BANNARI AMMAN SUGARS LIMITED

Regd. Office : 1212, Trichy Road Coimbatore - 641 018 Tamilnadu India
Phone : 91 - 422 - 2204100 Fax : 91 - 422 - 2309999 (Sales) 2204233 (Accounts)
E-Mail : bascbe@bannari.com Website : www.bannari.com CIN : L15421TZ1983PLC001358

SEC/ MAIL /2016

13.8.2016

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
"EXCHANGE PLAZA"
BANDRA-KURLA COMPLEX
BANDRA (E)
MUMBAI 400 051

NSE CODE: BANARISUG
ISIN NO. : INE459A01010

Dear Sirs,

Sub: Scheme of Amalgamation of M/s Madras Sugars Limited with M/s Bannari Amman Sugars Limited - Notice of Postal Ballot/ E-voting - Reg.

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We wish to inform you that the Hon'ble High Court of Madras has permitted the company to seek the approval of the equity shareholders for the Scheme of Amalgamation of M/s Madras Sugars Limited with M/s Bannari Amman Sugars Limited by way of Postal Ballot/E-Voting.

In this regard, we would like to inform you the following details of Postal Ballot/E-voting:

Cut-off date	:	**10th August, 2016**
Date of despatch of Notice	:	**13th August, 2016**
Date of E-voting	:	**Commences on 17th August, 2016 (9.00 A.M.)**
		Ends on 16th September, 2016 (5.00 P.M.)

We are attaching herewith the Notice of Postal Ballot/E-Voting, Postal Ballot Form with instructions for voting (which are being sent to the shareholders today i.e. 13.8.2016) for your records.

The Company has engaged Central Depository Services (India) Limited (CDSL) to provide e-voting facility.

The above Notice and Postal Ballot Form and other related documents are available in the website of the company at www.bannari.com

Thanking you,

Yours faithfully
For **BANNARI AMMAN SUGARS LIMITED**

COMPANY SECRETARY

Encl :

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORIGINAL JURISDICTION)

COMPANY APPLICATION NO. 635 OF 2016

In the matter of Companies Act, 1956

And

In the matter of Section 391 to 394 and other applicable provisions of

the Companies Act, 1956 and the Companies Act, 2013

And

IN THE MATTER OF SCHEME OF AMALGAMATION (MERGER)

OF

MADRAS SUGARS LIMITED (TRANSFEROR COMPANY)

AND

BANNARI AMMAN SUGARS LIMITED (TRANSFEREE COMPANY)

BANNARI AMMAN SUGARS LIMITED
a company incorporated under the
Companies Act, 1956 and having its
Registered Office at 1212, Trichy Road
Coimbatore 641 018 …Applicant/Transferee Company

NOTICE OF POSTAL BALLOT / E-VOTING

Notice pursuant to Section 391 (2) of the Companies Act, 1956 and Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Securities Exchange Board of India (SEBI) Circular No.CIR/CFD/CMD/16/2015 dated 30th November, 2015 and Regulation 44 and other applicable provisions of the SEBI (Lisiting Obligations and Disclosure Requirements) Regulations, 2015.

To

The Equity Shareholders of the Applicant / Transferee Company

TAKE NOTICE that by an Order dated 28th July, 2016 in C.A No.635 of 2016, the Hon'ble High Court of Judicature at Madras has permitted the Applicant Company to seek approval of the Equity Shareholders of the Applicant Company for the Scheme of Amalgamation of Madras Sugars Limited with Bannari Amman Sugars Limited by way of Postal Ballot / E-voting as required under Section 391 (2) of the Companies Act, 1956 and in terms of Circulars No. CIR/CFD/DIL/5/2013 dated 4th February 2013, No. CIR/CFD/DIL/8/2013 dated 21st May 2013 and CIR/CFD/DIL/16/2015 dated 30th November 2015 issued by the Securities Exchange Board of India (SEBI).

The Hon'ble High Court of Judicature at Madras has appointed Sri C Thirumurthy, Practising Company Secretary, to be the Chairperson for the purpose of conducting the said postal ballot / e-voting.

In pursuance of the said order, the following are enclosed herewith :

1. Proposed Resolution
2. Explanatory Statement setting out the material facts and reasons as required under Section 393 of the Companies Act, 1956
3. Scheme of Amalgamation
4. Fairness Opinion
5. Complaints Report filed with Stock Exchanges
6. Observation letters of BSE Limited and National Stock Exchange of India Limited &
7. Postal Ballot Form & Instructions to Postal Ballot / E-voting

The shareholders are requested to carefully read the instructions for exercising voting through Postal Ballot and return the completed and duly signed Postal Ballot Form, in the enclosed self addressed postage pre-paid business reply envelope (if posted in India) so as to reach the Chairperson / Scrutinizer Sri C Thirumurthy, Practising Company Secretary, M/s C Thirumurthy & Associates, Company Secretaries, 69-1, LML Colony, 3rd Street, Ammankulam Road, Pappanaickenpalayam, Coimbatore 641 037 on or before the close of business hours at **5.00 P.M. Friday, the 16th September, 2016 (Voting Date).**

The Applicant Company is pleased to offer e-voting facility also as an alternative for physical postal ballot for its shareholders. E-voting is optional. The shareholders are requested to carefully read the instructions for exercising voting through e-voting.

The above mentioned Scheme of Amalgamation, if approved by Postal Ballot / E-voting by requisite majority, will be subject to the subsequent approval of the Hon'ble High Court of Judicature at Madras.

C THIRUMURTHY
Chairperson appointed for
conducting Postal Ballot / E-voting

Place : Coimbatore
Date : 12th August, 2016

Note :
This Notice is being sent to all the Shareholders whose names appear on the Register of Members/List of Beneficial Owners as received from the National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as at the close of business hours on 10th August, 2016 (cut-off date).

PROPOSED RESOLUTION :

To consider and, if thought fit, to pass the following resolutions as "SPECIAL RESOLUTIONS"

RESOLVED that subject to such approvals as may be necessary from the Hon'ble High Court of Judicature at Madras under Section 391 and 394 of the Companies Act, 1956 and other applicable provision of the Companies Act, 1956 and the Companies Act, 2013 and such other statutory or other authorities, the Scheme of Amalgamation of Madras Sugars Limited with Bannari Amman Sugars Limited be and is hereby approved.

RESOLVED FURTHER that the Board of Directors of the Company and / or Sri C Palaniswamy, Company Secretary and / or any other person authorised by the Board of Directors, be and are hereby severally authorised to take all such steps as may be necessary or desirable and to do all such acts, deeds, things and matters as may be considered necessary to give effect to the aforesaid Scheme of Amalgamation and to this Resolution and to accept such alteration, modification and/or conditions, if any, which may be proposed, required or imposed by the Hon'ble High Court of Judicature at Madras while sanctioning the Scheme of Amalgamation.

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

COMPANY APPLICATION NO. 635 OF 2016

In the matter of Companies Act, 1956

And

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IN THE MATTER OF SCHEME OF AMALGAMATION (MERGER)

OF

MADRAS SUGARS LIMITED (TRANSFEROR COMPANY)

AND

BANNARI AMMAN SUGARS LIMITED (TRANSFEREE COMPANY)

BANNARI AMMAN SUGARS LIMITED
a company incorporated under the
Companies Act, 1956 and having its
Registered Office at 1212, Trichy Road
Coimbatore 641 018 …Applicant/Transferee Company

Statement Pursuant to Section 393 of the Companies Act, 1956 and Section 102 of the Companies Act, 2013

1. Pursuant to the Order dated 28th July 2016 passed by the Hon'ble High Court of Judicature at Madras, in the Company Application No.635 of 2016, the Postal Ballot / E-voting is being organised for the purpose of considering and, if thought fit, approving the Scheme of Amalgamation of Madras Sugars Limited with Bannari Amman Sugars Limited by way of Special Resolution.

2. In this Statement, Bannari Amman Sugars Limited, hereinafter referred to as "Applicant Company" / "Transferee Company", Madras Sugars Limited, hereinafter referred to as "Transferor Company". Where the context so requires, the Applicant Company / Transferee Company and the Transferor Company are collectively referred to as the "Companies". The said Scheme of Amalgamation is hereinafter referred to as "the Scheme".

3. A copy of the Scheme of Amalgamation, setting out the terms and conditions of the amalgamation of the Transferor Company with the Transferee Company, which has been approved by the Board of Directors of Transferor Company and Transferee Company at their respective meetings held on 25th April, 2016, is annexed to the notice.

4. The Applicant Company was incorporated in the name of Bannari Amman Sugars Limited under the Companies Act, 1956 on 1st December, 1983. The Registered Office is situated at 1212, Trichy Road, Coimbatore - 641 018

5. The Applicant Company is engaged in the business of manufacture of sugar, industrial alcohol and granite products and generation of power.

6. The Share Capital and the objects for which the Applicant Company was incorporated are specified in the Scheme.

7. The turnover of the Applicant Company during 2014-15 was Rs.919.42 Crores. In the current financial year, during nine months ended 31.12.2015, the turnover is Rs.1004.93 crores. The Net Profit after tax for the year ended 31.3.2015 was Rs.1.03 Crores and for the nine months ended 31.12.2015 the Applicant Company has incurred net loss of Rs.22.85 crores.

8. The Transferor Company was incorporated in the name of Madras Sugars Limited under the Companies Act, 1956 on 30th April, 2009. The Registered Office is presently at 1212, Trichy Road, Coimbatore 641 018.

9. The Transferor Company is also engaged in the business of manufacture of sugar and generation of power.

10. The Share Capital and the objects for which the Transferor Company was incorporated are specified in the Scheme.

11. The turnover of the Transferor Company during 2014-15 was Rs.124.23 Crores. In the current financial year, during nine months ended 31.12.2015, the turnover is Rs.218.99 crores. The Net Profit after tax for the year ended 31.3.2015 was Rs.0.55 Crores and for the nine months ended 31.12.2015 the transferor company has incurred a loss of Rs.53.66 crores.

12. The Transferor Company is a wholly owned subsidiary of M/s SVB Holdings Private Limited in which the promoters of Applicant Company hold entire share capital.

13. THE CIRCUMSTANCES WHICH JUSTIFY AND THE RATIONALE WHICH NECESSITATED OF THE PROPOSED SCHEME OF AMALGAMATION

a) Both the Transferor and Transferee Companies are engaged in the similar line of business. The proposed amalgamation will provide a stronger and consolidated operational structure to the businesses of the companies.

b) M/s. Madras Sugars Limited (Transferor Company) has its sugar factory with the crushing capacity of 3600 TCD and co-generation plant with an installed capacity of 25 MW at Vengur village, Thirukoilur Taluk, Viluppuram District in the State of Tamilnadu. The factory is located in the midst of excellent cane area. Considering the potential for cane development in the area, the crushing capacity of the factory can be expanded to 7000 TCD due to favourable climatic and other prevailing conditions. Sugarcane Breeding Institute, Coimbatore has assessed the potential of the demarcated cane area and estimated the cane potential at 1.29 million tonnes.

c) M/s Bannari Amman Sugars Limited (Transferee Company) has one of sugar factories with 5000 TCD and 28.8 MW co-generation plant at Kolundampattu Village, Thandarampattu Taluk, Thiruvannamalai District in the State of Tamilnadu. The cane area allotted to the sugar undertaking of the Transferor Company is contiguous to this sugar unit of the Transferee Company and sugarcane cultivation can be optimized by using available resources. In fact, the said unit of Transferee Company, had to source 2,75,132 M.Ts and 1,32,405 M.Ts of sugar cane during sugar season 2014-15 and 2015-16 (till 7.4.2016) from the cane command area of the Transferor Company, to tide over the shortfall in cane availability.

d) The Transferor Company has enough land to put up a distillery plant at the aforesaid location and the unit of the transferee company situated at the aforesaid place does not have enough land to put a distillery plant within the premises. The present scheme of amalgamation facilitates the transferor and transferee company to put of a distillery unit at the place of Transferor Company and thereby optimizes the utilization of available molasses for the production of alcohol/ethanol.

e) While the outlook for sugar was very gloomy a year back, there have been some positive developments in the recent past. The global sugar production which was at 189 million tons as in 2014-15 sugar year, has come down to 172.80 Million tons in 2015-16 sugar year. Likewise, domestic sugar production which was at 28.3 Million Tons in 2014-15 sugar year has come down to less than 260 Million tons in 2015-16 sugar year. The sugar price which was ruling between Rs.20-22 per kg, has seen a very significant increase. The Government of India has introduced minimum indicative export quota to ensure off-take of sugar and thereby ensured that remunerative prices are realized for domestic supply. The Government of India has also introduced a scheme whereby an exporter, subject to meeting the export quota, is eligible for subsidy of Rs.45/- per tonne of cane. With a view to further stabilize the sugar industry, the Government of India has increased the Import Duty on import of sugar from Rs.25% to 40%. In order to encourage production of Ethanol, Excise Duty has been waived from 1st October 2015. This significantly benefits the sugar industry, since Ethanol is produced from molasses which is the by-product in the process of manufacture of sugar. The Government of India has constituted sugar stabilization fund with the intent behind the proposal being that if the FRP fixed by the Central Government is higher than price determined under revenue sharing formula which is 75% of the sugar price realization, the obligation would be met from the fund thereby insulating the sugar industry. The proposed amalgamation, in this positive scenario when it is expected that sugar industry is poised for growth, will benefit the amalgamating Companies.

f) The present scheme of amalgamation has been proposed to facilitate management, administration, financial efficiencies, co-ordination and streamlining day-to-day operations of both Transferor and Transferee companies.

g) The amalgamation will facilitate consolidation of the businesses of both the Transferor Company and Transferee Company into a single corporate entity. The arrangement would create synergies of operations besides economies in administrative, managerial costs by combining operations and it would result in improved performance for the Transferee Company.

h) The Transferee Company after amalgamation will have the benefit of stability of operation and would help to achieve efficient utilization of resources and facilities. The consolidation of business will achieve rationalization of management structures and economies of scale for further and stable growth, expansion and diversification and for better and more profitable utilization of the combined resources.

14. The Salient features of the Scheme are:-

a) The Scheme of Amalgamation of Transferor Company with Transferee Company will take effect from the "Appointed Date" i.e. 1st January, 2016 and the entire undertaking of Transferor Company shall stand transferred to and vested in Transferee Company.

b) The "Effective Date" for the Scheme means the date on which the certified copy of the Order of High Court of Judicature at Madras sanctioning this Scheme is filed with the Registrar of Companies, Tamilnadu, Coimbatore in pursuance of Section 394 (3) of the Companies Act, 1956.

c) "Undertaking" means and include all the business, properties, investments and liabilities of whatsoever nature and kind and wheresoever situated, of the Transferor Company, on a going concern basis, together with all its assets, liabilities and employees and shall include (without limitation):

i) All immovable properties (including those described specifically in Schedule A hereto)

ii) All moveable properties including plant and machinery, equipments, furniture, fixtures, vehicles, stocks and inventory, packing, packaging material, leasehold assets and other properties, real, corporeal and incorporeal, in possession or otherwise, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, amounts lying in the banks to the credit of the Transferor Company, investments of all kinds (i.e. shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, cane area allocation, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, club memberships, advantages, leasehold rights, memorandum of understandings, brands, sub-letting tenancy rights, with or without the consent of the landlord as may be required by law, goodwill, other intangible items (whether or not recorded in the books of Transferor Company), industrial and other licenses, permits, authorizations, trademarks, trade names, patents, patent rights, copyrights, designs, logo, pre-qualification rights, and other industrial and intellectual properties and rights of any nature whatsoever including know-how, domain names, or any applications for the above, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephones, telex, facsimile and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from Government, semi-Government, local authorities or any other person including customers, contractors or other counter parties, etc., all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions, licenses, privileges and approvals of whatsoever nature (including but not limited to benefits of tax exemptions/incentives/benefits and/or exemption or rebate entitlements, all tax holiday, tax relief including those available under the Income Tax Act such as credit for advance tax, taxes deducted at source, minimum alternate tax credit, credit for Service Tax, CENVAT credit, input tax credit, etc.) and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by Transferor Company, as on the Appointed Date;

iii) All the debts, loans, liabilities, duties and obligations including contingent liabilities of the Transferor Company as on the Appointed Date; and

iv) All books, records, files, papers, engineering and process information, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or relating to the Transferor Company.

d) As per the Scheme, the Scheme of Amalgamation shall be "Amalgamation in the nature of merger" and method of accounting shall be "Pooling of Interest Method" under Accounting Standard 14 as notified under the Companies Act, 2013.

e) The Transferee Company shall upon the Scheme becoming effective record the assets and liabilities of the Transferor Company transferred to and vested in it pursuant to this Scheme at their book values as appearing in the books of the Transferor Company as at the close of business of a day immediately preceding the Appointed date.

f) The difference if any between the share capital issued / allotted under this scheme and the amount of share capital of the Transferor Company shall be credited to the General Reserves of the Company.

g) All Loans & Advances, outstanding balances or other obligations, if any between Transferor Company and Transferee Company will stand cancelled.

h) The debit balance in Statement of Profit & Loss appearing in the financial statement of the transferor company shall be transferred to and adjusted against the General Reserves of the Transferee Company.

i) With effect from the Appointed Date, all profits, reserves, income accruing to or losses and expenditure arising or incurred by the Transferor Company shall for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of the Transferee Company.

j) In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the General Reserve Account to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

k) Notwithstanding anything contained in these clauses, all adjustments against Reserves in the books of accounts of the Transferee Company shall be in accordance with Accounting Standard 14 notified under Companies Act.

l) Without prejudice to the generality of the foregoing, the interest free unsecured loan from the promoters of the Transferor Company to the Transferor Company, shall stand transferred to the Transferee Company, from the Appointed Date, on the Scheme becoming Effective, and the same will continue to be the interest free unsecured loan in the Transferee Company and be repayable with the consent of the Board of Directors subject to the recommendation of Audit Committee of the Transferee Company after reviewing the cash flow position of the Transferee Company.

m) Till the date the Scheme finally takes effect, Transferor Company shall be deemed to carry on its business and activities and stand possessed of properties for and on account of Transferee Company. Until amalgamation takes place, Transferee Company may on authority of board resolution of the Transferee Company, make such advances as it may deem necessary, to the Transferor Company, provided however that, in the event of the Scheme not becoming Effective, the monies so advanced shall be required to be repaid forthwith by the Transferor Company and the Promoters of the Transferor Company severally with simple interest @ 10 % p.a. The sanction of the Scheme, shall be deemed sufficient compliance with Act and other applicable Law in this regard.

n) Upon the Scheme becoming fully effective, in consideration of the transfer and vesting of the entire undertaking of the Transferor company in the Transferee Company in terms of this Scheme, the Transferee Company shall without any further act or deed, issue and allot to the Equity Shareholders in the Transferor Company, whose names are recorded in the Register of Members, on the Record Date to be fixed by the Board of Directors of the Transferee Company, Equity Shares ranking pari passu in all respects with the existing Equity Shares of the Transferee Company in the following manner:-

11 (Eleven) fully paid up equity shares of Rs.10/- (Ten) each of the Transferee Company will be issued to the shareholders of the Transferor Company for every 150 (One Hundred and Fifty) equity share of Rs.10/-(Ten) each held by such shareholders in the Transferor Company.

o) No fractional shares shall be issued by the Transferee Company in respect of fractional entitlement to which the shareholders of Transferor Company may be entitled to on issue and allotment of shares as aforesaid by the Transferee Company. All such fractions shall be consolidated into full equity shares which shall be allotted by the Board of Directors of Transferee Company at its discretion to any nominees of Transferee Company upon trust to sell the shares so allotted and to distribute the sale proceeds to those shareholders of the Transferor Company who are entitled to such fractions in the proportion to which they are so entitled.

p) Upon the Scheme becomes finally effective all legal proceedings by or against Transferor Company shall be continued and be enforced by or against Transferee Company, as the case may be.

q) Upon the Scheme becomes effective, the Transferee Company shall take over employees of Transferor Company on the same terms as they are employed by Transferor Company.

r) For the purpose of giving effect to the Scheme of Amalgamation or to any modifications thereof the Directors / Company Secretary of Transferee Company are authorised to take necessary steps.

s) The Scheme is conditional upon and subject to the approval of the Authorities concerned, approval by the requisite majority of the shareholders as required under the Act and/or SEBI Circulars and sanctions of the High Court of Judicature at Madras, as may be required.

t) Pursuant to the Scheme being effective, the Transferor Company shall be dissolved without winding up pursuant to the provisions of Section 394 of the Companies Act, 1956.

u) Pursuant to the Scheme being effective, the authorised share capital of the transferor Company would become the authorised capital of the transferee Company.

v) On approval of the Scheme by the Shareholders of the Transferor Company and Transferee Company pursuant to Section 391 of the Companies Act, 1956, it shall be deemed that the said members have also accorded all relevant consents under such other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 to the extent the same may be considered applicable.

w) The new equity shares to be issued to the Shareholders of Transferor Company shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall be listed and/or admitted to trading on the National Stock Exchange of India Limited and BSE Limited.

15. The features set out above being the salient features of the Scheme of Amalgamation, the Equity Shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

16. The proposed Scheme of Amalgamation was approved by the Board of Directors of the Applicant Company at the meeting held on 25th April, 2016 after considering the recommendation of the Audit Committee, Valuation Report dated 12th April, 2016 issued by M/s Kumbhat & Co., Chartered Accountants and Fairness Opinion dated 16th April, 2016 of a Merchant Banker M/s Dalmia Securities Private Limited.

17. In accordance with the Circular No.CIR/CFD/CMD/16/2015 dated 30th November 2015 issued by the Securities and Exchange Board of India (SEBI), the Audit Committee of the Board of Directors of the Applicant Company had on 25th April, 2016, recommended the proposed Scheme of Amalgamation for approval of the Board

18. National Stock Exchange of India Limited and BSE Limited have given No Objection / Observation letter dated 22nd June 2016 and 21st June 2016 respectively to the Scheme of Amalgamation of Madras Sugars Limited with Bannari Amman Sugars Limited.

19. No investigation proceedings have been instituted or are pending against the Applicant/Transferee Company under Sections 235 to 250A of the Companies Act, 1956 (including corresponding provisions of the Companies Act, 2013).

20. The rights and interests of the secured and unsecured creditors, as the case may be, of the Transferor Company and the Transferee Company will not in any way be adversely affected or stand to lose or be prejudiced and that their rights and interests are well protected since after amalgamation, the Transferee Company will be continuing the business of the Transferor Company.

21. The equity shareholders of the Transferor Company prior to amalgamation shall become the equity shareholders of the Transferee Company post amalgamation.

22. Pursuant to the Scheme of Amalgamation 11,00,000 Equity Shares of Rs.10/- each of Transferee Company shall be issued and allotted to the shareholders of Transferor Company. Upon the scheme become effective, there will not be any post shareholding in the Transferor Company. The Authorized Share Capital of the Transferor Company on the effective date would become the authorised share capital of the Transferee Company without any further action, deed or separate resolution or application or action or payment of further filing fee or registration and the authorised share capital of the transferee company would stand increased to such extent and Clause V of the Memorandum of Association of the Transferee Company shall stand replaced accordingly.

23. The capital structure of the Transferor Company pre and post amalgamation will be as follows :

Particulars	Pre-amalgamation		Post-amalgamation	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
A. Authorised Share Capital				
Equity shares of Rs.10/- each	1,50,00,000	15,00,00,000	Nil	Nil
Total	**1,50,00,000**	**15,00,00,000**	**Nil**	**Nil**
B. Issued, Subscribed and Fully Paid up Share Capital				
Equity shares of Rs.10/- each	1,50,00,000	15,00,00,000	Nil	Nil
Total	**1,50,00,000**	**15,00,00,000**	**Nil**	**Nil**

24. The capital structure of the Applicant / Transferee Company pre and post amalgamation will be as follows :

Particulars	Pre-amalgamation		Post-amalgamation	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
A. Authorised Share Capital				
Equity shares of Rs.10/- each	2,90,00,000	29,00,00,000	4,40,00,000	44,00,00,000
Redeemable Preference Shares of Rs.100/- each	21,00,000	21,00,00,000	21,00,000	21,00,00,000
Total		**50,00,00,000**		**65,00,00,000**
B. Issued, Subscribed and Fully Paid up Share Capital				
Equity shares of Rs.10/- each	1,14,39,700	11,43,97,000	1,25,39,700	12,53,97,000
Total	**1,14,39,700**	**11,43,97,000**	**1,25,39,700**	**12,53,97,000**

25. The shareholding pattern of the Applicant/Transferee Company Pre and Post the Scheme of Amalgamation coming into effect is as under, [pre-amalgamation shareholding reckoned as on 25th April 2016 (viz. date of the Board Resolution sanctioning the Scheme of Amalgamation)].

Category	Pre-amalgamation		Post-amalgamation	
	Number of shares of Rs. 10/- each	%	Number of shares of Rs. 10/- each	%
Promoters	62,60,276	54.72	73,60,276	58.70
Non-Resident Indians	1,57,235	1.37	1,57,235	1.25
Banks / Indian Financial Institutions	264	0	264	0
Foreign Portfolio Investors	19,701	0.17	19,701	0.16
Overseas Corporate Bodies	45,000	0.39	45,000	0.36
Foreign Institutional Investor (FIIs)	163	0	163	0
Bodies Corporate	13,21,152	11.55	13,21,152	10.54
Mutual Funds	100	0	100	0
Public	36,35,809	31.78	36,35,809	28.99
Total	**1,14,39,700**	**100**	**1,25,39,700**	**100**

26. The Directors of the Transferee Company and the Transferor Company may be deemed to be concerned and/or interested in the Scheme to the extent of their shareholding in the Transferor Company, or to the extent said the Directors are common Directors in both the Companies, or to the extent the Directors are the directors, members of the Companies, firms association of persons, bodies corporate and/or beneficiary of trust, that hold shares in the Transferor Company.

27. The details of Directors of Transferee Company and their shareholding in the Transferee Company and Transferor Company as follows :

Name of the Directors	Position	Equity shares held in	
		Transferee Company	Transferor Company
Sri S V BALASUBRAMANIAM	Chairman	1056232	10 *
Sri B SARAVANAN	Managing Director	175758	10 *
Sri A K PERUMALSAMY	Director	900	Nil
Sri E P MUTHUKUMAR	Director	1000	Nil
Sri T GUNDAN	Director	Nil	Nil
Dr M P VIJAYAKUMAR	Director	Nil	Nil
Dr RADHA RAMANI	Director	Nil	Nil

* Holding as a nominee of M/s SVB Holdings Private Limited.

28. The details of Directors of Transferor Company and their shareholding in the Transferee Company and Transferor Company as follows :

Name of the Directors	Position	Equity shares held in	
		Transferee Company	Transferor Company
Sri S V BALASUBRAMANIAM	Chairman & Managing Director	1056232	10 *
Sri B SARAVANAN	Director	175758	10 *
Sri T GUNDAN	Director	Nil	Nil
Sri C SIVASAMY	Director	Nil	Nil

(*) Holding as a nominee of M/s SVB Holdings Private Limited.

29. The Transferor Company is a wholly owned subsidiary of M/s.SVB Holdings Private Limited and accordingly M/s.SVB Holding Private Limited is holding the entire paid-up share capital. In order to comply with the provisions of the Companies Act relating to minimum number of members, the holding company has nominated six other members who are holding 60 equity shares in aggregate on behalf of the Holding company and M/s.SVB Holdings Private Limited is the beneficial owner of such 60 equity shares in addition to their holdings of 1,49,99,940 equity shares of the Transferor Company.

Sri S V Balasubramaniam and his family members are promoters of the Companies involved in this Scheme and also controlled the holding Company of Madras Sugars Limited viz. M/s.SVB Holdings Private Limited.

30. The following documents are open for inspection by the Members at the Registered Office of the Applicant Company at 1212, Trichy Road, Coimbatore 641 018 on any working day between 11.00 a.m. and 1.00 p.m. till 16th September 2016 (voting date) :-

a) Memorandum and Articles of Association of the Applicant Company and Transferor Company.

b) Scheme of Amalgamation.

c) Annual Report of the Applicant Company and Transferor Company.

d) Valuation Report date 12th April, 2016 by M/s Kumbhat & Co., Chartered Accountants recommending share exchange ratio.

e) Copy of Fairness Opinion dated 16th April, 2016 issued by Merchant Banker M/s.Dalmia Securities Private Limited on share exchange ratio.

f) Copies of Resolutions passed by the Board of Directors of the Applicant Company and Transferor Company approving the Scheme ; &

g) Copies of No Objection/ Observation letter relating to the scheme issued by National Stock Exchange of India Limited dated 22nd June, 2016 and BSE Limited dated 21st June 2016.

This statement may be treated as Explanatory Statement under Section 102 of the Companies Act, 2013 and Section 393 of the Companies Act, 1956. A copy of the Scheme, Explanatory Statement, Proposed Resolution, Postal Ballot Form and instructions for voting may also be obtained from the Registered office of the Applicant Company and / or at the office of their Counsel Sri R Vidhyashankar, M/s RAMANI & SHANKAR, Advocates, 3-B, Tabernacle, T - Block, Anna Nagar, Chennai - 600 040 and also at 152, Kalidas Road, Ramnagar, Coimbatore - 641 009.

Place : Coimbatore
Date : 12th August, 2016

C THIRUMURTHY
Chairperson appointed for
conducting Postal Ballot / E-voting

SCHEME OF AMALGAMATION
OF
MADRAS SUGARS LIMITED
(TRANSFEROR COMPANY)
WITH
BANNARI AMMAN SUGARS LIMITED
(TRANSFEREE COMPANY)

(UNDER SECTIONS 391 TO 394 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013)

PART - I

1. PREAMBLE

1.1 The Scheme

This Scheme of Amalgamation provides for the amalgamation of Madras Sugars Limited (Transferor Company) with Bannari Amman Sugars Limited (Transferee Company) pursuant to the applicable provisions of the Companies Act.

1.2 The Scheme is divided into following parts:

Part - 1 deals with Preamble

Part - 2 deals with Definitions

Part -3 deals with Amalgamation of Transferor company with the Transferee Company

Part - 4 deals with general terms and conditions that would be applicable to the entire scheme

1.3 Transferor Company :

a. Madras Sugars Limited is a company incorporated under the Companies Act, 1956 on 30th April, 2009 bearing Corporate Identity Number: U15420TZ2009PLC015974 and has its Registered Office presently at 1212, Trichy Road, Coimbatore 641 018 (hereinafter referred to as "Transferor Company")

b. The Main Objects for which the Transferor Company was formed as set forth in the Memorandum of Association are as under:

1. To carry on in India or elsewhere the business of manufacture of sugar and its by-products.

2. To cultivate, purchase, produce, manufacture, process, prepare and generally trade and deal in sugarcane, sugar beat, sugar, sugar candy, jaggery, confectionery syrups, aerated waters, essences, molasses, alcohol, bagasse, pressmud, molasses based products, alcohol based products, bagasse based products and pressmud based products.

3. To carry on the business of generating, selling, transmitting, distributing, supplying either directly or through others, electricity/power for the above objects and for industries, domestic or other purpose and also feed to the grids of Electricity Boards or other power grids.

c. The Authorised Share Capital of the Madras Sugars Limited (Transferor Company) is Rs.15,00,00,000/- consisting of 1,50,00,000 equity shares of Rs.10/- each. The total issued, subscribed and paid up share capital as on 1.1.2016 is Rs.15,00,00,000/- divided into 1,50,00,000 equity shares of Rs.10/- each.

d. The Transferor Company is a wholly owned subsidiary of M/s SVB Holdings Private Limited in which the promoters of Transferee Company hold entire share capital.

e. The Transferor Company has a sugar mill with the cane crushing capacity of 3600 tonnes per day and a co-generation plant with an installed capacity of 25 MW in Tamilnadu.

f. The Holding Company of the Transferor Company, has advanced as interest free un-secured loan

from time to time to the Transferor Company, aggregating to a sum of Rs.177,53,13,602/- as on appointed date, out of which a sum of about Rs.112 crores was towards pre-operative capital expenditure. The Transferor Company is under an obligation not to repay the said sum, in its covenants favoring its Bankers, except on discharge of term loan liability to the Bankers.

g. During the last two sugar season (October-September) i.e 2014-2015 and 2015-2016 the transferee company is drawing sugarcane from the cane area allotted to the Transferor Company and also procuring sugar from the transferor company.

h. The turnover of the Transferor Company during 2014-15 was Rs.124.23 Crores. In the current financial year, during nine months ended 31.12.2015, the turnover is Rs.218.99 crores. The Net Profit after tax for the year ended 31.3.2015 was Rs.0.55 Crores and for the nine months ended 31.12.2015 the transferor company has incurred a loss of Rs. 53.66 crores.

1.4 Transferee Company

a. Bannari Amman Sugars Limited, is a listed company incorporated under the Companies Act, 1956 on 1st December, 1983 bearing Corporate Identity Number : L15421TZ1983PLC001358 and has its Registered Office presently at 1212, Trichy Road, Coimbatore-641 018 (hereinafter referred to as "Transferee Company")

b. The Main Objects for which the Transferee Company is incorporated is as follows:

1. To carry on the business of manufacture of sugar and its by-products in all its branches.

2. To plant, purchase, produce, manufacture, process, prepare and generally trade and deal in sugarcane, sugar beat, sugar, sugar candy, jaggery, confectionery syrups, aerated waters, essences, molasses, alcohol, bagasse, molasses based products, alcohol based products and bagasse based products of all kinds.

3. To plant, cultivate, manufacture, produce, process, prepare, buy, sell and deal in soya-beans, soyamilk, soyamilk products and preparations, soyabean-based foods including spray dried milk, powders, cheese, curd, ice-cream, baby foods, protein foods and other preparation of soya-cereals and lentils including flour and dal, soya snack, foods, soya sweets, soya cookies, and confectioneries, including biscuits, breads, cakes, pastries, nuts, toffees and chocklates and soya beverages and other products and preparations of every kind, nature and description.

4. To manufacture, sell and deal in all kinds of papers, boards and newsprint.

c. The Authorised Share Capital of the Bannari Amman Sugars Limited (Transferee Company) is Rs.50,00,00,000/- consisting of 2,90,00,000 Equity Shares of Rs.10/- each and 21,00,000 Redeemable Preference Shares of Rs.100/- each. The issued, subscribed and paid up share capital of the Transferee Company as on 1.1.2016 is Rs.11,43,97,000 divided into 1,14,39,700 Equity Shares of Rs.10/- each. The promoters are holding 54.72% of the share capital in the transferee company.

d. The Transferee Company has two sugar mills in Tamilnadu and two sugar mills in Karnataka with the aggregate cane crushing capacity of 20100 tonnes per day (TCD). The Transferee company has established co-generation plants in all its sugar factories and wind mills in southern parts of Tamilnadu and the aggregate installed capacity of co-generation plants is 104.80 MW and the wind mills is 8.75 MW. The Transferee company has two distillery units one in Tamilnadu and the other in Karnataka with the aggregate installed capacity of 127.50 Kilo Liters Per Day (KLPD). The Transferee Company also has granite processing facilities in Tamilnadu. The Transferee company is also a producer of bio-compost.

e. The turnover of the Transferee Company during 2014-15 was Rs.919.42 Crores. In the current financial year, during nine months ended 31.12.2015, the turnover is Rs.1004.93 crores. The Net Profit after tax for the year ended 31.3.2015 was Rs.1.03 Crores and for the nine months ended 31.12.2015 the transferee company has incurred net loss of Rs.22.85 crores.

f. The present Scheme proposed is the amalgamation of the Transferor Company with the Transferee Company for the purpose of synergy in operations, better management and control.

1.5 RATIONALE OF THE PROPOSED SCHEME OF AMALGAMATION

a. Both the Transferor and Transferee Companies are engaged in the similar line of business. The

proposed amalgamation will provide a stronger and consolidated operational structure to the businesses of the companies.

b. M/s. Madras Sugars Limited (Transferor Company) has its sugar factory with the crushing capacity of 3600 TCD and co-generation plant with an installed capacity of 25 MW at Vengur village, Thirukoilur Taluk, Viluppuram District in the State of Tamilnadu. The factory is located in the midst of excellent cane area. Considering the potential for cane development in the area, the crushing capacity of the factory can be expanded to 7,000 TCD due to favourable climatic and other prevailing conditions. Sugarcane Breeding Institute, Coimbatore has assessed the potential of the demarcated cane area and estimated the cane potential at 1.29 million tonnes.

c. M/s Bannari Amman Sugars Limited (Transferee Company) has one of sugar factories with 5000 TCD and 28.8 MW co-generation plant at Kolundampattu Village, Thandarampattu Taluk, Thiruvannamalai District in the State of Tamilnadu. The cane area allotted to the sugar undertaking of the Transferor Company is contiguous to this sugar unit of the Transferee Company and sugarcane cultivation can be optimized by using available resources. In fact, the said unit of Transferee Company, had to source 2,75,132 M.Ts and 1,32,405 M.Ts of sugar cane during sugar season 2014-15 and 2015-16 (till 7.4.2016) from the cane command area of the Transferor Company, to tide over the shortfall in cane availability.

d. The Transferor Company has enough land to put up a distillery plant at the aforesaid location and the unit of the transferee company situated at the aforesaid place does not have enough land to put a distillery plant within the premises. The present scheme of amalgamation facilitates the transferor and transferee company to put of a distillery unit at the place of Transferor Company and thereby optimizes the utilization of available molasses for the production of alcohol/ethanol.

e. While the outlook for sugar was very gloomy a year back, there have been some positive developments in the recent past. The global sugar production which was at 189 million tons as in 2014-15 sugar year, has come down to 172.80 Million tons in 2015-16 sugar year. Likewise, domestic sugar production which was at 28.3 Million Tons in 2014-15 sugar year has come down to less than 260 Million tons in 2015-16 sugar year. The sugar price which was ruling between Rs.20-22 per kg, has seen a very significant increase. The Government of India has introduced minimum indicative export quota to ensure off-take of sugar and thereby ensured that remunerative prices are realized for domestic supply. The Government of India has also introduced a scheme whereby an exporter, subject to meeting the export quota, is eligible for subsidy of Rs.45/- per tonne of cane. With a view to further stabilize the sugar industry, the Government of India has increased the Import Duty on import of sugar from Rs.25% to 40%. In order to encourage production of Ethanol, Excise Duty has been waived from 1st October 2015. This significantly benefits the sugar industry, since Ethanol is produced from molasses which is the by-product in the process of manufacture of sugar. The Government of India has constituted sugar stabilization fund with the intent behind the proposal being that if the FRP fixed by the Central Government is higher than price determined under revenue sharing formula which is 75% of the sugar price realization, the obligation would be met from the fund thereby insulating the sugar industry. The proposed amalgamation, in this positive scenario when it is expected that sugar industry is poised for growth, will benefit the amalgamating Companies.

f. The present scheme of amalgamation has been proposed to facilitate management, administration, financial efficiencies, co-ordination and streamlining day-to-day operations of both Transferor and Transferee companies.

g. The amalgamation will facilitate consolidation of the businesses of both the Transferor Company and Transferee Company into a single corporate entity. The arrangement would create synergies of operations besides economies in administrative, managerial costs by combining operations and it would result in improved performance for the Transferee Company.

h The Transferee Company after amalgamation will have the benefit of stability of operation and would help to achieve efficient utilization of resources and facilities. The consolidation of business will achieve rationalization of management structures and economies of scale for further and stable growth, expansion and diversification and for better and more profitable utilization of the combined resources.

1.6 Both Transferor Company and Transferee Company intend that the amalgamation in accordance with this Scheme shall take effect from the Appointed Date as defined hereinafter, but will be operative from the Effective Date as defined hereinafter.

PART - II

2. DEFINITIONS

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

2.1 "Act" or "Companies Act" means the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and/or the Companies Act, 2013 (from the date of applicability as may be notified by the Government, including statutory modification or re-enactment thereof)

2.2 "Appointed Date" means the 1st day of January, 2016 or such other date as the Court may direct for the purposes of this Scheme and for the Income Tax Act, 1961

2.3 "Audit Committee" means the audit committee of the Transferor Company and Transferee Company, as constituted from time to time;

2.4 "Board of Directors" or "Board" in relation to each of the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such company;

2.5 "Effective Date" means the date when the certified copy of the order sanctioning the Scheme of Amalgamation by the Hon'ble High Court of Madras are filed with the Registrar of Companies, Coimbatore in pursuance of Section 394 (3) of the Companies Act, 1956.

2.6 "High Court" or "Court" means the Hon'ble High Court of Judicature at Madras exercising jurisdiction over the Transferor Company and the Transferee Company and shall include the National Company Law Tribunal (NCLT) or such other forum or authority, as may be vested with any of the powers of the High Court under the Companies Act, if applicable.

2.7 "Record Date" means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of reckoning names of the shareholders of the Transferor Company, who shall be entitled to receive the shares of the Resulting Company upon coming into effect of this Scheme, as specified in this Scheme.

2.8 "SEBI Circulars" means the circular number CIR/CFD/CMD/16/2015 dated November 30, 2015 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, both issued by the Securities and Exchange Board of India and any related and amended circulars that SEBI may issue in respect of schemes of arrangement;

2.9 "The Scheme" means this Scheme of Amalgamation in its present form or with any modifications approved or imposed or directed by the Hon'ble High Court at Madras or by the shareholders of Transferor Company and Transferee Company in General Meeting or through Postal Ballot/E-Voting.

2.10 " Schedules" shall mean the Schedules to the Scheme

2.11 "Stock Exchange" means the Stock Exchange/s on which the shares of the Transferee Company are listed.

2.12 "Undertaking" shall mean:

"Undertaking" means and include all the business, properties, investments and liabilities of whatsoever nature and kind and wheresoever situated, of the Transferor Company, on a going concern basis, together with all its assets, liabilities and employees and shall include (without limitation):

a) all immovable properties (including those described specifically in Schedule A hereto)

b) all moveable properties including plant and machinery, equipments, furniture, fixtures, vehicles, stocks and inventory, packing, packaging material, leasehold assets and other properties, real, corporeal and incorporeal, in possession or otherwise, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, amounts lying in the banks to the credit of the Transferor Company, investments of all kinds (i.e. shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, cane area allocation, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, club memberships, advantages, leasehold rights, memorandum of understandings, brands, sub-letting tenancy rights, with or without the consent of the landlord as may be required by law,

goodwill, other intangible items (whether or not recorded in the books of Transferor Company), industrial and other licenses, permits, authorizations, trademarks, trade names, patents, patent rights, copyrights, designs, logo, pre-qualification rights, and other industrial and intellectual properties and rights of any nature whatsoever including know-how, domain names, or any applications for the above, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephones, telex, facsimile and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from Government, semi-Government, local authorities or any other person including customers, contractors or other counter parties, etc., all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions, licenses, privileges and approvals of whatsoever nature (including but not limited to benefits of tax exemptions/incentives/benefits and/or exemption or rebate entitlements, all tax holiday, tax relief including those available under the Income Tax Act such as credit for advance tax, taxes deducted at source, minimum alternate tax credit, credit for Service Tax, CENVAT credit, input tax credit, etc.) and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by Transferor Company, as on the Appointed Date;

c) All the debts, loans, liabilities, duties and obligations including contingent liabilities of the Transferor Company as on the Appointed Date; and

d) All books, records, files, papers, engineering and process information, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or relating to the Transferor Company.

2.13 All terms and words used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the 1956 Act or the 2013 Act, as applicable, the Income Tax Act, 1961 the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.

2.14 References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.

2.15 The headings herein shall not affect the construction of this Scheme.

2.16 The singular shall include the plural and vice versa; and references to one gender include all genders.

2.17 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

2.18 References to a person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint venture, association, partnership, works councilor employee representatives body (whether or not having separate legal personality).

2.19 References to any of the terms taxes, duty, levy, cess in the Scheme shall be construed as reference to all of them whether jointly or severally.

2.20 Any reference to any statute or statutory provision shall include :

a. All subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and

b. Such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the filing of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the matters contemplated under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision(as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

PART- III

THE SCHEME

3. Transfer and vesting of assets of Transferor Company

3.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Undertaking of the Transferor Company shall, pursuant to the sanction of the Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other provisions of the 1956 Act or the 2013 Act, as applicable, will be and shall stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company, as a going concern, in accordance with Section 2(1B) of the Income Tax Act without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

3.2 Without prejudice to the generality of Clause 3.1.1 above, upon the coming into effect of the Scheme and with effect from the Appointed Date:

3.2.1 all the estate, assets (including intangible assets), properties, investments of all kinds (that is, shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates), rights, claims, title, interest and authorities including accretions and appurtenances, whether or not provided and/or recorded in the books of accounts, comprised in the Undertaking of whatsoever nature and where-so-ever situate shall, under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, will be and shall stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern so as to become, as and from the Appointed Date, the estate, assets (including intangible assets), properties, investments of all kinds (that is, shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates), rights, claims, title, interest and authorities including accretions and appurtenances of the Transferee Company.

3.2.2 Such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/or delivery shall, under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in the Transferee Company and/or be deemed to stand transferred to the Transferee Company as a part of the transfer of the Undertaking as a going concern so as to become from the Appointed Date, the assets and properties of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

3.2.3 All other movable properties of the Transferor Company, including investments of all kinds (that is, shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall, under the provisions of Sections 391 to 394 of the 1956 Act, and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, will be and shall stand transferred to and vested in the Transferee Company and/or deemed to have been transferred to and vested in the Transferee Company, by way of delivery of possession of the respective documents, as applicable, as a part of the transfer of the Undertaking as a going concern, so as to become from the Appointed Date, the assets and properties of the Transferee Company.

3.2.4 The Transferee Company may, if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor, that pursuant to the sanction of this Scheme by the High Court, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realize all such debts (including the debts payable by such debtor or obligor to the Transferor Company) stands transferred and assigned to the Transferee

Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors to record such change. It is hereby clarified that investments, if any, made by the Transferor Company and all the rights, title and interest of the Transferor Company in any licensed properties or leasehold properties shall, pursuant to Section 394(2) of the 1956 Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company.

3.2.5 All immovable properties of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The mutation of the ownership or title, or interest in the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the Court in accordance with the terms hereof, without requirement of any further instrument or Deed.

3.2.6 All lease/license or rent agreements entered into by the Transferor Company with various landlords, owners and lessors in connection with the use of the assets of the Transferor Company, together with security deposits and advance/prepaid lease/license fee, etc., shall stand automatically transferred and vested in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent, or lease or license fee as provided for in such agreements, and the Transferee Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants there-under. Without limiting the generality of the foregoing, the Transferee Company shall also be entitled to refund of security deposits paid under such agreements by the Transferor Company.

3.2.7. All permissions, approvals, consents, subsidies, incentives, cane area allocations, privileges, income tax benefits and exemptions, indirect tax benefits and exemptions, all other rights, benefits and Liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, if any, shall, under the provisions of Sections 391 to 394 of the 1956 Act, and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same be and stand transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions, indirect tax benefits and exemptions, all other rights, benefits and Liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements, of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions. It is further clarified that they shall be deemed to have originally been given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof and the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

3.2.8. All contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Transferor Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which, the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee

Company had been a party or beneficiary or obligor thereto. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of that Transferor Company.

3.2.9 Without prejudice to the generality of the foregoing, all leave and licence agreements/deeds, lease agreements/ deeds, bank guarantees, performance guarantees and letters of credit, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Transferor Company or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, including all rights and benefits (including benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, with effect from Appointed Date and upon this Scheme becoming effective, by operation of law pursuant to the vesting orders of the Court, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses of the Transferee Company. Such property and rights shall stand vested in the Transferee Company and shall be deemed to have become the property of the Transferee Company by operation of law, whether the same is implemented by endorsement or delivery and possession or recordal in any other manner.

3.2.10 All the intellectual property rights of any nature whatsoever, including but not limited to intangible assets appertaining to the Transferor Company, whether or not provided in books of accounts of the Transferor Company, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the intellectual property of the Transferee Company.

3.2.11 All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, or goods and service tax, as applicable, excise duty, wealth tax, fringe benefit tax and tax collected at source, etc.) payable by or refundable to or being the entitlement of the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, tax holidays, remissions, reductions, as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. Benefit of tax losses including brought forward business loss, unabsorbed depreciation, etc. of the Transferor Company (including unabsorbed business loss and unabsorbed depreciation available to the Transferor Company in view of any arrangement undertaken, pursuant to Sections 391 to 394 and other applicable provisions of the Companies Act, 1956, prior to the Appointed Date), up to the Appointed Date, shall be available to Transferee Company w.e.f. Appointed Date in terms of section 72A of Income Tax Act, 1961.

3.2.12 The Transferee Company shall be entitled to claim refunds or credits, including Input Tax Credits, with respect to taxes paid by, for, or on behalf of, the Transferor Company under applicable laws, including but not limited to sales tax, value added tax, service tax, excise duty or any other tax, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed. For the avoidance of doubt, Input Tax Credits already availed of or utilised by the Transferor Company and the Transferee Company in respect of inter se transactions shall not be adversely impacted by the cancellation of inter se transactions pursuant to this Scheme.

3.2.13 All statutory rights and obligations of Transferor Company would vest on/accrue to Transferee Company. Hence, obligation of the Transferor Company, prior to the Effective Date, to issue or receive any statutory declaration or any other Forms by whatever name called, under the State VAT Acts or the Central Sales Tax Act or any other applicable law for the time being in force, would be deemed to have been fulfilled if they are issued or received by Transferee Company and if any Form relatable to the period prior to the said Effective Date is received in the name of the Transferor Company, it would be deemed to have been received by the Transferee Company in fulfillment of its obligations.

3.2.14 Benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable,

and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, and the said corporate approvals and compliances shall be deemed to have originally been taken / complied with by the Transferee Company.

3.2.15 The resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the 1956 Act or the 2013 Act as applicable, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

3.2.16 Such of the assets comprised in the Undertaking and which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the assets of the Transferee Company.

3.3. Without prejudice to the generality of Clause 3.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

3.3.1 All the Liabilities, whether or not provided in the books of the Transferor Company, shall, under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company, to the extent they are outstanding on the Effective Date and shall become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same.

3.3.2 All Liabilities comprised in the Undertaking, and which are incurred or which arise or accrue to the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company and to the extent they are outstanding on the Effective Date on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same.

3.3.3 Any Liabilities of the Transferor Company as on the Appointed Date that are discharged by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to have been discharged for and on account of the Transferee Company.

3.3.4 All loans raised and utilized, liabilities, duties and taxes and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date but prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and shall, under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern

and the same shall be assumed by the Transferee Company and to the extent they are outstanding on the Effective Date, the Transferee Company shall meet, discharge and satisfy the same.

3.3.5 Loans, advances and other obligations (including any arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

3.3.6 Without prejudice to the generality of the foregoing, the interest free unsecured loan from the promoters of the Transferor Company to the Transferor Company, shall stand transferred to the Transferee Company, from the Appointed Date, on the Scheme becoming Effective, and the same will continue to be the interest free unsecured loan in the Transferee Company and be repayable with the consent of the Board of Directors subject to the recommendation of Audit Committee of the Transferee Company after reviewing the cash flow position of the Transferee Company.

3.4. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to the Liabilities shall, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, continue to relate and attach to such assets or any part thereof to which they were related or attached prior to the Effective Date and are transferred to the Transferee Company. It being clarified that the aforesaid Encumbrances shall not be extended to any assets of the Transferor Company which were earlier not Encumbered or the existing assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.

3.5. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company pursuant to this Scheme.

3.6. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

3.7. The provisions of this Clause shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

4. Conduct of Business till Effective Date

4.1. With effect from the Appointed Date and up to the date on which this Scheme finally takes effect, the Transferor Company shall be deemed to carry on all the business and activities and stand possessed of the properties so to be transferred for and on account of, in trust for and be answerable to the Transferee Company and that the profits accruing to the Transferor Company or losses arising or incurred by it shall for all purposes be treated as the profits or losses of the Transferee Company as the case may be and that the Transferor Company shall not alienate, charge or otherwise deal with the said undertaking or any part thereof except in the ordinary course of its business, without the consent of the Transferee Company and that the Transferor Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business.

4.2. Until amalgamation takes place, Transferee Company may on authority of board resolution of the Transferee Company, make such advances as it may deem necessary, to the Transferor Company, provided however that, in the event of the Scheme not becoming Effective, the monies so advanced shall be required to be repaid forthwith by the Transferor Company and the Promoters of the Transferor Company severally with simple interest @ 10 % p.a. The sanction of the Scheme, shall be deemed sufficient compliance with Act and other applicable Law in this regard.

5. Contracts, Deeds, Bonds and Other Instruments

5.1. Subject to the other provisions of this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect immediately before

this Scheme becomes finally effective, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

5.2. With effect from the Appointed Date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, licenses, registrations, trademarks, patents, copy rights, privileges, powers, facilities, subsidies, rehabilitation schemes, special status and other benefits or privileges (granted by any Government Body, local authority or by any other person of every kind and description of whatsoever nature in relation to the Transferor Company or to the benefit of which the said Transferor Company may be eligible, or having effect immediately before the Effective Date, shall be and remain in full force and effect in favour of or against the Transferee Company, as the case may be, and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a beneficiary or oblige thereto.

5.3. With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents required to carry on the operations of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company. The benefit of all such statutory and regulatory permissions, licenses, approvals and consents including statutory licenses, approvals, permissions or approvals or consents required to carry on the operations of the said Transferor Company shall vest in and become available to the Transferee Company pursuant to the Scheme.

5.4. The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite agreement, confirmations or novations to which the said Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary.

5.5 For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Company, without the process of winding up as contemplated hereinafter, shall not affect the previous operations of any contract, agreement, deed or any instrument or beneficial interest to which the Transferor Company is a party and shall not affect any right, privilege, obligation or liability, acquired, deemed to be vested or incurred under any such contracts, agreements, deeds, or any instrument and all such references in such agreements, contracts and instruments to the Transferor Company shall be construed as reference to the Transferee Company with effect from the Effective Date.

6. Continuation of Legal Proceedings

6.1. With effect from the Appointed Date and upon the Scheme becoming effective, the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company and pending on the Effective Date, transferred in its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company. The Transferee Company also undertakes to deal with all legal or other proceedings which may be initiated by or against the Transferor Company or the Transferee Company after the Effective Date in respect of the period up to the Effective Date, in its own name and account and to the exclusion of the Transferor Company, and further undertakes to pay all amounts including interest, penalties, damages, etc., which the Transferor Company may be called upon to pay or secure in respect of any liability or obligation relating to the Transferor Company for the period up to the Effective Date, and any reasonable costs incurred by the Transferor Company in respect of such proceedings started by or against it relatable to the period up to the Effective Date upon submission of necessary evidence by the Transferor Company to the Transferee Company for making such payment.

7. Increase of Authorised Capital on Scheme coming into effect

7.1. Upon the coming becoming effective, the authorised share capital of the transferor Company would become the authorised capital of the transferee Company, without any further action, deed or separate resolution or application or action or payment of further filing fee or registration and the authorised share capital of the transferee would stand increased as set out hereunder and Clause V of the Memorandum of Association shall stand replaced as under:

"The Authorised Share Capital of the Company is Rs.65,00,00,000/- (Rupees Sixty Five Crores Only) divided into 21,00,000 Redeemable Preference Shares of Rs.100/- each and 4,40,00,000 Equity Shares of Rs.10/- each with power to increase or reduce or alter the capital in accordance with the provisions of the Companies Act, 2013”

8. Transition and Dissolution of Transferor Company

8.1. The Board of Directors (or any committee thereof) of the Transferor Company shall without any further act, instrument or deed be and stand dissolved on the Scheme coming into effect.

8.2. Subject to an order being made by the Hon'ble High Court under the applicable provisions of the Companies Act, the Transferor Company shall be dissolved without the process of winding-up, upon the Scheme becoming effective, in accordance with the provisions of the Act and rules made thereunder.

8.3. The resolutions and / or agreements, if any, of the Transferor Company and / or Transferee Company which is valid and subsisting on the effective date shall continue to be valid and subsisting till the end of the period covered under the resolutions and / or agreements irrespective of the increase in paid-up capital of the Transferee Company arising out of issue of new equity shares under the Scheme.

9. Issue of Shares of Transferee Company

9.1. Upon the Scheme becoming fully effective, in consideration of the transfer and vesting of the entire undertaking of the Transferor company in the Transferee Company in terms of this Scheme, the Transferee Company shall without any further act or deed, issue and allot to the Equity Shareholders in the Transferor Company, whose names are recorded in the Register of Members, on the Record Date to be fixed by the Board of Directors of the Transferee Company, Equity Shares ranking pari passu in all respects with the existing Equity Shares of the Transferee Company in the following manner:-

11 (Eleven) fully paid up equity shares of Rs.10/- (Ten) each of the Transferee Company will be issued to the shareholders of the Transferor Company for every 150 (One Hundred and Fifty) equity share of Rs.10/-(Ten) each held by such shareholders in the Transferor Company.

9.2. No fractional shares shall be issued by the Transferee Company in respect of fractional entitlement to which the shareholders of Transferor Company may be entitled to on issue and allotment of shares as aforesaid by the Transferee Company. All such fractions shall be consolidated into full equity shares which shall be allotted by the Board of Directors of Transferee Company at its discretion to any nominees of Transferee Company upon trust to sell the shares so allotted and to distribute the sale proceeds to those shareholders of the Transferor Company who are entitled to such fractions in the proportion to which they are so entitled.

9.3. Pursuant to the Scheme of Amalgamation 11,00,000 Equity Shares of Rs.10/- each of Transferee Company shall be issued and allotted to the shareholders of Transferor Company. The shareholding pattern of the Transferee Company Pre and Post the Scheme of Amalgamation coming into effect is as under, based on the shareholdings pre-amalgamation shareholding reckoned as on 25.4.2016 (viz. date of the Board Resolution sanctioning the Scheme of Amalgamation)

Category	Pre-amalgamation		Post-amalgamation	
	Number of shares of Rs. 10/ -each	%	Number of shares of Rs. 10/ -each	%
Promoters	6260276	54.72	7360276	58.70
Non-Resident Indians	157235	1.37	157235	1.25
Banks / Indian Financial Institutions	264	0	264	0
Foreign Portfolio Investors	19701	0.17	19701	0.16
Overseas Corporate Bodies	45000	0.39	45000	0.36
Foreign Institutional Investor (FIIs)	163	0	163	0
Bodies Corporate	1321152	11.55	1321152	10.54
Mutual Funds	100	0	100	0
Public	3635809	31.78	3635809	28.99
Total	**11439700**	**100**	**12539700**	**100**

10. Tax Treatment

10.1. Upon the Scheme coming into effect, all taxes payable by the Transferor Company under the Income Tax Act, Customs Act, The Central Excise Act, State Sales Tax laws, Central Sales Tax Act, or other applicable laws/regulations dealing with taxes/duties/levies (hereinafter referred to as "Tax Laws") shall be to the account of the Transferee Company; all CENVAT/Service Tax Credit or any other tax credit of the Transferor Company shall stand transferred to the Transferee Company and such credit would be available for set-off against the tax liabilities of the Transferee Company; Similarly all credit for tax deduction at source on the income of the Transferor Company, or obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company if so made by the Transferor Company. Similarly any advance tax payment required to be made for by the specified due dates in the Tax Laws shall also be deemed to have been made by the Transferee Company if so made by the Transferor Company. Further Minimum Alternate Tax (MAT) paid by the Transferor Company under Section 115JB and/or other provisions (as applicable) of the Income Tax Act, 1961 shall be deemed to have been paid on behalf of the Transferee Company, and the MAT credit (if any) of the Transferor Company as on or accruing after the Appointed Date shall stand transferred to the Transferee Company and such credit would be available for set-off against the tax liabilities of the Transferee Company. Further, all tax returns, filings, assessments, payments, deductions, withholding, rebates, benefits, incentives, set-offs, carry-forward tax losses, unabsorbed depreciation and other rights, liabilities and obligations whatsoever of the Transferor Company, shall also be and stand transferred or deemed to be transferred, without further act, instrument, deed, matter or thing, to the Transferee Company, pursuant to the provisions of Companies Act/Income Tax Act/Tax Laws, so as to become as and from the Appointed Date, the rights, liabilities and obligations of the Transferee Company. The carry forward of the tax losses, unabsorbed depreciation and 80 IA benefit of the Transferor Company shall be available to the Transferee Company. The Transferee Company shall have the right to rectify tax returns and file revised tax returns and seek re-assessment or revisions in assessment or rectification of mistakes in filings, returns or assessment in respect of any period(s) prior to the Effective Date in the manner and to the same extent as would or might have been done by or against the Transferor Company. Similarly, the export incentives, draw backs and other similar entitlements, benefits available or accrued to the Transferor Company without any further instrument, deed, matter or thing, shall be available to the Transferee Company. For the purpose of giving effect to the provisions of this Clause, it shall not be necessary to obtain the consent of any third party or authority.

11. Accounting Treatment

11.1. As per the Scheme, this Amalgamation shall be "Amalgamation in the Nature of Merger" and method of accounting shall be "Pooling of Interest Method"' under Accounting Standard 14 as notified under the Companies Act, 2013.

11.2. The Transferee Company shall upon the Scheme becoming effective, record the assets and liabilities of the Transferor Company transferred to and vested in it pursuant to this Scheme at their book values as appearing in the books of the Transferor Company as at the close of business of a day immediately preceding the Appointed Date.

11.3. The difference if any between the share capital issued / allotted under this Scheme and the amount of share capital of the Transferor Company shall be credited to the General Reserves of the Transferee Company.

11.4. All Loans & Advances, outstanding balances or other obligations, if any between Transferor Company and Transferee Company will stand cancelled.

11.5. The debit balance in Statement of Profit & Loss appearing in the financial statement of the transferor company shall be transferred to and adjusted against the General Reserves of the Transferee Company.

11.6. With effect from the Appointed Date, all profits, reserves, income accruing to or losses and expenditure arising or incurred by the Transferor Company shall for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of the Transferee Company.

11.7. In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the

Appointed Date will be quantified and adjusted in the General Reserve Account to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

11.8. Notwithstanding anything contained in these clauses, all adjustments against Reserves in the books of accounts of the Transferee Company shall be in accordance with Accounting Standard 14 notified under Companies Act.

11.9. Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Act, shall without further act or deed stand enhanced by an amount being the aggregate liabilities of the Transferor Company which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company.

11.10. The financial statement, as on the Appointed Day, on giving effect to the Scheme, in terms hereof, shall be as set out in Schedule-II hereto.

12. Employees

12.1. Upon the Scheme becoming effective, all the employees in service of the Transferor Company, on the date immediately preceding the date on which this Scheme finally takes effect i.e. "The Effective date" shall become the 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 amalgamation.

b) The terms and conditions of service applicable to the said employees after such transfer shall not in any way be less favourble than those applicable to them immediately before the transfer.

c) It is expressly provided that as far as Provident Fund, Gratuity Fund, Super Annuation Fund or any other Special Fund created or existing for the benefit of the staff, workmen and the employees of the said Transferor Company is concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such Funds or in relation to the obligation to make contribution to the said Funds in accordance with the provisions of such Funds as per the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees employed in the said Transferor Company under such Funds and Trusts shall be protected. It is clarified that the services of the employees of the said Transferor Company will also be treated as having been continuous for the purpose of the aforesaid Funds.

PART-4

13. General Terms

13.I. The Transferor Company and the Transferee Company shall, with all reasonable despatch, make applications / petitions under the applicable provisions of the Companies Act to the Hon'ble High Court of Judicature at Madras or any other Competent Authority under the Act for sanctioning this Scheme of Amalgamation and for dissolution of the Transferor Company without winding up under the provisions of law, and obtain all approvals as may be required under law.

14. Modifications/ Amendments to the Scheme

14.1. The Transferor Company and the Transferee Company through their respective Board of Directors or other persons duly authorized 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 Hon'ble High Court of Judicature at Madras or any other Competent Authority under law may deem fit to direct, approve or impose and may give such directions, as they may consider necessary, to settle any doubt, questions or difficulty, arising under the scheme or in regard to its implementation or in any manner connected therewith and to do all such acts, deeds, matters and things necessary for putting this scheme into effect.

14.2. After dissolution of the Transferor Company, the Transferee Company by its Board of Directors or other persons, duly authorized by its Board in this regard, shall be authorized, to take such steps, as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by reasons of any order of the Hon'ble High Court of Judicature at Madras or of any directive or order of any other authorities or otherwise, however, arising out of, under or by virtue of this Scheme and /or matters concerning or connected therewith.

15. Operative date of the Scheme

15.1. The Scheme shall be operative with effect from the Appointed Date ie.1st January, 2016 but shall be effective from the Effective Date.

16. Scheme conditional on approval/sanctions:

16.1. This Scheme is conditional upon and subject to:-

a) The Scheme being agreed to (in the manner prescribed) by the respective requisite majorities of the shareholders and / or creditors of the Transferor Companies and the Transferee Company, as the case may be, as required under the Act and / or the SEBI Circulars, as applicable.

b) Compliance with and requisite approval or consent, if any required under the Competition Act from the Competition Commission of India

c) And the requisite order of the High Court of Judicature at Madras being obtained;

d) For the Transferee Company, the approval of the shareholders shall be through special resolution passed through postal ballot and e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution, and such special resolution shall be acted upon only if the votes cast by public shareholders in favour of the Scheme are more than the number of votes cast by public shareholders against it. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957.

e) Such other sanctions and approvals including any statutory or regulatory authority, as may be required by law and

f) Filing of the certified copies of the orders of the High Court sanctioning the Scheme with the Registrar of Companies, Tamilnadu, Coimbatore within such time as may be specified by the High Court or such extended time as approved by the High Court.

17. Effect of non-receipt of approvals/sanctions

17.1. In the event of the Scheme not being sanctioned by the Hon'ble High Court of Judicature at Madras and / or the order or orders not being passed as aforesaid before 31st December, 2016 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through, and by their respective Board of Directors, the Scheme shall become null and void and in that event no rights and liabilities shall, inter se accrue between the parties in terms of the Scheme.

18. Expenses connected with the Scheme

18.1. All costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company. In the event of this Scheme not being implemented each party shall bear its respective costs, charges and expenses.

SCHEDULE I

DETAILS OF IMMOVEABLE ASSETS OF THE TRANSFEROR COMPANY COMPRISED IN THE UNDERTAKING BEING TRANSFERRED AND VESTED IN THE TRANSFEREE AS A CONSEQUENCE OF MERGER

The whole of the immovable properties pertaining to the Transferor Company wherever situate and whatever the form it may be including land and buildings, plant and machinery and all rights, title interest appurtenant thereto, all documents of title pertaining thereto and all easementary and other rights attributable thereto including the lands situated at :

Vengur, Venmar, Eravalam & T. Mudiyanur Villages
Thirukovilur Sub Registration, Villupuram Registration District

Sl. No.	Document No./ Date	Name of the Village	S F No.	Extent (in Acres)
(1)	(2)	(3)	(4)	(5)
1	893/2010	Vengur	268/4	0.72
	30.10.2009	”	267/3B	0.06
		”	268/2	0.64
		”	278/1	0.29
		”	268/3	1.80
		”	268/5B	3.26
		”	268/7A	0.37
		”	268/7B	0.47
		”	268/7C	0.72
		”	268/7D	0.34
		”	268/7E	0.34
		”	268/7F	0.23
		”	270/4E	0.66
		”	283/2F	0.69
		”	281/1(P)	0.13
		”	281/3	1.25
		Venmar	45/2	4.10
		”	46/2	4.73
		”	49/1	0.86
			Total	**21.66**
2	894/2010	Vengur	272/5C	0.72
	30.10.2009	”	272/5D	0.66
		”	279/3	3.26
		”	281/1(P)	4.84
		”	294/1	1.96
		”	295/2(P)	1.02

(1)	(2)	(3)	(4)	(5)
	894/2010	Venmar	41/ 7(P)	0.71
	30.10.2009	”	45/1	3.79
		”	46/1	3.70
			Total	**20.66**
3	895/2010	Vengur	293/1	2.56
	30.10.2009	”	294/2	5.58
		”	294/7	4.27
		”	279/2A	0.41
		”	279/2B	0.42
		”	279/2C	0.41
		”	271/2	1.23
		”	298/3	1.38
		”	269/2A	0.15
		”	269/2B	0.82
		”	269/2C	0.65
		Venmar	41/2	0.70
		”	41/4	0.71
		”	43/1	1.06
		”	41/1	0.77
		”	43/2	0.19
		”	41/3	0.62
		”	41/8	0.48
		”	42	2.62
		”	31/8A	0.25
		”	31/8B	0.36
			Total	**25.64**
4	896/2010	Vengur	268/5C	1.16
	30.10.2009	”	273/4	3.36
		”	273/7	0.94
		”	274/1B	1.12
		”	274/3	1.07
		”	278/2	0.27
		”	278/4	3.91
		”	283/3A	0.27
		”	283/3C	0.70
		”	283/3B	0.41
		”	284/4	3.00

(1)	(2)	(3)	(4)	(5)
	896/2010	Vengur	270/4C	0.19
	30.10.2009	”	270/4G	0.26
		”	270/4I	0.42
		”	270/4B	0.27
		”	270/4D	0.16
		”	270/4H	0.24
		”	270/4J	0.26
		”	283/2A	0.24
		”	283/2C	0.10
		”	266/3	1.24
		”	270/5A	0.48
		”	270/5B	0.10
		”	270/6	0.06
		”	283/1	0.82
		Venmar	47/2	0.20
		”	31/6B	0.56
		”	31/7	0.25
		”	31/10B	0.52
		”	31/3	4.02
		”	41/6	0.37
			Total	**26.95**
5	897/2010	Vengur	272/4	1.84
	30.10.2009	”	282/3A	0.27
		”	282/3C	0.79
		”	282/3D	0.07
		”	282/5B	0.53
		”	282/5C	0.15
		”	282/5D	0.12
		”	280/3	1.06
		”	280/1	2.43
		”	278/6A	0.93
		”	278/6B	0.10
		”	278/6C	0.75
		”	282/3B	0.15
		”	282/5A	0.21
		”	282/4	1.48
		”	271/1A	0.28

(1)	(2)	(3)	(4)	(5)
	897/2010	Vengur	271/1C	0.14
	30.10.2009	”	271/1I	1.01
		”	271/1E	1.20
		”	271/1D	0.15
		”	271/1F	0.64
		”	271/1H	0.44
		”	271/1G	0.26
		”	271/1B	0.27
		”	270/1	0.79
		”	270/2	1.04
		”	270/3	0.33
		”	282/2	0.79
		”	272/5B	1.52
		”	282/1B	1.11
		”	282/1A	0.79
		Venmar	31/4B	0.27
		”	31/5A	0.19
		”	31/5B	0.10
		”	31/6A	0.56
			Total	**22.76**
6	898/2010	Vengur	272/5E	0.71
	30.10.2009	”	272/1	2.12
		”	272/5A	1.62
		”	272/3A	1.85
		”	272/3B	0.20
		”	272/3C	1.62
		”	280/4B	1.00
		”	278/5	1.14
		”	266/1D	0.33
		”	266/3D	0.35
		”	283/3D	0.70
		”	274/6	1.33
		”	278/3A	0.52
		”	278/3B	0.52
		”	278/3C	0.67
		”	278/3D	0.67
		Venmar	40/4	0.25

(1)	(2)	(3)	(4)	(5)
	898/2010	Venmar	40/5	0.42
	30.10.2009	”	31/1	1.00
		”	35/3	0.66
		”	35/4	0.44
		”	35/5	0.27
		”	35/6	0.19
		”	39/1	1.33
		”	29/2	1.10
		”	29/3	1.31
		”	30/7B	0.32
		”	35/2	1.06
			Total	**23.69**
7	899/2010	Vengur	295/3	1.65
	30.10.2009	”	294/4	1.43
		”	298/5	1.81
		”	266/1A	0.67
		”	266/1B	0.18
		”	266/1C	0.27
		”	267/1	0.62
		”	267/2A	0.09
		”	267/2B	0.29
		”	267/2C	0.20
		”	267/4A	1.71
		”	267/4B	0.33
		”	267/4C	0.46
		”	267 /4D	0.45
		”	268/6	0.90
		”	268/1	2.27
		”	269/1	2.52
		”	269/4	1.90
		”	268/5A	0.32
		”	269/3	2.47
		”	269/5	0.42
		”	269/6	1.08
		”	270/4A	0.22
		”	270/4F	0.25
		”	283/3A	1.66

(1)	(2)	(3)	(4)	(5)
	899/2010	Vengur	270/4K	0.45
	30.10.2009	”	283/2D	0.56
		”	270/5B	0.69
		”	270/6	0.89
		Venmar	47/1	2.89
		”	46/1	1.00
			Total	**30.64**
8	900/2010	Vengur	292/3A	0.70
	30.10.2009	”	292/3B	0.72
		”	294/5	0.64
		”	294/6	0.64
		”	292/2	1.21
		”	292/1B	0.30
		”	293/2B	0.93
		”	292/1B	0.08
		”	292/2	1.21
		”	293/4A	0.94
		”	293/3	1.85
		”	292/1A	1.41
		”	293/2A	0.10
		”	276/9	1.73
		”	295/1A	0.62
		”	295/1B	1.14
		”	295/4A	0.63
		”	295/4B	1.28
		”	276/2A	0.99
		”	276/2B	1.09
		”	276/4	0.43
		”	276/6	0.22
		”	276/1	0.79
		”	277	9.93
		”	280/5	1.06
			Total	**30.64**
9	901/2010	Vengur	270/5A	0.55
	30.10.2009	”	274/2	2.22
		”	273/8	0.49
		”	283/2B	0.19

(1)	(2)	(3)	(4)	(5)
	901/2010	Vengur	283/2E	0.69
	30.10.2009	”	298/4	1.40
		”	284/7	0.59
		”	284/8	0.57
		”	284/9	0.57
		”	284/10	0.57
		”	284/11	0.52
		”	284/12	0.52
		”	284/13	0.52
		”	284/14	0.50
		”	284/3	0.42
		”	284/6	2.47
		”	281/1	0.49
		”	281/2	1.00
		”	280/4	1.86
		”	280/1	0.58
		”	282/1A	0.32
		Venmar	40/1A	0.65
		”	39/2	1.26
		”	40/3	0.93
		”	40/1B	0.56
		”	40/2B	0.57
		”	40/2C	0.64
		”	40/2G	0.26
		”	40/6	0.19
		Venmar	16/5	0.22
		”	16/6	0.48
		”	36/1	0.21
		”	36/2A	0.40
		”	36/2B	0.34
		”	36/3	0.24
		”	36/4	0.56
		”	36/5	0.58
		”	36/6	0.48
		”	36/7	0.40
		”	38/1	0.27
		”	38/2	1.31
			Total	**27.59**

(1)	(2)	(3)	(4)	(5)
10	1005/2010	Vengur	285/24	0.20
	30.10.2009	”	285/25	0.20
		”	285/26	0.20
		”	285/27	0.20
		”	285/28	0.20
		”	294/3	1.05
		”	279/1	0.37
		”	279/4	0.37
		”	279/5	0.36
		”	279/6	0.36
		”	284/1	0.24
		”	284/5	0.22
		”	284/15	0.22
		”	284/16	0.25
		”	284/17	0.25
		”	284/18	0.25
		”	284/19	0.25
		”	284/20	0.25
		”	284/21	0.25
		”	284/22	0.25
		”	284/23	0.24
		”	284/24	0.24
		”	284/25	0.25
		”	284/26	0.25
		”	285/1	0.25
		”	285/5	0.20
		”	285/36	0.25
		”	285/37	0.24
		”	280/2	0.20
		”	280/6	0.20
		”	280/7	0.19
		”	280/8	0.17
		”	280/9	0.17
		Vengur	280/10	0.17
		”	280/11	0.17
		”	280/12	0.25
		”	280/13	0.25
		”	280/14	0.19

(1)	(2)	(3)	(4)	(5)
		”	280/15	0.22
		”	280/16	0.22
		”	280/17	0.22
		”	280/18	0.22
		”	280/19	0.24
		”	280/20	0.24
		”	285/21	0.19
		”	285/22	0.20
		”	285/23	0.20
		”	285/4	0.20
		”	285/29	0.20
		”	285/30	0.20
		”	285/31	0.20
		”	285/32	0.20
		”	285/33	0.20
		”	285/34	0.20
		”	285/35	0.20
		”	274/4	0.51
		”	274/7	0.12
		”	274/8	0.51
		”	274/9	0.40
		”	285/3	0.15
		”	285/5	0.20
		”	285/6	0.20
		”	285/7	0.20
		”	285/8	0.20
		”	285/9	0.20
		”	285/10	0.20
		”	285/11	0.20
		”	285/12	0.05
		”	285/13	0.12
		”	285/14	0.19
		”	285/15	0.20
		”	285/16	0.20
		”	285/17	0.15
		”	285/18	0.18
		”	285/19	0.20
		”	285/20	0.19
			Total	**17.94**

(1)	(2)	(3)	(4)	(5)
11	1381/2010	Venmar	31/2	1.15
	1.3.2010	”	40/7	3.07
		”	41/5	0.86
		”	48	2.70
		”	100	4.11
			Total	**11.89**
12	Exchange deed No.1383/2010 dt.3.3.2010 Correction deed No. 3086/2010 dt.9.4.2010	Venmar	40/2A	0.58
		”	40/2D	0.62
		”	40/2E	0.09
		”	40/2F	0.19
			Total	**1.48**
13	1382/2010	Eravalam	111/1	1.55
	3.3.2010	Vengur	275/1	0.73
			Total	**2.28**
14	3503/2010	Vengur	275/1	0.12
	7.4.2010	”	275/4	0.74
		”	275/3	0.77
		”	276/3	0.27
		Eravalam	111/3	0.34
		”	8/2	0.25
		”	8/5	0.27
		”	8/6	0.27
		”	8/7	0.27
		”	8/8	0.27
		”	8/9	0.27
		”	8/10	0.26
			Total	**4.10**

(1)	(2)	(3)	(4)	(5)
15	3075/2010	Venmar	31/1B	1.33
	9.4.2010			
			Total	**1.33**
16	3082/2011	T.Mudiyanur	33/11A	0.10
	13.7.2011			
			Total	**0.10**
17	2604/2013	Vengur	293/4B	0.88
		”	292/6B	0.45
		”	292/8B	0.53
			Total	**1.86**
18	3301/2013	Vengur	292/6A	0.25
		”	292/8A	0.27
			Total	**0.52**
19	3302/2013	Vengur	292/6A	0.25
		”	292/8A	0.28
			Total	**0.53**
20	Pending Registration	Vengur	286/2	3.20
		Grand Total in Acres		**275.44**

SCHEDULE-II

BALANCE SHEET OF THE TRANSFEREE COMPANY, ON THE APPOINTED DAY ON GIVING EFFECT TO THE SCHEME

PARTICULARS	Rs in lakhs	
I. EQUITY AND LIABILITIES		
1) SHAREHOLDERS' FUNDS		
a) Share Capital	1253.97	
b) Reserves and Surplus	86268.58	
		87522.55
2) NON-CURRENT LIABILITIES		
a) Long term borrowings	54943.11	
b) Deferred tax liabilities (Net)	5126.07	
c) Other Long term liabilities		
d) Long term provisions	258.63	60327.81
3) CURRENT LIABILITIES		
a) Short term borrowings	75074.22	
b) Trade payables	15598.94	
c) Other current liabilities	19783.83	
d) Short term provisions	3281.55	113738.54
TOTAL		**261588.90**
II. ASSETS		
1) NON- CURRENT ASSETS		
a) Fixed Assets		
i) Tangible assets	114066.42	
ii) Capital work in progress	2219.15	
b) Non - current investments	35.00	
c) Long-term loans and advances	9770.99	126091.56
2) CURRENT ASSETS		
a) Inventories	105087.02	
b) Trade Receivables	9428.04	
c) Cash and cash equivalents	291.78	
d) Short-term loans and advances	11026.61	
e) Other current assets	9663.89	135497.34
TOTAL		**261588.90**

Dalmia Securities Private Limited

STRICTLY PRIVATE & CONFIDENTIAL

April 16,2016

The Board of Directors, **Bannari Amman Sugars Limited** **1212 Race Course Road** **Coimbatore 614018**	**The Board of Directors,** **Madras Sugars Limited** **1212 Race Course Road** **Coimbatore 614018**

Subject: Fairness Opinion for the proposed amalgamation of Madras Sugars Limited (MSL - Transferor company) with Bannari Amman Sugars Limited (BASL - Transferee company) pursuant to Scheme of Amalgamation in terms of sub-Para 8(b) of Para I(A) of Annexure I ('said Para 8(b)') of the SEBI Circular No CIR/CFD/CMD/16/2015 dated 30 November 2015 read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Circular') issued by the Securities and Exchange Board of India ('SEBI').

Dear Sirs,

This has reference to the engagement letter dated April 9, 2016, and further discussions we had with your officials regarding the Fairness Opinion Report in terms of above referred SEBI Circular, for the proposed amalgamation of Madras Sugars Limited with Bannari Amman Sugars Limited (BASL) pursuant to Scheme of Amalgamation in terms of provisions of Section 391 to 394 of the Companies Act, 1956 ('The Act')along with other applicable provisions of the Act and/or Rules/Regulations made there under.

1. Background

(A) Bannari Amman Sugars Limited:

BASLis public limited company incorporated under the provisions of the Companies Act, 1956 on 1.12.1983 and having its Registered Office at 1212, Race Course Road, Coimbatore 641018.

BASL is engaged in manufacture of sugar, alcohol and generation of power through co-generation and wind mills. Presently it has four sugar mills (two each in Tamil Nadu and Karnataka) with aggregate crushing capacity of 20,100 tcd. BASL also has installed co-generation power plants at its 4 sugar mills aggregating 104.8 MW of capacity and wind mills

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having aggregate capacity of 8.75 MW. It has two distilleries one each in Tamil Nadu and Karnataka with aggregate capacity to produce 127.50 kl/day of Industrial alcohol and Extra Neutral Spirit. The shares of BASL are listed on BSE and NSE. The shareholding pattern of BASL as at March 31,2016 (as filed with NSE & BSE) is under:

Particulars of shareholders	% of holding
Promoters and Promoter Group (Sri SVBalasubramaniam and his family and the companies controlled by them)	54.72
Public	45.28

Key operational and financial parameters for the years ended March 31,2014, March 31, 2015 and for 9 months ended December 31,2015 are as under:

			INR Cr
	2014	2015	Dec 31.2015
Revenue	653.39	946.16	1027.68
EBIDTA	146.02	128.15	88.47
Depreciation	51.95	51.26	43.59
Interest	61.91	92.84	82.31
PBT	32.14	0.34	(37.43)
PAT	28.68	1.03	(22.85)

(B) Madras Sugars Limited: (MSL)

MSL, is a wholly owned subsidiary of M/s SVB Holdings Private Limited which is controlled by Sri S V Balasubramniam and his family members. MSL was incorporated under the provisions of the Companies Act, 1956 on 30th April, 2009 and having its Registered Office at 1212, Race Course Road, Coimbatore 641018. MSL has an operating sugar mill of 3600 tcd capacity, in Vengur Village, ThirukoilurTaluk, Villuppuram District. The cane area allotted under the Sugarcane (Control) Order, 1966 is contiguous to BASL's one of the sugar factories situate at Kolundampattu Village in Tiruvannamalai District. MSL also owns and operates a 25 MW co-generation power plant.

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The brief on financials and operational parameters of MSL for the years ended March 31,2014 and 2015, as also for 9 months ended December 31,2015 is as under:

INR Cr

	2014	2015	Dec 31.2015
Revenue	173.84	137.05	229.00
EBIDTA	40.80	55.49	(36.97)
Depreciation	24.90	13.99	11.85
Interest	38.41	43.44	23.69
PBT	(22.51)	(1.94)	(72.52)
PAT	(15.54)	0.55	(53.66)

The net worth of MSL is negative as at December 31,2015. The shares of MSL are not listed on any of the bourses. As on Jannuary 1, 2016 (the appointed date), the entire share capital comprising 1.5 crore shares of Face value Rs.10/each is held by SVB Holdings Private Limited.

As both companies have common promoters having controlling interest, MSL and BASL are companies under the same management.

2. Scheme of Amalgamation

2.1 We have been informed that it is proposed to amalgamate MSL with BASL with effect from January1,2016. (hereinafter referred to as 'Appointed Date') pursuant to the Draft Scheme under sections 391 to 394 of the Companies Act, 1956 and other relevant and applicable provisions of the Companies Act 2013. The Draft Scheme would need the approval from the Madras High Court and other regulatory authorities, etc, as applicable.

2.2 The Salient features of the Draft Scheme are as under:

a) The Draft Scheme provides for amalgamation of MSL with BASL.

b) The proposed scheme will provide a stronger and consolidated operational structure to the businesses of the companies.

c) The draft scheme provides that the proposed amalgamation would enable the companies to optimize the key resources such as command area, expansion of crushing capacity, optimum use of molasses by setting up a distillery unit in the surplus land available with MSL, cost reduction due to scales of economy and better capital structure leading to reduction in the cost of capital of merged entity

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d) The draft scheme provides that the proposed amalgamation would be beneficial for both the companies considering the present industry scenario and the incentives provided by the Government ot the sugar industry.

e) The present scheme of amalgamation has been proposed to facilitate management, administration, financial efficiencies, co-ordination and streamlining day-today operations of both Transferor and Transferee companies.

f) The draft scheme provides that upon the amalgamation and the scheme becoming effective he equity shareholders of MSL will be allotted the shares of BASL based on the exchange ratio arrived at through fair valuations of both entities.

3. Scope of Engagement

It may be noted that both units covered under the scheme are having common promoters and are hence under the same management. Accordingly the proposed transaction is a related party transaction requiring compliance under SEBI circular dated November 30, 2015.

For the aforesaid purpose, the Board of BASL has appointed Dalmia Securities Private Limited to issue a fairness opinion for the intended Scheme in terms of the requirement of SEBI Circular and Stock Exchange(s). This report is intended only for the sole use of BASL and MSL and in connection with the proposed Scheme including for the purpose of obtaining judicial and regulatory approvals for the amalgamation.

4. Sources of Information:

We have relied on the following information in issuing this fairness opinion for the purpose of the amalgamation:

1) Draft Scheme of Amalgamation under Section 391 to 394 of the Companies Act, 1956 with regard to the proposed amalgamation;
2) Copy of Memorandum of Association and Articles of Association of BASL and MSL ;
3) Audited financial statement of BASL for the years ended March 31, 2014 and March 31, 2015 and unaudited results as at December 31, 2015.
4) Audited financial statements of MSL for the year ended March 31, 2014, and March 31,2015 and unaudited results as at December 31,2015 .
5) Valuation Report dated 12/04/2016 issued by M/sKumbhat & Co., Chartered Accountants, Coimbatore ; and

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6) Such other information, documents, data, reports, discussions and verbal & written explanations from BASL and MSL as well as advisors for merger/amalgamation to BASL/MSL, public domain websites, as were considered relevant for the purpose of the Fairness Opinion.

5. Basis of Valuation:

The valuer appointed for the valuation, have relied on the "going concern" concept and have valued each of the companies. The valuation report of the appointed valuer viz. M/s Kumbhat & Co., Chartered Accountant, Coimbatore is based on the accepted principles of valuation, a brief of which for MSL and BASL is furnished below:

Methodology	Valuation (INR cr)		Weight	
	MSL	BASL	MSL	BASL
DCF	60.43	1886.30	0.75	0.75
Comparable Companies Valuation Method	591.24	3123.88	0.25	0.125
Market Capitalisation (CMP)	---	1609.67	---	0125
Fair value based on weighted average	193.13	2006.42		
Fair value /share	128.76	1753.91		
Fair value/ share (rounded off)	128.80	1753.90		

Suggested Exchange ratio:

Considering the above valuation, the valuer has recommended allotment of 11 (Eleven) equity shares of face value of Rs.10 each of Bannari Amman Sugars Limited for every 150 (One Hundred and Fifty) equity shares of face value of Rs.10 each of Madras Sugars Limited held by the shareholders of Madras Sugars Limited.

6. Exclusions and Limitations

Our report is subject to the scope limitations detailed hereinafter.

a) This report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

b) In the course of the present exercise, we were provided with both written and verbal information, including financial data. Our report is based on the information furnished to us being complete and accurate in all material respects. We have relied upon the historical financials and the information and representations furnished to us

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without carrying out any audit or other tests to verify its accuracy with limited independent appraisal. Also, we have been given to understand by the managements of the companies that they have not omitted any relevant and material factors. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. We assume no responsibility whatsoever for any errors in the above information furnished by the companies and their impact on the present exercise.

c) We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the companies.

d) Our work does not constitute an audit, due diligence or verification of historical financials including the working results of the Companies or their business referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.

e) We express no opinion whatsoever and make no recommendation at all to the companies underlying decision to effect the proposed Scheme or as to how the holders of equity shares or secured or unsecured creditors of the Companies should vote at their respective meetings held in connection with the proposed Scheme. We do not express and should not be deemed to have expressed any views on any other term of the proposed Scheme. We also express no opinion and accordingly accept no responsibility or as to the prices at which the equity shares of EPL will trade following the announcement of the proposed Scheme or as to the financial performance of EPL following the consummation of the proposed Scheme

f) Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

g) Our analysis and results are also specific to the date of this report. An exercise of this nature involves consideration of various factors. This report is issued on the understanding that the companies have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies, their businesses, and any other matter, which may have an impact on our opinion for the proposed merger, including any significant changes that have taken place or are likely to take place in the financial position of the Companies or their businesses subsequent to the proposed Appointed Date for the proposed Scheme. We have no responsibility to update this report for events and circumstances occurring after the

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date of this report. We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof.

h) This report has been issued for the sole purpose to facilitate the Company to comply with the SEBI circular and it shall not be valid for any other purpose.

7. Opinion & Conclusions

With reference to above and based on information provided by the management of the entities forming part of the amalgamation and after analysing the Draft Scheme, we understand that the present Scheme has been intended to merge MSL into BASL and the appointed valuer M/s Kumbhat & Co., Chartered Accountants, Coimbatore has recommended the exchange ratio of 11 (eleven) fully paid up equity shares of face value of Rs.10/each of Bannari Amman Sugars Limited to be issued and allotted to the shareholders of Madras Sugars Limited for every 150 shares held by them in Madras Sugars Limited in the proportion of the number of equity shares held by them in Madras Sugars Limited.

In light of the forgoing and subject to the caveats as detailed hereinbefore, we as a Merchant Banker hereby certify that, in our opinion the proposed Scheme of Amalgamation with the recommended exchange ratio is fair and reasonable

For ***Dalmia Securities Private Limited***

Jeyakumar S
COO-Investment Banking

Place: Mumbai
SEBI Reg. No.: INM000011476

National Stock Exchange of India Limited

Bannari Amman Sugars Limited
Coimbatore

Continuation Sheet .....

COMPLAINTS REPORT

Complaint report as per Annexure III of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015(To be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on Exchange's website). Format given in Annexure III

PART A

Sl.No.	Particulars	Number
1	Number of complaints received directly	Nil
2	Number of complaints forwarded by Stock Exchanges	Nil
3	Total Number of complaints /comments received (1+2)	Nil
4	Number of complaints resolved	Not Applicable
5	Number of complaints pending	Not Applicable

PART B

Sl. No.	Name of complainant	Date of complaint	Status (Resolved/pending)
1			
2	<---------- Not Applicable ---------->		
3			

Date : 28.5.2016

Place : Coimbatore

For BANNARI AMMAN SUGARS LTD

(C. PALANISWAMY)
COMPANY SECRETARY
ACS No : 12580

BSE Limited

Bannari Amman Sugars Limited
Coimbatore

Continuation Sheet .....

ANNEXURE III

COMPLAINTS REPORT

Complaint report as per Annexure III of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015(To be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on Exchange's website). Format given in Annexure III

PART A

For the period from 11th May 2016 to 1st June 2016

Sl.No.	Particulars	Number
1	Number of complaints received directly	Nil
2	Number of complaints forwarded by Stock Exchanges	Nil
3	Total Number of complaints /comments received (1+2)	Nil
4	Number of complaints resolved	Not Applicable
5	Number of complaints pending	Not Applicable

PART B

Sl. No.	Name of complainant	Date of complaint	Status (Resolved/pending)
1			
2	<---------- Not Applicable ---------->		
3			

Date : 2.6.2016

Place : Coimbatore

For BANNARI AMMAN SUGARS LTD

(C. PALANISWAMY)
COMPANY SECRETARY
ACS No : 12580

DCS/AMAL/ND/24(f)/428/16-17
June 21, 2016

The Company Secretary
Bannari Amman Sugars Ltd
1212, Trichy Road,
Coimbatore - 641018

Sir/Madam,

Sub: Observation letter regarding the Draft Scheme of Amalgamation of Madras Sugars Ltd with Bannari Amman Sugars Ltd.

We are in receipt of Draft Scheme of Amalgamation of Madras Sugars Ltd with Bannari Amman Sugars Ltd. As required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated June 20, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

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

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

a. Copy of the High Court approved Scheme;
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. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
e. Status of compliance with the Observation Letter/s of the stock exchanges;
f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
g. Complaints Report as per Annexure II of this Circular.
h. Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' 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.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Manager

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

NIFTY 50 Stock of the nation

Ref: NSE/LIST/77274 June 22, 2016

The Company Secretary
Bannari Amman Sugars Limited
1212, Trichy Road
Coimbatore - 641018

Kind Attn.: Mr. C. Palaniswamy

Dear Sir,

Sub: Observation letter for draft Scheme of Amalgamation of Madras Sugars Limited (Transferor Company) with Bannari Amman Sugars Limited (Transferee Company)

This has reference to draft Scheme of Amalgamation of Madras Sugars Limited (Transferor Company) with Bannari Amman Sugars Limited (Transferee Company) (Under Sections 391 To 394 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013) submitted to NSE vide letter dated April 27, 2016.

Based on our letter reference no Ref: NSE/LIST/72370 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI vide letter dated June 20, 2016, has commented that "*The Company shall duly comply with various provisions of the Circular*".

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 22, 2016, 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
e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and

Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400051, India. • Tel: +91 22 26598235/36, 26598346 • Fax: +91 22 26598237/38
E-mail : cmlist@nse.co.in • Web site: www.nseindia.com

f. Complaints Report as per Annexure III of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

Yours faithfully,
For National Stock Exchange of India Limited

Samir Naringrekar
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

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORIGINAL JURISDICTION)

COMPANY APPLICATION NO. 635 OF 2016

In the matter of Companies Act, 1956

And

In the matter of Section 391 to 394 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013

And

IN THE MATTER OF SCHEME OF AMALGAMATION (MERGER)

OF

MADRAS SUGARS LIMITED (TRANSFEROR COMPANY)

AND

BANNARI AMMAN SUGARS LIMITED (TRANSFEREE COMPANY)

BANNARI AMMAN SUGARS LIMITED
a company incorporated under the
Companies Act, 1956 and having its
Registered Office at 1212, Trichy Road
Coimbatore 641 018 …Applicant/Transferee Company

POSTAL BALLOT FORM

Name(s) of shareholder(s) (including joint holders, if any) in block letters :

Registered Address of the sole / first named shareholder :

Registered Folio No. :
DP ID No. / Client ID No. (For shares held in demat form)

Number of Shares held :

I/ We hereby exercise my / our vote in respect of the Special Resolutions to be passed through Postal Ballot/E-voting for the business stated in the notice of Postal Ballot/E-voting of the Applicant Company dated 12th August, 2016 by sending my/our assent or dissent to the said resolutions by placing the tick (✓) mark at the appropriate box below :

Subject matter of the Resolutions	I / We assent to the Resolution [For]	I / We dissent to the Resolution [Against]
Special Resolutions under section 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 approving the Scheme of Amalgamation of Madras Sugars Limited with Bannari Amman Sugars Limited.		

Place :

Date : **(Signature of Shareholder)**

Electronic Voting Particulars

EVSN (Electronic Voting Sequence Number)	USER ID *	PASSWORD *
160810021		

* Please refer the e-voting instructions Sl. No. 6 to 9.

Note:

1. Please read the instructions printed overleaf carefully before filling the form and **return the Postal Ballot Form duly completed and signed directly to the Scrutinizer on or before 5:00 P.M. on 16th September, 2016.**
2. Alternatively the shareholder(s) may cast their vote electronically instead of despatching this postal ballot form.

INSTRUCTIONS FOR VOTING

A) VOTING THROUGH PHYSICAL POSTAL BALLOT FORM

1. A Shareholder desiring to exercise vote by Postal Ballot shall complete the enclosed Postal Ballot Form with assent (for) or dissent (against) and send it to the Scrutinizer in the enclosed self-addressed postage prepaid envelope. Postage will be borne and paid by the Applicant Company. However, envelopes containing Postal Ballot Forms, if deposited in person or sent by courier at the expenses of the shareholders will also be accepted.

2. The Hon'ble High Court has appointed Sri C Thirumurthy, Practicing Company Secretary as Chairperson / Scrutinizer for conducting the Postal Ballot / E-voting process in a fair and transparent manner.

3. The Postal Ballot Form duly completed and signed should be returned in the enclosed self-addressed postage prepaid envelope directly to the Chairperson / Scrutinizer Sri C Thirumurthy, Practicing Company Secretary, M/s. C Thirumurthy & Associates, Company Secretaries, 69-1, LML Colony, 3rd Street, Ammankulam Road, Pappanaickenpalayam, Coimbatore 641 037 so as to reach the Scrutinizer **not later than the close of working hours (5.00 P.M.) on Friday the 16th September, 2016.** Postal ballot forms received after that date will be treated as if the reply from such shareholders has not been received.

4. This form should be completed and signed by the sole / first named shareholder. In case of joint holding, this Form should be completed and signed by the first named shareholder and in his absence, by the next named joint holder. The signature of the shareholder on this Postal Ballot Form should be as per the specimen signature registered with the Company or furnished by National Securities Depository Limited / Central Depository Services (India) Limited to the Company, in respect of shares held in the physical form or dematerialized form, respectively.

5. In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution / Authorisation together with attached specimen signature(s) of the duly authorised signatories.

6. Shareholders holding shares in dematerialised form are advised, in their own interest, to get their signatures verified by their Banker / Depository Participant (DP). Signatures should be verified by the Manager of the concerned Bank / DP by affixing a rubber stamp/seal mentioning name and address of the Bank /DP and name, stamp and signature of the Manager.

7. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed envelope as all such envelopes will be sent to the Scrutinizer directly and any other paper found in such envelope, the same would not be considered and would be destroyed by the Scrutinizer.

8. The votes should be cast in favour of or against the Resolution by putting the tick mark (✓) in the column provided for assent or dissent. Postal Ballot Form bearing (✓) in both the column will render the form invalid. Incomplete, unsigned, incorrectly filled or bearing more than one Postal Ballot Forms will be subject to rejection by the Scrutinizer.

9. There will be one Postal Ballot Form for every Folio / Client ID irrespective of the number of joint holder(s).

10. The Postal Ballot shall not be exercised by a Proxy.

11. Postal Ballot Form-Votes will be considered invalid on the following grounds.

    a) If the shareholder's signature does not tally.

    b) If the shareholder has marked all his shares both in favour and also against the resolutions.

    c) If the Ballot paper is unsigned.

    d) If the Ballot paper is filed in pencil or signed in pencil.

    e) If the Ballot paper is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the shareholder or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or one or more of the above grounds.

12. The decision of the Chairperson / Scrutinizer appointed for Postal Ballot / E-voting on the validity of the Postal Ballot will be final.

B) E-VOTING FACILITY

1. The Company is pleased to offer e-voting facility for the Shareholders to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Members have an option to vote either through Postal Ballot or through e-voting. If a shareholder has opted for e-voting, then he/she should not vote by Postal Ballot also and vice-a-versa. However, in case members cast their vote both via postal ballot and e-voting, then voting through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.

The instructions for voting through electronic means are as under :

1. The e-voting will be available from 17th August, 2016 (9:00 A.M.) to 16th September, 2016 (5:00 P.M.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 10th August, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL thereafter.
2. The shareholders should log on to the e-voting website www.evotingindia.com
3. Click on "Shareholders" tab.
4. Now Enter your User ID.
   i) For CDSL: 16 digits beneficiary ID.
   ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
   iii) Members holding shares in Physical Form should enter Folio Number registered with the Company.
5. Next enter the Image Verification as displayed and Click on Login.
6. 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. If you are a first time user follow the steps given below.
7. Now, fill up the following details in the appropriate boxes:

	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 first two letters of their name and the 8 digits of the folio number in the PAN field. ● In case the folio number is less than 8 digits enter the applicable number of 0's (Zero) before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or DOB	Enter the Dividend Bank or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. ● If both 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 the instructions (4)

8. After entering these details appropriately, click on "SUBMIT" tab.
9. Members holding shares in physical form will then reach directly 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.
10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

11. Click on Electronic Voting Sequence Number (EVSN) relevant for "BANNARI AMMAN SUGARS LIMITED" on which you choose to vote.

12. 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..

13. Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

14. 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.

15. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

16. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

17. If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

18. 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 they have to create a compliance user 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.

19. 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.

20. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Applicant Company as on the cut off date viz.10th August 2016.

21. The members who hold shares as on the cut-off date 10th August 2016 are eligible to exercise their right to vote through remote e-voting or voting through postal ballot. A person who is not a Member (not holding shares of the company) as on the aforesaid cut-off date should treat this notice for information purposes only.

22. In case of any grievances connected with the voting by electronic means, the members may contact The Company Secretary, Bannari Amman Sugars Limited, 1212, Trichy Road, Coimbatore 641 018 Phone : +91 422 2204320

Declaration of Results

1. The date of declaration of the results will be treated as the date of passing of the said resolutions. The resolutions being Special Resolutions, will be declared as passed, if votes cast in favour of the resolutions are three times more in number that the votes, if any, cast against it and such Special Resolutions shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it in terms of SEBI Circular No. CIR/CFD/DIL/16/2015 dated 30th November, 2015.

2. The Chairperson appointed for conducting Postal Ballot / E-voting shall Scrutinize the votes on 17th September 2016 and thereafter record and declare the results on or before 18th September, 2016.

3. The results shall be placed on the company's website www.bannari.com immediately after the result is declared and shall be simultaneously communicated to NSE, BSE, NSDL & CDSL.

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