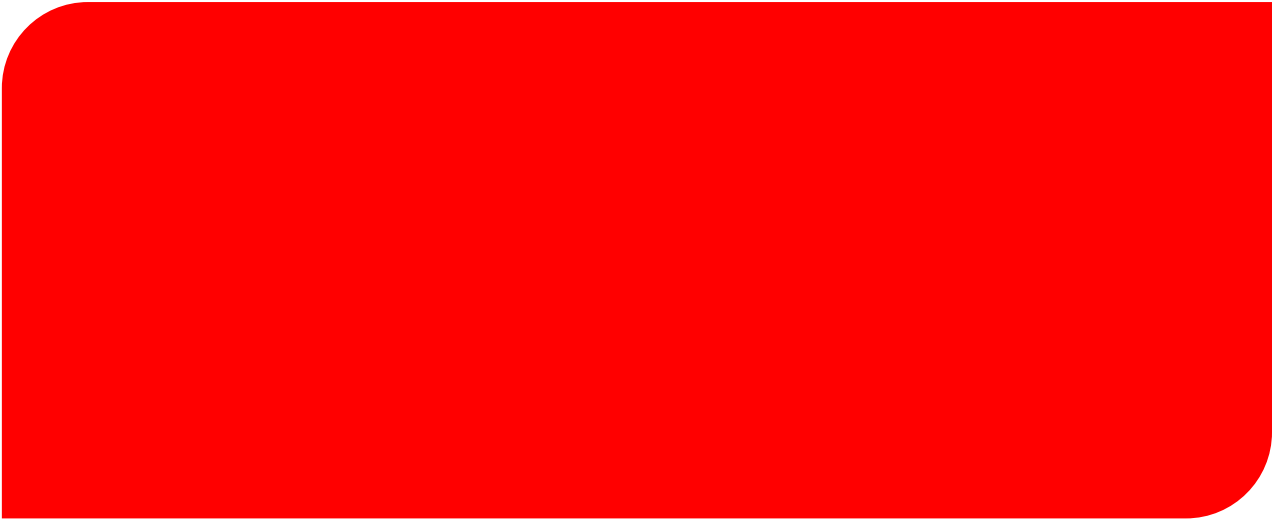
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For JAIN NIKHIL N & CO.
Chartered Accountants
Firm Regn.No. 155926W



Nikhil N Jain
Partner
Membership No. 116643
UDIN: **23116643BGXTCL4471**
Place: Mumbai
Date: 12th January, 2023





Standalone Financial Statements

9 Months Ended 31 Dec 2022

Silvan Innovation Labs Private Limited
Standalone Balance sheet as at 31 Dec 2022

(₹ in 000)

	Notes	As at 31-Dec-2022	As at 31-Mar-2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	312.66	305.01
Other intangible assets	4	74,716.13	91,885.61
Financial assets			
(a) Trade receivables	5	530.76	414.91
		75,559.55	92,605.53
Current assets			
Inventories	10	1,117.77	5,253.89
Financial assets			
(a) Trade receivables	5	6,068.64	7,178.77
(b) Cash and cash equivalents	7	6,067.05	250.52
(c) Loans	6	-	140.00
Other current assets	9	392.31	1,705.37
Current Tax Assets	8	1,337.07	1,128.08
		14,982.84	15,656.63
Total assets		90,542.39	108,262.16
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	10,195.60	10,195.60
(b) Other equity	12	9,347.44	28,289.85
		19,543.04	38,485.45
Liabilities			
Non-current liabilities:			
Financial liabilities			
(a) Borrowings		-	-
(b) Provisions	17A	5,896.00	6,614.00
		5,896.00	6,614.00
Current liabilities:			
Financial liabilities			
(a) Borrowings	13	52,000.00	45,500.00
(b) Trade payables	14		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		822.72	2,390.39
(c) Other financial liabilities	15	3,090.87	719.89
Other current liabilities	16	8,998.76	13,426.43
Provisions	17B	191.00	1,126.00
		65,103.35	63,162.71
Total equity and liabilities		90,542.39	108,262.16
Corporate information and summary of significant accounting policies	1 & 2		
Contingent liabilities and commitments	28		
Other notes to accounts	1 to 34		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For Jain Nikhil N & Co
Chartered Accountants
Firm Registration No.:155926W

NIKHIL N
JAIN

Nikhil N Jain
Partner
Membership No:116643

Place: Mumbai
Date: 12.01.2023

For and on behalf of the Board of Directors of
Silvan Innovation Labs Private Limited
CIN:U72900KA2008PTC046964

AJAY
GUPTA

Ajay Gupta
Director
DIN: 09447933

Place: Bengaluru
Date: 12.01.2023

BINDINGNA
VILE
SESHADRI
PRAVEEN

B.S.Paveen
Director
DIN: 03017823

Place: Vadodara
Date: 12.01.2023

Silvan Innovation Labs Private Limited

Standalone Statement of Profit & Loss for the period ended 31 Dec 2022

(₹ in 000)

	Notes	Quarter ended 31-Dec-22	Quarter ended 31-Dec-21	9 months ended 31-Dec-22	9 months ended 31-Dec-21
INCOME					
Revenue from operations	18	1,458.29	10,127.57	19,512.54	19,620.33
Other income	19	2,359.83	3.33	8,451.89	49.60
Total income		3,818.12	10,130.90	27,964.43	19,669.93
EXPENSES					
Cost of materials consumed	20	486.37	3,560.45	3,959.70	9,575.76
Changes in inventories of finished goods, stock-in-trade and work-in-progress	21	100.40	(809.00)	4,125.65	(2,448.39)
Employee benefits expense	22	2,193.52	12,606.40	9,507.95	30,131.39
Finance costs	23	1,478.54	965.79	4,571.33	2,707.41
Depreciation and amortisation expense	24	5,798.64	5,838.85	17,210.86	16,877.09
Other expenses	25	1,639.95	3,317.04	7,992.36	18,942.23
Total expenses		11,697.41	25,479.52	47,367.84	75,785.48
Profit before tax		(7,879.30)	(15,348.62)	(19,403.41)	(56,115.55)
Income tax expenses	8				
Current tax		-	-	-	-
Adjustment of tax relating to earlier periods		-	-	-	-
Deferred tax (credit)/charge		-	-	-	-
Total tax expenses		-	-	-	-
Profit for the year		(7,879.30)	(15,348.62)	(19,403.41)	(56,115.55)
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Re-measurement gains / (losses) on defined benefit plans		438.00	-	461.00	-
Income Tax relating to items that will not be reclassified to Profit or Loss		-	-	-	-
Items that will be reclassified to profit or loss					
Designated cash flow hedges		-	-	-	-
Income tax relating to items that will be reclassified to Profit or Loss		-	-	-	-
Other comprehensive income for the year, net of tax		438.00	-	461.00	-
Total comprehensive income for the year, net of tax		(7,441.30)	(15,348.62)	(18,942.41)	(56,115.55)
Earnings per share					
Basic (₹)	26	(72.99)	(150.54)	(185.79)	(550.39)
Diluted (₹)		(72.99)	(150.54)	(185.79)	(550.39)
Weighted average equity shares used in computing earnings per equity share					
Basic		101,956	101,956	101,956	101,956
Diluted		-	-	-	-
Corporate information and summary of significant accounting policies	1 & 2				
Contingent liabilities and commitments	28				
Other notes to accounts	1 to 34				

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For Jain Nikhil N & Co
Chartered Accountants
Firm Registration No.:155926W

NIKHIL N JAIN Digitally signed by NIKHIL N JAIN
Date: 2023.01.12 20:35:52 +05'30'
Nikhil N Jain
Partner
Membership No:116643

For and on behalf of the Board of Directors of
Silvan Innovation Labs Private Limited
CIN:U72900KA2008PTC046964

AJAY GUPTA
Ajay Gupta
Director
DIN: 09447933

BINDINGNAV
LE SESHADRI
PRAVEEN
B.S.Praveen
Director
DIN: 03017823

Place: Mumbai
Date: 12.01.2023

Place: Bengaluru
Date: 12.01.2023

Place: Vadodara
Date: 12.01.2023

Silvan Innovation Labs Private Limited
Statement of Changes in Equity for the period ended ended 31 Dec 2022

A) Share Capital (Refer note 12)

(₹ in 000)

	31-Dec-22	31-Dec-21
Balance at the beginning of the year	10,195.60	10,195.60
Balance at the end of the year/Period	10,195.60	10,195.60

B) Other Equity (Refer note 13)

(₹ in 000)

					Items of Other comprehensive income (OCI)	Total other equity
	Securities Premium	Compulsorily convertible preference shares	Compulsorily convertible debentures	Retained Earnings		
As at 31 March 2021	265,964.34	8,892.57	-	(241,916.87)	384.00	33,324.04
Profit/(loss) after tax for the year	-	-	-	(80,807.19)	-	(80,807.19)
Items of OCI for the year, net of tax	-	-	-	-	-	-
Re-measurement gains / (losses) on defined benefit plans	-	-	-	-	(2,297.00)	(2,297.00)
Compulsorily convertible debentures issued during the year	-	-	78,070.00	-	-	78,070.00
As at 31 March 2022	265,964.34	8,892.57	78,070.00	(322,724.06)	(1,913.00)	28,289.85
Loss after tax for the period	-	-	-	(19,403.41)	-	(19,403.41)
Items of OCI for the quarter, net of tax	-	-	-	-	-	-
Re-measurement gains / (losses) on defined benefit plans	-	-	-	-	461.00	461.00
As at 31 Dec 2022	265,964.34	8,892.57	78,070.00	(342,127.47)	(1,452.00)	9,347.44

The accompanying notes are an integral part of the standalone financial statements.

1 to 34

As per our report of even date
For Jain Nikhil N & Co
Chartered Accountants
Firm Registration No.:155926W

NIKHIL N JAIN
Nikhil N Jain
 Partner
 Membership No:116643

For and on behalf of the Board of Directors of
Silvan Innovation Labs Private Limited
 CIN:U72900KA2008PTC046964

AJAY GUPTA
Ajay Gupta
 Director
 DIN: 09447933

BINDINGNAVI
LE SESHADRI
PRAVEEN

B.S.PRAVEEN
B.S.Praveen
 Director
 DIN: 03017823

Place: Mumbai
 Date:12.01.2023

Place:Bengaluru
 Date:12.01.2023

Place: Vadodara
 Date:12.01.2023

Silvan Innovation Labs Private Limited
Statement of Cash flows for the period ended 31 Dec 2022

(₹ in 000)

	Period Ended 31-Dec-2022	Period Ended 31-Dec-2021
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(19,403.41)	(56,115.56)
Adjustments for:		
Depreciation and amortisation expense	17,210.86	16,877.09
Provision for Bad and Doubtful debts	-	-
Bad Debts	-	221.20
Finance cost	4,571.33	2,707.40
Operating loss before working capital changes	2,378.78	(36,309.87)
Movements in working capital:		
(Increase)/ Decrease in trade receivables and Other Financial Assets	925.29	(9,040.37)
(Increase)/ Decrease in inventories (net)	4,136.12	(496.76)
Increase/ (Decrease) in trade payable,financial liabilities and provisions	(7,314.06)	(34,926.38)
Cash (used in)/generated from operations	126.13	(80,773.38)
Income tax paid (net of refunds)	-	941.17
Net cash (used in)/generated from operating activities (A)	126.13	(79,832.21)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and Intangible assets including under development	(49.03)	(2,444.08)
Net cash used in investing activities (B)	(49.03)	(2,444.08)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of Compulsorily convertible debentures	-	78,070.00
(Repayment) / Proceeds of short term borrowings	6,500.00	10,001.21
Interest and other finance cost paid	(760.57)	(1,110.87)
Net cash generated from financing activities (C)	5,739.43	86,960.34
Net increase / (decrease) in cash and cash equivalents (A+B+C)	5,816.53	4,684.05
Cash and cash equivalents at the beginning of the year	250.52	263.72
Cash and cash equivalents at end of the year (Refer below note (c))	6,067.05	4,947.77

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For Jain Nikhil N & Co
Chartered Accountants
Firm Registration No.:155926W

NIKHIL N JAIN
Nikhil N Jain
Partner
Membership No:116643

For and on behalf of the Board of Directors of
Silvan Innovation Labs Private Limited
CIN:U72900KA2008PTC046964

AJAY
GUPTA

Ajay Gupta
Director
DIN: 09447933

BINDINGNAVI
LE SESHADRI
PRAVEEN

B.S.Praveen
Director
DIN: 03017823

Place: Mumbai
Date: 12.01.2023

Place: Bengaluru
Date: 12.01.2023

Place: Vadodara
Date: 12.01.2023

Silvan Innovation Labs Private Limited

Notes to Standalone Financial Statements for the period ended 31 Dec 2022

1. Corporate information

The Company (CIN: U72900KA2008PTC046964) was incorporated on June 30, 2008 to facilitate development and maintenance of business and software applications on all popular and mainframe and minicomputer platforms and to carry on the work of development of software and related services in all kinds. The registered office of the Company is situated at Bengaluru, Karnataka. Polycab India Limited has acquired 100% shareholding of the Company from existing shareholders pursuant to share purchase agreement dated 18 June 2021

2. Summary of significant accounting policies

A) Basis of preparation

i Statement of Compliance:

The audited financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] on accrual basis and other relevant provisions of the Act. Financial Statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III, applicable Ind AS, other applicable pronouncements and regulations.

ii Basis of Measurement:

The financial statements for the period ended 31 Dec 2022 have been prepared on an accrual basis and a historical cost convention, except for some of the financial assets and liabilities which have been measured at fair value or amortised cost at the end of each reporting period:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received from sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

iii Classification of Current / Non-Current Assets and Liabilities:

The Company presents assets and liabilities in the Balance sheet based on current / non-current classification. It has been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

Operating Cycle:

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of trading;
 - Expected to be realised within twelve months after the reporting period; or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
 - It is held primarily for the purpose of trading;
 - It is due to be settled within twelve months after the reporting period; or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

iv Functional and Presentation Currency:

These financial statements are presented in Indian Rupees (₹) which is the functional currency of the Company. All amounts disclosed in the financial statements which also include the accompanying notes have been rounded off to the nearest thousand up to two decimal places, as per the requirement of Schedule III to the Companies Act 2013, unless otherwise stated.

B) Use of estimates and judgements

The preparation of financial statements require to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The Company uses the following critical accounting estimates in preparation of its financial statements:

i Revenue Recognition:

The Company applied judgements that significantly affect the determination of the amount and timing of revenue from contracts at a point in time with customers, such as identifying performance obligations in a sales transactions. The Company allocated the portion of the transaction price to goods based on its relative standalone prices. Also, certain contracts of sale includes volume rebates that give rise to variable consideration. In respect of long term contracts significant judgments are used in:

- Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.
- Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

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ii Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in current and future periods.

iii Provisions

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

iv Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. Contingent assets are neither recognised nor disclosed in the financial statements.

v Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

vi Foreign Currency Transactions / Translations

Transactions in currencies other than Company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the date of transaction. At the end of the reporting period, monetary items denominated in foreign currencies are reported using the exchange rate prevailing as at reporting date. Non-monetary items denominated in foreign currencies which are carried in terms of historical cost are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at the exchange rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

vii Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

viii Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-generating-unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and it's written down to its recoverable amount.

The Company estimates the value-in-use of the Cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset/ CGU.

ix Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

x Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

xi Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has taken into account the possible impacts of COVID-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenues and on cost budgets in respect of EPC contracts, impact on leases and impact on effectiveness of its hedging relationships. The Company has considered internal and certain external sources of information up to the date of approval of the financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements.

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C) Significant Accounting Policies

i Revenue recognition

The Company applies IND AS 115 which establishes a five-step model to account for revenue arising from contracts with customers.

Measurement of Revenue

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer. Taxes collected from customers on behalf of Government are not treated as Revenue.

Sale of goods

Revenue from contracts with customers involving sale of products is recognized at a point in time when control of the product has been transferred at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, and there are no unfulfilled obligation that could affect the customer's acceptance of the products and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. At contract inception, the Company assess the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue from contracts with customers is recognized when control of goods or services are transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Other income

Other income is comprised primarily of interest income, dividend income, gain on investments and exchange gain on forward contracts and on translation of other assets and liabilities.

Interest income on financial asset measured either at amortised cost or FVTPL is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Foreign Currency

The Company's Financial Statements are presented in Indian rupee (₹) which is also the Company's functional currency. Foreign currency transaction are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

Measurement of foreign currency item at the Balance sheet date:

(i) Foreign currency monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the reporting date.

(ii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(iii) Exchange differences:

Exchange differences arising on settlement or translation of monetary items are recognised as income or expense in the Statement of Profit & Loss.

Warranty

The Company typically provides warranties for general repairs of defects that existed at the time of sale. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. In certain contracts, the Company provides warranty for an extended period of time and includes rectification of defects that existed at the time of sale and are normally bundled together with the main contract.

ii Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Capitalisation of costs in the carrying amount of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the Company. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by the Company are recognized in the Statement of profit and loss. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit & Loss for the year in which such expenses are incurred.

Gains or losses arising from derecognition of property, plant and equipments are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit & Loss when the asset is derecognized.

'Capital work-in-progress comprises of property, plant and equipment that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

'The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising on disposal of property, plant and equipment is recognized in the Statement of Profit and Loss. Once the assets classified as held-for-sale, property, plant and equipment are no longer depreciated.

Depreciation on Property, plant and equipment's is calculated on pro rata basis on straight-line method using the management assessed useful lives of the assets which is in line with the manner prescribed in Schedule II of the Companies Act, 2013.

'The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use

'Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. Borrowing cost incurred for constructed assets is capitalised up to the date by which asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset. All other borrowing costs are expensed in the period they occur.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

'If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Transition to Ind AS: On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2020 measured as per the previous GAAP and used that carrying value as the deemed cost of the property, plant and equipment.

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iii Lease

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

iv Intangible Assets

Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Amortisation on intangible assets is calculated on pro rata basis on straight-line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of amortisation of Intangible assets are reviewed at each financial year end and adjusted prospectively.

Expenditure on research and development activities is recognized in the Statement of Profit and Loss as incurred. Development expenditure is capitalized as part of cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses, if any. The research and development cost has been amortized on pro rata basis on straight-line method using the useful lives of the assets i.e 5 years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

Transition to Ind AS: On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible Assets recognised as at 1 April 2020 measured as per the previous GAAP and used that carrying value as the deemed cost of the Intangible Assets.

v Income taxes

Income tax expenses comprise current tax and deferred income tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax received / receivable pertains to prior period recognised when reasonable certainty arise for refund acknowledged by the Income-tax department. Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax asset to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

vi Inventories

Raw materials, traded goods, work in progress, finished goods and stores and spares are valued at lower of cost or net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, packing materials, and stores and spares is determined on a First In-First Out (FIFO) basis and includes all applicable costs, including inward freight, incurred in bringing goods to their present location and condition.

Work-in-progress and finished goods are valued at lower of cost or net realizable value. Cost includes direct materials as aforesaid, direct labour cost and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed.

Stock -in-trade are valued at lower of cost and or realizable value. Cost includes cost of purchase and includes all applicable costs, including inward freight, incurred in bringing the inventories at their location and condition. Cost is determined on a weighted average basis.

The stocks of scrap materials have been taken at net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

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vii Provisions

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit & Loss. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision is recognised for expected warranty claims and after sales services when the product is sold or service provided to the customer, based on past experience of the level of repairs and returns. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually. It is expected that significant portion of these costs will be incurred in the next financial year and all will have been incurred within warranty period after the reporting date. Assumptions used to calculate the provisions for warranties were based on current sales levels and current information available about returns during the warranty period for all products sold.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

viii Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalised as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

ix Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as fresh issue, bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

x Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements.

xi Segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. The Company's chief operating decision maker is the Executive Director.

The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment based on an analysis of various performance indicators by business segments and geographic segments.

xii Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days basic salary for each completed year of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the Balance Sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognized as an income or expense in the Statement of Profit and Loss. The expected return on plan assets is based on the assumed rate of return of such assets. The Company contributes to a fund set up by Life Insurance Company of India.

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xiii Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit & Loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified at the initial recognition as financial assets measured at fair value or as financial assets measured at amortised cost.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- (a) Financial assets at amortised cost
- (b) Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognised entirely in the Statement of Profit & Loss (i.e. fair value through Statement of Profit & Loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

(a) Financial assets carried at amortised cost

A financial assets that meets the following two conditions is measured at amortised cost (net of Impairment) unless the asset is designated at fair value through Statement of Profit & Loss under the fair value option.

- (i) **Business Model test:** The objective of the Company's business model is to hold the financial assets to collect the contractual cash flow (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- (ii) **Cash flow characteristics test:** The contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income

Financial assets is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collections contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dated to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

(ii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through Statement of Profit & Loss.

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised

- (a) The rights to receive cash flows from the asset have expired, or
- (b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it The Company discloses analysis of the gain or loss recognised in the statement of profit and loss arising from the derecognition of financial assets measured at amortised cost, showing separately gains and losses arising from derecognition of those financial assets.

(iv) Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for the following:

- (a) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- (b) The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company recognises an allowance for ECL for all debt instruments not held at fair value through profit or loss. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

As a practical expedient, the Company uses the provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and its adjusted forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) during the period is recognized as other expense in the Statement of Profit & Loss.

D) Financial liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, lease liabilities and derivative financial instruments.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

(b) Gains or losses on liabilities held for trading are recognised in the profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

(c) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method.

(iii) Embedded Derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss.

(iv) Derecognition

(a) A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(b) Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(v) Cash Flow Statement

Cashflows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Silvan Innovation Labs Private Limited
Notes to Standalone Financial Statements for the period ended 31 Dec 2022

3. Property, plant and equipment

Accounting policy

The changes in the carrying value of Property, plant and equipment for the period ended 31 Dec 2022 are as follows:

	(₹ in 000)			
	Computers	Furniture and fixtures	Office equipments	Total
Gross carrying value (at cost)				
As at 01 April 2022	2,298.13	687.31	636.34	3,621.78
Additions	-	49.03	-	49.03
Disposals/Adjustments	-	-	-	-
As at 31 Dec 2022	2,298.13	736.34	636.34	3,670.81
Accumulated depreciation				
As at 01 April 2022	2,159.97	549.52	607.28	3,316.77
Depreciation charge for the period	6.68	34.70	-	41.38
Disposals/Adjustment	-	-	-	-
As at 31 Dec 2022	2,166.65	584.22	607.28	3,358.15
Net carrying value				
As at 31 Dec 2022	131.48	152.12	29.06	312.66

The changes in the carrying value of Property, plant and equipment for the year ended 31 March 2022 are as follows:

	(₹ in 000)			
	Computers	Furniture and fixtures	Office equipments	Total
Gross carrying value (at cost)				
As at 01 April 2021	2,270.13	730.06	975.05	3,975.24
Additions	28.00	-	-	28.00
Disposals/Adjustments	-	(42.75)	(338.71)	(381.46)
As at 31 March 2022	2,298.13	687.31	636.34	3,621.78
Accumulated depreciation				
As at 01 April 2021	2,155.62	542.59	924.72	3,622.92
Depreciation charge for the year	4.35	49.36	12.61	66.31
Disposals/Adjustment	-	(42.43)	(330.05)	(372.47)
As at 31 March 2022	2,159.97	549.52	607.28	3,316.77
Net carrying value				
As at 31 March 2022	138.16	137.79	29.06	305.01

Silvan Innovation Labs Private Limited
Notes to Standalone Financial Statements for the period ended 31 Dec 2022

4. Other intangible assets

The changes in the carrying value of Intangible assets for the period ended 31 Dec 2022 are as follows:

	(₹ in 000)
	Technology Software
Gross carrying value (at cost)	
As at 01 April 2022	169,744.90
Additions	-
Disposals/Adjustments	-
As at 31 Dec 2022	169,744.90
Accumulated amortization	
As at 01 April 2022	77,859.29
Amortisation charge for the period/year	17,169.48
Disposals/ Adjustments	-
As at 31 Dec 2022	95,028.77
Net carrying value	
As at 31 Dec 2022	74,716.13

The changes in the carrying value of Intangible assets for the year ended 31 March 2022 are as follows:

	(₹ in 000)
	Technology Software
Gross carrying value (at cost)	
As at 01 April 2021	163,782.02
Additions	5,962.88
Disposals	-
As at 31 March 2022	169,744.90
Accumulated amortization	
As at 01 April 2021	55,386.16
Amortisation charge for the period/year	22,473.13
Disposals/ Adjustments	-
As at 31 March 2022	77,859.29
Net carrying value	
As at 31 March 2022	91,885.61

5. Trade receivables

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
Unsecured (at amortised cost)		
Non Current		
Trade receivables- Considered Good	530.76	414.91
Trade receivables - Credit Impaired	-	-
Less: Impairment allowance for trade receivables- Credit Impaired	-	-
Non-current Trade receivables	530.76	414.91
Current		
Trade receivables- Considered Good	6,068.64	7,178.77
Trade receivables - Credit Impaired	2,389.85	2,389.85
Trade receivables (Gross)	8,458.49	9,568.62
Less: Impairment allowance for trade receivables- Credit Impaired	(2,389.85)	(2,389.85)
Current Trade receivables (Net)	6,068.64	7,178.77

The following table summarizes the change in impairment allowance measured using the life time expected credit loss model:

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
At the beginning of year		
Provision during the year	(2,389.85)	(15,783.52)
Retention Provision during the year	-	-
Bad debts written off (net)	-	13,393.67
At the end of the year	(2,389.85)	(2,389.85)

Notes:-

- Trade receivables are usually non-interest bearing and are generally on credit terms up to 90 days. The Company's term includes charging of interest for delayed payment beyond agreed credit days. Company entities charge interest for delayed payments in certain cases depending on factors, such as, market conditions and past realisation trend.
- The Company follows life time expected credit loss model. Accordingly, deterioration in credit risk is not required to be evaluated annually.
- No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Further, no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- Trade receivables ageing schedule

	(₹ in 000)						
	Not due	Outstanding for following periods from due date of payment					TOTAL
		Less than 6 months	More than 6 months to 12 months	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	-	4,066.64	2,009.72	539.67	-	-	6,616.03
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit Impaired	-	-	2,373.23	-	-	-	2,373.22
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	-	4,066.64	4,382.95	539.67	-	-	8,989.25

Silvan Innovation Labs Private Limited
Notes to Standalone Financial Statements for the period ended 31 Dec 2022

As at 31 March 22	Outstanding for following periods from due date of payment					TOTAL
	Not Due	Less than 6 months	More than 6 months to 12 months	1-2 years	2-3 years	
(i) Undisputed Trade Receivables - considered good	-	5,085.46	2,508.21	-	-	7,593.67
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	2,373.23	16.63	-	2,389.86
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
	-	5,085.46	4,881.44	16.63	-	9,983.53

6. Loans

Loans - Current

	31 Dec 2022	31 Mar 22
At amortised cost	-	-
Loans to employees	-	140.00
Unsecured, considered good	-	140.00

7. Cash and cash equivalents

	31 Dec 2022	31 Mar 22
Cash and cash equivalents (at amortised cost)	-	-
Balances with banks	-	-
In current accounts	6,067.05	250.52
Deposits with original maturity of less than 3 months	-	-
Cash in hand	-	-
	6,067.05	250.52

There is no repatriation restriction with regard to cash and cash equivalents at the end of reporting period and prior periods.

8. Income taxes

A Income tax expense in the statement of profit and loss: NIL for the current period and year ended 31 March 2022

B Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate: Since the Company has incurred losses in the current year and previous financial year, reconciliation of Tax expenses is not required

C The details of Non-current/ (Current) tax assets / (liabilities) as at 31 December 2022

	31 Dec 2022	31 Mar 22
Non-current tax assets (net of provision for taxation)	-	-
Current tax asset (net of advance tax)	1,337.07	1,128.08
Net current income tax asset / (liability) at the end	1,337.07	1,128.08

D The movement in gross deferred tax assets and liabilities
For the period/year ended 31 Dec 2022

	Carrying value as at 01 April 22	Changes through profit and loss	Changes through OCI	Carrying value as at 31 Dec 2022
Deferred tax assets / (liabilities) in relation to				
Property, plant and equipment and intangible assets	798.15	151.71	-	949.86
Provision for employee benefits	2,012.40	-	-	2,012.40
Unabsorbed Depreciation	30,491.47	-	-	30,491.47
Total deferred tax assets / (liabilities)	33,302.02	151.71	-	33,453.73

	Carrying value as at 01 April 21	Changes through profit and loss	Changes through OCI	Carrying value as at 31 March 2022
Deferred tax assets / (liabilities) in relation to				
Property, plant and equipment and intangible assets	3,162.84	(2,364.69)	-	798.15
Provision for employee benefits	1,941.94	70.46	-	2,012.40
Unabsorbed Depreciation	5,739.13	24,752.34	-	30,491.47
Total deferred tax assets / (liabilities)	10,843.91	22,458.11	-	33,302.02

8. Income taxes

E Reconciliation of deferred tax assets/ liabilities (net):

	31 Dec 2022	31 Mar 22
Net deferred tax asset / (liability) at the beginning	33,302.02	10,843.91
Tax (income)/expense due to tax rate change (reinstatement of Opening Balance)	-	-
Tax (income)/expense on adjustment of tax relating to earlier year	-	-
Tax (income)/expense recognised in profit or loss	151.71	22,458.11
Tax (income)/expense recognised in OCI	-	-
Net deferred tax asset / (liability) at the end	33,453.73	33,302.02

Notes:-

As of 31 December, 2022, the Company has net deferred tax assets of Rs 33,453.73 thousands (Previous year Rs.33,303.02 thousand). In the absence of convincing evidences that sufficient future taxable income will be available against which deferred tax assets can be realised, the same has not been recognised in the books of account in line with Ind - AS 12 on Income Taxes.

F Tax losses and Tax credits

The Company has brought forward business losses of Rs 1,70,363.38 thousands on which neither deferred tax credit has been recognised nor is considered for disclosure under note 9 D, above

Silvan Innovation Labs Private Limited
Notes to Standalone Financial Statements for the period ended 31 Dec 2022

9. Other assets

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
Advances other than capital advances, Unsecured, considered good		
Advances for materials and services	294.68	131.06
Others		
Unsecured, considered good		
Prepaid expenses	5.40	100.71
Balances with statutory/government authorities	62.32	1,235.21
Others	29.91	238.39
	392.31	1,705.36

10. Inventories

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
Raw materials	9.66	20.12
Finished goods	799.25	4,283.32
Stock-in-trade	308.86	950.45
	1,117.77	5,253.89

11. Equity Share capital

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
Authorised share capital		
1,80,392 (previous year 1,80,392) equity shares of Rs.100 each	18039.20	18039.20
3,00,000 (previous year 3,00,000) 0.1% Compulsorily convertible preference shares of Rs 10 each	3000.00	3000.00
1,451 (previous year 1,451) 0.1% Compulsorily convertible preference shares of Rs 200 each (Class A1)	290.20	290.20
4,353 (previous year 4,353) 0.1% Compulsorily convertible preference shares of Rs 200 each (Class A2)	870.60	870.60
14,000 (previous year 14,000) 0.1% Compulsorily convertible preference shares of Rs 200 each (Class A3)	2800.00	2800.00
25,000 (previous year 25,000) 0.1% Compulsorily convertible preference shares of Rs 200 each (Class B)	5000.00	5000.00
	30000.00	30000.00
Issued, subscribed and fully paid-up shares		
1,01,956 (previous year 1,01,956) equity shares of Rs.100 each	10,195.60	10,195.60
	10,195.60	10,195.60

Note:

(a) The reconciliation of shares outstanding and the amount of share capital as at 31 Dec 2022 and 31 March 2022 are as follow:

	31 Dec 2022		31 Mar 22
	Number of Shares	Amount	Number of Shares
At the beginning of the year	101,956.00	10,195.60	101,956.00
Add: Shares issued during the year	-	-	-
At the end of the year	101,956.00	10,195.60	101,956.00

(b) **Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) **The details of Shareholding of Promoters and shareholders holding more than 5% shares are as under as at 31 December 2022 and 31 March 2022**

	31 Dec 2022		31 Mar 22	
	Number of Shares	Total share	Number of Shares	Total share
Polycab India Limited	101.96	100.00%	101.96	100.00%

11. Equity Share capital

(d) **Aggregate number of bonus share issued and share issued for consideration other than cash during the period of 5 years immediately preceding the reporting date :**
 There were no buy back of shares or issue of shares pursuant to contract without payment being received in cash during the previous 5 years.

(e) **Dividend**

The Company has not declared any dividend during the period ended 31 December 22 and during the previous year.

12. Other equity

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
Securities premium	265,964.34	265,964.34
2,91,177 (previous year 2,91,177) 0.1% Compulsorily convertible preference shares of Rs 10 each (Class A)	2,911.77	2,911.77
1,451 (previous year 1,451) 0.1% Compulsorily convertible preference shares of Rs 200 each (Class A1)	290.20	290.20
4,353 (previous year 4,353) 0.1% Compulsorily convertible preference shares of Rs 200 each (Class A2)	870.60	870.60
13,236 (previous year 14,000) 0.1% Compulsorily convertible preference shares of Rs 200 each (Class A3)	2,647.20	2,647.20
10,864 (previous year 25,000) 0.1% Compulsorily convertible preference shares of Rs 200 each (Class B)	2,172.80	2,172.80
0.01% Compulsorily convertible debentures	78,070.00	78,070.00
Retained earnings	(341,743.48)	(322,340.07)
	11,183.43	30,586.84

Notes:

a Compulsorily convertible preference shares (CCPS)

Series A compulsorily convertible preference shares (CCPS)

The series A compulsorily convertible preference shares shall be convertible into fully paid equity shares at the option of the holder at any time or automatically after the expiry of 19 years from the date of allotment in the conversion ratio of 10:1

Series A1 compulsorily convertible preference shares (CCPS)

The series A1 compulsorily convertible preference shares shall be convertible into fully paid equity shares at the option of the holder at any time or automatically after the expiry of 19 years from the date of allotment in the conversion ratio of 1:1

Series A2 compulsorily convertible preference shares (CCPS)

The series A2 compulsorily convertible preference shares shall be convertible into fully paid equity shares at the option of the holder at any time or automatically after the expiry of 19 years from the date of allotment in the conversion ratio of 1:1

Series A3 compulsorily convertible preference shares (CCPS)

The series A3 compulsorily convertible preference shares shall be convertible into fully paid equity shares at the option of the holder at any time or automatically after the expiry of 19 years from the date of issuance in the conversion ratio of 1:1

The holders of series A3 preference shares shall be entitled to attend the meetings of all shareholders of the company and will be entitled to such voting rights on an as if converted basis, as may be permissible under applicable law.

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Series B compulsorily convertible preference shares (CCPS)

The series B compulsorily convertible preference shares shall be convertible into fully paid equity shares at the option of the holder at any time or automatically after the expiry of 19 years from the date of issuance in the conversion ratio of 1:1

The holders of series B preference shares shall be entitled to attend the meetings of all shareholders of the company and will be entitled to such voting rights on an as if converted basis, as may be permissible under applicable law.

Rights, preferences and restrictions attached to compulsorily convertible preference shares

The company has one class of compulsorily convertible preference shares having nominal value of Rs 10 each and four classes of compulsorily convertible preference shares having nominal value of Rs 200 each.

b Reconciliation of shares outstanding at the beginning and at the end of the year

	As at 31 Dec 2022		As at 31 Mar 22	
	Number of shares	Amount	Number of shares	Amount
0.1% Compulsorily convertible preference shares of Rs 10 each (Class A)				
Outstanding at the beginning of the year	291,177	2,911.77	291,177	2,911.77
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	291,177	2,911.77	291,177	2,911.77
0.1% Compulsorily convertible preference shares of Rs 200 each (Class A1)				
Outstanding at the beginning of the year	1,451	290.20	1,451	290.20
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	1,451	290.20	1,451	290.20
0.1% Compulsorily convertible preference shares of Rs 200 each (Class A2)				
Outstanding at the beginning of the year	4,353	870.60	4,353	870.60
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	4,353	870.60	4,353	870.60
0.1% Compulsorily convertible preference shares of Rs 200 each (Class A3)				
Outstanding at the beginning of the year	13,236	2,647.20	13,236	2,647.20
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	13,236	2,647.20	13,236	2,647.20
0.1% Compulsorily convertible preference shares of Rs 200 each (Class B)				
Outstanding at the beginning of the year	10,864	2,172.80	10,864	2,172.80
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	10,864	2,172.80	10,864	2,172.80

c Details of shares held by shareholders holding more than 5% of the aggregate Preference shares in the Company

	As at 31 Dec 2022		As at 31 Mar 22	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Class A				
Polycab India Limited	291,177	100	291,177	100
IDBI Trusteeship services limited(on behalf of Infuse capital, A scheme under ISE Trust)	-	-	-	-
Ramaraj R	-	-	-	-
Class A1				
Polycab India Limited	1,451	100	1,451	100
IDBI Trusteeship services limited(on behalf of Infuse capital, A scheme under ISE Trust)	-	-	-	-
Class A2				
Polycab India Limited	4,353	100	4,353	100
IDBI Trusteeship services limited(on behalf of Infuse capital, A scheme under ISE Trust)	-	-	-	-
Class A3				
Polycab India Limited	13,236	100	13,236	100
Dr. Ramakanta Panda	-	-	-	-
HighPoints Technologies India Pvt Ltd	-	-	-	-
IDBI Trusteeship services limited(on behalf of Infuse capital, A scheme under ISE Trust)	-	-	-	-
M Amanda Consultancy Services P Ltd	-	-	-	-
Salli Gupta	-	-	-	-
Class B				
Polycab India Limited	10,864	100	10,864	100
SVIC NO 32 New Technologies Business Investment LLP	-	-	-	-

d Compulsory Convertible Debentures (CCD)

The CCDs shall carry a cumulative coupon rate of 0.01% per annum on the face value of the CCDs ("Coupon") which shall be payable on an annual basis. The Coupon shall be applicable on and from the date of issuance of the CCDs until the date of conversion of the CCD, or end of the CCD Tenure, whichever is earlier. Each CCD shall have a tenure of 2 (two) years from the date of issuance. The CCDs shall not have any voting rights until conversion thereof into Equity Shares. CCD shall be converted into Equity Shares in the ratio of 1:1 at anytime prior to the CCD Tenure.

e Retained earnings

Retained earnings are the profits that the Company has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders. Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the Company.

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
Opening balance	(322,340.07)	(241,532.88)
Add: Profit/(Loss) during the year	(19,403.41)	(80,807.19)
Less: Transition impact of Ind AS 116	-	-
	(341,743.48)	(322,340.07)

13. Borrowings

Borrowings- current

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
At amortised cost		
Unsecured		
Loan From Holding Company	52,000.00	45,500.00
	52,000.00	45,500.00

Silvan Innovation Labs Private Limited
Notes to Standalone Financial Statements for the period ended 31 Dec 2022

14. Trade payables

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
At Amortised Cost		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises		
Other than acceptances		
Trade payables - Others (Refer note below)	822.72	2,390.39
	822.72	2,390.39

Notes:-

(a) Others includes amount payable to vendors, employees liability and accrual of expenses that are expected to be settled in the Company's normal operating cycle or due to be settled within twelve months from the reporting date.

(b) For explanations on the Company's liquidity risk management processes Refer note 32.

15. Other financial liabilities- current

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
At Amortised Cost		
Interest accrued but not due	3,090.87	719.89
	3,090.87	719.89

16. Other liabilities

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
Other liabilities- current		
Advance from customers	5,181.93	6,130.17
Other payables and Salary payable	3,326.02	5,877.77
Employee Recoveries and Employer Contributions	74.88	533.87
Taxes Payable (Other than Income tax)	415.94	894.62
	8,998.76	13,426.43

17. Provisions

A Provisions- non-current

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
Provision for employee benefits (Refer note 23)		
Gratuity	5,896.00	6,614.00
	5,896.00	6,614.00

B Provisions- current

	(₹ in 000)	
	31 Dec 2022	31 Mar 22
Provision for employee benefits (Refer note 23)-Gratuity	191.00	1,126.00
	191.00	1,126.00

Silvan Innovation Labs Private Limited
Notes to Standalone Financial Statements for the period ended 31 Dec 2022

18. Revenue from operations

	(₹ in 000)			
	Quarter ended 31-Dec-22	Quarter ended 31-Dec-21	9 months ended 31 Dec 2022	9 months ended 31-Dec-21
Revenue on Sale of Products				
Finished goods	1,018.74	2,876.59	18,137.03	11,359.61
	1,018.74	2,876.59	18,137.03	11,359.61
Other operating revenue				
Job work income-Service Income	439.55	7,250.98	1,375.51	8,260.72
Total revenue from contracts with customers	1,458.29	10,127.57	19,512.54	19,620.33
Total Revenue from operations	1,458.29	10,127.57	19,512.54	19,620.33

(a) Trade receivables are usually non-interest bearing and are generally on credit terms up to 90 days. Evaluation is made as per the terms of the contract i.e. if the Company does not retain any risk and rewards or control over the financial assets, then the entity derecognises such assets upon transfer of financial assets under such arrangement with the banks.

(b) As on 31 December 2022, 2 customers contributed more than 10% each to the Total Revenue from operations

19. Other income

	(₹ in 000)			
	Quarter ended 31-Dec-22	Quarter ended 31-Dec-21	9 months ended 31 Dec 2022	9 months ended 31-Dec-21
Miscellaneous income includes Other Income	2,359.82	3.33	8,451.89	49.60
	2,359.82	3.33	8,451.89	49.60

20. Cost of materials consumed

	(₹ in 000)			
	Quarter ended 31-Dec-22	Quarter ended 31-Dec-21	9 months ended 31 Dec 2022	9 months ended 31-Dec-21
Inventories at the beginning of the year	-	-	20.12	1,993.03
Add: Purchases	479.89	2,477.17	3,949.24	7,624.14
	479.89	2,477.17	3,969.36	9,617.17
Less: Inventories at the end of the year	(6.48)	(1,083.28)	9.66	41.41
	486.37	3,560.45	3,959.70	9,575.76

21. Changes in inventories of finished goods, stock-in-trade and work-in-progress

	(₹ in 000)			
	Quarter ended 31-Dec-22	Quarter ended 31-Dec-21	9 months ended 31 Dec 2022	9 months ended 31-Dec-21
Inventory at the beginning of the year				
Finished goods	-	-	4,283.32	3,995.34
Stock-in-trade	-	-	950.45	382.76
			5,233.77	4,378.10
Inventory at the end of the year				
Finished goods	(81.48)	809.00	799.25	6,826.49
Stock-in-trade	(18.93)	-	308.86	-
	(100.40)	809.00	1,108.12	6,826.49
Changes in Inventories	100.40	(809.00)	4,125.65	(2,448.39)

22. Employee benefits expense

	(₹ in 000)			
	Quarter ended 31-Dec-22	Quarter ended 31-Dec-21	9 months ended 31 Dec 2022	9 months ended 31-Dec-21
Salaries, wages and bonus	2,045.51	12,606.40	7,731.00	28,828.51
Contribution to provident and other funds	114.95	-	838.17	-
Staff welfare expense	33.06	-	878.78	1,302.88
	2,193.52	12,606.40	9,507.95	30,131.39

22. Employee benefits expense

Gratuity and other post-employment benefit plans

(A) Defined Benefit plan

Gratuity Valuation - As per actuary

In respect of Gratuity, the Company makes annual contribution to the employee group gratuity scheme of the Life Insurance Corporation of India, funded defined benefits plan for qualified employees. The scheme provided for lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The Company has provided for gratuity based on the actuarial valuation done as per Project Unit Credit Method.

Defined benefit plans expose the Company to actuarial risks such as

- (i) **Interest rate risk**
A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
- (ii) **Salary Risk**
The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
- (iii) **Investment Risk**
The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
- (iv) **Asset Liability Matching Risk**
The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
- (v) **Mortality risk**
Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk. If actual mortality rates are higher than assumed mortality rate assumption then the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.
- (vi) **Concentration Risk**
Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.
- (vii) **Variability in withdrawal rates**
If actual withdrawal rates are higher than assumed withdrawal rate assumption then the gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
- (viii) **Regulatory Risk**
Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). There is a risk of change in the regulations requiring higher gratuity payments.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

The Company operates a defined benefit plan, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The most recent actuarial valuation of the plan assets and the present value of defined obligation were carried out as at 31st March, 2022 an external independent fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method.

Silvan Innovation Labs Private Limited

23. Finance cost

	(₹ in 000)			
	Quarter ended 31-Dec-22	Quarter ended 31-Dec-21	9 months ended 31-Dec-22	9 months ended 31-Dec-21
Interest expense on financial liabilities at amortised cost	1,476.51	964.77	4,413.44	2,697.70
Other borrowing costs - Bank Charges	2.04	1.01	157.90	9.70
	1,478.54	965.79	4,571.33	2,707.41

24. Depreciation and amortisation expenses

	(₹ in 000)			
	Quarter ended 31-Dec-22	Quarter ended 31-Dec-21	9 months ended 31-Dec-22	9 months ended 31-Dec-21
Depreciation of Property, Plant and Equipment (Refer note 3)	33.70	14.53	41.38	43.57
Amortisation of intangible assets (Refer note 5)	5,764.94	5,824.33	17,169.48	16,833.53
	5,798.64	5,838.85	17,210.86	16,877.09

25. Other expenses

	(₹ in 000)			
	Quarter ended 31-Dec-22	Quarter ended 31-Dec-21	9 months ended 31-Dec-22	9 months ended 31-Dec-21
Consumption of stores and spares	59.63	168.13	233.31	179.85
Rent	565.62	503.83	1,696.86	1,391.58
Rates and taxes	30.27	7.71	147.95	199.74
Insurance	-	-	-	23.60
Repairs and maintenance	-	-	-	-
Plant and machinery	-	7.68	-	24.71
Others	21.31	2.50	34.49	5.00
Advertising and sales promotion and round off	76.80	-	170.60	-
Travelling and conveyance	211.73	506.32	1,114.54	804.76
Communication Cost	77.46	30.55	422.21	442.60
Legal and professional fees	138.90	1,580.94	1,869.71	14,428.75
Freight & forwarding expenses	0.45	4.56	17.58	19.19
Research and Development expenses	49.48	-	401.41	-
Payment to auditor (Refer note (a) below)	100.00	30.00	180.00	170.00
Impairment allowance for trade receivable considered doubtful (Refer note 6)	-	-	-	221.21
Bad Debts	-	-	-	-
Less: Impairment provision written back during the year	-	-	-	-
Miscellaneous Expenses	308.30	474.83	1,703.70	1,031.24
	1,639.95	3,317.04	7,992.36	18,942.23

Notes:

(a) Payments to auditor:

	(₹ in 000)			
	Quarter ended 31-Dec-22	Quarter ended 31-Dec-21	9 months ended 31-Dec-22	9 months ended 31-Dec-21
As auditor				
(i) Audit fee	40.00	30.00	120.00	100.00
(ii) Certification fees	60.00	-	60.00	-
(iii) Other Matters	-	-	-	70.00
	100.00	30.00	180.00	170.00

26. Earnings per share

(a) Basic Earnings per share

			Quarter ended 31-Dec-22	Quarter ended 31-Dec-21	9 months ended 31-Dec-22	9 months ended 31-Dec-21
Profit/(Loss) after taxation	₹ in 000	A	(7,441.30)	(15,348.62)	(18,942.41)	(56,115.55)
Weighted average number of equity shares for basic earning per share *	Number	B	101,956	101,956	101,956	101,956
Earnings per shares - Basic (one equity share of ₹ 10 each)	₹ in 000 per share	(A/B)	(72.99)	(150.54)	(185.79)	(550.39)

(b) Diluted Earnings per share

The Company has outstanding Compulsorily convertible preference shares and Compulsorily convertible debentures as at 31 December 2022 and 31 March 2022. Since the Company has net loss for the current and previous year, the effect of these potential equity shares will be anti-diluted, hence Diluted Earnings per share is considered same as Basic Earnings per share

Silvan Innovation Labs Private Limited
Notes to Standalone Financial Statements for the period ended 31 Dec 2022

28. Contingent liabilities and commitments

There are no Contingent Liabilities and Capital Commitments as at 31 Dec 2022 and 31 March 2022

29. Related party disclosure

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash or credit as per the terms of the arrangement.

(a) Related Parties

(i) Holding Company:

Polycab India Limited

(i) Key management personnel

Manoj Verma

Director

Ajay Gupta

Director

Bindimnavile Seshadri Praveen

Director

(b) Transactions with Holding Company during the period ended Dec 2022

- (i) Borrowings- Intercompany deposits taken- Rs 6,500 thousands (Previous year Rs. 45,500 thousand)
- (ii) Compulsory Convertible Debenture (CCD) issued - Nil (Previous Year Rs. 78,070 thousands)
- (iii) Interest Expenses on Loan - Rs 4,407.53 thousands (Previous Year 2,904.50 thousands)
- (iv) Interest Expenses on Compulsory Convertible Debenture (CCD) - Rs 5.88 thousands (Previous Year Rs. 5.84 thousands)
- (v) Rent expense - Rs. 2,002.28 thousands (Previous year Rs. 667.43 thousand)
- (vi) Purchase expenses - Rs.2,479.26 thousands (Previous year Nil)
- (vii) Reimbursement of Expenses - Rs. 887.17 thousands (Previous Year Nil)

(c) Closing Balance as at 31 Dec 2022

- (i) Borrowings- Intercompany deposits- Rs 52,000 thousands (Previous year Rs. 45,500 thousand)
- (ii) Interest payable on Loan & CCD - Rs 3,090.87 thousands (Previous year Rs. 719.31 thousand)
- (iii) Trade Payables - Rs.543.421 thousands (Previous Year Nil)
- (iv) Compulsory Convertible Debentures (CCD) - Rs. 78,070 thousands (Previous year Rs. 78,070 thousands)

(d) Transactions with KMP:

(i) Borrowings- Transactions during the period/year

(₹ in 000)

	31-Dec-22	31 Mar 22
Giridhar Krishna Mamidipudi		
Opening Balance	-	3,962.60
Taken during the year	-	411.23
Repaid during the year	-	4,373.83
Closing Balance	-	-
Mohan Gopalakrishna		
Opening Balance	-	375.02
Taken during the year	-	-
Repaid during the year	-	375.02
Closing Balance	-	-

(iii) Remuneration paid for the period/year ended and outstanding as on:

(₹ in 000)

	31-Dec-22	31 Mar 22
Giridhar Krishna Mamidipudi	-	2,956.80
Mohan Gopalakrishna	-	556.80
Ajay Gupta	5,115.59	1,756.80
	5,115.59	5,270.40

Note: As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the directors and KMP are not included above.

30 (A) Segment reporting

The Company is predominantly engaged in the business of facilitate development and maintenance of business and software applications on all popular and mainframe and minicomputer platforms and to carry on the work of development of software and related services in all kinds. As such there are no separate reportable segments, as per the Ind-AS 108 on Operating Segment.

The Company's operations are mainly confined in India. The Company does not have material earnings from business segment outside India. As such, there are no reportable geographical segments.

Information about Major Customer: Revenue from operations for the year include Rs. 8,026.484 thousands (Previous Year Rs 7,491.85 thousands) from two customer (Previous Year: two customer) having more than 10% of the total revenue

Silvan Innovation Labs Private Limited
Notes to Standalone Financial Statements for the period ended 31 Dec 2022

30 (B) Additional Regulatory Information

Ratios	Numerator	Denominator	31-Dec-22	31-Mar-22
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	0.23	0.25
Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities.	Total Equity	2.66	1.18
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments		
Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	-97%	-216%
Inventory turnover ratio (in times)	Cost of Goods Sold	Average Inventory	2.54	1.75
Trade Receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	2.95	4.75
Trade payables turnover ratio (in times)	Net credit purchases	Average trade payables	2.46	1.27
Net capital turnover ratio (in times)	Revenue from operations	Average Working capital	-0.39	-0.47
Net profit ratio (in %)	Profit for the year	Revenue from operations	-69%	-363%
Return on Capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	-76%	-200%

Silvan Innovation Labs Private Limited
Notes to Standalone Financial Statements for the period ended 31 Dec 2022

31. Financial Instruments and Fair Value Measurement

A) Financial Instruments

Fair value measurements

The Company measures financial instruments, such as, derivatives, mutual funds etc. at fair value at each Balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, to provide an indication about the reliability of inputs used in determining fair value, the Company has classified its financial statements into three levels prescribed under the accounting standard as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the assets or liability and the level of fair value hierarchy as explained above.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value		Fair value	
	31-Dec-22	31 Mar 22	31-Dec-22	31 Mar 22
Financial assets				
Measured at amortised cost				
Trade receivables	6,599.40	7,593.68	6,599.40	7,593.68
Cash and cash equivalents	6,067.05	250.52	6,067.05	250.52
Other financial assets	-	140.00	-	140.00
	12,666.45	7,984.20	12,666.45	7,984.20
Financial liabilities				
Measured at amortised cost				
Borrowings - long term including current maturities and short term	52,000.00	45,500.00	52,000.00	45,500.00
Trade payables	822.72	2,390.39	822.72	2,390.39
Other financial liabilities	3,090.87	719.89	3,090.87	719.89
	55,913.59	48,610.28	55,913.59	48,610.28

(a) The management assessed that cash and cash equivalents, trade receivables, trade payables, short-term borrowings, loans to related party, loans to employees, short term security deposit and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(b) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

32. Financial Risk Management Objectives And Policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTPL investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors of the Company has formed a Risk Management Committee to periodically review the risk management policy of the Company so that the management manages the risk through properly defined mechanism. The Risk Management Committee's focus is to foresee the unpredictability and minimize potential adverse effects on the Company's financial performance. The Company's overall risk management procedures to minimise the potential adverse effects of financial market on the Company's performance are as follows:

(A) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is also exposed to the risk of changes in market interest rates relates due to its investments in mutual fund units in overnight funds.

The Company manages its interest rate risk by having a fixed and variable rate loans and borrowings. The Company enters into interest rate swaps for long term foreign currency borrowings, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 December 2022, 100% of the Company's borrowings are at a fixed rate of interest

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Exposure to interest rate risk (Principal amount of loan)	Increase/ decrease in basis points	Effect on profit before tax
31st Dec 2022	52,000		
Increase	-	+200	(1,040)
Decrease	-	-200	1,040
31 Mar 22	45,500		
Increase		200	(910)
Decrease		-200	910

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's borrowings in foreign currency. The Company does not have any receivable and payable in Foreign currency as at 31 December 2022 and 31 March 2022

Silvan Innovation Labs Private Limited
Notes to Standalone Financial Statements for the period ended 31 Dec
32. Financial Risk Management Objectives And Policies

(B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and contract assets

The Company has adopted a policy of only dealing with counterparties that have sufficient credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. Credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company has applied Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on trade receivables. ECL has been computed as a percentage of revenue on the basis of Company's historical data of delay in collection of amounts due from customers and default by the customers along with management's estimates.

The Company has sold without recourse trade receivable under channel finance arrangement for providing credit to its dealers. Evaluation is made as per the terms of the contract i.e. if the Company does not retain any risk and rewards or control over the financial assets, then the entity derecognises such assets upon transfer of financial assets under such arrangement with the banks. Derecognition does not result in significant gain / loss to the Company in the Statement of profit and loss.

The Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, discounting of receivables with institutions on no-recourse basis, recognition of revenue on collection basis etc., depending on severity of each case. The collections pattern from the customers in the current period does not indicate stress beyond what has been factored while computing the allowance for expected credit losses.

Other financial assets

The Company has adopted a policy of only dealing with counterparties that have sufficient credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

(C) Liquidity risk

The Company's principle sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements.

Further, the Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalents position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. Surplus funds not immediately required are invested in certain financial assets (including mutual funds) which provide flexibility to liquidate at short notice and are included in current investments and cash equivalents. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required, which are reviewed periodically.

The Company has developed appropriate internal control systems and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and availability of alternative sources for additional funding, if required.

Maturity Analysis

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	31st Dec 2022			31st March 2022		
	< 1 year	> equal to 1 year	Total	< 1 year	> equal to 1 year	Total
Borrowings	52,000	-	52,000	45,500	-	45,500
Other financial liabilities	3,091	-	3,091	720	-	720
Trade payables	823	-	823	2,390	-	2,390
	55,914	-	55,914	48,610	-	48,610

33. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective is to maximise the shareholders value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and external borrowings.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The capital structure is governed by policies approved by the Board of Directors and monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

	31-Dec-22	31-Mar-22
Debts	52,000.00	45,500.00
Equity	19,543.04	38,485.45
Total capital	71,543.04	83,985.45
Debts	52,000.00	45,500.00
Gearing ratio	72.68%	54.18%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. As on 31 December 2022 the company had borrowings only from its holding company

No changes were made in the objectives, policies or processes for managing capital during the period/year ended 31 December 2022 and 31 March 2022

- 34** The Board of Directors at its meeting held on 12 October 2022 has approved a Scheme of Arrangement amongst the Company and its Holding Company viz. "Polycab India Limited", having an appointed date of 1 April 2022 under section 230 to 232 and other applicable provisions of the Companies Act, 2013. The Scheme will be effective on receipt of regulatory approvals and on fulfillment of conditions precedent therein. As on date of adoption of these financial statements by the Board, approval of the scheme of arrangement from NCLT is awaited, accordingly accounts have been prepared without giving any effects of the said Scheme of Arrangement.

35 Events after the reporting period

No significant adjusting event occurred between the balance sheet date and date of the approval of these financial statements by the Board of Directors of the Company requiring adjustment or disclosure.

As per our report of even date
For Jain Nikhil N & Co
Chartered Accountants
Firm Registration No.:155926W

Nikhil N Jain
 Partner
 Membership No:116643

Place: Mumbai
 Date: 12.01.2023

AJAY GUPTA

Ajay Gupta
 Director
 DIN: 09447933

Place: Bengaluru
 Date: 12.01.2023

BINDINGNAV ILE SESHADRI PRAVEEN

B.S.Praveen
 Director
 DIN: 03017823

Place: Vadodara
 Date: 12.01.2023

BSR & Co. LLP

Chartered Accountants

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Limited Review Report on unaudited consolidated financial results of Polycab India Limited for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Polycab India Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Polycab India Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net loss after tax and total comprehensive loss of its joint venture for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Sr.No	Name of the Company	Relationship
1	Dowells Cable Accessories Private Limited	Subsidiary
2	Tirupati Reels Private Limited	Subsidiary
3	Steel Matrix Private Limited	Subsidiary
4	Polycab USA LLC	Wholly owned subsidiary
5	Polycab Australia Pty Ltd	Wholly owned subsidiary

Registered Office:

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BSR & Co. (a partnership firm with Registration No. BA61223) converted into BSR & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013



Limited Review Report (Continued)**Polycab India Limited**

6	Polycab Electricals & Electronics Private Limited	Wholly owned subsidiary
7	Silvan Innovations Labs Private Limited	Wholly owned subsidiary
8	Uniglobus Electricals & Electronics Private Limited	Wholly owned subsidiary
9	Polycab Support Force Private Limited	Wholly owned subsidiary
10	Techno Electromech Private Limited	Joint Venture

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial statements of nine Subsidiaries included in the Statement, whose interim financial statements reflect total revenues (before consolidation adjustments) of Rs. 817.98 million and Rs. 2,688.15 million, total net profit after tax (before consolidation adjustments) of Rs. 54.09 million and Rs. 166.17 million and total comprehensive income (before consolidation adjustments) of Rs. 42.98 million and Rs. 166.34, for the quarter ended 31 December 2022 and for the period from 01 April 2022 to 31 December 2022 respectively, as considered in the Statement. The Statement also include the Group's share of net loss after tax of Rs. 8.11 million and Rs. 29.21 million and total comprehensive loss of Rs. 8.07 million and Rs. 28.92 million, for the quarter ended 31 December 2022 and for the period from 01 April 2022 to 31 December 2022 respectively as considered in the Statement, in respect of one joint venture, whose interim financial statements have not been reviewed by us. These interim financial statements have been audited by other auditors whose reports have been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Bhaveshkumar Dhupelia

Partner

Mumbai

19 January 2023

Membership No.: 042070

UDIN:23042070BGYGKL9474



Polycab India Limited

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 Corporate Office: Polycab House, 771, Mogul Lane, Mahim (West), Mumbai, Maharashtra 400016
 Phone number: +91 22 67351400, CIN: L31300GJ1996PLC114183
 Website: www.polycab.com, E-mail: shares@polycab.com

Notes:

- i) The Board of Directors of the Parent Company at their meeting held on 18 October 2022 had approved the Scheme of Amalgamation between the Parent Company and Silvan Innovation Laboratories Private Limited, a wholly owned subsidiary of the Company on going concern basis. The Appointed Date of the Scheme is 1 April 2022. The Scheme will be given effect to on receipt of requisite regulatory approvals and consent from Shareholders and filing of such approvals with the ROC.
- ii) During the nine months ended 31 December 2022, the Group has allotted 2,63,677 equity shares of ₹ 10/- each to the option grantees upon exercise of options under the Company's Employee Stock Option Scheme 2018. As a result of allotment, the paid-up equity share capital of the Group has increased from 14,94,43,040 equity share of ₹ 10/- each to 14,97,06,717 equity share of ₹ 10/- each.
- iii) During the FY 21-22, the Group had divested its 100% stake in Ryker Base Private Limited, a wholly-owned subsidiary, for a consideration of ₹ 1,778.92 million. Consequently, Ryker's operations including gain on disposal of Rs ₹ 817.22 million was recognised as discontinuing operations and related comparatives for three months and nine months ended 31 December 2021 were restated in accordance with the applicable Ind-AS as follows.

Particulars	(₹ million)	
	01 Oct 21 to 17 Nov 21	01 Apr 21 to 17 Nov 21
Total income	1,370.61	3,481.57
Total expenses	1,268.35	3,345.54
Profit before tax	102.26	136.03

- iv) The above consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 19 January 2023. The statutory auditors have expressed an unmodified opinion on these results.

Place: Mumbai
 Date: 19 January 2023



For Polycab India Limited

Inder T. Jaisinghani
 Inder T. Jaisinghani
 Chairman & Managing Director

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B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
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Limited Review Report on unaudited standalone financial results of Polycab India Limited for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Polycab India Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Polycab India Limited (hereinafter referred to as "the Company") for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Bhaveshkumar Dhupelia

Partner

Mumbai

19 January 2023

Membership No.: 042070

UDIN: 23042070BGYGKK1951

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STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2022

(₹ million, except earnings per share)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 Dec 22 Unaudited	30 Sep 22 Unaudited	31 Dec 21 Unaudited	31 Dec 22 Unaudited	31 Dec 21 Unaudited	31 Mar 22 Audited
1)	Income						
	(a) Revenue from operations	36,648.97	32,604.77	33,414.49	96,241.64	81,713.20	1,20,979.09
	(b) Other income	396.07	(18.05)	213.50	820.69	733.66	905.03
	Total income	37,045.04	32,586.72	33,627.99	97,062.33	82,446.86	1,21,884.12
2)	Expenses						
	(a) Cost of materials consumed	26,118.20	21,438.13	25,453.07	68,356.09	63,280.03	91,765.28
	(b) Purchases of stock-in-trade	741.18	1,239.54	2,238.99	3,402.23	4,848.83	6,000.10
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	11.70	1,207.08	(1,980.70)	(942.10)	(5,394.43)	(4,686.15)
	(d) Project bought outs and subcontracting cost	430.50	250.03	243.68	952.44	807.98	1,114.72
	(A) Total material cost (a to d)	27,301.58	24,134.78	25,955.04	71,768.66	63,542.41	94,193.95
	(e) Employee benefits expense	1,094.83	1,111.98	994.58	3,273.87	2,936.29	3,948.43
	(f) Finance costs	81.39	134.00	74.46	295.32	213.93	334.20
	(g) Depreciation and amortisation expenses	507.39	505.73	498.89	1,506.55	1,480.13	1,965.58
	(h) Advertisement and sales promotion expenses	634.10	167.72	433.81	995.71	653.63	818.86
	(i) Freight and forwarding expenses	801.53	870.12	837.10	2,206.66	1,897.22	2,670.42
	(j) Other expenses	1,867.71	2,180.03	1,637.37	5,888.80	4,947.66	6,947.58
	(B) Total expenses other than material cost (e to j)	4,986.95	4,969.58	4,476.21	14,166.91	12,128.86	16,685.07
	Total expenses (A+B)	32,288.53	29,104.36	30,431.25	85,935.57	75,671.27	1,10,879.02
3)	Profit before tax and exceptional items (1-2)	4,756.51	3,482.36	3,196.74	11,126.76	6,775.59	11,005.10
4)	Exceptional items (refer note iii)	-	-	1,243.25	-	1,243.25	1,243.25
5)	Profit before tax (3+4)	4,756.51	3,482.36	4,439.99	11,126.76	8,018.84	12,248.35
6)	Income tax expenses						
	(a) Current tax	1,161.21	847.85	1,032.98	2,719.37	1,976.72	3,058.47
	(b) Adjustment of tax relating to earlier periods	1.84	-	-	1.84	(30.55)	(20.80)
	(c) Deferred tax (credit)/charge	17.48	7.09	26.87	18.11	(38.08)	(102.04)
	Total tax expenses	1,180.53	854.94	1,059.85	2,739.32	1,908.09	2,935.63
7)	Profit for the period (5-6)	3,575.98	2,627.42	3,380.14	8,387.44	6,110.75	9,312.72
8)	Other comprehensive income						
	Items that will not be reclassified to profit or loss	8.67	13.56	22.74	5.75	(24.70)	19.27
	Income Tax relating to items that will not be reclassified to Profit or Loss	(2.18)	(3.42)	(5.72)	(1.45)	6.22	(4.85)
	Items that will be reclassified to profit or loss	158.13	55.09	59.02	115.35	51.74	0.58
	Income tax relating to items that will be reclassified to Profit or Loss	(39.80)	(13.86)	(13.02)	(29.03)	(13.02)	(0.15)
	Other comprehensive income (net of tax)	124.82	51.37	63.02	90.62	20.24	14.85
9)	Total comprehensive income (net of tax) (7+8)	3,700.80	2,678.79	3,443.16	8,478.06	6,130.99	9,327.57
10)	Paid up equity share capital (Face value of ₹ 10 each)	1,497.07	1,496.51	1,493.89	1,497.07	1,493.89	1,494.43
11)	Other equity						53,714.57
12)	Earnings per share (not annualised for quarters and nine months)						
	(a) Basic earnings per share (₹)	23.89	17.56	22.63	56.07	40.95	62.39
	(b) Diluted earnings per share (₹)	23.81	17.50	22.60	55.89	40.77	62.12





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STANDALONE SEGMENT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2022

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 Dec 22	30 Sep 22	31 Dec 21	31 Dec 22	31 Dec 21	31 Mar 22
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(₹ million)							
1)	Segment revenue						
	a) Wires and cables	32,866.32	29,105.66	29,704.67	85,836.62	72,043.77	1,07,109.45
	b) FMEG	3,245.25	2,860.62	3,365.93	9,136.23	8,707.23	12,484.03
	c) Other	1,163.83	591.79	464.41	2,201.63	1,405.52	1,898.08
	Total	37,275.40	32,558.07	33,535.01	97,174.48	82,156.52	1,21,491.56
	Less: Inter segment revenue	(506.50)	(156.79)	(17.07)	(695.89)	(69.71)	(105.70)
	Total income (excluding finance income)	36,768.90	32,401.28	33,517.94	96,478.59	82,086.81	1,21,385.86
2)	Segment results						
	a) Wires and cables	4,504.51	3,371.69	3,033.53	10,574.34	6,286.15	10,283.23
	b) FMEG	(5.18)	(15.90)	56.43	62.52	112.56	242.86
	c) Others	126.58	93.14	73.23	287.38	236.87	325.14
	Total	4,625.91	3,448.93	3,163.19	10,924.24	6,635.58	10,851.23
	Less: Inter segment results	(64.15)	(18.01)	(2.04)	(85.90)	(6.11)	(10.19)
	Total	4,561.76	3,430.92	3,161.15	10,838.34	6,629.47	10,841.04
	Un-allocated items:						
	a) Financial income	276.14	185.44	110.05	583.74	360.05	498.26
	b) Finance costs	(81.39)	(134.00)	(74.46)	(295.32)	(213.93)	(334.20)
	Profit before tax and exceptional items	4,756.51	3,482.36	3,196.74	11,126.76	6,775.59	11,005.10
	Exceptional items (refer note iii)	-	-	1,243.25	-	1,243.25	1,243.25
	Profit before tax	4,756.51	3,482.36	4,439.99	11,126.76	8,018.84	12,248.35
3)	Segment Assets						
	a) Wires & Cables	49,789.48	47,818.05	49,315.31	49,789.48	49,315.31	49,288.73
	b) FMEG	6,405.61	7,604.68	7,628.83	6,405.61	7,628.83	7,543.93
	c) Others	2,810.87	2,402.39	3,192.55	2,810.87	3,192.55	2,579.07
	Total	59,005.96	57,825.12	60,136.69	59,005.96	60,136.69	59,411.73
	Un-allocated assets	23,345.13	21,505.04	10,672.20	23,345.13	10,672.20	13,661.23
	Total assets	82,351.09	79,330.16	70,808.89	82,351.09	70,808.89	73,072.96
4)	Segment Liabilities						
	a) Wires & Cables	13,154.21	15,782.71	11,438.60	13,154.21	11,438.60	10,323.95
	b) FMEG	1,894.89	1,237.68	2,877.52	1,894.89	2,877.52	2,655.57
	c) Others	2,056.70	1,946.70	2,451.99	2,056.70	2,451.99	2,221.90
	Total	17,105.80	18,967.09	16,768.11	17,105.80	16,768.11	15,201.42
	Un-allocated liabilities and provisions	3,449.28	2,324.56	2,103.06	3,449.28	2,103.06	2,662.54
	Total liabilities	20,555.08	21,291.65	18,871.17	20,555.08	18,871.17	17,863.96





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Notes:

- i) The Board of Directors of the Company at their meeting held on 18 October 2022 had approved the Scheme of Amalgamation between the Company and Silvan Innovation Laboratories Private Limited, a wholly owned subsidiary of the Company on going concern basis. The Appointed Date of the Scheme is 1 April 2022. The Scheme will be given effect to on receipt of requisite regulatory approvals and consent from Shareholders and filing of such approvals with the ROC.
- ii) During the nine months ended 31 December 2022, the Company has allotted 2,63,677 equity shares of ₹ 10/- each to the option grantees upon exercise of options under the Company's Employee Stock Option Scheme 2018. As a result of allotment, the paid-up equity share capital of the Company has increased from 14,94,43,040 equity share of ₹ 10/- each to 14,97,06,717 equity share of ₹ 10/- each.
- iii) During the FY 21-22, the Company had divested its 100% stake in Ryker Base Private Limited, a wholly-owned subsidiary for a consideration of ₹ 1,778.92 million and recognised a gain of ₹ 1,243.25 million which was disclosed as an exceptional items.
- iv) The above standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 19 January 2023. The statutory auditors have expressed an unmodified opinion on these results.

Place: Mumbai

Date: 19 January 2023



For Polycab India Limited

Inder T. Jaisinghani
Chairman & Managing Director

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