

Elgi Rubber Company Limited

CIN: L25119TZ2006PLC013144

Regd. Office: 2000, Trichy Road, Singanallur,
Coimbatore-641005, Tamil Nadu, India

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NOTICE OF COURT CONVENED MEETING OF EQUITY SHAREHOLDERS AND

NOTICE OF POSTAL BALLOT AND E-VOTING

Court Convened Meeting of Equity Shareholders:

Day & Date	Saturday, 26th September, 2015
Time	11.45 A.M
Venue	“Siruthuli”, Noyyal Life Centre, Sungam Bye Pass Road, South of Railway Bridge, Coimbatore-641045, Tamil Nadu

Postal Ballot and E-Voting

Start Date	26th August, 2015
Last Date	24th September, 2015

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FORM NO: 36
IN THE HIGH COURT OF JUDICATURE AT MADRAS
(Ordinary Original Civil Jurisdiction)
COMPANY APPLICATION NO. 893 OF 2015

In the matter of the Companies Act, 1956 (1 of 1956)

AND

In the matter of Section 391 and 394 of the Companies Act, 1956

AND

In the matter of Scheme of Amalgamation of
Treadsdirect Limited and Parani Steels Private Limited with Elgi Rubber Company Limited

Elgi Rubber Company Limited
a Company incorporated under the
Companies Act, 1956, having its
Registered Office at 2000 Trichy Road,
Singanallur Coimbatore-641005,
Tamil Nadu, India represented by
SR Venkatachalam, Vice-President, Finance

....Applicant /
Transferee Company

NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS

To,
All Equity Shareholders,
Elgi Rubber Company Limited

TAKE NOTICE that by an Order made on 20th August 2015 the Hon'ble High Court of Judicature at Madras has directed that a meeting of Equity Shareholders of the Applicant Company be convened and be held at "Siruthuli", Noyyal Life Centre, Sungam Bye Pass Road, South of Railway Bridge, Coimbatore-641045, Tamil Nadu, on Saturday, 26th September, 2015 at 11.45 A.M for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation of Treadsdirect Limited and Parani Steels Private Limited with Elgi Rubber Company Limited

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 convened and held at "Siruthuli", Noyyal Life Centre, Sungam Bye Pass Road, South of Railway Bridge, Coimbatore-641045, Tamil Nadu, on Saturday, 26th September, 2015 at 11.45 A.M at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said Meeting in person or by proxy, provided that the proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the Registered Office of the Applicant Company at 2000, Trichy Road, Singanallur, Coimbatore-641005, Tamil Nadu, India, not later than 48 hours before the Meeting.

The quorum for the meeting shall be 30 (Thirty) members present in person.

The Hon'ble High Court has appointed M.R.L Narasimha, Practicing Company Secretary to be the Chairman of the said Meeting. A copy of the said Scheme of Amalgamation, the explanatory statement under Section 393 of the Companies Act, 1956, form of proxy and attendance slip is enclosed herewith.

Sd/-
M.R.L Narasimha
Chairman appointed for the Meeting

Dated at Chennai this day 20th day of August 2015.

Elgi Rubber Company Limited

CIN : L25119TZ2006PLC013144
Regd. Office: 2000 Trichy Road, Singanallur,
Coimbatore 641 005, Tamil Nadu, India
Tel : +91 (422) 232 1000 Fax : +91 (422) 232 2222
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Notice of Postal Ballot and E-Voting to Equity Shareholders

[Pursuant to Section 110 of the Companies Act, 2013 read with the Companies
(Management and Administration) Rules, 2014 and SEBI Circular No.CIR/CFD/DIL/5/2013 dated 04.02.2013
and SEBI Circular No.CIR/CFD/DIL/8/2013 dated 21.05.2013]

Dear Shareholder(s),

NOTICE is hereby given pursuant to the provisions of Section 110 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and SEBI Circular No.CIR/CFD/DIL/5/2013 dated 04.02.2013 and SEBI Circular No.CIR/CFD/DIL/8/2013 dated 21.05.2013 (hereinafter referred to as "the SEBI Circulars"), that the Company is seeking the approval of its public shareholders, in respect of the draft Resolution appended herein below, through Postal Ballot and Electronic Voting (hereinafter referred to as "E-voting") for the amalgamation of Treadsdirect Limited (CIN:U25114TZ2010PLC016201) and Parani Steels Private Limited (CIN:U27104TN1987PTC014344), the wholly-owned subsidiaries (hereinafter collectively known as "Transferor Companies") with Elgi Rubber Company Limited (CIN: L25119TZ2006PLC013144) being the Holding Company (hereinafter referred to as "the Company"/"the Transferee Company"), through a court approved scheme of amalgamation in accordance with Section 391 to 394 of the Companies Act, 1956.

The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and the SEBI Circulars, setting out all the material facts and the reasons thereof pertaining to the draft resolution is annexed herewith.

The Board of Directors and the Audit Committee of the Company has approved the aforesaid Scheme of Amalgamation at their meeting(s) held on 21.04.2015. Further, the National Stock Exchange of India Limited ("NSE") has granted their 'No Objection' in respect of the aforesaid Scheme of Amalgamation vide Letter No.NSE/LIST/31262 dated 25.06.2015.

The Hon'ble High Court of Judicature at Madras has ordered convening of the meeting of the Equity Shareholders of the Company on Saturday, the 26th day of September, 2015 at 11.45 am at "Siruthuli", Noyyal Life Centre, Sungam Bye Pass Road, South of Railway Bridge, Coimbatore-641045, Tamil Nadu. In addition to the said Court Convened Meeting, the SEBI Circular No.CIR/CFD/DIL/5/2013 dated 04.02.2013 and SEBI Circular No.CIR/CFD/DIL/8/2013 dated 21.05.2013 provides that the Scheme shall be acted upon only if the votes cast by the Public Shareholders (i.e. other than Promoter / Promoter Group Shareholders) in favour of the Scheme are more than the number of votes cast by the Public Shareholders against it, through Postal Ballot and E-voting process.

The Company has appointed Mr.R.Jayachandran, Partner of M/s.RJC Associates, Chartered Accountants, Coimbatore as Scrutinizer for conducting the Postal Ballot and E-voting process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the duly filled and completed Postal Ballot Form, in the enclosed self-addressed pre-paid postage envelope, to the Scrutinizer on or before 5.00 pm on 24th September, 2015. The Postal Ballot Forms with your assent / dissent received after the said period would be strictly treated as if a reply from you has not been received. Further, the Company has engaged Central Depository Services (India) Limited ("CDSL") to provide the facility to its Public Shareholders to exercise their voting rights through electronic means ("E-voting"). The Public Shareholders are requested to note that they may have the option to cast vote either through the E-voting process or through the Postal Ballot Form. The instructions for exercising the voting rights through Postal Ballot process are set out in the Postal Ballot Form sent along with this Notice and the instructions for exercising the voting rights through E-voting are set out in the Notes appended herein below.

The Scrutinizer will submit his report to Mr.M.R.L.Narasimha, Chairman of the Court Convened Meeting, after the completion of his scrutiny of the votes cast through Postal Ballot and E-voting process. The results of the Postal Ballot and E-voting process will be declared by the Chairman of the Court Convened Meeting on 25th September, 2015 at 5.00 pm at 2000, Trichy Road, Singanallur, Coimbatore-641005, the Registered Office of the Company.

In the event of the resolution, as set out below, if assented by the requisite majority of the public shareholders by means of Postal Ballot and E-voting process shall be deemed to have been duly passed at the General Meeting of the Company. The date of announcement of the result shall be considered to be the date of the General Meeting and the date of passing of the said resolution.

Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions of the Companies Act, 2013, SEBI Circulars and other relevant provisions of applicable laws, the following Resolution is proposed for the consideration of the Public Shareholders of the Company through Postal Ballot and e-voting:

Special Business:

Item No.1:

To consider and if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 391 to 394 of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment or amendment thereof) and subject to the approval of the High Court of Madras or such other competent authority and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary, the

amalgamation of Treadsdirect Limited and Parani Steels Private Limited with Elgi Rubber Company Limited through a court approved scheme of amalgamation be and is hereby approved.

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorized to make and/or consent to any modifications, alterations or amendments in this Scheme, which may be deemed to be necessary by them or which are desired, directed or imposed by the Hon'ble High Court of Judicature at Madras or any other authority and to take all such steps as may be necessary and desirable to implement the Scheme and to give effect to this Resolution."

Notes:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and the SEBI Circulars in respect of the above Resolution is annexed hereto.
2. All material documents referred to in the accompanying Explanatory Statement shall be open for inspection by the shareholders at the Registered Office of the Company during normal business hours upto 24th September, 2015, being the last date for receipt of Postal Ballot Form(s).
3. Pursuant to the SEBI Circular No.CIR/CFD/DIL/5/2013 dated 04.02.2013, the 'No Objection' Letter received from the National Stock Exchange of India Limited ("NSE") vide Letter No.NSE/LIST/31262 dated 25.06.2015 is annexed hereto.
4. Pursuant to the SEBI Circular No.CIR/CFD/DIL/5/2013 dated 04.02.2013 and SEBI Circular No.CIR/CFD/DIL/8/2013 dated 21.05.2013 the approval of the public shareholders (i.e. other than Promoter / Promoter Group shareholders) is being sought through the Postal Ballot and E-voting process.
5. The Notice of Postal Ballot and E-voting together with a separate Postal Ballot Form is being sent to all the Public Shareholders of the Company whose names appear in the Register of Members / List of Beneficial Owners as received from the depositories as on 21st day of August 2015.
6. The public shareholders who have not received the Postal Ballot Forms may apply to the Company at the Registered Office Address and obtain a Duplicate Copy thereof. The members can also download the Postal Ballot Form from the Company's website www.elgirubber.com.
7. The voting period for the Postal Ballot and E-voting process shall be commencing from 26th August, 2015 and closes on 24th September, 2015 at 5.00 pm.

8. In case of Public Shareholders exercising their voting rights through Postal Ballot Form:

- a. Public Shareholders are requested to carefully read the instructions printed in the Postal Ballot Form before exercising the voting rights and return the duly filled and completed Postal Ballot Form with your Assent (For)/ Dissent (Against) in the attached Business Reply envelope so as to reach the Scrutinizer on or before 5:00 PM on Thursday, 24th September 2015.
- b. The Postal Ballot Form with your assent (For) / Dissent (Against) received after 5:00 PM on Thursday, 24th September 2015 will be strictly treated as if no reply has been received from the public shareholders. Hence the public shareholders are requested to send the duly filled and completed Postal Ballot Form well before 5:00 PM on Thursday, 24th September 2015 providing sufficient time for postal transit.
- c. The Public Shareholders holding shares either in physical form or in dematerialized form as on the cut-off date i.e. 21st August, 2015 are entitled to vote through Postal Ballot Forms.
- d. Incomplete, unsigned, incorrectly ticked, defaced, torn, mutilated or over-written Postal Ballot Form(s) will be rejected. The Scrutinizer's decision on the validity of the Postal Ballot Form(s) will be final.

9. In case of Public Shareholders exercising their voting rights through Electronic means:

- i) The voting period begins on Wednesday the 26th August, 2015 at 9.00 am and ends on Thursday, the 24th September, 2015 at 5.00 pm. During this period, the public shareholders of the Company holding shares either in physical form or in dematerialized form as on the cut-off date i.e. 21st August, 2015, may exercise their vote rights through electronic means. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- iii) Click on Shareholders.
- iv) Now Enter your User ID.
 - ❖ For CDSL: 16 digits beneficiary ID
 - ❖ For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - ❖ Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN

Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.

DOB

Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details

Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for 'Elgi Rubber Company Limited- Postal Ballot'.
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- vi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- vii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- viii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- ix) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- x) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xi) Note for Non – Individual Shareholders and Custodians;
- ❖ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - ❖ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ❖ After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - ❖ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ❖ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help Section or write an email to helpdesk.evoting@cdslindia.com.
10. If any Public Shareholder has voted through e-voting facility and also, sends his/her assent / dissent through Postal Ballot Form, the Scrutinizer shall consider only the votes cast through E-voting process. Further, the public shareholders are requested to note that once the vote on the resolution is cast electronically, he / she shall not be allowed to change it subsequently.
11. The voting results declared by the Chairman of the Court Convened Meeting along with the Combined Report of the Scrutinizer will be placed on the website of the Company at www.elgirubber.com and on the website of CDSL and besides being communicated to NSE in accordance with the Listing Agreement and the Hon'ble High Court of Judicature at Madras, Chennai in the prescribed Form.
12. The date of announcement of the voting results shall be considered to be the date of the General Meeting.

By order of the Board
For Elgi Rubber Company Limited
Shankar C
 GM Finance & Company Secretary

Place : Coimbatore
 Date : 20.08.2015

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(Ordinary Original Civil Jurisdiction)

COMPANY APPLICATION NO. 893 OF 2015

In the matter of the Companies Act, 1956 (1 of 1956)

AND

In the matter of Section 391 and 394 of the Companies Act, 1956

AND

In the matter of Scheme of Amalgamation of Treadsdirect Limited and Parani Steels Private Limited
with Elgi Rubber Company Limited

Elgi Rubber Company Limited
a Company incorporated under the
Companies Act, 1956, having its
Registered Office at 2000 Trichy Road,
Singanallur Coimbatore-641005,
Tamil Nadu, India represented by
SR Venkatachalam, Vice-President, Finance

....Applicant /
Transferee Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. By an order dated 20th August 2015 the Hon'ble High Court of Judicature at Madras has directed that a meeting of Equity Shareholders of Elgi Rubber Company Limited (**"Applicant Company" or "Company" or "Transferee Company"**) be convened and held at "Siruthuli", Noyyal Life Centre, Sungam Bye Pass Road, South of Railway Bridge, Coimbatore-641045, Tamil Nadu, on Saturday, 26th September, 2015 at 11.45 A.M for the purpose of considering, and if thought fit, approving with or without modification, Scheme of Amalgamation of Treadsdirect Limited (**"Transferor Company 1"**) and Parani Steels Private Limited (**"Transferor Company 2"**) with Elgi Rubber Company Limited (**"Scheme" or "Scheme of Amalgamation"**)
2. This statement explaining the terms of the Scheme is being furnished as required under Section 393(1)(a) of the Companies Act, 1956 including any statutory modification or re-enactment or amendment thereof (**"Act"**).

BACKGROUND OF ELGI RUBBER COMPANY LIMITED ["TRANSFEREE COMPANY" OR "APPLICANT COMPANY"]

3. The Applicant Company was incorporated under the Companies Act, 1956 on 16th day of October, 2006 in the State of Tamil Nadu. The equity shares of the Applicant Company are listed on the National Stock Exchange of India Limited (**"NSE"**).
4. The registered office of the Applicant Company is situated at 2000, Trichy Road, Singanallur, Coimbatore-641005, Tamil Nadu, India.
5. The Applicant Company is engaged in the business of manufacturing and retreading of all kinds and types of automotive tyres, aeronautical tyres & tubes, service equipments and related accessories, materials and tools.
6. The Authorised Capital of the Applicant Company as on 31st March 2014 is Rs.30,03,00,000/- (Rupees Thirty Crores and Three Lakh only) divided into 30,03,00,000 (Thirty Crores and Three Lakh) Equity Shares of Re.1/- (Rupee One only) each. The issued, subscribed and paid-up capital of the Applicant Company as on 31st March 2014 is Rs.5,00,50,000/- (Rupees Five Crore Fifty Thousand only) divided into 5,00,50,000 (Five Crore Fifty Thousand) Equity Shares of Re.1/- (Rupee One only) each. Subsequent to 31st March 2014, there has been no change in the authorized, issued, subscribed and paid-up capital of the Applicant Company.
7. Post sanction of the proposed scheme of amalgamation, there would be no change in the Issued, Subscribed and Paid-up Share Capital of the Applicant Company.

BACKGROUND OF TREADSDIRECT LIMITED ("TRANSFEROR COMPANY (1)")

8. The Transferor Company (1) was incorporated under the Companies Act, 1956 on the 7th day of July, 2010. The registered office of the Transferor Company (1) is situated at 2000, Trichy Road, Singanallur, Coimbatore-641005, Tamil Nadu, India.
9. The Transferor Company (1) is engaged in the business of manufacturing and dealing in tyres and tubes, tyre treads, tyre retreading machinery, rubber processing machines and service equipment and related accessories, materials and tools.
10. The Authorised Capital of the Transferor Company (1) as on 31st March 2014 is Rs.5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each. The issued, subscribed and paid-up capital of the Transferor Company (1) as on 31st March 2014 is Rs.4,75,00,000/- (Rupees Four Crore Seventy Five Lakhs only) divided into 47,50,000 (Forty Seven Lakh Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten only) each. Subsequent to 31st March 2014, there has been no change in the authorized, issued, subscribed and paid-up capital of the Transferor Company (1). The entire issued, subscribed and paid up capital of the Transferor Company (1) is held by the Applicant Company. Hence the Transferor Company (1) is the wholly-owned subsidiary of the Applicant Company.

11. Post sanction of the proposed scheme of amalgamation, the Transferor Company (1) shall stand dissolved.

BACKGROUND OF PARANI STEELS PRIVATE LIMITED ("TRANSFEROR COMPANY (2)")

12. The Transferor Company (2) was incorporated on 11th day of May, 1987 in the State of Tamil Nadu. The registered office of the Transferor Company (2) is situated at Mannur Koot Rd, Thodu Kodu PO., Sriperumpudur- 622105, Tamil Nadu, India.
13. The Transferor Company (2) is engaged in the business of manufacturing of pressure vessels, and manufacturing and dealing in automotive tyres and tubes, tyre treads, tyre retreading machinery and service equipment and related accessories, materials and tools.
14. The Authorised Capital of the Transferor Company (2) as on 31st March 2014 is Rs.3,00,00,000/- (Rupees Three Crores only) divided into 30,00,000 (Thirty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each. The issued, subscribed and paid-up capital of the Transferor Company (2) as on 31st March 2014 is Rs.3,00,00,000/- (Rupees Three Crores only) divided into 30,00,000 (Thirty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each. Subsequent to 31st March 2014, there has been no change in the authorized, issued, subscribed and paid-up capital of the Transferor Company (2). The entire issued, subscribed and paid up share capital is held by the Applicant Company. Hence the Transferor Company (2) is the wholly-owned subsidiary of the Applicant Company.
15. Post sanction of the proposed scheme of amalgamation, the Transferor Company (2) shall stand dissolved.

16. RATIONALE AND PURPOSE OF THE SCHEME

- (A) The Scheme of Amalgamation has been formulated and presented under Section 391 to 394 of the Companies Act, 1956. Upon the relevant Sections of the Companies Act 2013 pertaining to schemes of arrangement, compromise or reconstruction of companies being notified by the Ministry of Corporate Affairs ("**MCA**"), the Scheme of Amalgamation shall be deemed to have been formulated and presented under Sections 230 to 240 of the Companies Act, 2013. Reference to any provisions of the Companies Act 1956, if any, under the Scheme would be deemed to be references to the respective corresponding provisions of the Companies Act, 2013.
- (B) The directors of both the Transferor Companies and Applicant Company have decided to amalgamate the Transferor Companies with Applicant Company in order to ensure better management of the Company as a single unit. The directors of both Transferor Companies and Applicant Company are of the opinion that the proposed amalgamation of the Transferor Companies with Applicant Company will be for the benefit of both the Transferor Companies and Applicant Company in the manner following:
- (i) The Transferor Companies are wholly-owned subsidiaries of the Applicant Company and the amalgamation will result in reduction in the shareholding layers and direct control of assets of the Transferor Companies in the hands of the Applicant Company
 - (ii) The amalgamation will enable consolidation of the business of the group into one entity which will facilitate in focussed growth, operational efficiencies, business synergies and better supervision of the business of the group.
 - (iii) The amalgamation will enable pooling of resources of the aforesaid companies with the resources of the Applicant Company to their advantage, resulting in more productive utilisation of said resources, and cost and operational efficiencies which would be beneficial to all stakeholders
 - (iv) 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.
 - (v) The amalgamation will result in consolidation of market share and increased customer recognition. There is no likelihood that interests of any shareholder or creditor of either the Transferor Companies or the Applicant Company would be prejudiced as a result of the Scheme. The Amalgamation will not impose any additional burden on the members of the Transferor Companies or the Applicant Company.

17. SALIENT FEATURES OF THE SCHEME

- a) The Appointed Date for the Scheme means the 1st day of April 2015 or if the Board of Directors of the Transferor Company (1), Transferor Company (2) and the Applicant Company require any other date prior or subsequent to 1st April 2015 and/or Hon'ble High Court of Judicature at Madras modifies the appointed date to such other date, then the same shall be the Appointed Date
- b) The Effective Date of the Scheme shall mean the date or the last of the dates on which the certified or authenticated copies of the order(s) of the Hon'ble High Court of Judicature at Madras sanctioning the scheme of amalgamation are filed with the Registrar of Companies, Chennai and Registrar of Companies, Coimbatore, by the Transferor Company (1), Transferor Company (2) and the Applicant Company.
- c) The amalgamation of the Transferor Companies with the Applicant Company shall be in accordance with Section 2(1B) of the Income-tax Act, 1961.
- d) Upon coming into effect of the Scheme and with effect from the Appointed Date, the entire business and whole of the Undertaking of the Transferor Companies, shall without any further act or deed, but subject to the charges affecting the same be transferred and/or deemed to be transferred to and vested in the Applicant Company as a going concern.
- e) As the Transferor Companies are wholly-owned subsidiaries of the Applicant Company, no consideration shall be payable pursuant to the amalgamation of the Transferor Companies with the Applicant Company, and the equity shares held by the Applicant Company and along with the joint holders in the Transferor Companies shall stand cancelled without any further act, application or deed.
- f) Upon the Scheme of Amalgamation becoming effective, the amalgamation of the Transferor Companies with the Applicant Company would be in accordance with the '**pooling of interest/amalgamation in the nature of merger**' method of accounting as prescribed under

Accounting Standard – 14: 'Accounting for Amalgamations' as notified under Section 211(3C) of the Companies Act, 1956 read with notified provisions of Section 129(1) of the Companies Act, 2013.

- g) Upon the Scheme becoming fully effective, the authorised share capital of the Transferor Companies shall stand combined with the authorised share capital of the Applicant Company. Filing fees and stamp duty, if any, paid by the Transferor Companies on their respective authorised share capital, shall be deemed to have been so paid by the Applicant Company on the combined authorised share capital and accordingly, the Applicant Company shall not be required to pay any fee/ stamp duty for its increased authorised share capital.
- h) With effect from the Appointed Date and up to and including the Effective Date, the Transferor Companies shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Applicant Company.
- i) Upon the Scheme coming into effect, the executives, staff, workmen, and other employees in the service of the Transferor Companies, immediately before the Appointed Date, under this Scheme shall become the executives, staff, workmen, and other employees of the Applicant Company.
- j) Upon the Scheme coming into effect, all suits, actions and proceedings of whatsoever nature by or against the Transferor Companies on the Appointed Date shall be transferred to the name of the Transferee Company and the same shall be continued and enforced by or against the Transferee Company, to the exclusion of the Transferor Companies, as the case may be.
- k) Subject to an order being made by the Court under Section 394 of the Act, the Transferor Companies 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.
- l) The Scheme is conditional upon and subject to:
 - i) The sanction or approval under any law of the Central Government, State Government, or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
 - ii) The Scheme being agreed to by the respective requisite majorities as provided under the Act or under the SEBI Circular No.CIR/CFD/DIL/5/2013 dated 04.02.2013 and SEBI Circular No.CIR/CFD/DIL/8/2013 dated 21.05.2013 of the members of the Transferor Companies and Transferee Company as may be applicable, if meetings of Equity Shareholders of the said companies are convened by the Court or if dispensation from conducting the meeting of the equity shareholders of the Transferor Companies and Applicant Company is obtained from the Court, and the sanction of the Court being accorded to the Scheme.
 - iii) The approval of the Scheme of Amalgamation by the public shareholders of the Applicant Company through postal ballot and e-voting process as prescribed by the Securities and Exchange Board of India ("SEBI") Circular No.CIR/CFD/DIL/5/2013 dated 04.02.2013 and Circular No.CIR/CFD/DIL/8/2013 dated 21.05.2013 (hereinafter referred to as "SEBI Circulars").
 - iv) The sanction by the Court under Sections 391 and 394 and other applicable provisions of the Act being obtained by the Transferor Companies and Transferee Company.
 - v) The filing with the Registrar of Companies, Chennai and Registrar of Companies, Coimbatore of the certified copies of all necessary orders, sanctions and approvals mentioned above, by the respective Companies.
- m) All costs, charges, taxes including duties and levies and all other expenses in relation to or in connection with carrying out and completing the terms and conditions of this Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company.

18. The features set out above being only the salient features of the Scheme, the members are requested to read the enclosed Scheme to get themselves acquainted with all the detailed provisions thereof.

- 19. The Scheme would not be prejudicial to the interests of the creditors of the Applicant Company and the Transferor Companies. The latest audited accounts for the year ended 31st March, 2015 of the Applicant Company indicate that they are in a solvent position and would be able to meet liabilities as they arise in the course of business. Hence, the arrangement will not cast any additional burden on the creditors of either companies, nor will it affect the interest of any of the shareholders or creditors.
- 20. The Applicant Company obtained a Fairness Opinion dated 21.04.2015 from Keynote Corporate Services Limited.
- 21. The Board of Directors of the Transferor Companies and the Applicant Company have in their Board Meeting, held on 21st April, 2015 approved and adopted the proposed Scheme of Amalgamation. The proposed Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956 is deemed to form part of this statement.
- 22. The Applicant Company, in compliance with the Securities and Exchange Board of India ("SEBI") Circular No.CIR/CFD/DIL/5/2013 dated 04.02.2013 and Circular No.CIR/CFD/DIL/8/2013 dated 21.05.2013 and Clause 24(f) of the Listing Agreement, has obtained 'No-objection Letter / Observation Letter' from The National Stock Exchange of India Limited ("NSE") vide their Letter No.NSE/LIST/31262 dated 25.06.2015.
- 23. The voting for the Scheme of Amalgamation at this meeting shall be undertaken in accordance with Section 391 of the Companies Act 1956, wherein, the proposed Scheme of Amalgamation will have to be approved by a majority in number representing three-fourths in value of the Equity Shareholders present and voting either in person or by proxy at the meeting.
- 24. A proxy form is also enclosed to this explanatory statement. It is hoped that in view of the importance of the business to be transacted, you will personally attend the meeting. The signing of the form or forms of proxy will, however, not prevent you from attending and voting in person, if you so desire.

25. No investigation proceedings have been instituted or are pending under Sections 235 to 251 of the Companies Act, 1956 or such other equivalent provisions under the Companies Act, 2013 against the Applicant Company.
26. The Scheme does not in any way violate or override or circumscribe the provisions of the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the Companies Act, 2013 and relevant rules, regulations and guidelines made under these Acts and the provisions of the Listing Agreement or the requirements of the National Stock Exchange of India Limited ("NSE") where the equity shares of the Applicant Company are listed.
27. Pursuant to Clause 24 (h) of the Listing Agreement with the Stock Exchange, the detailed pre and post-amalgamation shareholding pattern of the Applicant Company, is as given below:

	Category of Shareholders	Pre & Post Shareholding Pattern	
		Number of Shares	% of holding
(A)	Shareholding of Promoter & Promoter Group	3,13,54,253	62.65
	Total Promoter and Promoter Group (A)	3,13,54,253	62.65
(B)	Public Shareholding		
	1 Institutions		
	a) Mutual Funds / UTI	815	0.00
	b) Financial Institutions / Banks	36,834	0.07
	c) Central Government/ State Government(s)	11,79,696	2.36
	d) Insurance Companies	13,09,943	2.62
	Sub-Total (B) (1)	25,27,288	5.05
	2 Non-Institutions		
	a) Bodies Corporate	27,39,868	5.47
	b) Individuals	1,33,26,691	26.63
	c) Individual Directors	116	0.00
	d) NRI (Repatriate)	66,834	0.13
	e) NRI (Non-Repatriate)	34,950	0.07
	Sub-total (B) (2)	1,61,68,459	32.30
	Total Public Shareholding (B) = (B)(1) +(B) (2)	1,86,95,747	37.35
	Total (A) + (B)	5,00,50,000	100.00

Post sanction of the proposed Scheme of Amalgamation, there would be no change in the shareholding pattern of the Applicant Company.

28. The Resolution proposed to be considered in the above meeting, is given hereunder:
"RESOLVED that pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment or amendment thereof) and subject to the approval of the High Court of Madras or such other competent authority, and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary, the Scheme of Amalgamation of Treadsdirect Limited and Parani Steels Private Limited with Elgi Rubber Company Limited, placed before the meeting and initialled by the Chairman for the purpose of identification, be and is hereby approved.
FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorised to make and / or consent to any modifications, alterations or amendments in the scheme, which may be deemed to be necessary by them or which are desired, directed or imposed by the Hon'ble High Court of Judicature at Madras or any other authority and to take all such steps as may be necessary and desirable to implement the Scheme and to give effect to this resolution."
29. The Directors of the Applicant Company and the Transferor Companies have no interest in the Scheme except as shareholders in general, the extent of which will appear from the Register of Directors' Shareholding maintained by the Applicant Company which are as follows:
The details of the Directors of the Applicant Company and the Transferor Companies and their shareholding as on 31.07.2015 is provided below:

Applicant Company

Name of Director	No. of Shares held in the Applicant Company	No. of shares held in the Transferor Company 1	No. of shares held in the Transferor Company 2
Sudarsan Varadaraj	22,372,014	1 *	1 *
Jairam Varadaraj	141,750	Nil	Nil
MD Selvaraj	116	1 *	1 *
Sureh Jagannathan	Nil	Nil	Nil
Vijay Raghunath	Nil	Nil	Nil
Bhuvaneshwari Vidyasankar	Nil	Nil	Nil

Transferor Company (1)

Name of Director	No. of Shares held in in the Applicant Company	No. of shares held in the Transferor Company 1
Sudarsan Varadaraj	22,372,014	1 *
MD Selvaraj	116	1 *
Sureh Jagannathan	Nil	Nil
SR Venkatachalam	100	1 *

Transferor Company (2)

Name of Director	No. of Shares held in in the Applicant Company	No. of shares held in the Transferor Company 2
Sudarsan Varadaraj	22,372,014	1 *
MD Selvaraj	116	1 *
SR Venkatachalam	100	1 *

* Beneficial interest held by the Applicant Company, viz., Elgi Rubber Company Limited

None of the Directors / Key Managerial Personnel or their relatives of the Applicant Company and Transferor Companies have any material interest in the Scheme, save and except to the extent of their shareholding in the respective companies. Their interest shall not in any way be treated differently than other shareholders.

30. The following documents will be open for inspection at the Registered Office of the Applicant Company during normal business hours of the Applicant Company upto the date of the court convened meeting:
- The Memorandum and Articles of Association of Applicant Company and the Transferor Companies.
 - Annual Report of the Applicant Company and the Transferor Companies for the year ended 31st March, 2015.
 - Un-Audited Quarterly results of the Applicant Company as on 30th June, 2015.
 - Fairness opinion dated 21st April 2015 issued by Keynote Corporate Services Limited.
 - Copy of resolution dated 21st April 2015 passed by Board of Directors of the Transferor Companies and Applicant Company approving the Scheme of Amalgamation.
 - Observation letter issued by NSE dated 25th June 2015.
 - Proposed Scheme of Amalgamation.
 - Complaints Report filed with the NSE as on 03rd June, 2015.
 - Register of Directors' and key managerial personnel shareholding of the Applicant Company.
 - Certified copy of the Order dated 20th day of August 2015 passed by the Hon'ble High Court of Judicature at Madras in Company Application No. 893 of 2015.
31. A copy of the Scheme, Explanatory Statement under Section 393, Form of Proxy and Attendance Slip may be obtained from the Registered Office of the Applicant Company situated at 2000, Trichy Road, Singanallur, Coimbatore-641005, Tamil Nadu, India.

Sd/-

M.R.L Narasimha

Chairman appointed for the meeting

Dated at Chennai this 20th day of August 2015

**SCHEME OF AMALGAMATION
OF
TREADSDIRECT LIMITED
AND
PARANI STEELS PRIVATE LIMITED
WITH
ELGI RUBBER COMPANY LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
(Under Sections 391 to 394 of the Companies Act, 1956)**

PREAMBLE & RATIONALE TO THE SCHEME

- (A) **TREADSDIRECT LIMITED – CIN No: U25114TZ2010PLC016201** (hereinafter referred to as “Transferor Company 1”) was incorporated on the 7th day of July, 2010 under the Companies Act, 1956, in the State of Tamilnadu. The registered office of the Transferor Company (1) is situated at 2000, Trichy Road, Singanallur, Coimbatore-641005, Tamil Nadu, India. The Transferor Company (1) is engaged in the business of manufacturing and dealing in tyres and tubes, tyre treads, tyre retreading machinery, rubber processing machines and service equipment and related accessories, materials and tools (hereinafter referred to as the “**Business of the Transferor Company (1)**”). The entire issued, subscribed and paid-up share capital of the Transferor Company (1) is held by “Elgi Rubber Company Limited”, the Transferee Company, in its own name and jointly with its nominees. Hence, the Transferor Company (1) is a wholly-owned subsidiary of the Transferee Company.
- (B) **PARANI STEELS PRIVATE LIMITED –CIN No: U27104TN1987PTC014344** (hereinafter referred to as “Transferor Company 2”) was incorporated on the 11th day of May, 1987 under the Companies Act, 1956, in the State of Tamilnadu. The registered office of the Transferor Company (2) is situated at Mannur Koot Rd, Thodu Kodu PO., Sriperumpudur-622105, Tamil Nadu, India. The Transferor Company (2) is engaged in the business of manufacturing of pressure vessels, and manufacturing and dealing in automotive tyres and tubes, tyre treads, tyre retreading machinery and service equipment and related accessories, materials and tools (hereinafter referred to as the “**Business of the Transferor Company (2)**”). The entire issued, subscribed and paid-up share capital of the Transferor Company (2) is held by “Elgi Rubber Company Limited”, the Transferee Company in its own name and jointly with its nominees. Hence, the Transferor Company (2) is a wholly-owned subsidiary of the Transferee Company.
- (C) **ELGI RUBBER COMPANY LIMITED – CIN NO: L25119TZ2006PLC013144** (hereinafter referred to as “Transferee Company”), was incorporated on 16th day of October, 2006 under the Companies Act, 1956, in the State of Tamilnadu under the name and style of “Elgi Aviation Tyres Limited”. Subsequently the name was changed as “Elgi Rubber International Limited” and thereafter to the present name.. The Registered office of the Transferee Company is situated at 2000, Trichy Road, Singanallur, Coimbatore-641005, Tamil Nadu, India. The equity shares of the Transferee Company are listed on the National Stock Exchange of India Limited (“**NSE**”) The Transferee Company is engaged in the business of manufacturing and retreading of all kinds and types of automotive tyres, aeronautical tyres & tubes, service equipments and related accessories, materials and tools (hereinafter referred to as the “**Business of the Transferee Company**”). The Transferee Company is the holding company of the Transferor Company (1) & (2).
- (D) The Scheme of Amalgamation has been formulated and presented under Section 391 to 394 of the Companies Act, 1956. Upon the relevant sections of the Companies Act 2013 pertaining to schemes of arrangement, compromise or reconstruction of companies being notified by the Ministry of Corporate Affairs (“**MCA**”), the Scheme of Amalgamation shall be deemed to have been formulated and presented under Sections 230 to 240 of the Companies Act, 2013. Reference to any provisions of the Companies Act 1956, if any, under the Scheme would be deemed to be references to the respective corresponding provisions of the Companies Act, 2013.
- (E) The directors of both the Transferor Companies and Transferee Company have decided to amalgamate the Transferor Companies with Transferee Company in order to ensure better management of the Company as a single unit. The directors of both Transferor Companies and Transferee Company are of the opinion that the proposed amalgamation of the Transferor Companies with Transferee Company will be for the benefit of both the Transferor Companies and Transferee Company in the manner following:
- (i) The Transferor Companies are wholly-owned subsidiaries of the Transferee Company and the amalgamation will result in reduction in the shareholding layers and direct control of assets of the Transferor Companies in the hands of the Transferee Company
 - (ii) The amalgamation will enable consolidation of the business of the group into one entity which will facilitate in focussed growth, operational efficiencies, business synergies and better supervision of the business of the group.
 - (iii) The amalgamation will enable pooling of resources of the aforesaid companies 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
 - (iv) 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.
 - (v) The amalgamation will result in consolidation of market share and increased customer recognition. There is no likelihood that interests of any shareholder or creditor of either the Transferor Companies 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 the Transferor Companies or the Transferee Company.

PART I - GENERAL

1. DEFINITIONS

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

- 1.1 **“Act”** means the Companies Act, 1956 and/or the Companies Act, 2013 as in force from time to time; it being clarified that as on the date of approval of this Scheme by the Board of Directors of the Transferor Company and the Transferee Company, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. Accordingly, references in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall, unless a different intention appears, be construed as references to the provisions so re-enacted.
- 1.2 **“Appointed Date”** means the date from which this Scheme shall become operative viz., April 1st, 2015 or if the Board of Directors of the Transferor Companies and the Transferee Company require any other date prior or subsequent to 1st April 2015 and/or High Court of Judicature at Madras modifies the appointed date to such other date, then the same shall be the Appointed Date.
- 1.3 **“Board”** or **“Board of Directors”** means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall, unless it is 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;
- 1.4 **“Court”** means the Hon’ble High Court of Judicature at Madras under the Companies Act, 1956 or such other Tribunal (i.e) the National Company Law Tribunal (**“NCLT”**) & the National Company Law Appellate Tribunal (**“NCLAT”**) as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under Section 230 to 240 of the Companies Act, 2013.
- 1.5 **“Effective Date”** means the date or last of the dates on which the certified copy of the order of the Court sanctioning this Scheme is filed with the concerned Registrar of Companies by the Transferor Companies and the Transferee Company.
- 1.6 **“Scheme of Amalgamation”** or **“Scheme”** or **“The Scheme”** or **“This Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) approved, imposed, or directed by the Court.
- 1.7 **“Transferee Company”** means **“ELGI RUBBER COMPANY LIMITED”**, a public listed company incorporated under the Act on 16th day of October, 2006 and having its registered office at 2000, Trichy Road, Singanallur, Coimbatore-641005.
- 1.8 **“Transferor Company (1)”** means **“TREADSDIRECT LIMITED”**, a company incorporated under the Act on 7th day of July, 2010 and having its registered office at 2000, Trichy Road, Singanallur, Coimbatore-641005.
- 1.9 **“Transferor Company (2)”** means **“PARANI STEELS PRIVATE LIMITED”**, a company incorporated under the Act on 11th day of May, 1987 and having its registered office at Mannur Koot Rd, Thodu Kodu PO., Sriperumpudur-622105, Tamil Nadu, India.
- 1.10 **“Transferor Companies”** means Transferor Company (1) and Transferor Company (2) collectively.
- 1.11 **“Undertakings”** shall mean and include the whole of the undertakings of the Transferor Companies, as a going concern, including their businesses, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, titles and benefits, whether movable or immovable property (as provided under Schedule A & B) real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses, registrations, accreditations to trade and industrial bodies, copyrights, patents, trade names, trade marks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trade marks, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, tax credits (including but, not limited to, credits in respect of income tax, sales tax, value added tax, turnover tax, service tax, etc), Software Licences, Domain / Websites etc., in connection with or relating to the Transferor Companies and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies, as on the Appointed Date.
- 1.12 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act and other applicable laws, rules, regulations and byelaws as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. SHARE CAPITAL

- 2.1. The Authorised Capital of the Transferor Company (1) as on 31st March 2014 is Rs.5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each. The issued, subscribed and paid-up capital of the Transferor Company (1) as on 31st March 2014 is Rs.4,75,00,000/- (Rupees Four Crore Seventy Five Lakhs only) divided into 47,50,000 (Forty Seven

Lakh Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten only) each. Subsequent to 31st March 2014, there has been no change in the authorized, issued, subscribed and paid-up capital of the Transferor Company (1).

- 2.2. The Authorised Capital of the Transferor Company (2) as on 31st March 2014 is Rs.3,00,00,000/- (Rupees Three Crores only) divided into 30,00,000 (Thirty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each. The issued, subscribed and paid-up capital of the Transferor Company (2) as on 31st March 2014 is Rs.3,00,00,000/- (Rupees Three Crores only) divided into 30,00,000 (Thirty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each. Subsequent to 31st March 2014, there has been no change in the authorized, issued, subscribed and paid-up capital of the Transferor Company (2).
- 2.3. The Authorised Capital of the Transferee Company as on 31st March 2014 is Rs.30,03,00,000/- (Rupees Thirty Crores and Three Lakh only) divided into 30,03,00,000 (Thirty Crores and Three Lakh) Equity Shares of Re.1/- (Rupee One only) each. The issued, subscribed and paid-up capital of the Transferee Company as on 31st March 2014 is Rs.5,00,50,000/- (Rupees Five Crore Fifty Thousand only) divided into 5,00,50,000 (Five Crore Fifty Thousand) Equity Shares of Re.1/- (Rupee One only) each. Subsequent to 31st March 2014, there has been no change in the authorized, issued, subscribed and paid-up capital of the Transferee Company.

PART II – TRANSFER AND VESTING

3. TRANSFER OF UNDERTAKINGS

- 3.1 The Undertakings shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- (a) With effect from the Appointed Date, the whole of the Undertakings of the Transferor Companies comprising their entire business, all assets and liabilities of whatsoever nature and wheresoever's situated, including the immovable properties, if any, shall, under the provisions of Section 391 read with Section 394 and all other applicable provisions, if any, of the Act without any further act or deed (save as provided in Sub-clauses (b), (c), (d) and (e) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as from the Appointed Date, the Undertakings of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Companies therein.

Provided that for the purpose of giving effect to the vesting order passed under Sections 391 to 394 in respect of this Scheme, the Transferee Company shall at any time pursuant to the orders on this Scheme be entitled to get the recordal of the change in the title and the appurtenant legal right(s) upon the vesting of such assets of the Transferor Companies in accordance with the provisions of Sections 391 to 394 of the Act, at the office of the respective Registrar of Assurances or any other concerned authority, where any such property is situated.

- (b) All movable assets including cash in hand, if any, of the Transferor Companies, capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. Such delivery shall be made on a date mutually agreed upon between the Boards of Directors of the Transferor Companies and the Transferee Company.
- (c) In respect of movables other than those specified in sub-clause (b) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, a suitable modus operandi as decided by the Transferee Company for intimating third parties shall, to the extent possible, be followed.
- (d) In relation to the assets, if any, belonging to the Transferor Companies, which require separate documents of transfer, the respective Transferor Company and the Transferee Company will execute necessary documents, if any, as and when required.
- (e) With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet of the Transferor Companies shall also, under the provisions of Section 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 as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause. However, the Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Companies or in favour of any other party to the contract or arrangement to which the Transferor Companies are a party or any writing, as may be necessary, in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Companies as well as to implement and carry out all such formalities and compliances referred to above.
- (f) The transfer and vesting of the Undertakings of the Transferor Companies as aforesaid shall be subject to the existing securities, charges and mortgages, if any subsisting, over or in respect of the property and assets or any part thereof of the respective Transferor Company.

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

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

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

- (g) With effect from the Appointed Date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, licences (including 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 Companies, or to the benefit of which the Transferor Companies may be eligible, or having effect immediately before the Effective Date, shall be, and remain in, full force and effect in favour of the Transferee Company, and may be enforced fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a beneficiary thereto.
- (h) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person and availed of by the Transferor Companies are concerned, the same shall vest with, and be available to, the Transferee Company on the same terms and conditions.
- (i) Loans or other obligations, if any, due between or amongst the Transferor Companies or between or amongst any 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 any Transferor Company, and held by the Transferee Company and vice versa or issued inter se amongst the Transferor Companies are concerned, the same shall, unless sold or transferred by the said Transferor Companies or the Transferee Company, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective Date, and shall have no effect and the Transferor Companies or the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.
- (j) The Transferor Companies shall have taken all steps as may be necessary to ensure that vacant, lawful, peaceful and unencumbered possession, right, title, interest of immovable property, if any, is given to the Transferee Company.
- (k) Where any of the liabilities and obligations/assets attributed to the Transferor Companies on the Appointed Date has been discharged / sold by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company.
- (l) From the Effective Date and till such time that the names of the bank accounts of the Transferor Companies are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies, in its name, in so far as may be necessary.

4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 4.1 Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments of whatsoever nature to which the Transferor Companies are a party, subsisting or having effect immediately before this arrangement under this Scheme, shall be, in full force and effect, against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Companies, the Transferee Company had been a party thereto. The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite arrangement, confirmations or novations to which the Transferor Companies will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or become necessary.
- 4.2 As a consequence of the amalgamation of the Transferor Companies with the Transferee Company in accordance with this Scheme, the recording of change in name from the Transferor Companies to the Transferee Company, whether for the purposes of any licence, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.
- 4.3 The Transferee Company may, at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Companies are a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Companies, implement or carry out all such formalities or compliances referred to above on the part of the Transferor Companies, as the case may be, to be carried out or performed.
- 4.4 For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Companies without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any instrument or beneficial interest to which the Transferor Companies are a party thereto and shall not affect any right, privilege, obligations or liability, acquired, or deemed to be acquired prior to Appointed Date and all such references in such agreements, contracts and instruments to the Transferor Companies shall be construed as reference only to the Transferee Company with effect from the Appointed Date.

5. LEGAL PROCEEDINGS

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

6. TRANSFEROR COMPANIES STAFF, WORKMEN AND EMPLOYEES

- 6.1 All the executives, staff, workmen, and other employees in the service of the Transferor Companies, immediately before the Appointed Date, under this Scheme shall become the executives, staff, workmen, and other employees of the Transferee Company, on the basis that:
- a) Their services shall have been continuous and shall not have been interrupted by reason of such transfer as if such transfer is effected under Section 25FF of the Industrial Disputes Act, 1947;
 - b) The terms and conditions of service applicable to the said staff, workmen, and other employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately before the transfer;
 - c) In the event of retrenchment of such staff, workmen, or other employees, the Transferee Company shall be liable to pay compensation in accordance with law on the basis that the services of the staff, workmen, or other employees shall have been continuous and shall not have been interrupted by reason of such transfer; and
 - d) It is provided that as far as the Provident Fund, Gratuity, Pension, Superannuation Fund or any other special funds that are applicable to the employees of the Transferee Company and existing in the Transferee Company for the benefit of the staff, workmen and other employees of the Transferee Company shall also be extended to the employees of the Transferor Companies upon the Scheme becoming finally effective. The said benefits shall be extended to the employees of the Transferor Companies even if such benefits were not available to the employees during their tenure in the Transferor Companies, by virtue of non applicability of the relevant provisions to the Transferor Companies. Notwithstanding what is stated herein above in respect of applicability of Employees Provident Fund to the employees of Transferor companies with retrospective effect from a date to be determined by the Board of Directors of Transferee company the extension of benefit to the employees of Transferor companies shall be subject to the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the approvals of the authorities concerned for giving effect to the implementation date. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations, in whatsoever nature, that are available to the employees of the Transferee Company shall also be available to all the employees of the Transferor Companies in relation to Provident Fund, Gratuity and Pension and/ or Superannuation Fund or any other special fund, however subject to the provisions of the relevant and applicable statutes.

7. SAVING OF CONCLUDED TRANSACTIONS

- 7.1 The transfer of Undertakings under Clause 3 above, the continuance of the effectiveness of contracts and deeds under Clause 4 above and legal proceedings by or against the Transferee Company under Clause 5 above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Companies on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

8. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANIES TILL EFFECTIVE DATE

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

- 8.1 The Transferor Companies shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.
- 8.2 All profits or income or taxes, including but not limited to income tax, fringe benefit tax, advance taxes, tax deducted at source by or on behalf of the Transferor Companies, wealth tax, sales tax, value added tax, excise duty, service tax, customs duty, refund, reliefs, etc, accruing or arising to the Transferor Companies, or losses arising or expenditure incurred by them, on and from Appointed Date upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the said taxes of the Transferee Company.
- 8.3 The Transferor Companies shall carry on their business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any of their business undertaking(s) or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Companies prior to the Appointed Date).
- 8.4 The Transferee Company shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required / granted under any law for time being in force for carrying on business by the Transferee Company.

- 8.5 The Transferor Companies shall continue to comply with the provisions of the Act including those relating to preparation, presentation, circulation and filing of accounts as and when they become due for compliance.
- 8.6 The Transferor Companies shall not make any modification to their capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or reorganisation or in any other manner, whatsoever, except by mutual consent of the Boards of Directors of the Transferor Companies and of the Transferee Company.
- 8.7 The Transferor Companies shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.

9. AUTHORISED SHARE CAPITAL

- 9.1 Upon the Scheme becoming fully effective, the authorised share capital of the Transferor Companies shall stand combined with the authorised share capital of the Transferee Company. Filing fees and stamp duty, if any, paid by the Transferor Companies on their respective authorised share capital, shall be deemed to have been so paid by the Transferee Company on the combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fee/ stamp duty for its increased authorised share capital.
- 9.2 Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended under applicable provisions of the Act by deleting the existing Clause and replacing it by the following:
- “V. The Authorised Share Capital of the Company is Rs.38,03,00,000/- (Rupees Thirty Eight Crore Three Lakh only) divided into 38,03,00,000 (Thirty Eight Crore Three Lakh) equity shares of Re.1/- (Rupee One only) each, The Company has power to increase or reduce the said Capital and to issue any part of its capital, original or increased with or without any preferences, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions, so that unless the conditions of issue shall otherwise be subject to the power herein contained.. The right and privileges attached to any shares having preferential, qualified or special rights, privileges or conditions attached thereto may be altered or dealt with in accordance with the accompanying Articles of Association but not ,otherwise.”
- 9.3 Clause 4 of the Articles of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended by deleting the existing Article and replacing it by the following:
- “4. The Authorised Share Capital of the Company is Rs.38,03,00,000/- (Rupees Thirty Eight Crore Three Lakh only) divided into 38,03,00,000 (Thirty Eight Crore Three Lakh) equity shares of Re.1/- (Rupee One only) each. The Company shall have power to issue equity shares or preference shares in the capital, original or increased, in accordance with the provisions of the Companies Act, 2013 and directors may subject to the provisions of the Act, exercise such powers in any manner they think fit, and provide for redemption of the preference shares on such terms including right to redeem at a premium or otherwise.”
- 9.4 The approval of this Scheme under Sections 391 and 394 of the Act shall be deemed to have the approval under the applicable provisions of the Act and any other consents and approvals required in this regard.

10. CANCELLATION OF EQUITY SHARES OF THE TRANSFEROR COMPANY HELD BY THE TRANSFEE COMPANY/ REORGANISATION OF CAPITAL

- 10.1 The Transferor Companies are wholly owned subsidiaries of the Transferee Company and its entire share capital is held by the Transferee Company in its own name and/or jointly with its nominees. Accordingly, there would be no issue of shares of the Transferee Company to the shareholders (including those holding the shares as nominees of the Transferee Company) of the Transferor Companies. Upon this Scheme coming into effect, the shares of the Transferor Companies held by the Transferee Company directly and/or through its nominee(s), constituting the entire paid up share capital of the Transferor Company will stand cancelled.

11. ACCOUNTING TREATMENT

Upon the Scheme becoming effective, the amalgamation of the Transferor Companies with the Transferee Company would follow ‘**pooling of interest/amalgamation in the nature of merger**’ method as prescribed in the Accounting Standard 14: ‘Accounting for Amalgamations’ as notified under Section 211(3C) of the Companies Act, 1956 read with notified provisions of Section 129 (1) of the Companies Act, 2013, such that:-

- 11.1 The Transferee Company shall, upon the Scheme coming into effect, record the assets and liabilities of the Transferor Companies vested in it pursuant to this Scheme at the respective book values thereof and in the same form as appearing in the books of the Transferor Companies at the close of business of the day immediately preceding the Appointed Date.
- 11.2 The Transferee Company shall record the security premium, general reserves and the revaluation reserves of the Transferor Companies in the same form and at the same values as they appear in the financial statements of the Transferor Companies at the close of business of the day immediately preceding the Appointed Date. Balances in the Statement of Profit and Loss of the Transferor Companies shall be similarly aggregated with the balances in statement of Profit and Loss of the Transferee Company.
- 11.3 The difference, if any, between the investment of the Transferee Company and the amount of share capital of the Transferor Companies be adjusted in the reserves of the Transferee Company.
- 11.4 In case of any differences in accounting policy between the Transferor Companies and the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted in the General Reserve of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

- 11.5 To the extent there are inter-corporate loans or balances between the transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.

12. CONSEQUENTIAL MATTERS RELATING TO TAX

- 12.1 Upon the Scheme coming into effect, all taxes/ cess/ duties, direct and/or indirect, payable by or on behalf of the Transferor Companies from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with the Revenue Authorities and including the right to claim credit for minimum alternate tax and carry forward of accumulated losses, shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims and accumulated losses of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise, if it becomes necessary, its Income tax returns, Sales tax returns, Excise & Cenvat returns, service tax returns, other tax returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme. The Transferee Company is also expressly permitted to claim refunds / credits in respect of any transaction between or amongst any Transferor Companies and the Transferee Company or inter se amongst the Transferor Companies.

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

- 12.2 In accordance with the Cenvat Credit Rules framed under the Central Excise Act, 1944, as are prevalent on the Effective Date, the unutilized credits relating to excise duties/service tax paid on inputs/capital goods/ input services lying in the accounts of the undertakings of the Transferor Companies shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the excise duty/ service tax payable by it.
- 12.3 In accordance with the Tamil Nadu Value Added Tax Act, 2006, as are prevalent on the Effective Date, the unutilized credits, if any, relating to VAT paid on inputs/capital goods lying in the accounts of the undertakings of the Transferor Companies shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the VAT/ CST payable by it.

PART III – GENERAL TERMS AND CONDITIONS

13. APPLICATION TO COURT

- 13.1. The Transferor Companies and the Transferee Company shall, with reasonable despatch, apply to the Court for necessary orders or directions for holding meetings of the members of the Transferor Companies and Transferee Company for sanctioning this Scheme of Amalgamation under Section 391 of the Act or for dispensing the holding of such meetings and orders under Section 394 of the Act of the Transferor Companies and Transferee Company, for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up.

14. DISSOLUTION OF TRANSFEROR COMPANIES

- 14.1 Subject to an order being made by the Court under Section 394 of the Act, the Transferor Companies 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.

15. MODIFICATIONS / AMENDMENTS TO THE SCHEME

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

16. DATE OF TAKING EFFECT

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

17. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

This Scheme is conditional on and subject to -

- 17.1 The sanction or approval under any law of the Central Government, State Government, or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
- 17.2 The Scheme being agreed to by the respective requisite majorities as provided under the Act or under the SEBI Circular 1 & 2 (defined hereinunder) of the members of the Transferor Companies and Transferee Company as may be applicable, if meetings of Equity Shareholders of the said companies are convened by the Court or if dispensation from conducting the meeting of the equity shareholders of the Transferor Companies and Transferee Company is obtained from the Court, and the sanction of the Court being accorded to the Scheme.
- 17.3 The approval of the Scheme of Amalgamation by the shareholders of the Transferee Company through postal ballot and e-voting as prescribed by the Securities and Exchange Board of India ("**SEBI**") Circular¹ (hereinafter referred to as "**SEBI Circular 1**") dated 4th February, 2013 and SEBI circular² (hereinafter referred to as "**SEBI Circular 2**") dated 21st May 2013.
- 17.4 The sanction by the Court under Sections 391 and 394 and other applicable provisions of the Act being obtained by the Transferor Companies.
- 17.5 The filing with the Registrar of Companies, Chennai and Coimbatore of certified copies of all necessary orders, sanctions and approvals mentioned above by the respective Company.

18. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

- 18.1 In the event of the Scheme not being sanctioned by the Court and/or the order or orders not being passed as aforesaid, the Scheme shall become fully null and void and in that event no rights and liabilities shall accrue to or be inter-se by the parties in terms of the Scheme, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. In such event, each party shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme.

19. EXPENSES CONNECTED WITH THE SCHEME

- 19.1 All costs, charges, levies, fees, duties and expenses of the Transferor Companies and the Transferee Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme shall be borne and paid by the Transferee Company.

(Footnotes)

¹ CIR/CFD/DIL/5/2013

² CIR/CFD/DIL/8/2013

SCHEDULE A**Schedule of Immoveable Properties of the Transferor Company (1) proposed to be transferred,
merged and vested with the Transferee Company.**

Treadsdirect Limited
Korkkadu Village
Mangalam Post (via) Villianur
Pondicherry-605110

S. No	Doc No.	S.F. No.	Area (in acres)	Boundaries
1	511/89	55/5, 56/1	9.1600	East by Land bearing R S no 55/4,55/5pt & Bahour Villianur Road West by Land bearing R S No 51 & 55/4pt Remaining portion of land bearing R S No 55/5 South by Land bearing R S No 55/5pt,53 & canal R S No 54 North by Remaining portion of land bearing R S No 56/1, 55/5, 50 & 55/4 Land bearing R S No 56/1pt & 55/5pt
2	2436/86	55/5, 56/1, 57/4	5.9300	East by Land bearing R S No 56/2 & Bahour Villianur Road West by Land bearing R S no 55/4 & 55/3 South by Remaining portion of land bearing R S No 56/1 & 55/5 North by Land bearing R S No 59,57/3,57/4pt & 55/2
3	2434/86	56/2	0.6700	East by Bahour Villianur Road West by Land bearing R S no 56/1 South by Land bearing R S No 56/1 North by Land bearing R S No 59

Treadsdirect Limited
Kariankode Post
Kottayi, Palakkad-678572
Kerala

S. No	Doc No.	S.F. No.	Area (in acres)	Boundaries
1	1585/89	3/7	0.3200	East by Property of Chandran West by Property of Muthu Rawther South by Property of Saidumohammed North by Property of Ibrahim
2	1576/89	3/8,	0.4000	East by Property of Subaida West by Property of Vallikutty South by Property of Thankamani North by Property of Kammali Rawther
3	1577/89	3/5	0.5100	East by Property of Kammali Rawther West by Property of Hyderali South by Property of Vallikutty North by Property of Beepathumma & Ibrahim

S. No	Doc No.	S.F. No.	Area (in acres)	Boundries
4	1586/89	4/6 4/4	0.5400	East by Property of Jamal Property of Beepathumma West by Property of Moideen Kutty Property of Panchaman South by Property of Moideen Kutty Property of Moideen Kutty North by Property of Beepathumma Property of Thankamani
5	1579/89	3/10	0.9700	East by Property of Subaida West by Property of Viswanathan South by Property of Saidumohammed, Beepathumma, Panchaman & Madhavan North by Property of Hyderali, Vallikutty & Saidumohammed
6	1580/89	3/6	0.5300	East by Property of Ibrahim West by Property of Viswanathan South by Property of Muthu Rawther & Hyderali North by Public Road
7	1584/89	3/4	0.6325	East by Property of Muthu Rawther & Vallikutty West by Property of Muralidharan & Viswanathan South by Property of Thankamani & Viswanathan North by Property of Beepathumma
8	1582/89	3/9	0.3520	East by Property of Saidumohammed West by Property of Hyderali South by Property of Thankamani North by Property of Muthu Rawthe
9	1578/89	4/14 4/15 4/16, 3/12	1.4500	East by Property of Saidumohammed & Moideen Kutty's Property of Hyderali & Others West by Property of Krishnakutty Ezhuthassan & Madavan Property of Viswanathan South by Property of Sulaiman's Property of Viswanathan North by Property of Thankamani Property of Viswanathan
10	1607/89	4/14 4/15 4/16	0.3000	East by Company's properties West by Property of Krishnakutty Ezhuthassan South by Company's properties North by Property of K R Viswanathan & Company
11	1575/89	21/1pt	0.8600	East by Chandran's Property West by Property of Kammali Rawther & Ibrahim South by Property of Subaida North by Public Road
12	1581/89	21/6 21/7	0.6900	East by Property of Vasu West by Property of Thankamani & Saidumohammed South by Property of Beepathumma North by Property of Chandran

S. No	Doc No.	S.F. No.	Area (in acres)	Boundaries
13	1583/89	4/5 4/13	0.3900	East by Property of Muthu Rawther West by Property of Saidumohammed South by Property of Saidumohammed North by Property of Thankamani & Subaida
14	1422/90	3/7	0.7200	East by Pathway & Property owned bt the purchaser West by P W D Raoad South by Property owned by the purchaser North by Property owned by the purchaser
15	1931/90	3/7	0.0400	East by Pathway & Property owned bt the purchaser West by P W D Raoad South by Property owned by the purchaser North by Property owned by the purchaser

SCHEDULE B

Schedule of Immoveable Properties of the Transferor Company (2) proposed to be transferred, merged and vested with the Transferee Company.

S. No	Doc No.	S.F. No.	Area (in acres)	Boundaries
1	22323/06	626/2A, 2B, 2C, 2D, 2E	12.3100	East by Sriperumpudur Road West by Private Vacant Land South by Delphi TVS Factory North by Delphi TVS Factory

KEYNOTE

21st April, 2015

The Board of Directors,

Elgi Rubber Company Limited

2000 Trichy Road, Singanallur,
Coimbatore - 641005, Tamil Nadu, India

Treadsdirect Limited

2000, Trichy Road, Singanallur,
Coimbatore-641005, Tamil Nadu, India

Parani Steels Private Limited

Mannur Koot Rd, Thodu Kodu PO.,
Sripreempudur-622105, Tamil Nadu, India

Dear Sirs,

Reg: Fairness Opinion towards a proposed amalgamation of Treadsdirect Limited and Parani Steels Private Limited with Elgi Rubber Company Limited

Keynote Corporate Services Limited ("Keynote" or "we" or "us") is Category I Merchant Banker registered with Securities Exchange Board of India ("SEBI"). We have been requested to issue a report on fairness towards the proposed Amalgamation of Treadsdirect Limited ("Treadsdirect") and Parani Steels Private Limited ("Parani"), (*"Transferor Companies" and both are wholly owned subsidiary companies of Elgi Rubber Company Limited*) with Elgi Rubber Company Limited (*"Elgi" or "Transferee Company"*) pursuant to the Draft Scheme of Amalgamation under the relevant provisions of the Companies Act, 1956. We have perused the documents/ information provided by you in respect of the said Amalgamation and state as follows:

Company Profile:

Elgi Rubber Company Limited is a public limited company incorporated on 16th day of October, 2006 under the Companies Act, 1956, in the State of Tamilnadu under the name and style of Elgi Aviation Tyres Limited. It is engaged in the business of manufacturing and retreading of all kinds and types of automotive tyres, aeronautical tyres & tubes, service equipments and related accessories, materials and tools.

The shares of Elgi are listed on the National Stock Exchange of India Limited ("NSE"). The Authorized Capital of Elgi as on 31st March 2014 is Rs.30,03,00,000/- (Rupees Thirty Crores and Three Lakh only) divided into 30,03,00,000 (Thirty Crores and Three Lakh) Equity Shares of Re.1/- (Rupee One only) each. The issued, subscribed and paid-up capital of Elgi as on 31st March 2014 is Rs.5,00,50,000/- (Rupees Five Crore Fifty Thousand only) divided into 5,00,50,000 (Five Crore Fifty Thousand) Equity Shares of Re.1/- (Rupee One only) each. Subsequent to 31st March 2014, there has been no change in the authorized, issued, subscribed and paid-up capital of Elgi.

Treadsdirect Limited was incorporated on the 7th day of July, 2010 under the Companies Act, 1956, in the State of Tamilnadu. It's a wholly owned subsidiary of Elgi. It is engaged in the business of manufacturing

Page 1 of 4

Keynote Corporate Services Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028
Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: info@keynoteindia.net • Website: www.keynoteindia.net
CIN-L67120MH1993PLC072407

KEYNOTE

and dealing in tyres and tubes, tyre treads, tyre retreading machinery, rubber processing machines and service equipment and related accessories, materials and tools.

The Authorized Capital of Treadsdirect as on 31st March 2014 is Rs.5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each. The issued, subscribed and paid-up capital of Treadsdirect as on 31st March 2014 is Rs.4,75,00,000/- (Rupees Four Crore Seventy Five Lakhs only) divided into 47,50,000 (Forty Seven Lakh Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten only) each. Subsequent to 31st March 2014, there has been no change in the authorized, issued, subscribed and paid-up capital of Treadsdirect.

Parani Steels Private Limited was incorporated on the 11th day of May, 1987 under the Companies Act, 1956, in the State of Tamilnadu. It's a wholly owned subsidiary of Elgi. Parani is engaged in the business of manufacturing of pressure vessels, and manufacturing and dealing in automotive tyres and tubes, tyre treads, tyre retreading machinery and service equipment and related accessories, materials and tools.

The Authorized Capital of Parani as on 31st March 2014 is Rs.3,00,00,000/- (Rupees Three Crores only) divided into 30,00,000 (Thirty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each. The issued, subscribed and paid-up capital of Parani as on 31st March 2014 is Rs.3,00,00,000/- (Rupees Three Crores only) divided into 30,00,000 (Thirty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each. Subsequent to 31st March 2014, there has been no change in the authorized, issued, subscribed and paid-up capital of Parani.

Rationale of the Report:

We are made to understand that the management of Elgi is proposing an internal restructuring by amalgamating Treadsdirect and Parani with Elgi for better management and for the benefit of the Transferor Companies. In this regard, we have been requested by the management to suggest a Fairness Opinion towards the proposed amalgamation of Treadsdirect and Parani with Elgi.

Sources of Information:

For arriving at the fairness opinion set forth below, we have relied upon the following sources of information:

- Annual Report of Elgi, Treadsdirect and Parani for Financial year 2013-14;
- Draft Scheme of Amalgamation u/s 391 to 394 of the Companies Act, 1956

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our Analysis.

Our Recommendation:

As stated in the Draft Scheme of Amalgamation, the entire issued, subscribed and paid up share capital of the Transferor Companies shall stand cancelled and extinguished pursuant to the implementation of

KEYNOTE

this Scheme and Elgi would not be required to issue and allot any shares to the shareholders of the Transferor Companies.

The aforesaid Amalgamation shall be pursuant to the Draft Scheme of Amalgamation and shall be subject to receipt of approval from the Jurisdictional High Court of Madras, the relevant Stock Exchanges and other statutory approvals as may be required. The detailed terms and conditions of the Amalgamation are more fully set forth in the Draft Scheme of Amalgamation. Keynote has issued the fairness opinion with the understanding that Draft Scheme of Amalgamation shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final Scheme of Amalgamation alters the transaction.

Based on the information, data made available to us, to the best of our knowledge and belief, the consideration proposed under the Draft Scheme of Amalgamation is fair in our opinion.

Exclusions and Limitations:

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by Elgi, Treadsdirect and Parani for the purpose of this opinion. Our work does not constitute an audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of Elgi, Treadsdirect and Parani. We have solely relied upon the information provided to us by Elgi, Treadsdirect and Parani. We have not reviewed any books or records of Elgi, Treadsdirect and Parani (other than those provided or made available to us). We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of Elgi, Treadsdirect and Parani and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of Elgi, Treadsdirect and Parani. We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent we have relied upon information which was publicly available or provided or otherwise made available to us by Elgi, Treadsdirect and Parani for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threaten claims and hence have not commented on the effect of such litigation or claims on this opinion. We are not legal, tax, regulatory or actuarial advisors. We are financial advisors only and have relied upon, without independent verification, the assessment of Elgi, Treadsdirect and Parani with respect to these matters. In addition, we have assumed that the Draft Scheme of Amalgamation will be approved by the regulatory authorities and that the proposed Transaction will be consummated substantially in accordance with the terms set forth in the Draft Scheme of Amalgamation.

We understand that the managements of Elgi, Treadsdirect and Parani during our discussion with them would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Draft Scheme of Amalgamation, no restrictions will be imposed that will have a material adverse effect on the benefits of the Transaction that Elgi, Treadsdirect and Parani may have contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to

Page 3 of 4

Keynote Corporate Services Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028
Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: info@keynoteindia.net • Website: www.keynoteindia.net
CIN-L67120MH1993PLC072407

KEYNOTE

solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extra-ordinary transaction involving Elgi, Treadsdirect and Parani or any of its assets, nor did we negotiate with any other party in this regard.

We have acted as a financial advisor to Elgi, Treadsdirect and Parani for providing a fairness opinion and will receive a fee for our services. In the past, Keynote and its affiliates have not provided financial advisory and financing services to Elgi, Treadsdirect and Parani and their affiliates and have not received fees for the rendering of the services

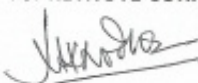
In the ordinary course of business, Keynote is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of Keynote may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Transaction.

It is understood that this letter is solely for the benefit of and confidential use by the Board of Directors of Elgi, Treadsdirect and Parani for the purpose of this Transaction and may not be relied upon by any other person and may not be used or disclosed for any other purpose without our prior written consent. The opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, Statute, Act, guideline or similar instruction. Management of Elgi, Treadsdirect and Parani should not make this report available to any party, including any regulatory or compliance authority/agency except as mentioned above. The letter is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.

We express no opinion whatever and make no recommendation at all as to Elgi's, Treadsdirect's and Parani's underlying decision to effect to the proposed Transaction or as to how the holders of equity shares or preference shares or secured or unsecured creditors of Elgi, Treadsdirect and Parani should vote at their respective meetings held in connection with the Transaction. We do not express and should not be deemed to have expressed any views on any other terms of Transaction. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of Elgi will trade following the announcement of the Transaction or as to the financial performance of Elgi, Treadsdirect and Parani following the consummation of the Transaction.

In no circumstances however, will Keynote Corporate Services Limited or its associates, directors or employees accept any responsibility or liability to any third party and in the unforeseen event of any such responsibility or liability being imposed on Keynote Corporate Services Limited or its associates, directors or employees by any third party, Elgi, Treadsdirect and Parani and their affiliates shall indemnify them.

For KEYNOTE CORPORATE SERVICES LTD



Nipun Lodha

Executive Vice President and Head Corporate Finance

SEBI Registration No. INM000003606

(Merchant Banker)

Page 4 of 4

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The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028

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CIN-L67120MH1993PLC072407



**NATIONAL STOCK EXCHANGE
OF INDIA LIMITED**



Stock of the nation

Ref: NSE/LIST/31262

June 25, 2015

The Company Secretary
Elgi Rubber Company Limited
2000 Trichy Road,
Coimbatore - 641005

Kind Attn.: Sri. S. R. Venkatachalam

Dear Sir,

Sub: Observation letter for draft Scheme of Amalgamation of Treadsdirect Limited and Parani Steels Private Limited with Elgi Rubber Company Limited and their respective shareholders.

This has reference to draft Scheme of Amalgamation of Treadsdirect Limited and Parani Steels Private Limited with Elgi Rubber Company Limited and their respective shareholders submitted to NSE vide your letter dated April 22, 2015.

Based on our letter reference no Ref: NSE/LIST/29470 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated June 23, 2015, has given following comments on the draft Scheme of Amalgamation:

"The Company shall duly comply with various provisions of the Circulars."

We hereby convey our 'No-objection' with limited reference to those matters having a bearing on listing/delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Companies to file the Scheme with Hon'ble High Court.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from June 25, 2015, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

- a. Copy of Scheme as approved by the High Court;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme.
- d. Status of compliance with the Observation Letter/s of the stock exchanges

1



- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per Annexure II of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.

Yours faithfully,
For National Stock Exchange of India Limited


Kamlesh Patel
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL
http://www.nseindia.com/corporates/content/further_issues.htm



Elgi Rubber Company Limited

2000 Trichy Road • Coimbatore 641 005 • India • CIN : L25119TZ2006PLC013144
+91 (422) 232 1000 • info@in.elgirubber.com • www.elgirubber.com

Complaints Report

(Annexure-II of Circular No.CIR/CFD/DIL/5/2013 dated 04-Feb-2013)

Part-A

Sl. No.	Particulars	Number
1.	Number of Complaints received directly	NIL
2.	Number of Complaints forwarded by Stock Exchanges	
3.	Total Number of Complaints/Comments received (1+2)	
4.	Number of Complaints resolved	
5.	Number of Complaints pending	

Part-B

Sl. No.	Name of Complainant	Date of Complaint	Status (Resolved/Pending)
	NIL		

for Elgi Rubber Company Limited


Company Secretary

IN THE HIGH COURT OF JUDICATURE AT MADRAS
(Ordinary Original Civil Jurisdiction)
COMPANY APPLICATION NO. 893 OF 2015

In the matter of the Companies Act, 1956 (1 of 1956)

AND

In the matter of Section 391 and 394 of the Companies Act, 1956

AND

In the matter of Scheme of Amalgamation of Treadsdirect Limited and
Parani Steels Private Limited with Elgi Rubber Company Limited

Elgi Rubber Company Limited
a Company incorporated under the Companies
Act, 1956, having its Registered Office at
2000, Trichy Road, Singanallur, Coimbatore-641005,
Tamil Nadu, India represented by
SR Venkatachalam, Vice-President, Finance

....Applicant /
Transferee Company

FORM OF PROXY

I/We, the undersigned Equity Shareholder(s) of Elgi Rubber Company Limited hereby appoint _____ of _____ and failing him/her _____ of _____ as my/our proxy to act for me / us on my /our behalf at the Court Convened Meeting of the Equity Shareholders of Elgi Rubber Company Limited to be held at "Siruthuli", Noyyal Life Centre, Sungam Bye Pass Road, South of Railway Bridge, Coimbatore-641045, Tamil Nadu, on Saturday, 26th September, 2015 at 11.45 A.M for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Amalgamation of Treadsdirect Limited and Parani Steels Private Limited with Elgi Rubber Company Limited and their shareholders at such meeting and at any adjournment or adjournments thereof to vote for me/us and in my/our name _____, for (here, if 'for', insert 'for', if 'against' insert 'against', and in the latter case, strike out the words below after "Scheme of Amalgamation") the said Scheme of Amalgamation and the resolution, either with or without modification, as my/our proxy may approve.

[Strike out what is not necessary]

Dated this _____ day of _____ 2015

Name:

Address:

Folio No./Client Id

D.P. Id

No. of Shares

Affix
Re.1/-
Revenue
Stamp

- Note:**
1. A Proxy need not to be a member.
 2. All alterations made in the Form of Proxy should be initialed.
 3. Proxy, in order to be effective, to be deposited at the registered office of the Company at the registered office of the Company not later than 48 hours before the commencement of the meeting.
 4. In case of multiple proxies, the proxy later in time shall be accepted.
 5. A form of appointment naming a proxy and a list of individuals who would be willing to act as Proxies will be made available on receipt of a request in writing to the Company Secretary.

Elgi Rubber Company Limited

CIN: L25119TZ2006PLC013144
Regd. Office: 2000, Trichy Road, Singanallur,
Coimbatore-641005, Tamil Nadu, India
Tel: +91 (422) 2321000; Fax: +91 (422) 2322222;
E-mail: info@elgirubber.com ; Website: www.elgirubber.com

ATTENDANCE SLIP

(Please complete this Attendance Slip and Hand it over at the entrance of the Meeting Hall)

DP ID*	Folio No.
Client ID*	No. of shares held

Name and address of the Equity Shareholder(s) (in block letters):

Name and address of the Proxyholder (in Block Letters, to be filled in by the Proxy attending instead of the Equity Shareholders):

.....


I hereby record my presence at the Court convened meeting of the Equity Shareholders of Elgi Rubber Company Limited, the Applicant Company, convened pursuant to the Order dated 20th August 2015 of the Hon'ble High Court of Judicature at Madras at "Siruthuli", Noyyal Life Centre, Sungam Bye Pass Road, South of Railway Bridge, Coimbatore-641045, Tamil Nadu, on Saturday, 26th September, 2015 at 11.45 A.M.

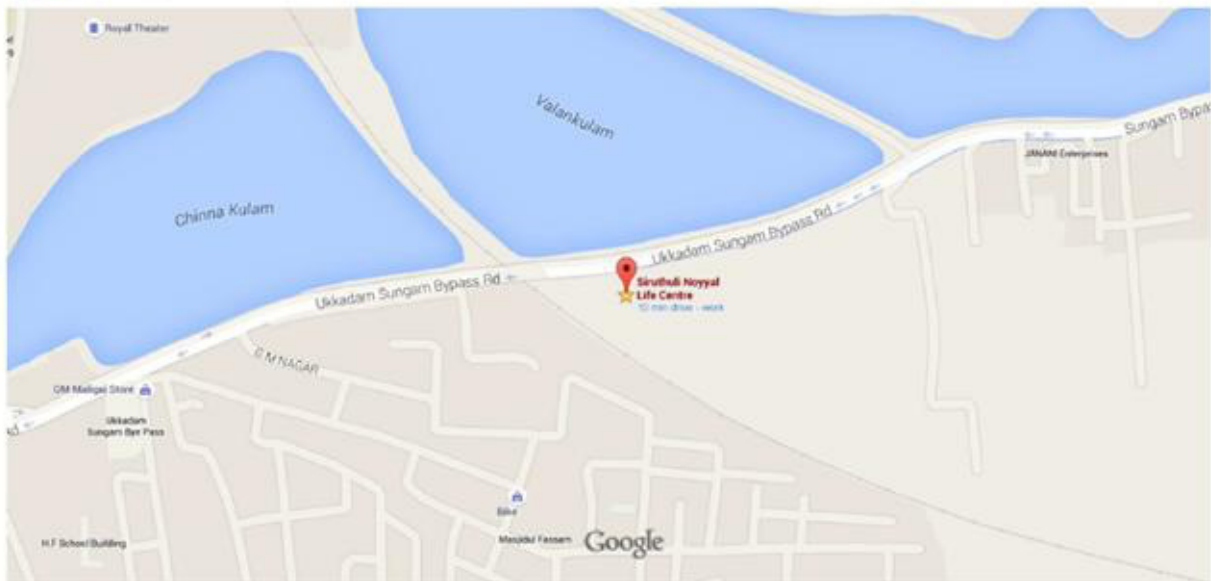
Signature of the Equity Shareholder/ Proxy holder:

*Applicable for shareholders holding share(s) in dematerialized form.

Notes:

- 1 Equity Shareholders attending the Meeting in person or by Proxy or through authorized representative are requested to complete and bring the Attendance Slip and hand it over at the entrance of the meeting hall after affixing their signature on it.
- 2 Equity Shareholders who come to attend the meeting are requested to bring with them copy of the Notice and Scheme of Amalgamation.
- 3 Joint Shareholders may obtain additional attendance slip at the venue of the meeting.

 Google Siruthuli Noyyal Life Centre



Siruthuli Noyyal Life Centre
Ukkadam Sungam Bypass Rd
Ramanathapuram
Coimbatore, Tamil Nadu
641045

siruthuli.com
0422 231 8333