



COMPANY APPLICATION NO.1087 OF 2015
SCHEME OF ARRANGMENT OF AMALGAMATION OF

ACCEL LIMITED
WITH
ACCEL TRANSMATIC LIMITED

MEETING OF THE EQUITY SHAREHOLDERS OF
ACCEL TRANSMATIC LIMITED CONVENED
BY ORDER OF THE HON'BLE HIGH COURT OF JUDICATURE OF MADRAS

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Date:	Friday 27th November 2015
Time:	11.00 AM
Venue:	KUMAGAI AUDITORIUM, ABK - AOTS DOSOKAI, 3rd Floor, Chateau 'D' Ampa, 37 Nelson Manickam Road, Aminjikarai, Chennai 600 029.

Accel Transmatic Limited, No. 75, Nelson Manickam Road, Aminjikarai, Chennai 600 029.

CIN : L30007TN1986PLC100219

**IN THE HIGH COURT OF JUDICATURE AT MADRAS
(ORIGINAL JURISDICTION)**

COMPANY APPLICATION NO.1087 OF 2015

In the matter of the Companies Act, 1956; and in the matter of Sections 391 to 394 of the Companies Act, 1956; and in the matter of Scheme of Amalgamation and Arrangement of Merger of Accel Limited (Amalgamating Company/Transferor Company) with AccelTransmatic Limited (Amalgamated Company/Transferee Company)

AccelTransmatic Limited

A company incorporated

Under the Companies Act, 1956,

Having its registered office at
III floor, 75, Nelson Manickam Road,
Aminjikarai, Chennai – 600 029
Represented by Mr. N.R. Panicker

...Applicant Company

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF THE APPLICANT COMPANY

To,

The Equity Shareholders of Accel Transmatic Limited ("Transferee Company" or "Applicant Company")

TAKE NOTICE that by an Order dated 28.10.2015 in the abovementioned Company Application 1087 of 2015, by the Hon'ble Madras High Court has directed that a meeting of the Equity Shareholders of the Applicant Company be convened and held at KUMAGAI AUDITORIUM, ABK – AOTS DOSOKAI, 3rd Floor, Chateau 'D' Ampa, 37 Nelson Manickam Road, Aminjikarai, Chennai 600 029 on 27th November 2015 at 11.00 AM, for the purpose of considering and, if thought fit, to approve with or without modification(s), the Scheme of Amalgamation and Arrangement proposed to be made between the Applicant Company and M/s. Accel Limited and their respective shareholders under Section 391 and 394 of the Companies Act, 1956.

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the Equity Shareholders of the Applicant Company will be held at KUMAGAI AUDITORIUM, ABK – AOTS DOSOKAI, 3rd Floor, Chateau 'D' Ampa, 37 Nelson Manickam Road, Aminjikarai, Chennai 600 029 on 27th November 2015 at 11.00 AM,, at which time and place the said members are requested to attend. The Quorum of the meeting shall be 30 persons present in person or by proxy.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the Registered Office of the Applicant Company at III floor, 75, Nelson Manickam Road, Aminjikarai, Chennai – 600 029 not later than 48 hours before the time of the aforesaid meeting. Forms of the proxy can be had at the Registered Office of the Company.

The Hon'ble High Court has appointed Mr K. R.Chandrasekaran, Director of the Applicant Company as the Chairman of the said meeting. The above mentioned Scheme, if approved by the meeting, will be subject to the subsequent approval of the Hon'ble High Court.

A copy each of the Scheme of Amalgamation and Arrangement, the Statement under Section 393 and a Form of Proxy is enclosed herewith.

Dated this 3rd day of November, 2015

Place: Chennai

CIN: L30007TN1986PLC100219

Registered Office:

Accel Transmatic Limited

III floor, 75, Nelson Manickam Road,
Aminjikarai, Chennai – 600 029.

K R Chandrasekaran

Chairman appointed for the Meeting

Notes

1. All alterations made in the Form of Proxy should be initialed.
2. Only registered Equity Shareholders of the Applicant Company may attend and vote (either in person or by Authorised Representative under Sections 112 and 113 of the Companies Act, 2013) at the Equity Shareholder's meeting. The Authorised Representative of a body corporate which is a registered Equity Shareholder of the Applicant Company may attend and vote at the Equity Shareholder's meeting provided a certified true copy of the resolution of the Board of Directors under Section 113 of the Companies Act, 2013 or other governing body of the body corporate authorizing such representative to attend and vote at the Equity Shareholder's meeting is deposited at the Registered Office of the Applicant Company not later than 48 hours before the meeting.
3. The proxy need not be a member of the Applicant Company.
4. In compliance with Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Clause 35B of the Listing Agreement, the Applicant Company has provided the facility to the members to exercise their votes on resolution through e-voting facility arranged by National Securities Depository Limited (NSDL) and the business contained in the notice may be transacted through such voting. In order to enable its member, who do not have access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing Ballot Form along with the Notice. Instructions for Ballot Form are given at the back of the said form and instructions for e-voting are given at Note No. 9 to this Notice. Resolutions passed by members through Ballot Forms or e-voting is deemed to have been passed as if they have been passed at a General Meeting of the members.
5. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.
6. The members who have cast their vote by remote e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
7. Members can opt for only one mode of voting, i.e. either by Ballot Form or e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
8. In case a member is desirous of obtaining a duplicate Ballot Form, he may send an e-mail to shoba@transmaticsystems.com by mentioning their Folio/DP IP and Client ID No. However, the duly completed Ballot Form should reach the Company at III floor, 75, Nelson Manickam Road, Aminjikarai, Chennai - 600 029 not later than 25.11.2015 (11.00A.M. IST). Ballot Form received after this date will be treated as invalid.
9. **Instructions for e-voting:**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Extraordinary General Meeting (EGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the EGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the EGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

NOTE: The Facility for Voting shall be decided by the company i.e. "remote e-voting" or "Ballot Paper" or "Poling Paper"
 - III. The members who have cast their vote by remote e-voting prior to the EGM may also attend the EGM but shall not be entitled to cast their vote again.
 - IV. The e-voting period commences on 24th November 2015 (9.00 a.m IST) and ends on 26th November 2015 (5.00 p.m IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on 20th November 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast vote again.
 - V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL (for members whose email IDs are registered with the Company/Depository Participants(s)) :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "AccelTransmatic Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to gkrkgram@yahoo.in with a copy marked to evoting@nsdl.co.in.
- B. In case a Member receives physical copy of the Notice of EGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the EGM:
EVEN (Remote e-voting Event Number)USER IDPASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
10. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on 20th November 2015. 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-voting as well as voting at the meeting through ballot paper.
 11. Any person, who acquires shares of the Company and becomes a members of the Company after dispatch of the notice and holding shares as of the cut-off date, 20th November 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or M/s. AccelTransmatic Limited / M/s. Integrated Enterprises (India) Ltd..
 12. However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and password for casting your vote. If you have forgotten your password, you can resent your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
 13. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 14. 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 voting at the AGM through ballot paper.
 15. Mr. R.Kannan, Practicing Company Secretary (Member Ship No:3363) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including Ballot Forms received from the members who do not have access to the e-voting process) in a fair and transparent manner.
 16. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 17. The Scrutinizer shall, immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
 18. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of the Company www.acceltransmatic.com and on the website of NSDL within two days of the passing of the resolution at the meeting on 27th November 2015 and communicated to the Court and BSE Limited, where the shares of the Company are listed.

IN THE HIGH COURT OF JUDICATURE AT MADRAS
(ORIGINAL JURISDICTION)

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In the matter of the Companies Act, 1956; and in the matter of Sections 391 to 394 of the Companies Act, 1956; and in the matter of Scheme of Amalgamation and Arrangement of Merger of Accel Limited (Amalgamating Company/Transferor Company) with AccelTransmatic Limited (Amalgamated Company/Transferee Company)

AccelTransmatic Limited

A company incorporated

Under the Companies Act, 1956,

Having its registered office at

III floor, 75, Nelson Manickam Road,

Aminjikarai, Chennai - 600 029

Represented by Mr. N.R. Panicker

...Applicant Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956, TO THE NOTICE OF THE COURT CONVENED MEETING OF EQUITY SHAREHOLDERS OF THE APPLICANT COMPANY

1. Pursuant to the Order dated 28th October, 2015 passed by the Hon'ble High Court in the Company Application referred to hereinabove, a meeting of the Equity Shareholders of the Applicant/Transferee Company to be held on KUMAGAI AUDITORIUM, ABK - AOTS DOSOKAI, 3rd Floor, Chateau 'D' Ampa, 37 Nelson Manickam Road, Aminjikarai, Chennai 600 029 on 27th November 2015 at 11.00 AM, is being convened for the purpose of considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation and Arrangement between Accel Limited and AccelTransmatic Limited and their respective shareholders (hereinafter referred to as the "Scheme").
2. In this Statement, Accel Limited is hereinafter referred to as the "Transferor Company" and AccelTransmatic Limited is hereinafter referred to as the "Transferee Company" or the "Applicant Company". The other definitions contained in the Scheme shall also apply to this Explanatory Statement.
3. The Scheme has been approved by the Board of Directors of the Transferor Company at their Meeting held on 27.03.2015 and by the Board of Directors of the Transferee Company at their Meeting held on 27.03.2015.
4. A copy of the Scheme between the Transferor Company and the Transferee Company is attached to this Explanatory Statement.
5. The Resolution to be moved at the said Meeting will read as follows:

RESOLVED THAT pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Hon'ble High Court of Judicature at Madras, and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble High Court of Judicature at Madras or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors (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 to exercise its powers including the powers conferred by this Resolution), the proposed Amalgamation embodied in the Scheme of Amalgamation and Arrangement of Accel Limited with Accel Transmatic Limited and their respective shareholders ("Scheme") placed before this meeting and initialled by the Chairman of the Meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the arrangements 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 Hon'ble High Court of Judicature at Madras while sanctioning the Amalgamation embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme as the Board may deem fit and proper.

BACKGROUND OF COMPANIES

6. The Transferor Company was initially incorporated under the Companies Act, 1956 (hereinafter referred to as the "Act") as a Private Limited Company on 13.03.1991 in the name of Accel Automation Private Limited. Subsequently, the Transferor Company was changed to a Public Limited Company and the name of the Transferor Company was changed to Accel Automation Limited, with effect from 01.07.1997. Subsequently, the name of the Transferor Company was changed to Accel Limited and a fresh Certificate of Incorporation dated 12.08.1998 was issued by the Registrar of Companies, Tamil Nadu.
7. The Registered office of the Transferor Company is situated at III floor, 75, Nelson Manickam Road, Aminjikarai, Chennai - 600 029, and within the jurisdiction of this Hon'ble Court.

8. The Share Capital structure of the Transferor Company as on 01.04.2014, i.e. the Appointed Date under the Scheme is as follow

Share Capital	Amount in Rupees
Authorized Capital	
60,00,000 Equity Shares of Rs.10/- each	6,00,00,000
Issued, Subscribed and Paid up	
32,25,000 Equity Shares of Rs.10/- each	3,22,50,000

Subsequent to the Appointed Date, there has been no change in the aforesaid Share Capital of the Transferor Company.

9. The Transferee Company was initially incorporated as a Public Limited company under the Companies Act, 1956 on May 19, 1985 in the State of Kerala under the name of Transmatic Systems Limited. Subsequently, the name of the Transferee Company was changed to AccelTransmatic Limited and a fresh Certificate of Incorporation dated August 11, 2004 was issued by the Registrar of Companies, Kerala. Subsequently, the Registered office of the company was shifted to Chennai and a fresh Certificate of Incorporation was issued.
10. The Registered office of the Transferee Company is situated at III floor, 75, Nelson Manickam Road, Aminjikarai, Chennai – 600 029 and within the jurisdiction of this Hon'ble Court.
11. The Share Capital structure of the Transferee Company as on 01.04.2014, i.e. the Appointed Date under the Scheme is as follows:

Share Capital	Amount in Rupees
Authorized Capital	
150,00,000 Equity Shares of Rs.10/- each	15,00,00,000
50,00,000 10% Cumulative Redeemable Preference Shares of Rs.10/- each	5,00,00,000
Total	20,00,00,000
Subscribed and fully paid up	
110,37,401 Equity Shares of Rs.10/- each	11,03,74,010
50,00,000 10% Cumulative Preference Shares of Rs.10/- each	5,00,00,000
Total	16,03,74,010

Subsequent to the Appointed Date, there has been no change in the aforesaid Share Capital of the Transferor Company.

12. The Equity Shares of the Transferee Company are listed on the BSE Limited ("BSE").

RATIONALE AND BENEFITS OF THE SCHEME

13. The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with the Scheme would enable both companies to realize the benefits of greater synergies between their businesses and avail of the financial resources as well as other resources of each other in the interests of maximizing shareholder value. The proposed amalgamation will be beneficial to the companies in the following manner:
- (a) The Transferor Company is the Holding company of the Transferee Company. The Transferor Company has invested substantial amount of funds in the Transferee Company with the objective that the Transferee Company establish a media business, which has tremendous business potential so as to propel the Transferee Company into the top state of Companies in similar business. However, on account of the long period of gestation that is normally undergone by companies in such business, the Transferee Company has suffered losses continuously, in several subsequent financial years. The business operations and the day-to-day operations of the Transferee Company are difficult to sustain, due to severe liquidity crunch and the non-availability of credit. The amalgamation of the Transferor Company into the Transferee Company will result in the substantial financial resources and liquid assets of the Transferor Company being made available to the Transferee Company, thereby increasing the Transferee Company's financial viability and the ability of the Transferee Company to achieve its objects. Furthermore, the Amalgamation will also result in the Transferee Company being able to monetise the digital assets created during the past years by leveraging the same using the financial strength of the Transferor Company.
- (b) The Transferee Company will have, post – amalgamation, the ability to leverage on the large combined asset base of both the Transferor and the Transferee Companies. It will also be possible to take advantage of the combined professional and managerial experience and expertise to increase shareholder value. The Amalgamation will also result in the Transferee Company being able to scale up its existing business operations by combining the business interests of both Companies into one corporate entity. This will result in operational synergies, centralisation, simplification, streamlining and optimization of the corporate structure of the group, thereby facilitating efficient administration.
- (c) On evaluating the growth of the Transferor Company, it is considered that the amalgamation will enable pooling of resources of the aforesaid Transferor Company with the resources of the Transferee Company to their advantage, resulting in more productive utilisation of said resources, and cost and operational efficiencies which would be beneficial to all stakeholders. The consolidated entity will offer a strong and stable financial structure to all stakeholders, facilitate resource mobilisation and lead to the achievement of better cash flows and also optimum utilisation of assets and resources. This will result in a substantial enhancement of shareholders' value of the Transferee company.

- (d) The activities of the Transferor Company and the Transferee Company complement each other and the combined efforts and resources would lead to a more concentrated approach towards development of the business and the achievement of their objectives.
- (e) The Transferor Company is the Holding company of the Transferee Company. The amalgamation will result in reduction in the shareholding layers and direct control of assets of the Transferor Companies in the hands of Transferee Company.
- (f) The merger of the Transferor Company with the Transferee Company will help in the creation of a platform for future business activities, and act as a gateway for growth and expanding business operations wherein the business activities of the Transferor Companies can be advantageously combined with the business activities of the Transferee Company.
- (g) Consequent upon merger, the Transferee Company would be able to optimize the resources required for overall general and administrative purpose. The Transferee Company would be able to use its existing resources as well as the resources of the Transferor Company and this would reduce the cost of maintaining and using separate resources.
- (h) The consolidated entity is likely to achieve higher long term financial returns than could be achieved individually by the Companies. The merger will enable the Transferee Company to come out of its serious liquidity crunch, which is presently having a significant adverse impact on its business operation.
- (i) The amalgamation will also enable smoother implementation of policy changes at a higher level from a management perspective and shall also help enhance the efficiency and control of the entities. The amalgamation will also help achieve business synergies.
- (j) The consolidation of the business operations, undertakings, assets, liabilities etc. of the Transferor Company into the Transferee Company, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the Companies. This will also result in the management being enabled to undertake any restructuring/re-organisation of the various business undertakings of the Companies for the purposes of achieving optimum efficiency and/or to attract investments in the individual business undertakings of the Companies.
- (k) The amalgamation will result in consolidation of market share and increased customer recognition.
- (l) The existing Share Capital of the Transferee Company is not represented by the available assets in the financial statements of the Transferee Company and a reduction of the same shall facilitate the Transferee Company to restructure its balance sheet to represent a true and fair financial position.
- (m) The Banks, creditors and institutions, if any of the Transferor and Transferee companies are not affected by proposed amalgamation as their security is maintained and no compromise or arrangement is made with them. There is no likelihood that the interests of any shareholder or creditor of either the Transferor Company or the Transferee Company would be prejudiced as a result of the Scheme. The Amalgamation will not impose any additional burden on the members of Transferor Company or the Transferee Company.
- (n) The Scheme is in the interest of the shareholders, creditors and employees of the both the companies and their stakeholders and would enable the companies to adopt a focused business approach for the maximization of benefits to their respective stakeholders. The Scheme shall not in any manner be prejudicial to the interests of concerned shareholders, creditors or/and general public at large.

SALIENT FEATURES OF THE SCHEME

14. The Scheme envisages the Amalgamation of the Transferor Company into the Transferee Company under Part III of the Scheme in accordance with sections 391 to 394 of the 1956 Act or such other equivalent provisions of the 2013 Act, as applicable.
15. Part I of the Scheme provides that the "Appointed Date" means April 1, 2014 or such other date as may be approved by this Hon'ble Court.
16. "Effective Date" means the date or last of the dates on which the certified copy of the order of the Court sanctioning this Scheme of Amalgamation and Arrangement is filed with the Registrar of Companies, Chennai, Tamil Nadu by the Transferor Company and the Transferee Company.
17. The term "Transferor Company" under the Scheme, shall mean the entire business and all the undertakings of the Transferor Company on a going concern basis as defined in the Scheme of Amalgamation and Arrangement.

18. Consideration

The Transferee Company shall issue and allot to the equity shareholders of the Companies respectively, the equity shares of the Transferee Company towards consideration for the transfer and vesting of the entire undertaking of the Transferor Company into the Transferee Company, in the following ratios:

- i. 16 (Sixteen) equity shares at par of the Transferee Company having face value of Rs.2/- per share fully paid up for every 1 (One) Equity shares of the face value of Rs.10/- per share fully paid up held by such member of the Transferor Company and the total number of shares so issued shall be 5,16,00,000 (Five Crore Sixteen Lakhs) shares of Rs.2/- each.
- ii. 1 (One) equity share at par of the Transferee Company having face value of Rs.2/- per share fully paid up for every 1 (One) Equity share of the face value of Rs.10/- per share fully paid up held by such member of the Transferee Company (Other than M/s. Accel Limited) and the total number of shares so issued shall be 54,07,401 (Fifty Four Lakhs Seven Thousand Four Hundred and One) shares of Rs.2/- each.

- iii. In the event that the issue and allotment of shares as per Clauses 8(i) and 8 (ii) results in a fractional entitlement, the shareholders of the Transferor or the Transferee Company, as the case may be, shall be entitled to be allotted 1 (one) share having face value Rs. 2/- of the Transferee Company in respect of such fractional entitlement.

19. Reorganisation of Capital:

As part of the Scheme, upon the Scheme coming into effect, the shareholding of the the Transferor Company in the Transferee Company and also the Shareholding of the Transferee Company in the Transferor Company, if any on the Effective Date, will stand cancelled. Consequent to the approval of this Scheme by the Hon'ble High Court the Capital Structure of the Transferee Company shall be re-organised as follows:

Share Capital	Amount in Rupees
Authorized Capital.	
10,50,00,000 Equity Shares of Rs.2/- each	21,00,00,000
50,00,000 10% Cumulative Redeemable Preference Shares of Rs. 10/- each	5,00,00,000
Issued, Subscribed and fully paid up	
570,07,401 Equity Shares of Rs.2/- each	11,40,14,802
Total	11,40,14,802

EXTENT OF SHAREHOLDING OF DIRECTORS

20. The Directors of the Transferor Company and the Transferee Company may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in the respective companies or to the extent that the said Directors are common Directors in the companies, or to the extent that the said Directors are directors, partners, shareholders of the companies, firms, institutions, associations of persons, bodies corporate, and/or beneficiary/trustee of trusts that hold shares in any of the respective companies or to the extent that they may be allotted shares in the Transferee Company as a result of the Scheme. Save as aforesaid, none of the Directors of the Transferor Company or the Transferee Company have any material interest in this Scheme. The Shares held by the Directors of the Transferor and Transferee Companies, either singly or jointly where their names appear first in the order are as follows:
21. The extent of the shareholding of the Directors of the Transferor Company in both the Transferor and the Transferee Companies as on 31.03.2015 is as follows:

S.No	Name	Designation	Equity Shares in the Transferor Company	Equity Shares in the Transferee Company
1.	N.R. Panicker	Chairman & Managing Director	16,38,500	9,14,810
2.	R. Ganesh	Director	3,00,000	42,574
3.	K.R. Chandrasekaran	Director	--	37,050
4.	P Maqbool Hassan	Director	1,00,000	45,646
5.	S T Prabhu	Director	10,000	24,000

22. The extent of the shareholding of the Directors of the Transferee Company in both the Transferor and the Transferee Companies as on 31.03.2015 is as follows:

S.No	Name	Designation	Equity Shares in the Transferor Company	Equity Shares in the Transferee Company
1.	N.R. Panicker	Chairman	16,38,500	9,14,810
2.	N.Gopalakrishnan Nair	Director	--	--
3.	C.K. Kerala Varma	Director	--	--
4.	K.R. Chandrasekaran	Director	--	37,050
5.	Shruthi Panicker	Director	4,00,000	1,06,851

GENERAL

23. The Shares of the Transferee Company are listed on BSE Limited (Scrip Code: 517494). BSE Limited has given its Observation Letter dated 24.07.2015 to the proposed Scheme and a copy of the same is attached hereto.
24. As required by SEBI, the Transferee Company has filed the Complaints Report (indicating Nil complaints) with the Stock Exchange on 02.09.2015. A copy of the Complaints Report is enclosed. After filing the Complaint's Report, the Transferee Company has received nil complaints.

25. The assets of both the Transferor and the Transferee Companies are sufficient to meet all their liabilities. The Scheme does not involve any compromise with the Creditors of either Company. The Scheme will not affect the rights of any of the Creditors of the Transferor and Transferee Companies in any manner whatsoever. The proposed Scheme will not affect the Creditors of either the Transferor or the Transferee Company.
26. The amalgamation is in the interests of both the Transferor and Transferee Companies, their respective shareholders and all concerned.
27. No petition under Section 397 or 397 of the Act has been filed against the Transferor or the Transferee Company. There has also been no material changes in the affairs of the Transferor Company. There are no proceedings under Section 235 to 251 of the Act against the Transferor or the Transferee Companies.
28. The proposed Scheme will take effect finally from the Appointed Date, i.e. 01.04.2014, subject to all requisites, approvals, consents and sanctions in law being duly obtained.
29. No one will be prejudiced if the proposed Scheme is sanctioned and the sanction of the said Scheme will benefit and is in the interests of the shareholders of the Transferor and the Transferee Companies and the general public. It would therefore be just and equitable that the Scheme be sanctioned as the same is bound to benefit both the Companies, their respective shareholders and also the general public.
30. Under Section 391 of the Act, the Scheme is required to be approved by a majority of Three-Fourths of the members present and voting either in person or proxy at the meeting. A proxy form is enclosed. It is hoped that in view of the important business to be transacted, you will personally attend the meeting.
31. The accounts of both the companies have been audited till 31.03.2015. The Auditor's Reports of both companies do not disclose any irregularity or mismanagement in the affairs of the companies. The affairs of both the companies have been conducted prudently and properly.
32. The following documents will be open for inspection at the Registered Office by the Equity Shareholders of the Transferee Company on any working day prior to the date of the Meeting between 10:00 A.M. to 5:00 P.M. (except Saturdays, Sundays and Public Holidays):
 - a. The Order dated 28th October 2015 passed by the Hon'ble Madras High Court in Company Application 1087 of 2015 directing the convening of the meeting of the equity shareholders of the Transferee Company;
 - b. The Memorandum of Association and Articles of Association of the Transferor Company and the Transferee Company;
 - c. The Scheme of Amalgamation and Arrangement;
 - d. Annual Reports of the Transferor Company and the Transferee Company for the years ended 31st March, 2013, 31st March, 2014 and 31st March, 2015;
 - e. Financial Results (unaudited) of the Transferee Company and the Transferor Company for the Quarter ended 30.06.2015
 - f. The Fairness Opinion dated 27.03.2015 of M/s. Vivro Financial Services Private Limited, Chennai, acting as the Independent Merchant Banker;
 - g. The Valuation Report of M/s. Roy Varghese & Associates, Chartered Accountants, S10, IV Floor, Orchid Plaza, #85, Razack Garden Main Road, Arumbakkam, Chennai 600 106 India and M/s R. Ganesan & Co., Chartered Accountants, No.1, Rams Flats, K.V. Colony, II Street, West Mambalam, Chennai - 600 033.
 - g. Observation Letter dated 24.07.2015 issued by BSE Limited;
 - h. Complaints Report dated 02.09.2015 filed by the Transferee Company.
33. A copy of the Scheme, Explanatory Statement, Form of Proxy and Attendance Slip may be obtained by the Equity Shareholders of the Transferee Company, free of charge up to one date prior to the date of the meeting from the Registered Office of the Transferee Company between 10:00 A.M. and 5:00 P.M. on any working date (except Saturdays, Sundays and Public Holidays).

Dated this 3rd day of November, 2015

Place: Chennai

CIN: L30007TN1986PLC100219

Registered Office:

Accel Transmatic Limited

111 floor, 75, Nelson Mahickam Road,
Aminjikarai, Chennai - 600 029.

K R Chandrasekaran

Chairman appointed for the Meeting

**SCHEME OF AMALGAMATION AND ARRANGEMENT UNDER SECTIONS 391 TO 394 OF
THE COMPANIES ACT, 1956 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013**

**BETWEEN
ACCEL LIMITED
(Amalgamating Company/ Transferor Company)**

**AND
ACCEL TRANSMATIC LIMITED
(Amalgamated Company / Transferee Company)**

**AND
THEIR RESPECTIVE SHAREHOLDERS
(Under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956)**

**PART I
INTRODUCTION, DEFINITIONS AND INTERPRETATION**

1. Preamble

This Scheme of Amalgamation and Arrangement ["Scheme"] is presented pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), between, Accel Limited and AccelTransmatic Limited. The Scheme is for the Amalgamation of Accel Limited into AccelTransmatic Limited.

It is hereby clarified and stated that upon the relevant sections of the Companies Act, 2013 pertaining to Scheme of arrangement, compromise or reconstruction of companies being notified by the Ministry of Company Affairs, the Scheme of Amalgamation and Arrangement shall be deemed to have been formulated and presented thereof under sections 230 to 240 of the Companies Act, 2013.

2. Description of Companies

2.1 AccelTransmatic Limited

AccelTransmatic Limited (hereinafter referred to as "ATL" or the "Amalgamated Company" or the "Transferee Company") having CIN L30007KL1986PLC004485 was initially incorporated as a Public Limited company under the Companies Act, 1956 on May 19, 1985 in the State of Kerala under the name of Transmatic Systems Limited. Subsequently, the name of the Transferee Company was changed to AccelTransmatic Limited and a fresh Certificate of Incorporation dated August 11, 2004 was issued by the Registrar of Companies, Kerala. The Transferee Company is engaged in the business of animation services. The Transferee Company's Registered Office is situated at III floor, 75, Nelson Manickam Road, Aminjikarai, Chennai - 600 029.

The shares of the Transferee Company are, at present, listed on BSE Limited (BSE) (Scrip code 517494).

The main objects of the Transferee Company as per its Memorandum of Association are as follows:

- a. To venture, undertake and carry on the business of manufacturing, assembling, making, altering, repairing, servicing, ornamenting, developing, supplying, trading, leasing, importing, exporting, designing and consulting or otherwise dealing in electrical, electronic, telecommunication and other equipments, machines, appliances and accessories, computer systems, peripherals, office automation instruments, Uninterrupted Power Supply Systems, Power Conditioning Equipments, software including medical equipment, household appliances, micro chips and all related services.
- b. To carry on the business of manufacturing, assembling, processing and designing all types and kinds of valves, electrical and electronic pumps, instrumentation and system machinery.
- c. To act as specialized engineers and consultants offering turnkey information technology solutions and specialized facility management services to users, provide specialized technical knowledge and know how on computer site development and conduct training courses, seminars, workshops and the like on software applications programming fourth generation and other languages, tools, client/ server technology, data communication, multi media, animation, computer telephony interface, voice internet protocol, internet service providers, computer data centre management, cable operation, E-trade, E-commerce in India and abroad.
- d. To setup software technology parks and to develop software in all fields and to provide on site 'Support and services for software development and to execute projects for all types of industries in India and abroad and undertake onshore and offshore software development to deliver business solution of various IT platforms including client server technology.
- e. To undertake installation, repair, servicing and maintenance of the above products and carry out research and development in the manufacture and for uses of the said products and act as experts, consultants, technicians and give specialized knowledge in their field.
- f. To conduct all types of training, educational programmes and seminars in the field of Software, Software Development and Testing, Computer Hardware, Networking, VLSI Design, Embedded Systems, Mobile Phones and such other electronic and electric Products and to act as specialized recruitment and placement agents, organize seminars, clubs and the like for providing expert service in these areas.
- g. To appoint franchisees and to given them right to use the technologies, Research and development, Plants and Equipments used by the Company for commercial exploitation to other parties/persons and to receive royalties, fees, considerations for the same in India and abroad

2.2 Accel Limited

- i. Accel Limited (hereinafter referred to as the "AL" or "Amalgamating Company" or "Transferor Company") having CIN U29309TN1991PLC020471 is a Private Limited Company initially incorporated under the Companies Act, 1956 on March 13, 1991 in the State of Tamil Nadu under the name of Accel Automation Private Limited. Subsequently, the Transferor Company was changed to a Public Limited Company and the name of the Transferor Company was changed to Accel Automaton Limited with effect from July 01, 1997. Subsequently, the name of the Transferor Company was changed to Accel Limited and a fresh Certificate of Incorporation dated August 12, 1998 was issued by the Registrar of Companies, Tamil Nadu. The Transferor Company is engaged in the business of investment activities. The Registered Office of the Transferor Company is situated at III floor, 75, Nelson Manickam Road, Aminjikarai, Chennai – 600 029.
- ii. The Equity Shares of the Transferor Company are not listed on any stock exchange in India.
- iii. The main objects of the Applicant/Amalgamating /Transferor Company are as follows :
 - a. To carry on business, as manufacturers, traders, wholesalers, retailer, distributors, dealers, lessors, hirers, stockists, agents, importers and exporters of all types, varieties, description and kinds of office automation instruments equipments and machines including computers, their peripherals, printers and accessories, communication systems, duplicating machines, typewriters and the like.
 - b. To undertake installation, repair, servicing and maintenance of the above products and carry out research and development in the manufacture and/or uses of the said products and act as experts, consultants, technicians and give specialised knowledge in their field and conduct all types of training and education programmes in the installation, servicing, maintenance and usage of computer hardwares and softwares and all other office automation and communication systems, act as specialised recruitment and placement agents, organize seminars, clubs and the like for providing expert service in this field.

2.3 Rationale of the Scheme

- (a) The Transferor Company is the Holding company of the Transferee Company. The Transferor Company has invested substantial amount of funds in the Transferee Company with the objective that the Transferee Company establish a media business, which has tremendous business potential so as to propel the Transferee Company into the top state of Companies in similar business. However, on account of the long period of gestation that is normally undergone by companies in such business, the Transferee Company has suffered losses continuously, in several subsequent financial years. The business operations and the day-to-day operations of the Transferee Company are difficult to sustain due to severe liquidity crunch and the non-availability of credit. The amalgamation of the Transferor Company into the Transferee Company will result in the substantial financial resources and liquid assets of the Transferor Company being made available to the Transferee Company, thereby increasing the Transferee Company's financial viability and the ability of the Transferee Company to achieve its objects. Furthermore, the Amalgamation will also result in the Transferee Company being able to monetise the digital assets created during the past years by leveraging the same using the financial strength of the Transferor Company.
- (b) The Transferee Company will have, post – amalgamation, the ability to leverage on the large combined asset base of both the Transferor and the Transferee Companies. It will also be possible to take advantage of the combined professional and managerial experience and expertise to increase shareholder value. The Amalgamation will also result in the Transferee Company being able to scale up its existing business operations by combining the business interests of both Companies into one corporate entity. This will result in operational synergies, centralisation, simplification, streamlining and optimization of the corporate structure of the group, thereby facilitating efficient administration.
- (c) On evaluating the growth of the Transferor Company, it is considered that the amalgamation will enable pooling of resources of the aforesaid Transferor Company with the resources of the Transferee Company to their advantage, resulting in more productive utilisation of said resources, and cost and operational efficiencies, which would be beneficial to all stakeholders. The consolidated entity will offer a strong and stable financial structure to all stakeholders, facilitate resource mobilisation and lead to the achievement of better cash flows and also optimum utilisation of assets and resources. This will result in a substantial enhancement of shareholders' value of the Transferee company.
- (d) The activities of the Transferor Company and the Transferee Company complement each other and the combined efforts and resources would lead to a more concentrated approach towards development of the business and the achievement of their objectives.
- (e) The Transferor Company is the Holding company of the Transferee Company. The amalgamation will result in reduction in the shareholding layers and direct control of assets of the Transferor Companies in the hands of Transferee Company.
- (f) The merger of the Transferor Company with the Transferee Company will help in the creation of a platform for future business activities, and act as a gateway for growth and expanding business operations wherein the business activities of the Transferor Companies can be advantageously combined with the business activities of the Transferee Company.
- (g) Consequent upon merger, the Transferee Company would be able to optimize the resources required for overall general and administrative purpose. The Transferee Company would be able to use its existing resources as well as the resources of the Transferor Company and this would reduce the cost of maintaining and using separate resources.
- (h) The consolidated entity is likely to achieve higher long term financial returns than could be achieved individually by the Companies. The merger will enable the Transferee Company to come out of its serious liquidity crunch, which is presently having a significant adverse impact on its business operation.
- (i) The amalgamation will also enable smoother implementation of policy changes at a higher level from a management perspective and shall also help enhance the efficiency and control of the entities. The amalgamation will also help achieve business synergies.

- (j) The consolidation of the business operations, undertakings, assets, liabilities etc. of the Transferor Company into the Transferee Company, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the Companies. This will also result in the management being enabled to undertake any re-structuring/re-organisation of the various business undertakings of the Companies for the purposes of achieving optimum efficiency and/or to attract investments in the individual business undertakings of the Companies.
- (k) The amalgamation will result in consolidation of market share and increased customer recognition.
- (l) The existing Share Capital of the Transferee Company is not represented by the available assets in the financial statements of the Transferee Company and a reduction of the same shall facilitate the Transferee Company to restructure its balance sheet to represent a true and fair financial position.
- (m) The Banks, creditors and institutions, if any of the Transferor and Transferee companies are not affected by proposed amalgamation as their security is maintained and no compromise or arrangement is made with them. There is no likelihood that the interests of any shareholder or creditor of either the Transferor Company or the Transferee Company would be prejudiced as a result of the Scheme. The Amalgamation will not impose any additional burden on the members of Transferor Company or the Transferee Company.
- (n) The Scheme is in the interest of the shareholders, creditors and employees of the Amalgamated /Transferee Company and their stakeholders and would enable the Amalgamated Company, Amalgamating Companies and the Transferee Company to adopt a focused business approach for the maximization of benefits to their respective stakeholders. The Scheme shall not in any manner be prejudicial to the interests of concerned shareholders, creditors or/and general public at large.

2.4 The Scheme is divided into six parts:

- Part I - sets forth the Introduction, Definitions and Interpretation;
- Part II - sets forth the capital structure of the Transferor Company and the Transferee Company;
- Part III - deals with the amalgamation of the Transferor Company into and with the Transferee Company, in accordance with sections 391 to 394 of the 1956 Act or such other equivalent provisions of the 2013 Act, as applicable;
 - (a) Section A - The transfer by way of amalgamation of Amalgamating Company with Amalgamated Company;
- Part IV - deals with consideration, accounting and tax treatments in the Financial Statements of the Transferee Company pursuant to the amalgamation of the Transferor Company in the Transferee Company in terms of this Scheme;
- Part V - deals with reorganization of capital of the Transferee Company pursuant to and in terms of this Scheme;
- Part VI - deals with general/residuary terms and conditions that will be applicable to the Scheme.

3. DEFINITIONS

- 3.1. "1956 Act" means the Companies Act, 1956 and the rules made thereunder, and includes any alterations, modifications and amendments made thereto;
- 3.2. "2013 Act" means the Companies Act, 2013 and the rules made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;
- 3.3. "Applicable Law(s)" means any statute, law, regulation, ordinance, rule, judgment, order, decree, bylaw, approval from the concerned authority, Government resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question.
- 3.4. "Appointed Date" means April 1, 2014 or such other date as may be approved by the Court.
- 3.5. "Board of Directors" in relation to the Amalgamating Company and/or the Amalgamated Company and/or the Transferee Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors;
- 3.6. "Clause" and "sub-Clause" means the relevant clauses and sub-clauses set out in this Scheme.
- 3.7. "Companies" means the Transferor and Transferee Companies collectively;
- 3.8. "Court" means the High Court of Judicature at Madras to which this Scheme of Amalgamation and Arrangement in its present form is submitted for its sanctioning under sections 391 to 394 of the 1956 Act or such other equivalent provision of the 2013 Act, as applicable.
- 3.9. "Effective Date" means the date or last of the dates on which the certified copy of the order of the Court sanctioning this Scheme of Amalgamation and Arrangement is filed with the Registrar of Companies, Chennai, Tamil Nadu by the Transferor Company and the Transferee Company. Any reference in the Scheme to "On the Scheme becoming effective" or "Upon the Scheme becoming effective" or "Effectiveness of the Scheme" shall refer to the "Effective Date";
- 3.10. "Financial Statements" would include standalone and consolidated accounts, Balance Sheets, Profit and Loss Accounts, Cash Flow Statements and other financial reports of the Companies;
- 3.11. "Government" means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof;
- 3.12. "High Court" means High Court of Judicature at Madras.

- 3.13. "Preference Share Capital" shall mean and refer to total paid up value of Preference Shares of the Transferee Company as under:
10% Cumulative Redeemable Preference Shares of Rs. 10/- each, aggregating to Rs.5,00,00,000/-;
- 3.14. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation and Arrangement in its present form (along with any annexures, schedules, etc., annexed/attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the Court and other relevant regulatory authorities, as may be required under the 1956 Act or the 2013 Act, as applicable, and under all other applicable laws;
- 3.15. "Shareholders" means the persons registered as the holders of equity shares of the company concerned.
- 3.16. "Stock Exchange" means BSE Limited;
- 3.17. "Transferee Company" means Accel Transmatic Limited;
- 3.18. "Transferor Company" means Accel Limited and shall include:
- any and all of the said Companies assets, whether movable or immovable, whether present or future, whether tangible or intangible, leasehold or freehold, all rights, title, interests, covenants, undertakings, liabilities including continuing rights, title and interests in connection with the land and the buildings thereon, if any, whether freehold or otherwise, plant and machinery, whether leased or otherwise hire purchase equipment(s), together with all present and future liabilities including contingent liabilities and debts appertaining thereto;
 - any and all loans and advances (including inter-corporate loans), including accrued interest thereon, receivables, funds, cash, bank balances, investments, accounts, and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange, letters of intent;
 - without prejudice to generality of the foregoing, Amalgamating Company shall include all investments in the capital of other companies whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates including dividends declared and other accrued benefits thereto;
 - any and all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies, municipal permissions, balances with Government authorities, intellectual property rights including trade names, trademarks, service marks, copyrights, domain names, sales tax credit, income tax credit, advance tax, MAT credit, applications for trade names, trademarks, service marks, copyrights, privileges and benefits of all contracts, agreements and all other rights including lease rights, licenses and registrations, powers and facilities of every kind and description whatsoever, pertaining to the Amalgamating Company;
 - any and all secured and unsecured debts, borrowings and liabilities (including contingent liabilities), present or future, undertakings and obligations of the Amalgamating Company;
 - All records, files, papers, engineering & process information, manuals, data, catalogues, quotations, sales and advertising materials, list of present and former customers Principals and suppliers, customer credit information, customer pricing information and all other records pertaining to business;
 - any and all advance monies, earnest monies and/or security deposits, trade payables, payment against warrants or other entitlements, in connection with or relating to the Amalgamating Company; and
 - All businesses acquired after the Appointed Date but before the Effective Date.
 - All receipts from the Transferee Company including any Dividends Received before the Effective Date.

4. INTERPRETATION

- 4.1. The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words used in this Scheme refers to this entire Scheme.
- 4.2. The expressions, terms and words which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the 1956 Act, 2013 Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other applicable laws, rules, regulations, guidelines, bye-laws, as the case maybe, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Court or the Hon'ble High Court in this Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal ("NCLT") or such other forum or authority, as may be vested with any of the powers of a High Court under the 1956 Act and/ or 2013 Act.

5. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Court shall be deemed to be effective from the Appointed Date but shall be operative only from the Effective Date.

**PART II
SHARE CAPITAL STRUCTURE**

6. CAPITAL STRUCTURE

6.1. The share capital of Transferee Company as on 31st December, 2014 is as follows:

Share Capital	Amount in Rupees
Authorized Capital	
150,00,000 Equity Shares of Rs.10/- each	15,00,00,000
50,00,000 Redeemable Preference Shares of Rs.10/- each	5,00,00,000
Total	20,00,00,000
Subscribed and fully paid up	
110,37,401 Equity Shares of Rs.10/- each	11,03,74,010
50,00,000 Preference Shares of Rs.10/- each	5,00,00,000
Total	16,03,74,010

6.2. The share capital of Transferor Company as on 31st December, 2014 is as follows:

Share Capital	Amount in Rupees
Authorized Capital	
60,00,000 Equity Shares of Rs.10/- each	6,00,00,000
Issued, Subscribed and fully paid up	
32,25,000 Equity Shares of Rs.10/- each	3,22,50,000

6.3. Consequent to the approval of this Scheme by the Hon'ble High Court the Capital Structure of the Transferee Company shall be re-organised as follows:

Share Capital	Amount in Rupees
Authorized Capital	
10,50,00,000 Equity Shares of Rs.2/- each	21,00,00,000
50,00,000 Redeemable Preference Shares of Rs. 10/- each	5,00,00,000
Issued, Subscribed and Paid up	
570,07,401 Equity Shares of Rs.2/- each	11,40,14,802
Total	11,40,14,802

6.4. The Transferor Company is the Holding Company of the Transferee Company, holding together with its nominees 56,30,000 equity shares of the Transferee Company, constituting 51.01% of the total equity shareholding of the Transferee Company. The Transferor Company also holds the entire preference shareholding of the Transferee Company.

**PART-III
TRANSFER OF AMALGAMATING COMPANIES
SECTION A**

7. THE TRANSFER BY WAY OF AMALGAMATION OF AMALGAMATING COMPANY WITH AMALGAMATED COMPANY

- 7.1. With effect from the Appointed Date, and upon the Scheme becoming effective, the Transferor Company and its entire business undertaking shall stand transferred to and be vested in the Transferee Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein.
- 7.2. Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the Effective Date, the whole of the business, personnel, property, assets, investments, rights, benefits and interest therein of the Transferor Company shall, with effect from the Appointed Date, stand transferred to and be vested in the Transferee Company, without any further act or deed, and by virtue of the order passed by the Hon'ble Madras High Court. Without prejudice to the generality of the above, and in particular, the Transferor Company and its entire business undertaking shall stand transferred to and be vested in the Transferee Company in the manner described in sub-clauses (i) to (iv) below:

i. Transfer of Assets

- a. All assets of the Transferor Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Transferee Company and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly. No stamp duty is payable on the transfer of such movable properties, being vested in the Transferee Company;
- b. All movable properties of the Transferor Company, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, shall without any further act, instrument or deed, become the property of the Transferee Company. The following *modus operandi* for intimating third parties shall, to the extent possible, be followed:
- The Transferor Company shall give notice in such form as it may deem fit and proper, to each person, debtor, loanee or depositor as the case may be, belonging to or related to the Transferor Company, that pursuant to the Court having sanctioned the Scheme, the said debts, loans, advances, bank balances or deposits be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Company to recover or realise the same stands extinguished and that appropriate entry should be passed in its books to record the aforesaid change;
 - The Transferee Company shall also give notice in such form as it may deem fit and proper to each person, debtor, loanee or depositor as the case may be, belonging to or related to the Transferor Company, that pursuant to the Court having sanctioned the Scheme the said debt, loan, advance or deposit be paid or made good or held on account of the Transferee Company and that the right of the Transferor Company to recover or realise the same stands extinguished.
- c. All immovable properties of the Transferor Company, if any, whether freehold or leasehold, and all documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done by the Transferor Company and/or the Transferee Company;
- d. Provided that for the purpose of giving effect to the vesting and the Order passed under Sections 391 to 394 in respect of this Scheme, the Transferee Company shall at any time pursuant to the Orders passed in relation to this Scheme be entitled to get the change in the title and the appurtenant legal right(s) upon the vesting of such assets of the Transferor Company in accordance with the provisions of Sections 391 to 394 of the Act, recorded at the office of the respective Registrar of Assurances or any other concerned authority, where any such property is situated.
- e. In relation to the assets, if any, belonging to the Transferor Company, which require separate documents of transfer, or which the Transferor Company and/or the Transferee Company otherwise desire to be transferred separately, the Transferor Company and the Transferee Company each will execute such deeds, documents or such other instruments or writings or create evidence, if any, as may be necessary.
- f. With effect from the Appointed Date and upon the Scheme becoming effective, the undertakings, assets and liabilities of the Transferor Company shall be so transferred, delivered or endorsed and delivered, as the case may be, by the Transferor Company, and shall upon transfer become the undertakings, assets and liabilities and an integral part of the Transferee Company.
- g. For the purpose of giving effect to the vesting and transfer order passed under section 391 and 394 of the 1956 Act or such other equivalent provision of the 2013 Act, as applicable, in respect of this Scheme, the Amalgamated Company shall be entitled to get the recordal of the change in the legal title and rights appurtenant thereto upon the transfer and vesting of all the assets including investments pursuant to the Scheme.
- h. The Transferor Company shall have taken all steps as may be necessary to ensure that vacant, lawful, peaceful and unencumbered possession, right, title, interest of immovable property, if any, is given to the Transferee Company.
- i. From the Effective Date and till such time that the name of the bank accounts of the Transferor Company are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in its name, in so far as may be necessary.

ii. Transfer of Debts and Liabilities

- a. With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet of the Transferor Company shall also, under the provisions of Section 391 read with Section 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause;

- b. Loans or other obligations, if any, due between or amongst the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf. In so far as any shares, securities, debentures or notes issued by Transferor Company, and held by the Transferee Company are concerned, the same shall, unless sold or transferred by Transferee Company, at any time prior to the Effective Date, stand cancelled as on the Effective Date, and shall have no effect and the Transferor Companies or the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.
- c. Where any of the liabilities and obligations/assets attributed to the Transferor Company on the Appointed Date has been discharged/ sold by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company.
- d. All liabilities and obligations attributed to the Transferor Company, including its unsecured loans taken over by the Transferee Company may be discharged by the Transferee Company by way of one time settlement or in any other manner as the Transferee Company may deem fit.
- e. All loans raised and used, and liabilities incurred, if any, by the Transferor Company after the Appointed Date, but prior to the Effective Date, for their operations shall be discharged by the Transferee Company.
- f. All the loans, advances and other facilities sanctioned to the Transferor Company by its bankers and financial institutions prior to the Appointed Date, which are partly drawn or utilized shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn and utilized either partly or fully by the Transferor Company from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by the Transferor Company (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to the Transferee Company and all the obligations of the Transferor Company in relation to any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act or deed on the part of the Transferee Company.
- g. The transfer and vesting of the Assets, Undertakings and Liabilities of the Transferor Company as aforesaid shall be subject to the existing securities, charges and mortgages, if any subsisting, over or in respect of the property and assets or any part thereof of the Transferor Company.

Provided however that any reference in any security documents or arrangements (to which the Transferor Company is a party) pertaining to the assets of the Transferor Company offered, or agreed to be offered, as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that, such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the said Transferor Company or any of the assets of the Transferee Company.

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

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

- h. It is hereby made clear that all the existing securities, mortgages, charges, encumbrances or liens, if any, over the assets comprised in or relating to the liabilities of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme, shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date.
- i. It is hereby made clear that any existing encumbrances over the assets and properties of the Transferor Company or any part thereof which relate to the liabilities and obligations of Transferor Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the other assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

iii. Contracts, Deeds, Bonds and other Instruments

All contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses including 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 the Effective Date, shall be in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obliged thereto;

iv. Continuation of Legal Proceedings

Any pending suit/appeal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, shall not abate be discontinued or in any way prejudicially affected by reason of the amalgamation of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and

any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been made. The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company;

v. Miscellaneous

- a. all statutory licenses, permissions or approvals or consents held by the Transferor Company shall stand transferred to and be vested in the Transferee Company without any further act or deed, and shall, as may be required, be appropriately mutated by the statutory authorities concerned therewith in favor of the Transferee Company. The benefit of all statutory and regulatory permissions, approvals and consents of the Transferor Company shall vest in and become available to the Transferee Company pursuant to the Scheme;
- b. With effect from the Appointed Date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, licences (including software licences), accreditations to trade and industrial bodies, privileges, powers, facilities, subsidies, rehabilitation schemes, special status and other benefits or privileges (granted by any Government body, local authority or by any other person) of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible, or having effect immediately before the Effective Date, shall be and remain in full force and effect in favour of or against the Transferee Company, as the case may be, and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a beneficiary or obligee thereto.
- c. In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person and availed of by the Transferor Company are concerned, the same shall vest with, and be available to, the Transferee Company on the same terms and conditions.
- d. any and all registrations, goodwill, licenses appertaining to the Transferor Company shall stand transferred to and vested in the Transferee Company; and
- e. all taxes payable by the Transferor Company, if any, including all or any refunds of claims shall be treated as the tax liability or refunds/claims as the case may be of the Transferee Company;

7.3. Procedural Formalities Post Sanction of the Scheme

- 7.3.1 The Transferee Company shall, 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, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
- 7.3.2 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Transferor Company and/or the Transferee Company shall, if required, simultaneously with the amendment in the register of charges and file particulars of the modified charge with the concerned Registrar of Companies. Any documentation subsequently entered into with the terms lenders or the working capital lenders of the Transferor Company and the Transferee Company, shall be for the sake of convenience and record only and to reflect the changes in the security pursuant to the Scheme and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Transferor Company.
- 7.3.3 Upon the Scheme becoming effective, all statutory permissions, licenses, approvals, consents, privileges, benefits and benefits of filings and all other incorporeal rights emanating from such licenses (together the "Licenses", for the purpose of this Clause 7.3.3) relating to the Transferor Company, shall stand transferred to and vested in the Transferee Company without any further act, instrument or deed, as more particularly provided hereinabove. Notwithstanding such transfer/ vesting of the Licenses, if any application is required for the statistical record of the statutory authorities to implement the transfer and vesting of the Licenses, as provided hereinabove, the Transferee Company shall facilitate the same by filing such applications, which shall be granted/ approved in favour of the Transferee Company based on the sanction order of the Scheme by the Court.
- 7.3.4 It shall not be necessary to obtain the consent of any third party or other person who is party to any contract or arrangement by virtue of which such debts, liabilities duties and obligations have arisen in order to give effect to the provisions of this Clause; The provisions of this clause insofar as they relate to the transfer of Liabilities to the Transferee Company shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/or superseded by the foregoing provisions.
- 7.3.5 The borrowing limits of the Transferee Company in terms of Section 180 of the 2013 Act shall be deemed without any further act or deed to have been enhanced by the aggregate liabilities of Transferor company which are being transferred to the Transferee Company pursuant the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date

- 7.3.6 The Transferee Company undertakes to deal with and discharge the liabilities stated above, which shall vest in such Transferee Company by virtue of the Scheme and keep the Transferor Company indemnified from and against all debts, duties, liabilities and obligations as also actions, claims and demands in respect thereof
- 7.3.7 All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred by the Transferor Company on or after the Appointed Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall upon the coming into effect of this Scheme, pursuant to the provisions of Section 394 of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debts, liabilities duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 7.3.8 The transfer and vesting of the Transferor Company and its properties and liabilities and the continuance of the proceedings by the Transferee Company and/or the contracts, etc., as aforesaid shall not affect any transactions or proceedings already concluded by the Transferor Company in the ordinary course of business on and after the Appointed Date and that the Transferee Company accepts on behalf of itself all acts, deeds and things done lawfully and executed by the Transferor Company in the ordinary course of Business.
- 7.3.9 All estates, assets, rights, title and interests accrued to and/or acquired by the Transferor Company on or after the Appointed Date, shall be deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall upon the coming into effect of this Scheme, pursuant to the provisions of Section 394 of the Act, without any further act, instrument or deed stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estate, assets, rights, claims, title, interest and authorities of the Transferee Company.
- 7.3.10 Upon the Scheme becoming effective, the Transferee Company is expressly entitled to revise its direct or indirect tax returns and related withholding certificates and shall be entitled to claim refund, advance tax credits including MAT credit, CENVAT and MODVAT credit, pertaining to the Transferor Company, if any.
- 7.3.11 From the Effective Date, all bank accounts of the Transferor Company shall be permitted to be continued with the same balances as of the Effective Date in the name of the Transferee Company and for statistical record the Transferee Company shall be permitted to file names and particulars of the new authorized signatories for withdrawals and/ or deposits/ credits in such bank accounts and the relevant bank accounts shall be reconstituted accordingly.

7.4. Conduct of Business

7.4.1 With effect from the Appointed Date and until occurrence of the Effective Date:

- (i) the Transferor Company undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Transferee Company; and
- (ii) all profits accruing to the Transferor Company and all taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Transferee Company; and
- (iii) the Transferor Company shall carry on its business, with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/assets, except: (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme in the Court; or (c) when a prior written consent of the Transferee Company has been obtained in this regard; and
- (iv) except by mutual consent of the Board of Directors of the Transferor Company and the Transferee Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme by the Court, the Transferor Company shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of reorganisation of capital of the Transferor Company; and
- (v) the Transferor Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of the Transferor Company; and
- (vi) the Transferor Company shall not alter or substantially expand its business except with the written concurrence of the Transferee Company; and
- (vii) the Transferor Company shall not amend its memorandum of association and / or its articles of association, except with the written concurrence of the Transferee Company.

- 7.4.2 The Transferee Company on behalf of the Transferor Company may carry on the business, in either name as the circumstances may be, for those unfinished or incomplete business, contracts, transactions which may be necessary to be transacted and completed.
- 7.4.3 With effect from the Effective Date, if any suit, petition, appeal, revision or other proceedings of whatever nature (hereinafter called "the Proceedings") by or against the Transferor Company under any statute, whether pending on the Appointed Date, or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date as agreed between the Transferor Company and the Transferee Company shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the said assets/liabilities of the Transferor Company or of anything contained in the Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.
- 7.5. Transfer At Book Values:**
- It is hereby clarified that all assets and liabilities of Transferor Company shall be transferred at values appearing in the books of accounts of Transferor Company, as on the Appointed Date which are set forth in the closing balance sheet of Transferor Company as of the close of business hours on the date immediately preceding the Appointed Date.
- 7.6. Contracts, Deeds, Etc.**
- 7.6.1 Subject to the other provisions contained in this Scheme, all contracts, deeds, agreements, bonds and other instruments of whatsoever nature subsisting or having effect on the Effective Date to which either of the Transferor Company is a party or to the benefit of which either of the Transferor Company may be eligible shall be in full force and effect against or in favour of the Transferee Company as if the Transferee Company had been a party thereto.
- 7.6.2 The transfer of Assets and Liabilities of the Transferor Company and the continuance of proceedings by or against the Transferee Company in terms of the provisions of this Scheme shall not affect any transaction or proceedings already concluded by either of the Transferor Company on or after the Appointed Date to the end and intent that the Transferee Company shall accept and adopt all such acts, deed and things as done and executed on behalf of itself. Furthermore, as from the appointed date, the Transferor Company shall be deemed to have carried on and to be carrying on business on behalf of the Transferee Company until such time as this Scheme becomes effective and shall account to and be entitled to be indemnified by the Transferee Company.
- 7.7. Payment of Tax**
- 7.7.1 All taxes paid or payable by the Transferor Company in respect of the operations and/or the profits before the Effective Date, shall be on account of the Transferee Company and, in so far it relates to the tax payment (whether by way of deduction at source, advance tax or otherwise howsoever) by the Transferor Company in respect of the profits made from and after the Appointed Date, the same shall be deemed to be the tax paid by the Transferee Company, and shall in all proceedings, be dealt with accordingly.
- 7.7.2 The Transferor Company and the Transferee Company are expressly permitted to revise their Income Tax returns and related TDS certificates and the right to claim refund, advance tax credits etc. Upon this Scheme becoming effective and have expressly reserved the right to make such revisions in the Income Tax returns and related TDS certificates and the right to claim refund advance tax credits etc. pursuant to the sanction of this Scheme.
- 7.7.3 All the benefits of Income Tax Act 1961 available to the Transferor Company including benefits upon Merger, shall be available to the Transferee Company in the same manner as it would have been available to the Transferor Company had the Merger not taken place.
- 7.7.4 It is expressly clarified that upon the Scheme becoming effective, all taxes/duties of any nature payable or all refund of claims by the Transferor Company as on the Appointed Date shall be treated as the tax liability of or refund claims of the Transferee Company. Similarly the obligation for deduction-of tax at source on any payment made by the Transferor Company shall be deemed to have been made and duly complied with by the Transferee Company. Further, any payment required to be made, till Effective Date by specified due dates in the tax laws shall also be deemed to have been made correctly by the Transferee Company if so made by the Transferor Company. Similar treatment shall be done for any service tax, excise duty, sales tax, value added tax and so by any other taxes, duties and cesses, returns, payments, tax credits and legal compliances and the same shall be so recognized by the relevant Authorities, Government Departments and Local Authorities Boards.
- 7.7.5 Compliance of all fiscal laws made by the Transferor Company upto Effective Date shall be deemed to have been made by the Transferee Company.
- 7.7.6 Any returns filed by the Transferor Company with the State Government for VAT or Sales Tax matters, with the Service Tax/ Excise authorities and Income tax authorities of the Central Government upto the Effective Date shall be deemed to have been filed for and on behalf of the Transferee Company.
- 7.7.7 All Taxes, duties, cess payable by the Transferor Company for the period after the Appointed Date including all or any refunds/credit/claims relating thereto shall be treated as the liability or refunds/credit/claims, as the case may be, of Transferee Company.

- 7.7.8 Since each of the permissions, approvals, consents, sanctions, remissions, special reservation, sales tax remissions, tax holidays, incentives, concessions, and other authorizations, shall stand vested by the order of sanction of the Hon'ble High Court in Transferee Company, the Transferee Company shall file the relevant intimations for the record of the statutory authorities who shall take them on file to mutate them in the name of Transferee Company and delete the name of the Transferor Company as applicable, without any further act or deed, provided however that for statistical purpose if any application has to be lodged with details of Transferee Company, Transferee Company shall do so and relevant Statutory/competent authorities shall continue the benefit of such permissions, approvals, permits etc., to be provided to Transferee Company pursuant to the sanctioned order in relation to this Scheme without any reconsideration.
- 7.7.9 The Transferee Company shall be entitled to continue and use the benefits available to the Transferor Company in respect of any sales tax subsidy scheme, sales tax holiday scheme, octroi duty scheme, power cost subsidy scheme, or any other subsidy scheme provided under the respective Schemes of the State Government or Local Authorities.
- 7.8. With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorized to carry on the business of the Transferor Company.
- 7.9. Dissolution of transferor company
Subject to an order being made by the Court under Section 394 of the Act, the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made thereunder.
- 7.10. For the purpose of giving effect to the amalgamation order passed under sections 391 to 394 and other applicable provisions of the 1956 Act in respect of the Scheme by the Court, the Amalgamated Company shall, at any time pursuant to the order on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamating Company, in accordance with the provisions of sections 391 to 394 of the 1956 Act or such other equivalent provision of the 2013 Act, as applicable.

PART-IV
CONSIDERATION, ACCOUNTING TREATMENT AND TAX TREATMENT OF
AMALGAMATED COMPANY

- 8. CONSIDERATION**
- 8.1 Swap Ratio, Share Entitlement & Issuance of Shares
- 8.1.1 Upon coming into effect of this Scheme and upon vesting of the entire undertaking of the Transferor Company in the Transferee Company in terms of this Scheme and in consideration for the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, subject to the provisions of the Scheme, without any further application, act, instrument or deed issue and allot to the equity shareholders of the Transferor Company, the equity shares of the Transferee Company in the following ratio:
- (i) 16 (Sixteen) equity shares at par of the Transferee Company having face value of Rs.2/- per share fully paid up for every 1 (One) Equity shares of the face value of Rs.10/- per share fully paid up held by such member of the Transferor Company and the total number of shares so issued shall be 5,16,00,000 (Five Crore Sixteen Lakhs) shares of Rs.2/- each.
- (ii) 1 (One) equity share at par of the Transferee Company having face value of Rs.2/- per share fully paid up for every 1 (One) Equity share of the face value of Rs.10/- per share fully paid up held by such member of the Transferee Company and the total number of shares so issued shall be 54,07,401 (Fifty Four Lakhs Seven Thousand Four Hundred and One) shares of Rs.2/- each.
- (iii) In the event that the issue and allotment of shares as per Clauses 8.1.1(i) and 8.1.1(ii) results in a fractional entitlement, the shareholders of the Transferor or the Transferee Company, as the case may be, shall be entitled to be allotted 1 (one) share having face value Rs. 2/- of the Transferee Company in respect of such fractional entitlement.
- 8.1.2 The new equity shares issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall inter-se rank paripassu in all respects with the then existing equity shares of the Transferee Company, including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date. Fractions, if any, arising upon such allotment shall be rounded off to the nearest whole number.
- 8.1.3 Upon coming into effect of this Scheme and upon vesting of the entire undertaking of the Transferor Company in the Transferee Company in terms of this Scheme, the following shareholding will stand cancelled:
- (a) Shareholding of the Transferor Company in the Transferee Company.
- (b) Shareholding of the Transferee Company in the Transferor Company, if any.
- 8.1.4 The Board of Directors of the Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of equity shares to the members of the Transferor Company pursuant to the provisions of this Scheme.
- 8.1.5 Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be the due compliance of the provisions of Section 62 of the Companies Act 2013 and the other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Transferee Company to the shareholders of the Transferor Company, as provided in this Scheme.

- 8:1.6 Upon coming into effect of this Scheme and upon vesting of the entire undertaking of the Transferor Company in the Transferee Company in terms of this Scheme, actions contemplated by Transferee Company in Clause 8.1.3 shall precede the actions contemplated in Clause 8.1.1, though both are simultaneous actions and accordingly shareholdings that are required to be cancelled as stated under Clause 8.1.3 shall be cancelled by Transferee Company prior to the issuance of new shares by Transferee Company.

9. CHANGES :

(i) IN AUTHORISED SHARE CAPITAL

- 9.1 Upon this Scheme becoming effective and upon the vesting and transfer of the Transferor Company in the Transferee Company pursuant to the terms of this Scheme, the entire Authorized Share Capital of the Transferor Company shall stand transferred from the Authorized Share Capital of the Transferor Company to the Authorized Share Capital of the Transferee Company.

- 9.2 By virtue of Clause 9.1 above, the Authorized Share Capital of the Transferee Company shall stand increased by an amount of Rs. 6,00,00,000 (Rupees Six Crores only) and Clause V in the Memorandum of Association of the Transferee Company shall stand substituted to read as follows:

"V. The Authorized Share Capital of the Company is Rs. 26,00,00,000/- (Rupees Twenty Six Crores only) divided into 50,00,000 cumulative redeemable preference shares of Rs.10/- each and 10,50,00,000 Equity Shares of Rs.2/- each with the rights, privileges and conditions attaching thereto as provided by the requisitions of the Company for the time being with power to increase and reduce the capital of the Company and divide the shares in the Capital for the time being into several classes to attach thereto or in accordance with the Articles of the Company for the time being in force, and to modify, enlarge or abrogate any such right, privilege or conditions in such manner as may be permitted by the said Act or provided by the Articles of Association of the Company for the time being force."

- 9.3 The stamp duty or filing fees paid on the Authorized Share Capital of the Transferor Company are permitted to be utilized and applied towards the increase in the Authorized Share Capital of the Amalgamated Company in accordance with Clauses 9.1 and 9.2 above, and no further demand of additional stamp duty or fee shall be raised or made upon the Transferee Company by any regulatory authorities in relation to such increase in the Authorized Share Capital of the Transferee Company, including by the Registrar of Companies, Chennai.

- 9.4 It is hereby clarified that for the purposes of increasing the Authorized Share Capital of the Transferee Company in accordance with Clause 9.1 and 9.2 above, the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under section 13, section 61 or any other applicable provisions of the 2013 Act, would be required to be separately passed.

(ii) NAME

- 9.5 The company's name shall be changed to "ACCEL LIMITED" by deleting the word "Transmatic" from the name, the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under section 13, section 61 or any other applicable provisions of the 2013 Act, would be required to be separately passed.

(iii) OBJECTS CLAUSE

- 9.6 To delete the present clauses 4 (b), (c) and (e) and to be replaced by the following :

- To carry on the business as builders, property developers, civil mechanical and labour contractors building and erection engineers, dealers in, importers, exporters, and manufacturers of prefabricated and precast houses, materials tools, implements machinery and metal ware in connection therewith or incidental thereto and to carry on any other business that is customarily, usually and conveniently carried on therewith in or outside India dealers, agents, representatives and to undertake installation, maintenance, and to purchase, acquire, take on lease or in exchange or in any other lawful manner any area, land, buildings, structures and to turn the same into account, develop the same dispose off or maintain the same.
- To acquire by purchase, lease, exchange, hire or otherwise hold, manage work, develop the resources of land and turn to account any estates, land, buildings tenements another property of every description, whether free hold or lease hold or other tenure and where-so-ever situate and any interests thereon and rights connected therewith and in particular to acquire or takeover certain estates situate in India or outside and all or any parts thereon and other assets used in therewith.
- To carry on the business as an investment company and for that purpose to acquire and hold either in the name of the Company or in that of any nominee immovable properties, shares, stocks, debentures, debenture-stock, bonds, notes derivative products and to invest or to deposit or to hold funds in such articles (including gold, silver, jewellery, platinum, precious metals and precious stones) and acquire purchase, sell or let on hire the same and materials, articles or things, obligations and securities issued or guaranteed by any company, wherever incorporated or carrying on business and debentures, debenture-stock bonds, notes, obligations and securities issued or guaranteed by any government sovereign ruler, commissioner, public body or authority, supreme independent, municipal local or otherwise in any part of the work either at the Company's office of any other places of safe custody.

10. ACCOUNTING TREATMENT

- 10.1 Accounting for the amalgamation of Transferor Company and treatment of goodwill or reserves, if any, in the Financial Statements of Transferee Company shall be in accordance with the provisions of the Accounting Standard 14, dealing with accounting for amalgamations, issued by the Institute of Chartered Accountants of India, as amended from time to time.
 - 10.2 With effect from the Appointed Date, the Transferee Company shall record all the assets and liabilities, including any intangible assets, pertaining to the Transferor Company transferred to and vested in Transferee Company pursuant to the Scheme, as may be decided by the Board of Directors of the Transferee Company, in accordance with applicable accounting standards and generally accepted accounting principles in India on the close of business, one day prior to the Appointed Date.
 - 10.3 As on the Appointed Date, pursuant to the amalgamation of Transferor Company the intercompany balances between Transferor Company and Transferee Company, if any, including any shares held by Transferee Company in Transferor Company or vice-versa shall stand cancelled.
 - 10.4 Consequent to clauses 10.1 TO 10.3 above, the difference in the value of assets and liabilities of Transferor Company transferred and vested in Transferee Company and face value on the equity shares now issued, would be adjusted first from the Reserves and Surplus (including Profit and Loss account surplus) of the Transferor Company and any balance will be adjusted from the Reserves and Surplus (including Profit and Loss account surplus) of the Transferee Company.
 - 10.5 The difference, between the value of assets and the value of the liabilities transferred to the Transferee Company, after making adjustment as mentioned in Clause 10.3 above, in case of excess of assets over liabilities shall be credited to "Capital Reserve Account" and in case of shortfall, be debited to "Goodwill Account" in the Financial Statements of Transferee Company.
 - 10.6 In case of any differences in accounting policy between the Transferor Company and the Transferee Company, a uniform set of accounting policies will be adopted by the Board of Directors of the Transferee Company following the amalgamation. The effects on the Financial Statements of any changes in accounting policies should be adjusted against in accordance with Accounting Standard 5, i.e. 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies' governed by the Companies (Accounting Standards) Rules, 2006.
 - 10.7 Notwithstanding anything above, the Board of Directors of Amalgamated Company is authorized to account for any of the above mentioned transaction balances in accordance with the applicable accounting standards and generally accepted accounting principles.
- ## 11. TAX
- 11.1 Any tax liabilities under the Income Tax Act, 1961 or other applicable laws/regulations dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.
 - 11.2 Any surplus in the provision for taxation/ duties/ levies account including but not limited to the advance tax, tax deducted at source by the customers and MAT credit, CENVAT credit, as on the date immediately preceding the Appointed Date will also be transferred to Transferee Company. Any refund under the Income Tax Act, 1961 or other applicable laws/ regulations dealing with taxes/ duties/levies allocable or related to the business of Transferor Company or due to the Transferor Company, consequent to the assessment made in respect of Transferor Company, for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by Transferee Company.
 - 11.3 The tax-payments (including without limitation income tax, tax on distribution of dividends, service tax, excise duty, central sales tax, applicable state value added tax etc.) whether by way of tax deducted at source by the customers, advance tax or otherwise howsoever, by Transferor Company after the Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Notwithstanding the above, any tax deducted at source by either the Transferor Company or the Transferee Company on account of inter-company transactions between Transferee Company and Transferor Company post the Appointed Date, shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
 - 11.4 Upon the Scheme becoming Effective, with effect from the Appointed Date, the Transferor Company and the Transferee Company are expressly permitted to prepare and/or revise, as the case may be, their financial statements and returns along with the prescribed forms, filings and annexure under the Income Tax Act, 1961, central sales tax, applicable state value added tax, service tax laws and other tax laws, if required, to give effect to provisions of the Scheme.
 - 11.5 All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with Transferee Company or anything contained in the Scheme.

Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.

- 11.6 The provisions of this Scheme as they relate to the amalgamation of the Transferor Company into and with the Transferee Company have been drawn up to comply with the conditions relating to "amalgamation" as defined under section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

PART-V

REORGANIZATION OF SHARE CAPITAL OF TRANSFEREE COMPANY

12. REORGANISATION OF SHARE CAPITAL OF TRANSFEREE COMPANY
- 12.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the existing issued, subscribed and paid-up Share Capital of the Transferee Company shall be reorganised as detailed hereunder as the same is not represented by available assets in the financial statements of the Transferee Company and a reduction of the same shall facilitate the Transferee Company to restructure its balance sheet to represent a true and fair financial position.
- 12.2 (i) The issued, subscribed and fully paid-up Preference Share Capital of the Transferee Company, along with all the rights pertaining to cumulative dividend for the past years shall stand cancelled, without any payment of the cancelled face value of the said shares to the shareholders of the Transferor Company.
- (ii) The issued, subscribed and fully paid-up Equity Share Capital of the Transferee Company, will be treated as having a face value of Rs.2/- per share instead of face value of Rs.10/- presently and the shares presently held by the Transferor Company shall stand cancelled.
- 12.3 The reduction in the share capital of the Transferee Company as contemplated in Clause 9 shall be effected as an integral part of this Scheme in accordance with the provisions of sections 100 to 103 of the 1956 Act, and any other applicable provisions of the 1956 Act or the 2013 Act, and the order of the Court sanctioning this Scheme shall also be deemed to be an order under sections 100 to 102 of the 1956 Act or such other equivalent provision of the 2013 Act, as applicable, confirming the reduction of share capital of the Transferee Company as contemplated in Clause 9. Necessary resolution as required under section 100 of the 1956 Act shall be passed by the shareholders of the Transferee Company.
- 12.4 The reduction of share capital of the Transferee Company does not involve either a diminution of liability as the preference shares are fully paid-up or payment to any shareholder of any part of the paid-up share capital, and accordingly the provisions of the section 101 of the 1956 Act or such other equivalent provision of the 2013 Act, as applicable, shall not be applicable to reductions.
- 12.5 There being no extinguishment or reduction of liability or payment to the shareholders with respect to such reduced share capital in such reorganization, the Transferee Company shall not be required to use the words "and reduced" as part of its name as contemplated under section 102(2) of the 1956 Act, or the other provisions of the 1956 Act or the 2013 Act, as applicable.
- 12.6 **Accounting Treatment:**
- Upon cancellation of the Preference Share Capital and reduction of the Equity Capital of the Transferee Company, the same will be credited to the statement of Profit and Loss of the Financial Statements of the Amalgamated Company.

PART-VI

GENERAL / RESIDUARY TERMS AND CONDITIONS

13. Upon the Scheme becoming effective, the Financial Statements of the Transferor Company and the Transferee Company shall be reconstructed in accordance with the terms of the Scheme. The Transferor Company and the Transferee Company shall be entitled to file/revise their income tax returns and other statutory returns, if required, and shall have the right to claim refunds, advance/mat tax credits, if any, as may be required consequent to implementation of this Scheme. Upon the Scheme becoming effective, the Transferee Company shall be entitled to set off profit and /or losses (if any) of the Transferor Company against the profits and/or losses, as the case may be of the Transferee Company as per the provisions of the Income Tax Act, 1961.
14. The Transferee and Transferor Companies shall, with all reasonable dispatch, make respective applications to the High Court and or applicable authority, under sections 391 to 394 and other applicable provisions of the 1956 Act or such other equivalent provision of the 2013 Act, seeking order for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the Act.
15. Vivro Financial Services Private Limited, Chennai, a SEBI registered merchant banker, pursuant to Clause 24(h) of the listing agreement and SEBI Circular No. CIR/CFD/DIL/5/2013, dated February 04, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013, dated May 21, 2013, under its fairness opinion dated 27.03.2015, 2015, has certified that the valuation reports in reference to the Scheme, is fair and reasonable.

16. The Scheme is conditional upon and subject to the following:
- (a) the Scheme being approved by the requisite majority in number and value of the members and creditors of the Transferor Company and the Transferee Company as required under Applicable Laws and as may be directed by the Hon'ble High Court;
 - (b) the Scheme being sanctioned by the Hon'ble High Court under sections 391 to 394 read with section 100 to 103 of the 1956 Act or such other equivalent provision of the 2013 Act, as applicable, and the necessary order being obtained in respect of the same; and
 - (c) the certified copies of the order of the Hon'ble High Court referred to in this Scheme being filed with the Registrar of Companies, Chennai..
17. This Scheme shall become effective on such date when certified copies of the order of the Hon'ble High Court sanctioning this Scheme are filed by the Transferee Company and the Transferor Company with the Registrar of Companies, Chennai. Such date shall be known as the "Effective Date".
18. Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:
- (i) amalgamation of the Transferor Company into and with the Transferee Company as provided in Part III and Part IV of this Scheme;
 - (ii) reorganisation and reduction of share capital of the Transferee Company in accordance with Part-V of this Scheme;
 - (iii) face value of each equity share becoming Rs. 2 /- per share;
19. The Transferee Company and the Transferor Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the Hon'ble High Court and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. The Transferee Company and the Transferor Company (acting through their respective Boards of Directors) be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the Hon'ble High Court or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/ or any matters concerning or connected therewith. The Transferee Company and the Transferor Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the High Court or any other authority is not on terms acceptable to them.
20. All costs, expenses, charges, fees, taxes, levies and all incidental expenses arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and matters incidental thereto pertaining to amalgamation shall be borne by the Transferee Company and shall be treated as per the relevant provisions of the Income Tax Act, 1961.
21. All costs, expenses, charges, fees, taxes, duties, stamp duties levies and all incidental expenses arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and matters incidental thereto pertaining to transfer to the Transferee Company shall be borne by the Transferee Company.
22. The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim and/ or final, to their respective shareholders prior to the Effective Date.
23. If any part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under Applicable Laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.
24. The transfer of properties and liabilities to, and the continuance of proceedings by or against the Transferee Company, shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date, and after Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.
25. As required by Clause 5.16 of SEBI's Circular dated 04.02.2013 bearing reference CIR/CFD/DIL/5/2013, the Transferor and Transferee Companies shall provide for obtaining shareholder's approval through Special Resolution passed through postal ballot and e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution. It is further expressly provided that such Special Resolution shall be acted upon only if the votes cast by the public shareholders in favour of the Companies in favour of the proposal amounts to at least two times the number of votes cast by public shareholders against it.

ACCEL TRANSMATIC LIMITED

CIN:L30007TN1986PLC100219

III floor, 75, Nelson Manickam Road, Aminjikarai, Chennai – 600 029

Telephone: 044-42252308 / Fax 044-23741271

E-Mail: shoba@transmaticsystems.com / www.acceltransmatic.com



MEETING OF THE EQUITY SHAREHOLDERS OF ACCEL TRANSMATIC LIMITED CONVENED
BY ORDER OF THE HON'BLE HIGH COURT OF JUDICATURE OF MADRAS ON FRIDAY 27TH NOVEMBER 2015

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management & Administration) Rules 2014

CIN	L30007TN1986PLC100219
Name of the Company	ACCEL TRANSMATIC LIMITED
Registered Office	III FLOOR, ACCEL HOUSE, 75 NELSON MANICKAM ROAD, AMINJIKARAI, CHENNAI 600 029
Name of the Member (s)	
Registered Address	
Email ID	
Folio No/DP ID/Client ID	

I/We, being the Member(s) and hold/holds _____ shares of above name company, hereby appoint

1. Name : _____
Address : _____
Signature : _____, or failing him
2. Name : _____
Address : _____
Signature : _____, or failing him
3. Name : _____
Address : _____
Signature : _____

As my/our proxy, to act for me/us at the meeting of the Equity Shareholders of the above company to be held at KUMAGAI AUDITORIUM, ABK – AOTS DOSOKAI, 3rd Floor, Chateau 'D' Ampa, 37 Nelson Manickam Road, Aminjikarai, Chennai 600 029 on 27th November 2015 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Description of Resolution	Optional *	
		For	Against
01	To consider and if thought fit, to pass with or without modification the proposed Scheme of Amalgamation and Arrangement between Accel Limited and the Applicant Company and their respective Shareholders ("Scheme").		

Dated this the _____ day of _____, 2015

Signature of Shareholder:

Signature of Proxy:

Re. 1
Revenue
Stamp to
be fixed

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company not less than 48 hours before the commencement of the meeting.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy. However, such a person shall not act as proxy for any other shareholders.
3. * It is optional to put "x" in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against resolution, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

ACCEL TRANSMATIC LIMITED

CIN:L30007TN1986PLC100219

III floor, 75, Nelson Manickam Road, Aminjikarai, Chennai – 600 029

Telephone: 044-42252308 / Fax 044-23741271

E-Mail: shoba@transmaticsystems.com / www.acceltransmatic.com



ATTENDANCE SLIP

MEETING OF THE EQUITY SHAREHOLDERS OF ACCEL TRANSMATIC LIMITED CONVENED
BY ORDER OF THE HON'BLE HIGH COURT OF JUDICATURE OF MADRAS

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF
THE VENUE**

Name & Address of the Registered Member	
Folio No/DP ID No / Client ID No	
No of shares	

I/We certify that I/we am/are the Registered Equity Shareholders/Proxy for the Registered Equity Shareholder of the Company. I/We hereby record my/our presence at the Meeting of the Company on 27th November 2015 at KUMAGAI AUDITORIUM, ABK – AOTS DOSOKAI, 3rd Floor, Chateau 'D' Ampa, 37 Nelson Manickam Road, Aminjikarai, Chennai 600 029.

Signature of the Shareholder/Proxy

EVEN (Electronic Voting Event Number)	Used ID	Password

Note: Shareholders/Proxyholder(s) are requested to bring the attendance slips with them when they come to the meeting and hand over them at the entrance of the hall/venue after fixing their signatures on them.