SHIVA TEXYARN LIMITED

Regd. Office : 252, Mettupalayam Road, Coimbatore - 641 043 Tamilnadu INDIA
Telephone : 0422-2435555 Fax : 0422-4383325 E-mail : shares@shivatex.co.in
CIN : L65921TZ1980PLC000945 Website : www.shivatex.co.in

STYL/SEC/70/NSE/2016-2017

3.5.2016

Scrip Code: SHIVTEX

The Manager
Listing Department
National Stock Exchange of India Limited
"Exchange Plaza"
Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051

Dear Sir,

Sub: Intimation of Court convened meeting and remote E-voting – reg.

We wish to inform that the Hon'ble High Court of Madras has ordered for convening Equity Shareholders meeting on 1st June, 2016 vide its order dated 18.4.2016, in the matter of Scheme of Arrangement (Demerger) between Shiva Texyarn Limited (Demerged Company) and STYL Textile Ventures Limited (Resulting Company), to approve the Scheme of Arrangement (Demerger) under Section 391 to 394 of the Companies Act, 1956.

In this regard, we would like to inform you the following details of the said meeting:

Date and time of Meeting of shareholders	:	1st June, 2016 at 9.30 a.m
Venue of the Meeting	:	Nani Kalaiarangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore-641037
Cutoff date (Record date) for remote e-voting	:	25th May, 2016
Remote e-voting period	:	Saturday, 28th May, 2016 (10.00 AM) to Tuesday, 31st May, 2016 (5.00 PM)

Pursuant to A. 12 of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the Notice, Explanatory Statement and related documents of Court convened meeting for your records.

Further, in this connection the Company has appointed Mr R Dhanasekaran, Practicing Company Secretary, Scrutinizer for remote e-voting and voting at the Meeting.

Kindly take on record the above information.

Thanking you,
Yours faithfully,
For SHIVA TEXYARN LIMITED

M SHYAMALA
COMPANY SECRETARY

Encl: as above

MS/1/E/STYL/LETTER TO NSE&BSE

SHIVA TEXYARN LIMITED

CIN L65921TZ1980PLC000945

Registered office at 252, Mettupalayam Road, Coimbatore - 641043

email: shares@shivatex.co.in website: www.shivatex.co.in

COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS

of

SHIVA TEXYARN LIMITED

IN THE MATTER OF APPLICATION UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT (DE-MERGER) OF

M/s SHIVA TEXYARN LIMITED (DE-MERGED COMPANY)

AND

M/s STYL TEXTILE VENTURES LIMITED (RESULTING COMPANY)

Day	Wednesday
Date	1st June, 2016
Time	9.30 a.m.
Venue	Nani Kalaiarangam, Mani Higher Secondary School, Pappanaickanpalayam, Coimbatore 641037

Index

S. No.	Contents	Page No.
1.	Notice of Court Convened Meeting of the Equity Shareholders of Shiva Texyarn Limited	2
2.	Explanatory Statement under Section 393 of the Companies Act, 1956 and Section 102 of the Companies Act, 2013	5
3.	Scheme of Arrangement (Demerger) of Shiva Texyarn Limited and STYL Textile Ventures Limited and their respective shareholders and creditors under Sections 391 to 394 of the Companies Act, 1956	13
4.	Observation letters from BSE Limited and from National Stock Exchange of India Limited, both dated 18th March, 2016 conveying their No-Objection to the Scheme of Arrangement (Demerger)	53
5.	Fairness Opinion dated 30th November, 2015 issued by Dalmia Securities Private Limited	57
6.	Complaints Report dated 1st February, 2016 filed with BSE Limited and National Stock Exchange of India Limited	63
7.	Proxy Form, Attendance Slip and E-voting form with instructions	In Loose Leaf Form

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORIGINAL JURISDICTION)

C.A.NO. 399 OF 2016

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF APPLICATION UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT (DE-MERGER) OF

M/s SHIVA TEXYARN LIMITED (DE-MERGED COMPANY)

AND

M/s STYL TEXTILE VENTURES LIMITED (RESULTING COMPANY)

M/s SHIVA TEXYARN LIMITED
a Public Limited Company incorporated under the Companies Act, 1956, bearing Corporate Identity No. L65921TZ1980PLC000945, having its Registered office at 252, Mettupalayam Road, Coimbatore - 641043 ....Applicant/De-Merged Company

NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS

To
Equity Shareholders,
Shiva Texyarn Limited

TAKE NOTICE that by an Order made on 18.4.2016, the Honourable High Court of Judicature at Madras has directed that a meeting of the Equity Shareholders of the Applicant Company be held on Wednesday, 1st June, 2016 at 9.30 A.M at Nani Kalaiarangam, Mani Higher Secondary School, Pappanaickanpalayam, Coimbatore 641037, to transact the following business, by which time and place you as Equity Shareholders are requested to attend:

To consider and, if thought fit, approve with or without modification(s), the following Resolution under Sections 391 to 394 of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), and further under the provisions of the Memorandum and Articles of Association of the Company, for the proposed Scheme of Arrangement (Demerger) of Shiva Texyarn Limited and STYL Textile Ventures Limited and their respective shareholders and creditors ("Scheme"):

"RESOLVED THAT pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions of the Companies Act, 2013, if any, the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Hon'ble High Court of Madras and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble High Court of Madras or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors (hereinafter referred to as the "Board", the proposed Scheme of Arrangement (Demerger) of Shiva Texyarn Limited and STYL Textile Ventures Limited and their respective shareholders and creditors ("Scheme") placed before this meeting and initialled by the Chairman of the meeting for the purpose of identification, be and is hereby approved ".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangements embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble High Court of Madras while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper ".

TAKE FURTHER NOTICE that persons entitled to attend and vote at the meeting may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the Registered office of the Company at 252, Mettupalayam Road, Coimbatore - 641 043 not later than 48 hours before the meeting.

The Hon'ble High Court has appointed Sri S V Alagappan, Chairman of the Company, (DIN 00002450) failing him, Sri S V Arumugam, Director (DIN 00002458) of the Company, to be the Chairman of the said meeting or at any adjournment(s) thereof.

A copy of the Scheme, the Explanatory Statement under Section 393 of the Companies Act, 1956, and Section 102 of the Companies Act, 2013, Observation Letters issued by BSE Limited and National Stock Exchange of India Limited, Fairness Opinion issued by Dalmia Securities Private Limited, Complaints Report, form of Proxy, Attendance silp and E-Voting form along with E-Voting instructions are enclosed to this notice.

The above mentioned arrangement, if approved by the shareholders will be subject to the subsequent approval of Hon' ble High Court of Madras.

S V ALAGAPPAN
Chairman appointed for Conducting the Meeting
DIN 00002450

Dated this 25th day of April, 2016 at Coimbatore.

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote at the meeting.

2. Proxies, in order to be effective, should be deposited with the Company, forty eight hours before the commencement of the meeting.

3. The Explanatory Statement pursuant to Section 393 of the Companies Act, 1956, and Section 102 of the Companies Act, 2013 which sets out details relating to Special Business of the Agenda is annexed hereto.

4. The cut-off date for the purpose of recording the voting rights of the shareholders shall be 25th May, 2016.

5. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically instead of casting their vote at the meeting. Please note that the voting through electronic means is optional for the members.

6. The voting through electronic means will commence on Saturday, 28.5.2016 at 10:00 a.m and will end on Tuesday, 31.5.2016 at 5:00 p.m. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-voting system shall be disabled for voting thereafter.

7. The Hon'ble High Court of Madras has appointed Mr R Dhanasekaran, Practicing Company Secretary, to act as the Scrutinizer for conducting the voting process in a fair and transparent manner.

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORIGINAL JURISDICTION)

C.A.NO. 399 OF 2016

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF APPLICATION UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT (DE-MERGER) OF

M/s SHIVA TEXYARN LIMITED (DE-MERGED COMPANY)

AND

M/s STYL TEXTILE VENTURES LIMITED (RESULTING COMPANY)

M/s SHIVA TEXYARN LIMITED

a Public Limited Company incorporated under
the Companies Act, 1956, bearing Corporate
Identity No. L65921TZ1980PLC000945,
having its Registered office at 252,
Mettupalayam Road, Coimbatore - 641043 …. Applicant /De-Merged Company

Explanatory Statement under Section 393 of the Companies Act, 1956 and under Section 102 of the Companies Act, 2013

1. Pursuant to an order dated 18.4.2016, passed by the Hon'ble High Court of Madras, in the Company Application referred above, a meeting of the equity shareholders of Shiva Texyarn Limited, the Applicant Company above named, is being convened for the purpose of considering and, if thought fit, approving, with or without modification, the arrangement proposed under the Scheme of Arrangement (Demerger) between Shiva Texyarn Limited and STYL Textile Ventures Limited and their respective shareholders under Sections 391 to 394 of the Companies Act, 1956 read with Section 100 to 104 of the Companies Act, 1956 and Section 13 of the Companies Act, 2013.

2. In this Statement, Shiva Texyarn Limited hereinafter referred to as "Applicant Company" / "Demerged Company" and STYL Textile Ventures Limited hereinafter referred to as

"Resulting Company". Where the context so requires, the Applicant Company and the Resulting Company are collectively referred to as the "Companies". The said Scheme of Arrangement (Demerger) is hereinafter referred to as "the Scheme"

3. A copy of the Scheme of Arrangement, setting out the terms and conditions of the Arrangement of the Demerged Company with the Resulting Company, which has been approved by the Board of Directors of Demerged Company and Resulting Company at their respective meetings held on 30.11.2015, is enclosed.

4. The Share Capital of the Applicant Company and Resulting Company are set out in the Share Capital Clause of the Scheme.

5. The objects of the Applicant Company and the Resulting Company are as set out in the Memorandum of Association of the respective Company and extracted in the Scheme.

6. The background to the proposed Scheme is as follows:-

   6.1. The Demerged Company operates primarily in two locations with distinct features as setout hereinafter:

      6.1.1. In Dindigul District, Tamilnadu wherein it has a standalone spinning unit with capacity of 39,072 spindles together with windmills relating to the said unit with a capacity of 10.65 MW. The unit manufactures mainly cotton hosiery yarn with an average count of 40s. The future business plan envisages addition of finer counts of yarn in woven category to the existing production pattern so that the overall mix comprises hosiery yarn for local market, woven yarn for upcountry markets and small portion for exports.

      6.1.2. In Tirupur/Erode District, Tamilnadu wherein it has a Spinning Unit with capacity of 52416 spindles manufacturing average count of 30s, Technical Textiles which is into value added, Coated and Laminated fabrics, Knitting, Garment unit inter-alia manufacturing specialty garments for defence etc., Processing unit, Activated Carbon Unit, Bag Unit and Windmills relating to the said units with a capacity of 18.145 MW. The operations are composite in nature, and significantly the technology employed is high end, and the Plants are equipped to produce contamination free yarn and other special yarn. The target market is niche markets, value added products, exports etc.

      6.1.3. The nature of thrust and direction required for the growth of the two distinct operations as segregated above, are very different. The two distinct divisions catering to two entirely different market segments in textiles, require different growth strategies.

6.1.4. The image that is required to be projected for the growth of the two distinct operations, and for building the brand is also very different, given that nature of product as also the market that is intended to be tapped are different.

6.1.5. In the circumstances, the management of the Companies felt that it would be in the interest of all stakeholders to demerge the two distinct operations to give specific and focused thrust to the respective divisions as also create a distinct brand for the two divisions.

6.1.6. It is therefore felt that it would be advantageous to demerge the Dindigul operations together with the related windmills viz., Demerged Undertaking (as defined hereinafter) into a separate entity.

6.1.7. STYL Textile Ventures Limited (Resulting Company) has been incorporated as a wholly owned subsidiary of the Demerged Company to facilitate the demerger of the Demerged Undertaking.

7. The benefit that is expected to be achieved through the Scheme is as follows:

7.1. As a result of demerger the units/divisions requiring special attention will be separated. The Demerged Company and Resulting Company would focus on their respective businesses to achieve sustained growth.

7.2. The nature of risk involved and focus required for the Remaining Undertaking and the Demerged Undertaking is distinct from each other. Consequently, each business or undertaking is capable of addressing independent business opportunities, deploying different business techniques and attracting different set of investors, strategic partners, lenders and other stakeholders.

7.3. The demerger would provide scope for independent expansion without committing the organization in entirety.

7.4. It is believed that the proposed demerger will create enhanced value for the shareholders and allow a focused strategy in operations which would be in the best interest of all stake holders.

7.5. The Board of Demerged Company considered that it would be advantageous to demerge the Demerged Undertaking, into a separate entity.

8. The Salient features of the Scheme are:-

8.1. The Scheme of Arrangement of Demerged Company with Resulting Company will take effect from "Appointed Date" i.e., 1st April, 2015 and the Demerged Undertaking of Demerged Company shall stand transferred to and vested in Resulting Company

8.2. The "Effective Date" for the Scheme means the date on which the certified copy of the Orders of High Court of Judicature at Madras sanctioning this Scheme is filed with the Registrar of Companies, Tamilnadu, Coimbatore.

8.3. The term "Demerged Undertaking" means :

8.3.1. the Demerged Company's undertaking, businesses, activities and operations relating to it's spinning unit (Unit-I) at Dindigul together with 22 nos windmills having an installed capacity of 10.65 MW and in respect whereof a segmented audited financial statement as at close of business hours as at 31-03-2015 is furnished in Part-B of Schedule I to the Scheme, and comprise the following belonging to and/or attributable thereto:

8.3.2. The whole of the freehold and leasehold immoveable properties including windmill lands comprised in the Demerged Undertaking as is enumerated in Part-A of Schedule-I to the Scheme, including all rights, title, interest appurtenant thereto, all documents of title pertaining thereto and all easementary and other rights attributable or relatable thereto.

8.3.3. The whole of the movable properties and documents of title belonging or pertaining thereto as on the appointed date, including all investments, securities, equity or other holdings of all kinds (whether in physical form or electronic form), any advance for investments , interest, dividend and other receivables, documents, contracts, licenses, privileges, engagements, and rights pertaining thereto as on the appointed date;

8.3.4. All the debts (whether secured or unsecured), liabilities, duties and obligations attributable specifically to the operations of the said Demerged Undertaking, business and activity as are specifically set out in the Financial Statement prepared for the Demerged undertaking as on close of business hours on 31-03-2015 and setout in Part-B of Schedule I to the Scheme and excludes any general or multipurpose liability or obligation or guarantee of Demerged Company whether existing or contingent, not specifically earmarked to the Demerged Undertaking in terms of Balance sheet set out in Part-B of Schedule I hereto.

8.3.5. All agreements, rights, contracts, entitlements, permits, licenses, approvals, consents, registrations, approval, engagements, other rights and privileges, arrangements and all other privileges and benefits of every kind, nature and description whatsoever relating to the unit, business and activity and all employees engaged in or relating to the said unit/division and their business, activities and operations as on the appointed date.

8.3.6. All export obligations relating to Demerged Undertaking as per the details setout in Part-C of Schedule-I hereto

9. Upon coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Undertaking shall, stand transferred to and vested in the Resulting Company on a going concern basis.

10. Upon the scheme becoming effective, all the assets, properties and liabilities of the Demerged Undertaking shall be transferred and/or be deemed to have been transferred to

the Resulting Company with effect from the Appointed date at the values appearing in the books of the Demerged Company immediately preceding the appointed date.

11. Till the date the Scheme finally takes effect, Demerged Company shall be deemed to carry on the business and activities and stand possessed of properties in relation to the Demerged Undertaking for and on account of Resulting Company.

12. Upon the Scheme becoming fully effective, in consideration of the transfer and vesting of the Demerged undertaking of the Demerged Company in the Resulting Company in terms of this Scheme, the Resulting Company shall without any further act or deed, issue and allot to each member of the Demerged Company whose name is recorded in the Register of Members of the Demerged Company on the Record Date 2 (TWO) fully paid up equity share of Rs. 10/- each in the Resulting Company for every 5 (FIVE) equity share of Rs. 10/- each fully paid-up, held by such member or his/her heirs, executors, administrators or successors in the Demerged Company. All fractional entitlements shall be paid to the shareholders by disposal of such shares in such manner as the Board of Directors may deem fit.

13. Upon the Scheme coming into effect, the issued, subscribed and paid-up share capital of the Demerged Company shall without requirement of any further statutory compliance and without any further act, deed or thing be reduced from Rs.21,60,45,210 divided into 2,16,04,521 equity shares of Rs.10/- each to Rs.12,96,27,130 divided into 1,29,62,713 equity shares of Rs.10/- each, through pro-rata reduction of shareholding of the shareholders in the Demerged Company, resulting in 3 equity shares of Rs.10 each being held in lieu of every 5 equity shares of Rs.10/- each held in the Demerged Company, on a Record Date to be fixed by the Board of Directors of the Company, in dematerialized form unless notified prior to the Record Date by the Members.

14. With effect from the effective date the name of the resulting company shall be changed from "STYL Textile Ventures Limited" to "Shiva Mills Limited" Pursuant to the orders of the Hon' High Court sanctioning the scheme. It is expressly provided that the approval of the Scheme shall be deemed to be due compliance with all applicable provisions of the Companies Act and all other applicable laws as is for the time being in force.

15. Upon the Scheme becomes effective, the Resulting Company shall take over employees relating to the Demerged Undertaking of the Demerged Company.

16. For the purpose of giving effect to the Scheme of Arrangement or to any modifications thereof, the Directors of Demerged Company are authorised to give necessary directions.

17. The Scheme is conditional on and subject to the Sanction of the Authorities concerned, approval by the requisite majority of the shareholders and sanctions of the Hon'ble High Court of Judicature at Madras, as may be required.

18. On approval of the Scheme by the Shareholders of the Demerged Company and Resulting 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 Section 13 of the Companies Act, 2013 and Sections 100 to 104 of the Companies Act, 1956 and any other provisions of the said Acts to the extent the same may be considered applicable.

19. The new equity shares to be issued to the Shareholders of Demerged Company shall be subject to the Memorandum and Articles of Association of the Resulting Company and shall be listed and/or admitted to trading on the BSE Limited and National Stock Exchange of India Limited where the equity shares of Demerged Company were listed and/ or admitted for trading.

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

21. The proposed Scheme of Arrangement was approved by the Board of Directors of the Applicant Company at the meeting held on 30.11.2015 after considering the recommendation of the Audit Committee, Valuation Report dated 30.11.2015 issued by Sri V S Srinivasan, Chartered Accountants, M/s VKS Aiyer & Co, Coimbatore and Fairness Opinion dated 30.11.2015 of an independent Category - I Merchant Banker M/s Dalmia Securities Private Limited.

22. 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 30.11.2015, recommended the proposed Scheme of Arrangement for approval of the Board.

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

24. The rights and interests of the secured and unsecured creditors, as the case may be, of the Demerged Company and the Resulting 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 Arrangement, the Resulting Company will be continuing the business of the Demerged Undertaking.

25. The equity shareholders of the Demerged Company prior to Arrangement shall become the equity shareholders of the Resulting Company post Arrangement. The shareholding pattern in the Demerged Company and the Resulting Company, pre-Arrangement and Post Arrangement will be as follows

Particulars	Shiva Texyarn Limited (Demerged Company)				STYL Textile Ventures Limited (Resulting Company)			
	Pre		Post		Pre		Post	
	No.of shares	% of holding	No.of shares	% of holding	No.of shares	% of holding	No.of shares	% of holding
Promoters	16189794	74.94	9713876	74.94	50000	100	6475916	74.94
Public	5414727	25.06	3248837	25.06	0	0	2165892	25.06
Custodian	0	0	0	0	0	0	0	0
Total	**21604521**	**100**	**12962713**	**100**	**50000**	**100**	**8641808**	**100**

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

27. The present details of Directors of Resulting Company and their present shareholding in the Resulting Company and Demerged Company as follows:-

Name of the Director	Position held	No. of equity shares held in Resulting Company	No. of equity shares held in Demerged Company
Sri S V Alagappan	Director	0	54450
Sri S V Arumugam	Director	0	0
Sri S K Sundararaman	Director	0	900
Sri S Marusamy	Director	0	3883

28.The present details of Directors of Demerged Company and their shareholding in Resulting Company and Demerged Company are as follows:-

Name of the Director	Position held	No. of equity shares held in Resulting Company	No. of equity shares held in Demerged Company
Sri S V Alagappan	Chairman and Managing Director	54450	0
Sri S V Arumugam	Director	0	0
Sri S K Sundararaman	Executive Director	900	0
Smt A Lalitha	Director	1350	0

Sri K N V Ramani	Director	0	0
Sri C S K Prabhu	Director	0	0
Sri S Palaniswami	Director	0	0
Dr K R Thillainathan	Director	300	0
Sri S Marusamy	Director	3883	0

29. The following documents are open for inspection by the Members at the Registered Office of Applicant Company at 252, Mettupalayam Road, Coimbatore 641043 on any working day between 11.00 a.m. and 1.00 p.m. till 28.5.2016:-

29.1. Memorandum and Articles of Association of Applicant Company and Resulting Company;
29.2. Scheme of Arrangement;
29.3. Annual Reports of the Applicant Company and Resulting Company;
29.4. Valuation Report dated 30.11.2015 recommending share exchange ratio;
29.5. Copy of the Order dated 18.4.2016 passed by the Hon'ble High Court of Judicature at Madras in C.A.No 399 of 2016;
29.6. Copies of Resolutions passed by the Board of Directors of Applicant Company and Resulting Company approving the Scheme;
29.7. Copies of No-objection / observation letter relating to the Scheme issued by the BSE Limited dated 18.3.2016 and National Stock Exchange of India Limited dated 18.3.2016;
29.8. Copy of Fairness Opinion dated 30.11.2015 issued by Category I Merchant Banker M/s Dalmia Securities Private Limited on share exchange ratio;

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,E-voting Form and instructions for Voting may be obtained from the Registered Office of the Applicant Company and /or at the office of their Counsel M/s. Ramani & Shankar, 152, Kalidas Road, Ramnagar, Coimbatore - 641 009.

S V ALAGAPPAN
Chairman appointed for conducting the Meeting
DIN 00002450

Dated this 25th day of April, 2016 at Coimbatore.

SCHEME OF ARRANGEMENT (DEMERGER)

Under Sections 391 to 394 of the Companies Act 1956 and other applicable provisions of the Companies Act 2013

BETWEEN

SHIVA TEXYARN LIMITED

(Demerged Company)

A N D

STYL TEXTILE VENTURES LIMITED

(Resulting Company)

And their respective Shareholders and Creditors

PART-I

PRELIMINARY

I. PREAMBLE:

1. The Demerged Company operates primarily in two locations with distinct features as setout hereinafter:

   a. In Dindigul District, Tamilnadu wherein it has a standalone spinning unit with capacity of 39,072 spindles together with windmills relating to the said unit with a capacity of 10.65 MW. The unit manufactures mainly cotton hosiery yarn with an average count of 40s. The future business plan envisages addition of finer counts of yarn in woven category to the existing production pattern so that the overall mix comprises hosiery yarn for local market, woven yarn for upcountry markets and small portion for exports;

   b. In Tiruppur/Erode District, Tamilnadu wherein it has a Spinning Unit with capacity of 52416 spindles manufacturing average count of 30s, Technical Textiles which is into value added, Coated and Laminated fabrics, Knitting, Garment unit inter-alia manufacturing specialty garments for defence etc., Processing unit, Activated Carbon Unit, Bag Unit and Windmills relating to the said units with a capacity of 18.145 MW. The operations are composite in nature, and significantly the technology employed is high end, and the Plants are equipped to produce contamination free yarn and other special yarn. The target market is niche markets, value added products, exports etc.

2. The nature of thrust and direction required for the growth of the two distinct operations as segregated above, are very different. The two distinct divisions catering to two entirely different market segments in textiles, require different growth strategies.

3. The image that is required to be projected for the growth of the two distinct operations, and for building the brand is also very different, given that nature of product as also the market that is intended to be tapped are different.

4. In the circumstances, the management of the Companies felt that it would be in the interest of all stakeholders to demerge the two distinct operations to give specific and focused thrust to the respective divisions as also create a distinct brand for the two divisions.

5. It is therefore felt that it would be advantageous to demerge the Dindigul operations together with the related windmills viz., Demerged Undertaking (as defined hereinafter) into a separate entity.

6. STYL Textile Ventures Limited (Resulting Company-as defined hereinafter) has been incorporated as a wholly owned subsidiary of the Demerged Company to facilitate the demerger of the Demerged Undertaking.

7. In furtherance of the proposal considered by the Board of Directors of the Demerged Company and the Resulting Company, the Scheme is presented for transfer and vesting of Demerged Undertaking (as defined hereinafter) of the De-merged Company in to Resulting Company.

8. Upon the Scheme becoming effective, notwithstanding anything contained in the Articles of Association of the Resulting Company, all the Shareholders of the Demerged

Company will become shareholders of the Resulting Company in the same proportion in which shares are held by them in Demerged Company.

9. The demerger hereby envisaged will be effected under the provisions of Sections 391 to Section 394 of the Companies Act, 1956 and notified provisions of Companies Act, 2013 wherever applicable. The demerger complies with the provisions of Section 2(19AA) of the Income Tax Act, 1961, such that:

    a. All the properties of the Demerged Undertaking (as defined hereinafter) being transferred by Demerged Company, becoming properties of the Resulting Company by virtue of the demerger

    b. All liabilities specifically relatable to the Demerged Undertaking being transferred by the Demerged Company becoming the liabilities of the Resulting Company by virtue of the demerger.

    c. The Properties and the liabilities, if any relatable to the Demerged Undertaking being transferred by the Demerged Company are transferred to the Resulting Company at the values appearing in the books of accounts of Demerged Company immediately before demerger.

    d. The Resulting Company shall issue shares to the shareholders of De-merged Company in consideration of demerger on a proportionate basis, notwithstanding anything contained in the Articles of Association of the Resulting Company.

    e. All shareholders of Demerged Company shall become the shareholders of the Resulting Company by virtue of the demerger.

    f. The transfer of the Demerged Undertaking by the Demerged Company to Resulting Company will be on a going concern basis.

II. PURPOSE OF THE SCHEME:

A. As a result of demerger the units/divisions requiring special attention will be separated. The Demerged Company and Resulting Company would focus on their respective businesses to achieve sustained growth.

B. The nature of risk involved and focus required for the Remaining Undertaking and the Demerged Undertaking is distinct from each other. Consequently, each business or undertaking is capable of addressing independent business opportunities, deploying different business techniques and attracting different set of investors, strategic partners, lenders and other stakeholders.

C. The demerger would provide scope for independent expansion without committing the organization in entirety.

D. It is believed that the proposed demerger will create enhanced value for the shareholders and allow a focused strategy in operations which would be in the best interest of all stake holders.

E. The Board of Demerged Company considered that it would be advantageous to demerge the Demerged Undertaking, into a separate entity.

III. MAIN OBJECTS OF THE DEMERGED COMPANY AND THE RESULTING COMPANY:

A. The Main Objects of the Demerged Company is as follows:

i. To carry on the business of ginners, spinners, weavers, dyers, manufacturers, balers and pressers of all cotton, jute, silk, hemp, wool, hair, rayon and other fibrous materials and the cultivation thereof and the business of buyers and sellers of and dealers in cotton, jute, silk, hemp, wool, hair, rayon, and any other fibrous materials and transacting of all manufacturing, curing, preparing, colouring, dyeing or bleaching processes and purchasing and vending the raw materials and manufactured articles; purchasing, combining, preparing, spinning, weaving, dyeing,, bleaching, printing, manufacturing, selling and otherwise dealing in yarn, linen, cloth and other goods and fabrics made from cotton, jute, silk, hemp, wool, hair, rayon, and any other fibers or fibrous substances; weaving or otherwise manufacturing, buying, selling and dealing in all kinds of cloth and other goods and fabrics, whether textiles, felted, netted or looped.

B. The Objects to be pursued by the Resulting Company are as follows:

i. To manufacture deal in cotton, synthetic and all other types of yarns, bleach, calendar, mercerize, dye, print, sell, import, export,, process, bale, furnish,, all types of hosieries, knitwears and other materials and also fabrics, mates, finishings made from cotton, rayon, nylon, mylow wool, yarn, silk, synthetic fibres, stable fibres, jute, leather, flax, hemp, hessian linen and other materials; and to handle or deal in spinning mills, weaving mills or any other factories for pressing, ginning, carding, combing, scouring, curing, colouring, vending spinning, doubling, mixing, processing, twisting, bleaching, mercerizing, printing, dyeing or finishing of any textiles of any description and kind.

ii. To carry on the business of buying, selling, manufacturing, dealing, importing, exporting, processing, bleaching, calendaring, mercerizing, dyeing and printing of all kinds of fabrics and textiles, garments and wearing apparels, drapery, dress and other utilities prepared or manufactured from cotton, nylon, polyester, acrylics, rayon, silk, artificial silk, linen, wool, jute, leather or any other synthetic, artificial or natural materials, yarns or fibres and to convert synthetic, artificial and natural fibres including fibre glass into materials like cloth, tapes ropes, yarn, twine and such other articles as may be conveniently produced and manufactured; and to handle or deal in spinning mills , weaving mills or any other factories for pressing, ginning, carding, combing, scouring, curing, colouring, vending, spinning, doubling, mixing, processing, twisting, throwing, bleaching, mercerizing, printing, dyeing or finishing of any textiles of any description and kind.

iii. To carry on business as manufacturers and or dealers in all kinds of technical textiles, furniture furnishing materials and to act as interior decorators, in waterproof materials and fabrics, paulines, American clothes, floor clothes, bags and all kinds of imitation leathers and rubbers, in all types of dyes, chemicals and other chemical substances of all kinds, basic, intermediate or finished to be used in respect of all the products.

iv. To purchase, manufacture, treat, import, sell, export, let on hire, alter, or otherwise deal with, either as principles or agents in stitching, sewing and tailoring machineries and other allied materials, tolls and accessories including

threads, zips, belts, needles, buttons, interlining chemicals for collars, trimmings etc.

v. To carry on the business of steam and laundry and to wash, clean, purify, sco ur, bleach, wring, dry, iron, colour dye, disinfect, renovate and prepare for use all articles including wearing apparels for households, hospitals, clinics, dispensaries and maternity homes.

vi. To establish necessary infrastructure for generating, selling transmitting, distributing, supplying either directly or through others, electricity/power by any means, conventional or non-conventional, for industries, domestic or other purpose and also feed to the grids of electricity boards or other power grids.

IV. DEFINITIONS AND SHARE CAPITAL:

1. **DEFINITIONS:**

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

1.1. "Act" means the Companies Act, 1956 and Notified provisions of Companies Act, 2013 read with relevant Rules, includes any statutory re-enactment or modification thereof, or amendment thereto, from time to time;

1.2. "Appointed Date" means 01-04-2015 or such other date as may be approved by the High Court;

1.3. "Court" or "High Court" means the High Court of Judicature at (MADRAS);

1.4. Demerged Undertaking:

1.4.1. Shall in relation to Demerged Company mean the Demerged Company's undertaking, businesses, activities and operations relating to it's spinning unit (Unit-I) at Dindigul together with 22 nos windmills having an installed capacity of 10.65 MW and in respect whereof a segmented audited financial statement as at close of business hours as at 31-03-2015 is furnished in **Part-B of Schedule I** hereto, and comprise the following belonging to and/or attributable thereto:

(a) The whole of the freehold and leasehold immoveable properties including windmill lands comprised in the Demerged Undertaking as is enumerated in **Part-A of Schedule-I** hereto, including all rights, title, interest appurtenant thereto, all documents of title pertaining thereto and all easementary and other rights attributable or relatable thereto.

(b) The whole of the movable properties and documents of title belonging or pertaining thereto as on the appointed date, including all investments, securities, equity or other holdings of all kinds (whether in physical form or electronic form), any advance for investments , interest, dividend and other receivables, documents, contracts, licenses, privileges, engagements, and rights pertaining thereto as on the appointed date;

(c) All the debts (whether secured or unsecured), liabilities, duties and obligations attributable specifically to the operations of the said Demerged Undertaking, business and activity as are specifically set out in the Financial Statement prepared for the Demerged undertaking as on close of business hours on 31-03-

2015 and setout in Part-B of Schedule I hereto and excludes any general or multipurpose liability or obligation or guarantee of Demerged Company whether existing or contingent, not specifically earmarked to the Demerged Undertaking in terms of Balance sheet set out in **Part-B of Schedule I** hereto.

(d) All agreements, rights, contracts, entitlements, permits, licenses, approvals, consents, registrations, approval, engagements, other rights and privileges, arrangements and all other privileges and benefits of every kind, nature and description whatsoever relating to the unit, business and activity and all employees engaged in or relating to the said unit/division and their business, activities and operations as on the appointed date.

(e) All export obligations relating to Demerged Undertaking as per the details setout in Part-C of Schedule-I hereto

1.5. "Demerged Company" means Shiva Texyarn Limited, a Listed Public Limited Company (within the meaning of the Companies Act 2013) bearing Corporate Identification No L65921TZ1980PLC00945, and originally incorporated as Annamallai Finance Private Limited under Certificate of Incorporation Dated 28th of May 1980 and subsequently converted to the status of a public limited company by the fresh certificate of incorporation consequent on change of name issued on 25th of November 1985 and thereafter name changed to Shiva Texyarn Limited, consequent to fresh certificate of incorporation issued on 28th of October 2002 and having its Registered office at 252, Mettupalayam Road, Coimbatore – 641043.

1.6. "Effective Date" means the last of the dates on which certified copies of the order(s) of the High Court of Madras sanctioning the Scheme is filed with the Registrar of Companies, Coimbatore, Tamil Nadu.

1.7. "Government Authority" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission, or any court tribunal, board, bureau, instrumentality, judicial or arbitral body having jurisdiction.

1.8. "Record Date" means the date to be fixed by the Boards of Directors of the Resulting Company for the purpose of reckoning names of the shareholders of the Demerged 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;

1.9. "Remaining Undertaking" shall mean:

In relation to Demerged Company, all business, assets, properties, liabilities (including contingent) of the Demerged Company not forming part of the Demerged undertaking and being the business continued to be carried on by Demerged Company and assets and liabilities relating thereto**;** and in respect whereof a financial statement as on close of business hours on 31st March 2015 is furnished in Schedule II hereto.

1.10. "Resulting Company" means **STYL Textile Ventures Limited** a Public Limited Company bearing Corporate Identification No U17111TZ2015PLC022007, having its Registered office at 252, Mettupalayam Road, Coimbatore–641043, Tamil Nadu, India, being a Company incorporated as per Certificate of Incorporation dated 24th day of November 2015 by the Registrar of Companies, Coimbatore, Tamilnadu.

1.11. "SEBI Scheme circular" shall mean Securities and Exchange Board of India's circular No.CIR/CFD/DIL/5/213 dated 4th February 2013 read with CIR/CFD/DIL/8/2013 dated 21st of May 2013 and SEBI/LAD-NRO/GN/2015-16/013 dated 2nd September 2015 including any amendment, modification or reenactment thereof for the time being in force.

1.12. "Schedules" shall mean the schedules to this Scheme.

1.13. "Scheme" or "Scheme of Demerger" means this Scheme of Arrangement including any modification or amendment hereto.

1.14. "Stock Exchange" means the Stock Exchange/S on which the shares of the transferor company are listed.

1.15. Any references in the scheme to "upon the scheme becoming effective" or "effectiveness of the scheme" or "upon the scheme becoming fully effective" shall mean the effective date. All expressions, terms and words used in the Scheme of Arrangement and not expressly defined herein, shall, unless repugnant or contrary to the context or meaning thereof, carry the same meaning ascribed to them under the Act, the Securities Contract Regulations Act, 1956, the Depositories Act, 1996 and other applicable laws, as the case may be or any statutory modifications or re-enactment thereof from time to time.

PART – II

2. SHARE CAPITAL AS ON DATE OF BOARD RESOLUTION APPROVING THE SCHEME:

2.1. Demerged Company:

The Authorized Share Capital of the Demerged Company is Rs.22,00,00,000 divided into 2,20,00,000 equity shares of Rs.10 each. The Issued, subscribed and paid up share capital of the Company is Rs.21,60,45,210 divided into 2,16,04,521 Equity Shares of Rs.10 each.

2.2. Resulting Company:

The Authorized Share Capital of the Resulting company is Rs.15,00,00,000 divided into 1,50,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid-up Capital of the Resulting company is Rs.5,00,000 divided into 50,000 Equity Shares of rs.10 each.

2.3. Date when the Scheme comes into Operation:

Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

PART – III

TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING IN THE RESULTING COMPANY

3. Transfer of Demerged Undertaking:

a. Upon coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Undertaking as defined under Part – I of this scheme shall, in pursuance of Sections 391 to 394 of the Act, without any further act, deed, matter or thing be and stand transferred to and vested in and shall be deemed to be transferred to and vested in the Resulting Company on a going concern basis and the entire undertaking shall stand transferred and vested in the Resulting Company as an integral and indivisible part of the Resulting Company.

b. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Demerged Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement in order to give formal effect to the provisions of this Scheme. The Resulting Company shall be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company, to be carried out or performed, provided such matter pertains to the Demerged Undertaking.

c. Upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, privileges, entitlements, Registrations, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertaking, shall stand transferred to the Resulting Company in which such Undertaking shall vest by way of the demerger hereunder, as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Resulting Company.

d. Upon the coming into effect of this Scheme, all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties or obligations suffered pertaining to the Demerged Undertaking of the Demerged Company as on the appointed date and more fully and specifically described in the Schedule I shall be and shall stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Appointed Date and on the same terms and conditions as applicable to the Demerged Company, and shall become the debts, liabilities, duties and obligations of the Resulting Company which the Resulting Company shall meet, discharge and satisfy.

e. No encumbrances shall be created by the Demerged Company in relation to the Demerged undertaking after the Appointed Date without prior written consent of the Boards of Directors of the Resulting Company.

f. Without prejudice to the provisions of the foregoing clauses and upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall execute any instruments or documents to do all the acts and deeds as may be required to give formal effect to the above provisions, if required.

g. Upon the coming into effect of this Scheme, the Resulting Company alone shall be liable to perform all obligations in respect of the liabilities, which have been specifically transferred to and vested in it, according to the terms of the Scheme, and the Demerged Company shall not have any obligations in respect of such liabilities, and the Resulting Company shall indemnify the Demerged Company in relation to any claim, at any time, against the Demerged Company in respect of the liabilities which have been transferred to the Resulting Company.

h. The above provisions shall have effect notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or instrument of guarantee; all of which instruments, deeds or writings or guarantee shall stand modified and/or superseded by the foregoing provisions.

i. Upon the scheme becoming effective, where the properties comprised in the undertaking are movable properties and are capable of being transferred by manual or hand delivery or by endorsement and delivery, they shall be transferred and vested in the Resulting Company as such or be deemed to have been so transferred and vested in the Resulting Company.

j. Upon the scheme becoming effective, where the properties comprised in the Demerged Undertakings are other than movable properties, they shall, as more particularly provided in this Part in Para (a), without any further act, instrument or deed, be transferred to and vested in and / or be deemed to have been transferred to or vested in the Resulting Company.

k. On and from the Appointed Date, if any certificate for tax deducted at source or any other tax credit certificate relating to the Demerged Undertaking is received in the name of the Demerged Company, it shall be deemed to have been received by the Resulting Company which alone shall be entitled to claim credit for such tax deducted or paid.

4. Transfer at Book Values:

Upon the scheme becoming effective, all the assets, properties and liabilities of the Demerged Undertaking shall be transferred and/or be deemed to have been transferred to the Resulting Company with effect from the Appointed date at the values appearing in the books of the Demerged Company immediately preceding the appointed date.

5. Conduct of Business:

a. The Demerged Company, with effect from the Appointed Date and up to and including the Effective Date shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Demerged Undertakings of the Demerged Company and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions pertaining to the Demerged Undertakings for and on account of, and in trust for, the Resulting Company. And all profits and income accruing or arising to the Demerged Company in relation to the Demerged Undertakings and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) relating to the Undertaking shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Resulting Company;

b. With effect from the Appointed date and until the effective date, the Demerged Company undertakes that it will preserve and carry on the business of the Demerged Undertakings with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, undertake financial commitments or sell, transfer, alienate, charge, mortgage or encumber any of the Demerged Undertaking or any part thereof save and except in each case:

i. If the same is in its ordinary course as carried on by it on the date of filing of this Scheme with the High Court.

ii. If the same is expressly permitted by this scheme.

iii. If the prior written consent of the Board of Directors of the Resulting Company has been obtained.

6. Employees:

Upon the coming into effect of this Scheme, all employees, officers and staff employed in relation to the demerged undertakings who are in employment as on the Effective Date shall become the employees, officers and staff, as the case may be, of the Resulting Company, and, subject to the provisions of this Scheme, on terms and conditions not less favorable than those on which they are engaged by the Demerged Company and without any interruption of or break in service as a result of the transfer to the Resulting Company.

PART – IV

7. REMAINING UNDERTAKING:

a. The Remaining Undertaking of the Demerged Company shall continue to be with the Demerged Company in all respects and intents as if there had not been this demerger at all. Without prejudice to the generality of the above, the Remaining Undertaking and all the assets, liabilities and obligations pertaining thereto, including liabilities, contingent or otherwise not specifically reckoned as forming part of the Demerged Undertaking shall continue to belong to and be vested in, be managed by and liabilities discharged by the Demerged Company. All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining Undertaking (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Undertaking and including those not forming part of the Demerged undertaking) shall be continued and enforced by or against the Demerged Company after the Effective Date. The Resulting Company shall not in any event be responsible or liable in relation to any such legal, taxation or other proceeding against the Demerged Company, which relate to the Remaining Undertaking. Until the effective date and even thereafter the Demerged Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Undertaking for and on its own behalf and all profits accruing to the Demerged Company thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Undertaking shall, for all purposes, be treated as the profits or losses, as the case may be, of the Demerged Company; and all assets and properties acquired by the Demerged Company in relation to the Remaining Undertaking on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Company.

8. LOANS AND RELATED SECURITY:

a. In so far as loans and borrowings of the Demerged Company are concerned, the loans and borrowings which are to be transferred to the Resulting Company (the "**Transferred Borrowings**") being a part of the Demerged Undertakings shall, upon coming into effect

of the Scheme and subject to sub-clause (b) below, without any further act or deed, become loans and borrowings of the Resulting Company, and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against the Resulting Company as if it had entered into such loans or incurred such borrowings or issued such debentures. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

b. The transfer and vesting of the Transferred Borrowing as provided above shall be subject to existing charges/encumbrances /hypothecation/mortgage, if any, as may be subsisting over or in respect of the assets including over the assets of the Resulting Company or any part thereof.

c. Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall execute any instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Company respectively to give formal effect to the above provisions, if required.

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

PART – V

9. ISSUE OF SHARES BY RESULTING COMPANY:

9.1 Issue of shares by Resulting Company:

Upon the Scheme becoming effective, in consideration of the demerger including the transfer and vesting of the Demerged Undertaking in the Resulting Company, Notwithstanding anything contained in the Articles of Association of the Resulting Company, the Resulting Company shall without any further act or deed, issue and allot to each member of the Demerged Company whose name is recorded in the Register of Members of the Demerged Company on the Record Date 2 (TWO) fully paid up equity share of Rs. 10/- each in the Resulting Company for every 5 (FIVE) equity share of Rs. 10/- each fully paid-up, held by such member or his/her heirs, executors, administrators or successors in the Demerged Company. All fractional entitlements shall be paid to the shareholders by disposal of such shares in such manner as the Board of Directors may deem fit.

9.2 Other terms applicable to issue of the Equity Shares:

9.**2.1.** The new Shares issued and allotted by the Resulting Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company in all respects

9.2.2. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors or any committee thereof of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company as if such changes in the registered holder were operative as on the Record Date,

in order to remove any difficulties arising to the transferor or transferee of equity share s in the Resulting Company issued by the Resulting Company after the effectiveness of this Scheme.

9.2.3. For the purpose of issue of equity shares to the shareholders of the Demerged Company, the Resulting Company shall, if and to the extent required, apply for and obtain the required statutory approvals including approval of Reserve Bank of India and other regulatory authorities concerned for the issue and allotment by the Resulting Company of such equity shares.

9.2.4. Unless otherwise determined by the Board of Directors or any committee thereof of the Demerged Company and the Board of Directors or any committee thereof of the Resulting Company, issuance of equity shares by the Resulting Company shall be done within 45 days from the Effective Date

9.2.5. In so far as the equity shares to be issued to the members of the Demerged Company pursuant to this Scheme are concerned, such equity shares shall be issued in dematerialized form by the Resulting Company, unless otherwise notified in writing by the shareholders of Demerged Company to the Resulting Company on or before the date as may be determined by the Board of Directors of the Resulting Company or a committee thereof. In that event that such notice has not been received by the Resulting Company in respect of any of the members of the Demerged Company, the equity shares shall be issued to such members in dematerialized form as per the demat account details of such members available with the Demerged Company and/or Share Transfer Agent of the Demerged Company.

9.2.6. The equity shares to be issued to the shareholders of Demerged Company pursuant to this Scheme will be listed and / or admitted to trading on all the Stock Exchanges on which the shares of the Demerged Company were listed on the Effective D ate and the Resulting Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges.

9.2.7. The Board of Directors of Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned authorities and/or regulatory bodies for issue and allotment of equity shares to the members of the Demerged Company pursu ant to this Scheme.

9.2.8. On the Scheme becoming effective, and with effect from the Appointed Date and without any further act, deed or thing, the Equity Shares held and advances made by the Demerged Company to the Resulting Company shall stand extinguished and the Paid Up Capital of the Resulting Company, correspondingly shall be restated to represent only the Paid-Up Capital to be issued to the shareholders of the Demerged Company in the Resulting Company, in terms of this Scheme.

9.3. **Re-Organisation of the Share Capital of the Demerged Company**

9.3.1. Upon the Scheme coming into effect, the issued, subscribed and paid-up share capital of the Demerged Company shall without requirement of any further statutory compliance and without any further act, deed or thing be reduced from Rs.21,60,45,210 divided into 2,16,04,521 equity shares of Rs.10/- each to Rs.12,96,27,130 divided into 1,29,62,713 equity shares of Re 10/- each, through pro-rata reduction of shareholding of the shareholders in the Demerged Company, resulting in 3 equity shares of Rs.10 each being

held in lieu of every 5 equity shares of Rs.10/- each held in the Demerged Company, on a Record Date to be fixed by the Board of Directors of the Company, in dematerialized form unless notified prior to the Record Date by the Members.

In respect of shares held in physical form, the share certificates, if any, held in physical form, in respect of the entire holding of the shareholder as on the Record Date shall stand extinguished, and wherever request is made before the Record Date for holding the same in physical form, new share certificates for the reduced shareholding shall be issued by the Demerged Company.

9.3.2. The Reduction of paid-up capital, being only in consideration of Demerger, the words "and reduced" shall not be required to be suffixed to the name of the De-merged Company.

9.3.3. No fractional shares shall be issued by the Demerged Company consequent on such reduction of capital. All such fractions shall be consolidated into full equity shares and sold by the Board of Directors of the Demerged Company and the sale proceeds shall be distributed to those shareholders of the Demerged Company who are entitled to such fractions in the proportion to which they are so entitled.

9.3.4. It is clarified that there will be no change in the shareholding pattern and the share holding pattern of the Demerged Company in terms of ratio of shareholding to be held by the Promoters post giving effect to the Scheme shall continue to be the same

9.3.5. Approval of this Scheme by the shareholders of Demerged Company shall be deemed to be the due compliance with all applicable provisions of the Act for the reduction of capital of the Demerged Company.

PART – VI

10. Change in Name of Resulting Company:

10.1 With effect from the effective date the name of the resulting company shall be changed from "STYL Textile Ventures Limited" to "Shiva Mills Limited" Pursuant to the orders of the Hon' High Court sanctioning the scheme. It is expressly provided that the approval of the Scheme shall be deemed to be due compliance with all applicable provisions of the Companies Act and all other applicable laws as is for the time being in force.

10.2 With effect from the Effective Date and on sanction of the Scheme, without any further act, instrument or deed, the name of the company shall stand changed to "Shiva Mills Limited" and the Resulting Company shall be entitled to file appropriate returns with the Registrar of Companies and Ministry of Corporate Affairs to have such changed name approved and fresh certificate of incorporation consequent to change of name issued.

PART - VII

11. **ACCOUNTING TREATMENT AND TAX TREATMENT:**

ACCOUNTING TREATMENT:

11.1. <u>In the books of the Resulting Company:</u>

a. The assets and the liabilities of the Demerged Undertaking of the Demerged Company being transferred to and vested in the Resulting Company shall be carried to the books of the Resulting Company at the same values at which the

respective assets and liabilities appeared in the books of accounts of the Demerged Company on the close of business on 31/03/2015.

b. The Resulting Company shall credit the Share Capital Account in its books of account with the aggregate face value of the new shares issued to the shareholders of Demerged Company pursuant to this Scheme.

c. The amount of share capital held by the Demerged Company and the value of advances payable to the Demerged Company, cancelled under the Scheme, shall be credited to General Reserve.

d. The excess of the net assets taken over pursuant to this scheme shall be credited to 'General Reserve'

11.2. In the books of the Demerged Company:

The difference between the value of assets and the liabilities transferred pursuant to the Scheme shall be appropriated first towards Share Capital by way of reduction, without further acts or deeds, to the extent of value of shares issued by the Resulting Company to the shareholders of the demerged company and the balance value shall be adjusted against the General Reserve.

The Balance Sheet of the Demerged Company and Resulting Company, as on the opening of business hours on the Appointed Day, on Scheme being given effect to shall be as set out in Part-A and Part-B of **Schedule-III** hereto respectively.

11.3 TAX TREATMENT:

Upon the Scheme coming into effect, all taxes payable by the Demerged Company under the Income Tax Act, Customs 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") in respect of the Demerged Undertaking shall be to the account of the Resulting Company; Similarly all credit for tax deduction at source on the income of the Demerged Company, or obligation for deduction of tax at source on any payment made by or to be made by the Demerged Company in respect of the Demerged Undertaking shall be made or deemed to have been made and duly complied with by the Resulting Company if so made by the Demerged Company. Similarly any advance tax payment required to be made for by the specified due dates in the Tax Laws in respect of the Demerged Undertaking shall also be deemed to have been made by the Resulting Company if so made by the Demerged 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 Demerged Company in respect of the Demerged Undertaking, shall also be and stand transferred or deemed to be transferred, without further act, instrument, deed, matter or thing, to the Resulting Company, pursuant to the provisions of Companies Act/Income Tax Act, so as to become as and from the Appointed Date, the rights, liabilities and obligations of the Resulting Company. The carry forward of the tax losses and unabsorbed depreciation of the Demerged Company, if any, in respect of the Demerged Undertaking shall be available to the Resulting Company. The Resulting 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 Demerged company in so far as it relates to the Demerged Undertaking. 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.

PART – VIII

GENERAL TERMS AND CONDITIONS

12. **Undertaking in compliance with SEBI circulars**

12.1. There will be no change In share capital of the Resulting/ Transferee Company till the listing of the equity shares of the company on BSE Limited.

12.2. The shares allotted by the Resulting Company pursuant to the schedule shall remain frozen in the depositories system till listing/ trading permission is given by the designated Stock Exchange.

13. **Board Reconstitution:**

At any time after the appointed date, shareholders of the Demerged and Resulting Company are at liberty to reconstitute their Boards.

14. **Dividends:**

Upon the scheme becoming effective, the Boards of the respective Company are at liberty to declare such dividends from time to time as they may in their absolute discretion think fit.

15. **Modification of Scheme:**

For the purpose of giving effect to this scheme, subject to sanction of the High Court, as the Boards of the respective Company may accede, any modifications or amendments thereof or additions thereto may be carried out to give effect to the scheme or to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or for compliance of stipulations of applicable law or the applicable accounting standard or in relation to any matter whatsoever connected with the scheme.

16. Scheme Conditional Upon:

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 Demerged Company and the Resulting Company, as the case may be, as required under the Act and / or the SEBI Scheme Circular, as applicable, and the requisite order of the High Court of Judicature at Madras being obtained;

b) For the Demerged Company, approval of the shareholders shall be through 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.

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

d) 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. **Costs, Charges, etc.**

All costs, charges, levies and expenses in relation to or in connection with or incidental to this Scheme or the implementation thereof shall be borne and paid for by the Demerged Company and Resulting Company in such proportion as their respective Boards may determine between them.

SCHEDULE I

PART-A: SCHEDULE OF IMMOVEABLE PROPERTIES COMPRISED IN THE DEMERGED UNDERTAKING BEING TRANSFERRED TO AND VESTED IN THE RESULTING COMPANY Viz., STYL TEXTILE VENTURES LIMITED:

SPINNING DIVISION: DETAILS OF BUILDINGS, CONSTRUCTIONS AND SUPER STRUCTURES AT VELVARKOTTAI VILLAGE, VEDASANDUR TALUK, DINDIGUL DISTRICT

Description of the Departments	Plinth Area (in Sq. Ft.)
MAIN FACTORY BUILDING: Mixing I / Blowroom I / Preparatory I / Spinning / Service Rooms / SQC Lab	108990.75
Blowroom II / Preparatory II / Winding / Autoconer / Packing	30128.00
Mixing II / Packing extension	3749.00
Preparatory / Spinning extension	4212.00
OTHER BUILDINGS: Cotton Godowns 1 to 6 including verandah	39571.73
Contamination shed	4795.00
Waste Cotton Godown	3829.50
Power House	3398.25
Generator Shed	7327.02
Humidification Plants (Ground &First Floors)	14145.82
Workshop	2700.00
Compressor Room	1581.25
Cone Shed / Maintenance Room	5360.00
Stores / Time Office	4775.61
Administrative Office	1815.00
Canteen	8284.78
Quarters – A type	3613.74
Quarters – B type	7028.64
Quarters – C type	6547.92
Quarters – D type	8378.40
Other Miscellaneous Structure	474.88
Add: Boys Hostel	11296.00
STP Plant	4025.00

New Comber Extension Building(Work in progress)	4200.00
Total Extent	**290228.29**

PLANT AND MACHINERY

I.SPINNING DIVISION - Main Plant & Machinery:

4 lines of LMW / Trumac make Blow Room Machinery along with Blendomat, Scutcher, Step Cleaner, Condenser, Mono Cylinder, Contamination Sorter, Unimix, Multimix, Bale plucker, **Vario clean, Flexi clean, ERM, RN Opener** and accessories for the above, 50 nos. of LMW / Trumac make Carding Machines along with Filters and accessories for the above, 7 nos. of LMW make Silver Lap Machines, 7 nos. of LMW make Ribbon Lab Machines, **45** nos. of LMW make Comber Machines, **19** nos. of LMW / Rieter / Zinser make Draw Frame Machines, 13 nos. of LMW make Speed Frame Machines, 38 nos. of LMW make Ring Frames along with Premier Ring Eye, Overhead Cleaners, Tubes, Bobbins and Accessories for the above, 14nos. of Schlafhorst . Muratec make Auto coners along with UPS and accessories for the above, 1 no. Cone Winder along with Extension Materials, 1 no. ELgi Welker make Yarn Conditioning Plant, Over Head Traveller Cleaners,

Miscellaneous Fixed assets and accessories:

Automatic Waste Evacuation System,Condensor with conveyor(3 nos) for Blow Room and Preparatory Departments, Fire Divergent System, Standby Machinery Spares, Accessories (Card Cans, Bobbins, Tubes, Crates, Lab Spools, Castors, Trolleys), Vacuum Cleaners, Fire Extinguishers, Weighing Machine, A.C Unit, Top Loading Balance, Store well Racks, Cots Mounting Machine, Hydraulic Bale Stacker, Fire Fighting Equipment, spindle Centering Device, Stores Rack, Wire Mounting Machine, Flat Grinding Machine,**Flat clipping machine** Degreasing Machine, Workshop machineries, Drilling Machine, Hydraulic Baling Press, Strapping Machine, Pre Bale Open, Cots Grinding Machine, Humidifiers, Roller Load Gauge, Roll Checking Machine, Knitting Machine, Compressors along with Air Line, after Cooler, Compressed Air Line, Air Drier, 6 nos. 380KVA Generator sets, 1no.1100 KVA Generator set, 1 no. 1250 KVA Generator set, 2 nos. 500 KVA Generator sets, 1 no. 160 KVA Generator set including Accessories, Centrifugal Pump, cooling Towers, Lab Equipments, Humidification Plants including Louvers, Angles and all accessories, STP Plant, RO Plant, Aqua fog system Weigh Bridge, Weighing Scales, Maintenance Equipments, Water Pipeline / Water Pumping including Hardware items viz., G.I.Pipes, valves, Motors, submersible Pumps etc., Plant Electricals, including Electrical Installation viz., Cables, Switch Gears, Distribution Boards, Ceiling Fans, Stabilisers, UPS Systems, Capacitors, Relay, Copper Flats, Load Manager System, Bus Duct etc., Transformers, HSD Tank, Office & Miscellaneous Equipments including Type Writers, Filling Cabinet, Steel Racks, Calculators, Franking Machine, Telephones, Air Conditioners, Xerox Machine, Fax Machine, Cash Box, Kitchen Equipments, Furniture & Fittings including Tables and Chairs, Cots, Godrej Lockers, Benches, Computer Furnitures, Fans, Wall Mounting Fans, Filing Racks and Vehicles, Computer Systems including Servers, Printers, UPS, ERP Software, Data Storage devices, Kardex Steel Racks, Attendance recording system, Dish Antenna including entertainment related Equipment, Play Ground materials, Designs Drawings, Patents and Catalogues of the aforesaid plant and machinery forming part of the textile undertaking.

II.WINDMILLS DIVISION

SL NO	HTSC NO	CAPACITY	MAKE	DOC	S.F.NO & VILLAGE	NAME OF THE EDC
1	902	1X1250 KW	SUZLON	10.09.04	34/1C2(Part) IRUKKANDURAI	TIRUNELVELI
2	901	1X1250 KW	SUZLON	09.09.04	48/1(Part) IRUKKANDURAI	TIRUNELVELI
3	900	1X1250 KW	SUZLON	09.09.04	32/1C(Part) IRUKKANDURAI	TIRUNELVELI
4	924	1X1250 KW	SUZLON	23.09.04	358/1A(Part) IRUKKANDURAI	TIRUNELVELI
5	925	1X1250 KW	SUZLON	23.09.04	776/2(Part) DHANAKKARKULAM	TIRUNELVELI
6	342 (443)	2X225KW	NEPC	06.05.05	17/1 & 17/4A VARAPPATTI	TIRUPUR
7	341 (442)	1X225KW	NEPC	02.05.05	578/1, 577, 576, 575/4C, 564, 565 & 572/2 VARAPPATTI	TIRUPUR
		6X225KW	NEPC	05.05.05		
8	91 (439)	1X225KW	NEPC	25.04.05	259/4 VADAVALLI	COIMBATORE / SOUTH
9	92 (440)	3X225KW	NEPC	25.04.05	265 & 259/1VADAVALLI	COIMBATORE / SOUTH
10	93 (441)	3X225KW	NEPC	25.04.05	260/3A & 267/2, 267 & 267/2 VADAVALLI	COIMBATORE / SOUTH
			NEPC			
11	U 1974	1X800KW	ENERCON	30.09.10	564 / D1 (P) GETHALREV	UDUMALPET

LANDS COMPRISED IN THE DEMERGED UNDERTAKING TRANSFERRED TO AND VESTED IN THE RESULTING COMPANY Viz., STYL TEXTILE VENTURES LIMITED:

Item No.1-(1)

In Palani Registration District, Vadamadurai Sub Registration District, Vedasanthur Taluk, Velvarkottai village Patta No.1527, SF Number 307, extent of 5.01 acres situated within the following boundaries.

South by SF.No. 306,304
West by SF.No. 301,302
North by SF.No. 308
East by SF.No. 311 and

In SF Number 311/1, extent of 11.80 acres situated within the following boundaries.

South by SF.No. 684
West by SF.Nos. 306,307,308,309
North by SF.Nos. 310,310/2B
East by SF.Nos. 313,310/2C,312 and

In SF Number 312/1, extent of 1.40 acres situated within the following boundaries.

South by SF.No.684
West by SF.No.311
North by SF.No.313
East by SF.No.312/2 and
In SF Number 306, extent of 2.55 acres situated within the following boundaries.
South by SF.No.684
West by SF.No.304, 305
North by SF.No.307
East by SF.No.311 and
In SF Number 304, extent of 4.25 acres situated within the following boundaries.
South by SF.No.296, 305
West by SF.No.305
North by SF.No.302,307
East by SF.No.306,305 and
In SF Number 302, extent of 1.03 acres situated within the following boundaries.
South by SF.No.304,303
West by SF.No.299,303
North by SF.No.300,301
East by SF.No.307 and
In SF Number 300, extent of 1.19 acres situated within the following boundaries.
South by SF.No.302
West by SF.No.299
North by SF.No.188
East by SF.No.301 and

In SF Number 301, extent of 0.97 acres situated within the following boundaries.
South by SF.No.302
West by SF.No.300
North by SF.No.188
East by SF.No.307 and

In SF Number 188/2, extent of 0.76 acres situated within the following boundaries.
South by SF.No.300,301
West by SF.No.204
North by SF.No.188/1
East by SF.No.308,307 and

In SF Number 305/1, extent of 0.57 acres situated within the following boundaries.
South by SF.No.296
West by SF.No.304
North by SF.No.304
East by SF.No.305/2 and

In SF Number 305/2, extent of 0.49 acres situated within the following boundaries.
South by SF.No.296
West by SF.No.305/1
North by SF.No.304

East by SF.No.305/3 and

SF Number 305/3, extent of 0.52 acres situated within the following boundaries.
South by SF.No.296
West by SF.No.305/2
North by SF.No.304
East by SF.No.306 and
The total extent of **31.21 acres** together with the buildings constructed thereon along with all appurtenances with the usual pathway, cart track rights and easements.
Electricity Service Connection No: HT 84
The property is situated within the Velvarkottai village panchayat limits.
(As per schedule of property more fully described in document No.339/2000 on the file of Sub-Registrar of Vadamadurai)

IItem No.1-(2)

In Palani Registration District, Vadamadurai Sub registration district, Vedasanthur Taluk, Velvarkottai village Patta No.1527, SF Number 681, extent of 1.35 acres situated within the following boundaries.
South by SF.No.678
West by SF.No.688
North by SF.No.682
East by SF.No.680
In Palani Registration District, Vadamadurai Sub registration district, Vedasanthur Taluk, Velvarkottai village Patta No.1527, SF Number 685, extent of 0.84 acres situated within the following boundaries.
South by SF.No.687
West by SF.No.686
North by SF.No.684
East by SF.No.682

In Palani Registration District, Vadamadurai Sub registration district, Vedasanthur Taluk, Velvarkottai village Patta No.1527, SF Number 688, extent of 2.00 acres situated within the following boundaries.
South by SF.No.690
West by SF.No.689
North by SF.No.687
East by SF.No. 681, SF.No. 678 and SF675

In Palani Registration District, Vadamadurai Sub registration district, Vedasanthur Taluk, Velvarkottai village Patta No.1527, SF Number 688, extent of 0.50 acres situated within the following boundaries.
South by SF.No.690
West by SF.No.689
North by SF.No.687
East by SF.No. 681, SF.No. 678 and 675

In Palani Registration District, Vadamadurai Sub registration district, Vedasanthur Taluk,

Velvarkottai village Patta No.1527, SF Number 686, extent of 0.41 acres situated within the following boundaries.

South by SF.No. 687
West by SF.No. 698
North by SF.No. 684
East by SF.No. 685

In Palani Registration District, Vadamadurai Sub registration district, Vedasanthur Taluk, Velvarkottai village Patta No.1527, SF Number 687, extent of 2.22 acres situated within the following boundaries.

South by SF.No. 697, 698
West by SF.No. 685,686
North by SF.No.682
East by SF.No. 688, SF.No.689, SF.No.693 and SF.No. 694

In Palani Registration District, Vadamadurai Sub registration district, Vedasanthur Taluk, Velvarkottai village Patta No.1527, SF Number 682, extent of 0.93 acres situated within the following boundaries.

South by SF.No. 685 and SF.No.687
West by SF.No. 684 and SF.683
North by SF.No. 622
East by SF. No. 679, SF.No. 680, SF.No. 681, and SF.No. 688

The said extent of **8.25 acres** together with the RCC building and ACC building constructed thereon along with all appurtenances with the usual pathway, cart track rights and easements.

Electricity Service Connection No :228-001-3 TO 228-001-8 & 228-001-11 TO 228-001-27 &
:228-001-55 TO 228-001-61

The property is situated within the Velvarkottai village panchayat limits.

(As per schedule of property more fully described in document no.339/2000 on the file of sub-registrar of Vadamadurai)

Item No.2

In Palani Registration District, Vadamadurai Sub registration district, Vedasanthur Taluk, Velvarkottai village, Patta No.1618, SF Number 181/3 extent of 1.38acres situated within the following boundaries.

South by SF.No.184
West by SF.No.183/1
North by SF.No.182/1
East by SF.No.181/4A and

In SF Number 181/4a extent of 0.80acres situated within the following boundaries.

South by SF.No.184
West by SF.No.181/3
North by SF.No.181/2B
East by SF.No.181/4B and

In SF Number 181/4b extent of 0.89acres situated within the following boundaries.

South by SF.No.319,184
West by SF.No.181/4A
North by SF.No.181/2B
East by SF.No.181/4C and

In SF Number 181/4c extent of 0.89acres situated within the following boundaries.
South by SF.No.319
West by SF.No.181/4B
North by SF.No.181/2B,326
East by SF.No.181/4D and

In SF Number 181/4d extent of 0.81acres situated within the following boundaries.
South by SF.No.319
West by SF.No.189/4C
North by SF.No.326
East by SF.No.320/1,320/2 and

In SF Number 186/2 extent of 0.51acres situated within the following boundaries.
South by SF.No.187
West by SF.No.186/1
North by SF.No.185
East by SF.No.309 and

In SF Number 187/3 extent of 0.47acres situated within the following boundaries.
South by SF.No.188
West by SF.No.187/1,187/2
North by SF.No.186
East by SF.No.309,308 and

In SF Number 127/2h extent of 0.41acres situated within the following boundaries.
South by SF.No.327/2I,327/2K
West by SF.No.327/1
North by SF.No.327/2G,327/2F
East by SF.No.328/5 and

In SF Number 327/2i extent of 0.14acres situated within the following boundaries.
South by SF.No.327/2J
West by SF.No.327/1
North by SF.No.327/2H
East by SF.No.327/2K and

In SF Number 327/2j extent of 0.14acres situated within the following boundaries.
South by SF.No.327/2L
West by SF.No.327/1
North by SF.No.327/2I
East by SF.No.327/2K and

In SF Number 327/2k extent of 0.10acres situated within the following boundaries.
South by SF.No.327/2L
West by SF.No.327/2I,2J
North by SF.No.327/2H
East by SF.No.328/6 and

In SF Number 327/2l extent of 0.36acres situated within the following boundaries.
South by SF.No.327/2M
West by SF.No.327/1
North by SF.No.327/2K,327/2J
East by SF.No.328/7 and

In SF Number 328/2m extent of 0.04acres situated within the following boundaries.
South by SF.No.325/1,325/3
West by SF.No.327/1
North by SF.No.327/2L
East by SF.No.325/3 and

In SF Number 328/5 extent of 0.18acres situated within the following boundaries.
South by SF.No.328/6
West by SF.No.327/2H
North by SF.No.328/3,328/4
East by SF.No.329/3 and

In SF Number 328/6 extent of 0.16acres situated within the following boundaries.
South by SF.No.328/7
West by SF.No.327/2K
North by SF.No.328/5
East by SF.No.329/3,324/3 and

In SF Number 328/7 extent of 0.14acres situated within the following boundaries.
South by SF.No.324/1A,325/3
West by SF.No.327/2L
North by SF.No.328/6
East by SF.No.324/3
The total extent of **7.42 acres** together with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Velvarkottai village panchayat limits.
(As per schedule of property more fully described in document no.492/2006 on the file of sub-registrar of Vadamadurai)

Item No.3(1)

In Palani Registration District, Vadamadurai Sub registration district, Vedasanthur Taluk, Velvarkottai village, Patta No.361 & 1058, SF Number 788/2D extent of 0.60 acres situated within the following boundaries.
South by SF.No.791
West by SF.No.788/2A

North by SF.No.789
East by SF.No.791 and
In SF.No. 791/1B extent of 5 .26acres, situated within the following boundaries.
South by SF.No.788
West by SF.No.788/B
North by SF.No.793
East by SF.No.792

The total extent of **5.86 Acres** together with a well , Water tank, Vaari Vaaikal and 5HP Electric Motor Pump set fitted in the well including the Electricity Service Connection No. 3, deposit therein and coconut trees, Mango trees along with all appurtenances with the usual pathway, cart track rights and easements, further,

Item No.3(2)

SF.No. 788/2B extent of 0.27acres in this western end a common cart track situated with the measurement of East West 345 Feet, North South 15 Feet, for an extent of 5175 Sqft or 0.12 acres situated within the following boundries.
South by SF.No.788/2c
West by SF.No.787
North by SF.No.788/2a
East by SF.No.791
In this common cart track right for an extent of 0.06 acres or 2616Sqfts of land

Item No.3(3)

SF.No. 788/2B extent of 0.27acres in this centre of Northern side East West 42 Feet, North South 42 Feet, a country tiles building facing southern side constructed therein with the measurement of East West 19 Sqfts North south 42Sqfts , Total 798 Sqfts Farm house including all the permanent fixtures thereon situated within the following boundries along with
South by SF.No.788/2c
West by SF.No.787
North by SF.No.788/2a
East by SF.No.791
The said extent of 798 Sqft with Ward No.8 Door No.2 including electricity service connection No.217 and deposits thereon.

Item No.3(4)

SF.No. 788/2B centre of farm house and B Schedule House a common pathway with the measurement of East West 3 Feet, North South 42Feets, and Total extent of 126 Sqfts of common pathway situated within the following boundaries:
South of Common cart track
West of the remaining property of M/s. Shiva Texyarn Ltd
North of the vacant land belongs to Mr.Ramaraj
East of the property of Mr.Ramaraj
In this 50% of the common pathway rights.

Item No.3(5)

SF.No. 788/2B Eastern side of vacant land with the measurement of East West 7 Feet, North South 42Feets, and Total extent of 294 Sqfts of vacant land situated within the following boundaries:

South of Common cart track

West of the remaining property of M/s. Shiva Texyarn Ltd

North of the vacant land belongs to Mr.Ramaraj

East of the remaining property of M/s. Shiva Texyarn Ltd Including usual pathway, cart track rights and easements.

The property is situated within the Velvarkottai village panchayat limits.

(Item No.3 (1) to 3(5) is as per schedule of property more fully described in document no.1425/2006 on the file of sub-registrar of Vadamadurai)

Item No.4

In Palani Registration District, Vadamadurai Sub registration district, Vedasanthur Taluk, Velvarkottai village, Patta No.1618 SF Number 341/1 extent of 1.24½ acres situated within the following boundaries.

South by SF.No.348

West by SF.No.341/2 & 341/3

North by SF.No.329

East by SF.No.340

The said extent of **1.24½ acres** together with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Velvarkottai village panchayat limits.

(As per schedule of property more fully described in document no.2377/2006 on the file of sub-registrar of Vadamadurai)

Item No.5(1)

In Palani Registration District, Vadamadurai Sub registration district, Vedasanthur Taluk, Velvarkottai village, Patta No.1960 SF Number 188/1 extent of 1.20acres situated within the following boundaries.

South by the Lands of M/s. Shiva Texyarn Ltd in the Same G.S.No.188

West by the lands of Rangasamy

North by SF.Nos. 189/2B, 187/3 and 187/2

East by SF.No.308

The said extent of **1.20acres** together with all appurtenances with the usual pathway, cart track rights and easements.

Item No.5(2)

SF.No. 308 extent of 1.71acres. The whole of this extent situated within the following boundaries.

South by the lands of M/s. Shiva Texyarn Ltd

West by SF.No.188

North by SF.Nos.187/3 and 309

East by the lands of M/s. Shiva Texyarn Ltd

The total extent of Items 1 and 2 property is 2.91 **acres.** The said extent of 2.91acres together with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Velvarkottai village panchayat limits.
(As per schedule of property more fully described in document no.1647/2011 on the file of sub-registrar of Vadamadurai)

Item No.6

In Coimbatore Registration District, Sulur Sub Registration District, Sulur Taluk, Vadavalli village, Patta No.697 & 372, SF Number 267/2 extent of 1.00acres situated within the following boundaries.

South by Land owned by Kappaakkonar
West by Land owned by Kambakkonar
North by Land ownd by Ramasamy Group
East by Land ownd by Ramasamy Group

In the midst southern side end extent of **1.00acres** along with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Vadavalli village Panchayat limits.
(As per schedule of property more fully described in document no.4185/1994 on the file of sub-Registrar of Sulur)

Item No.7

In Coimbatore Registration District, Sulur Sub Registration District, Sulur Taluk, Vadavalli village, Patta No.602 SF Number 259/2 extent of 5.31 acres in this west by land owned by Chennimuthu gounder, East by SF.No. 265 and land owned by Palanisamy gounder, North by SF.No. 259/1 and SF.No. 265 and South by land owned by Paraathal in the midst, extent 2.50 acres together with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Vadavalli village Panchayat limits.
(As per schedule of property more fully described in document no.4184/1994 on the file of sub-Registrar of Sulur)

Item No.8

In Coimbatore Registration District, Sulur Sub Registration District, Sulur Taluk, Vadavalli village, Patta No.697, SF Number 267/2 (As per subdivision 2A, 2B) extent of 17.58 acres in this, East by Land owned by Chennimuthu gounder S/o. Ayyanasamy gounder, south by SF.No. 264, North by SF.No.268 and remaining land of 0.08 acres oodai in SF.No. 267, West by Land owned by Valliyammal group in the midst extent of **8.71 acres** together with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Vadavalli village Panchayat limits.
(As per schedule of property more fully described in document no.4186/1994 on the file of sub-Registrar of Sulur)

Item No.9

In Coimbatore Registration District, Sulur Sub Registration District, Sulur Taluk, Vadavalli village, Patta No.372, SF Number 267/2 (as per subdivision 2C, 2E) extent of 17.58 acres in this East by land owned by Chennimuthu S/o. Ayyanasamy gounder, South by SF.No. 264, West by SF.No. 267/1, North by SF.No. 268/3 in the midst western side south north pozhi extent of **8.79 acres** together with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Vadavalli village Panchayat limits.
(As per schedule of property more fully described in document no.4190/1994 on the file of Sub-Registrar of Sulur)

Item No.10

In Coimbatore Registration District, Sulur Sub Registration District, Sulur Taluk, Vadavalli village, Patta No.697, SF Number 265/1G extent of 1.67acres of land together with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Vadavalli village Panchayat limits.
(As per schedule of property more fully described in document no.4912/1994 on the file of sub-registrar of Vadavalli)

Item No.11

In Coimbatore Registration District, Sulur Sub Registration District, Sulur Taluk, Vadavalli village, Patta No.601, SF Number 259/1 extent of 4.10 acres in this common share of 1.36½ and
Inam Survey No.265 extent 15.16acres in this common share of 2.03acres, altogether total extent of **3.39½ acres of** land with RCC building constructed thereon for an extent of 350 square feet together with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Vadavalli village Panchayat limits.
(As per schedule of property more fully described in document no.5342/1994 on the file of sub-registrar of Vadavalli)

Item No.12

In Coimbatore Registration District, Sulur Sub Registration District, Sulur Taluk, Vadavalli village, Patta No.199 & 601, SF.No.265/1C extent of 1.02acres, and SF.No. 259/1 extent of 4.10 acres in this East and West by Land owned by Shiva Texyarn Ltd, North by SF.No. 265/1C, South by SF.No. 259/2, in the midst extent of 0.68 acres of land and SF.No.265/1B extent of 0.98 acres altogether total extent of **2.68 acres** of land together with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Vadavalli village panchayat limits.
(As per schedule of property more fully described in document no.2005/1995 on the file of sub-registrar of Sulur)

Item No.13

In Coimbatore Registration District, Sulur Sub Registration District, Sulur Taluk, Vadavalli village, Patta No.285 &601 SF.No.265/1D, extent of **1.64 acres** of land and SF.No. **259/1** extent of 4.10 acres in this South by land owned by Shiva Texyarn by in SF.No. 259/2, East by Land owned by Shiva Texyarn ltd, North by SF.No. 265/1D, West by SF.No.267, in the midst extent of 2.05 acres of land altogether total extent of **3.69** acres of land along with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Vadavalli village Panchayat limits.
(As per schedule of property more fully described in document no.1239/1995 on the file of sub-Registrar of Sulur)

Item No.14

In Coimbatore Registration District, Sulur Sub Registration District, Sulur Taluk, Vadavalli village, Patta No.697, SF Number 259/4 extent of 3.87acres of land along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Vadavalli village Panchayat limits.

(As per schedule of property more fully described in document no.4911/1995 on the file of sub-Registrar of Sulur)

Item No.15

In Coimbatore Registration District, Sulur Sub Registration District, Sulur Taluk, Vadavalli village, Patta No.601, SF Number 265 extent of 15.16, in this south by SF.No.257/3, East by Land owned by Periyasamy gounder, North by SF.No. 251, West by Land owned by Muthammal in the midst , extent of 4.08 acres of land along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Vadavalli village panchayat limits.

(As per schedule of property more fully described in document no.4192/1995 on the file of sub-Registrar of Sulur)

Item No.16

In Coimbatore Registration District, Vadavalli Sub Registration District, Sulur Taluk, Vadavalli village,Patta No.601, SF Number 268/2F extent of **0.77acres** together with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Vadavalli village Panchayat limits.

(As per schedule of property more fully described in document no.1990/1995 on the file of sub-Registrar of Sulur)

Item No.17

In Coimbatore Registration District, Vadavalli Sub Registration District, Sulur Taluk, Vadavalli village, Patta No.183, 199 & 699, SF Number 263/2B extent of 2.71 acres of land and SF.No.267/1B, extent of 0.45 acres of land and SF.No.268/2E, extent of 0.45 acres of land and SF.No.264/3A, extent of 0.27 acres of land and SF.No.264/5A, extent of 2.71 acres of land and SF.No.260/3A, extent of 3.41 acres of land and SF.No.263/2D, extent of 2.35 acres of land and SF.No.267/1A, extent of 1.56 acres of land and SF.No.268/2D extent of 1.28 acres in this north of remaining land owned by Sabapathy and others, East of SF.No. 268/2C, South of SF.No. 267, West of land owned by Nataraj, in the midst extent of 1.28 acres of land and SF.No.268/2C, extent of 0.67 acres in this East by land owned by Sundarasamy, North by Land owned by Sabapathy, South by Land owned by Shiva Texyarn ltd, West by Land owned by Krishnamoorthy in the midst extent 0.46 acres of land altogether the total extent of **15.65 acres** of land along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Vadavalli village Panchayat limits.

(As per schedule of property more fully described in document no.2060/1995 on the file of sub-Registrar of Sulur)

Item No.18

In Coimbatore Registration District, Sulur Sub Registration District, Sulur Taluk, Vadavalli village, Patta No.701, 702, 702 & 199 SF Number 268/3G, extent of 1.42 acres of land and SF.No. 268/3H, extent of 2.37 acres of land and SF.No. 268/3F, extent of 1.70 acres of land, total extent of 5.49 acres in these West by land owned by Shiva Texyarn Ltd, North by remaining land of Ramasamy gounder group and odai, East of SF.No.268/3K, South of SF.No.268/3I in the midst 0.85 acres of land and SF.No.268/3I extent of 0.59acres, altogether total extent of **1.44 acres** along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Vadavalli village Panchayat limits.

(As per schedule of property more fully described in document no.2074/1995 on the file of sub-Registrar of Sulur)

Item No.19

In Tirupur Registration District, Palladam Sub Registration Distr ict, Sulur Taluk, Varapatti village, Patta No.27, SF Number 21/3, extent of 4.28 acres of land, in this Southern and West by land owned by Kaliappa gounder in SF.No. 21/3, North by land owned by marakkal, East by land owned by Marappa gounder in the midst extent of **1.07 acres** together with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Varapatti village Panchayat limits.

(As per schedule of property more fully described in document no.3570/1994 on the file of sub-Registrar of **Palladam**)

Item No.20

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.665 & 1115 (Joint Patta) SF Number 16/1, extent of 2.39 acres of land and SF.No. 17/1 extent of 3.89 acres of and SF.No. 19/3 extent of 4.19 acres of land altogether total extent of 10.47 acres in this common 1/3 share of 3.49 acres of land along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Varapatti village Panchayat limits.

(As per schedule of property more fully described in document no.4764/1994 on the file of sub-Registrar of **Palladam**)

Item No.21

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.1282 (Joint Patta) SF No. 16/3, extent of 4.45 acres in this Souther side North by land owned by Chinniya gounder group, West by Land owned by Chellappa gounder, South by land owned by Athappa gounder, East by land owned by Kuppanda gounder in the midst extent of **2.05 acres** of land along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Varapatti village Panchayat limits.

(As per schedule of property more fully described in document no.3255/1994 on the file of sub-Registrar of **Palladam**)

Item No.22

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.1282 (Joint Patta), SF Number 16/3, extent of 4.45 acres in this common

share of **1.00acres** of along with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Varapatti village Panchayat limits.
(As per schedule of property more fully described in document no.3258/1994 on the file of sub-Registrar of **Palladam**)

Item No.23

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.27, 665 & 1115 (Joint Patta), SF Number 20/2, extent of 5.67 acres in this Eastern side north south, West of land owned by marathal, North by Land owned by Marappa gounder, South by Land owned by Chinna samy gounder, East by Land owned by Kaliappa gounder in the midst 1.89 acres of land and SF.No. 16/1, extent of 2.39 acres of land and SF.No. 17/1 , extent of 3.89 acres and 19/3 extent of 4.19 acres total extent of 10.47 acres in this common share of 1.74½ acres of land altogether extent of **3.63½ acres of land** together with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Varapatti village Panchayat limits.
(As per schedule of property more fully described in document no.4763/1994 on the file of sub-Registrar of **Palladam**)

Item No.24

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No. 665, 1282 & 1115 (Joint Patta), SF Number 16/1 extent of 2.39 acres and SF.No. 16/3, extent of 4.45 in this northern side East west pozhi extent of 1.48 acres situated within the following boundaries South by Property owned by Karuppa gounder and Chinnia gounder, West by SF.No.16/2, North by SF.No.16/4, East by the village boundry line of Mallegoundanpalayam, In the midst extent of 0.49 acres of land and SF.No.17/1, extent of 3.89 acres and SF.No.19/3extent of 4.19 acres altogether total extent of 11.95 acres in this common share of **5.72½ acres of land** along with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Varapatti village Panchayat limits.
(As per schedule of property more fully described in document no.4765/1994 on the file of sub-Registrar of **Palladam**)

Item No.25

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.27 & 667 (Joint Patta), SF Number 17/4A, extent of 1.11 acres and SF.No.18/1, extent of 3.67 in this East and West by land owned by Rajammal group, South by SF.No. 18/2 and North by SF.No.19 in the midst extent of 1.04 acres altogether total extent of **2.15 acres of land** along with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Varapatti village Panchayat limits.
(As per schedule of property more fully described in document no.4524/1994 on the file of sub-Registrar of **Palladam**)

Item No.26

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.1301, SF No.14/2, extent of 0.97 acres in this North by land owned by Aththappa gounder, South by SF.No. 14/3, West by SF.No. 159/, East by SF.No. 13/3 in the midst extent of 0.83 acres of land and SF.No.159, extent of 6.52 acres in this North by land owned by Kuppusamy, West by Remaining land of Rangasamy, East and South by land owned by Shiva Texyarn limited in the midst 0.67 acres altogether 1.50 acres of land along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Varapatti village Panchayat limits.

(As per schedule of property more fully described in document no.800/1995 on the file of sub-Registrar of **Palladam**)

Item No.27

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.107 & 972 (Joint Patta), SF Number 13/6 extent of 3.23 acres and SF.No.15/4, extent of 3.07 acres altogether total extent of 6.30 acres of land in this common 1/5th share, in this common half share of **0.63 acres** of land along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Varapatti village Panchayat limits.

(As per schedule of property more fully described in document no.802/1995 on the file of sub-Registrar of **Palladam**)

Item No.28

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.1301 &705 (Joint Patta) SF No. 159, extent of 6.52 acres in this southern end East West North by land owned by Rangasamy gounder , South by SF.No. 158, East by SF.No.14, West by SF.No. 131/2 in the midst 1.52 acres and SF.No. 131/2, extent 8.35 acres in this West and South by land owned by Rangasamy , North by Property owned by Kuppusamy, East by SF.No.159, in the midst 1.00 acres of land, altogether total extent of **2.52 acres along** with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Varapatti village Panchayat limits.

(As per schedule of property more fully described in document no.801/1995 on the file of sub-Registrar of **Palladam**)

Item No.29

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.1301 (Joint Patta) SF No.13/2 extent of 7.37 acres and SF.No. 14/3 extent 1.21 acres, total extent of 8.52 acres, in this common 1.50 acres, in this common 1/4th share of **0.37½** acres of land along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Varapatti village Panchayat limits.

(As per schedule of property more fully described in document no.803/1995 on the file of sub-Registrar of **Palladam**)

Item No.30(1)

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.27, SF No.13/5,extent 1.60 acres in this Southern side half of equal share

extent of 0.80 acres, in this southern side North by property owned by Kaliappa Gounder, South by Property owned by Nanjappa gounder, East by North South Itteri West by Property owned by Kandappa gounder and others, in the midst 0.40acres of land and SF.No. 17/3, extent of 2.55 acres in this Western side end South North East by Kaliappa gounder land , North by East West Cart Track, West by land owned by Kuppanda gounder, South by land owned by Aththappa Gounder , in the midst extent of 0.82½ acres of land and South by extent of 0.82½ of acres in SF.No. 17/3, East by property of Rajammal, North by property owned by subbe gounder, West by Property owned by Kuppanda goudner in the midst 0.0 1 acres of land altogether total extent of **1.23½ acres** along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Varapatti village Panchayat limits.

(As per schedule of property more fully described in document no.4941/1994 on the file of sub-Registrar of **Palladam**)

Item No.31

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.666 (Joint Patta), SF No. 16/2 extent of 2.22 acres and SF.No. 17/2 extent of 3.36 acres of land altogether an extent of 5.58 acres of land in this common share of **0.93 acres** together with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Varapatti village Panchayat limits.

(As per schedule of property more fully described in document no.4939/1994 on the file of sub-Registrar of **Palladam**)

Item No.32

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.1117 (Joint Patta), SF No. 28/2, extent of 13.52 acres in this Western side, South North, East by Periyakaliappa gounder land, South by Land owned by Krishnasamy Chettiar, West by South North Itteri, North by East West Itteri in the midst exten t of **7.50 acres** together with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Varapatti village Panchayat limits.

(As per schedule of property more fully described in document no.535/1995 on the file of sub-Registrar of **Palladam**)

Item No.33

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.27, SF No 21/3A, extent of **1.00** acres of land together with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Varapatti village Panchayat limits.

(As per schedule of property more fully described in document no.534/1995 on the file of sub-Registrar of **Palladam**)

Item No.34

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.14, 27 &79 (Joint Patta) SF No.565, extent of 4.39 acres in this South by part of SF.No.565, East by SF.No.566, West by SF.No. 564 & 563, North by SF.No.572 in the midst extent of 3.05 acres and SF.No.580/1A, extent 5.30 acres in this northern end East

West, East by SF.No.572/1 & 564, West and South by SF.No.580/1B, North by SF.No.576 in the midst extent of 1.32½ acres of land and SF.No.574/4E, extent of 3.67 acres in this East by SF.No. 573/1, West by 574/4A&4B, South by 575/4C, North by SF.No.431 in the midst extent of 0.92 acres and SF.No.575/4C, extent of 3.40 in this East by SF.No.573/1, South by SF.No.576, North by SF.No.574/4A, 4B, 4D, & 4E, West by SF.No. 575/4B in the midst extent of 0.85 acres of land and SF.No.577, extent of 5.66 acres and SF.No.578/1, extent of 0.63 acres, altogether total extent of **12.43½ acres** of land with RCC building constructed thereon for an extent of 350 square feet with Electricity Service connection LTSC No. 03-250-002-965, (the building constructed in SF.No. 577) together with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Varapatti village Panchayat lim its.
(As per schedule of property more fully described in document no.1215/1995 on the file of sub-Registrar of **Palladam**)

Item No.35

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.27, SF No. 564, extent of 6.39 acres and SF.No.572/2, extent of 1.00acres and SF.No.573/1, extent of 3.61 acres and SF.No.576, extent of 7.45 acres, altogether total extent of **18.45acres.** along with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Varapatti village Panchayat limits.
(As per schedule of property more fully described in document no.1214/1995 on the file of sub-Registrar of **Palladam**)

Item No.36

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.1300 &1247, SF No. 13/1, extent of 2.73acres and SF.No.14/1, extent 3.12 acres in this northern side midst East West, South by Sellappa gounder and others land, North by Common land of 0.77acress in SF.No.14/1, East by SF.No.13, West by SF.No.159 in the midst of 0.83 acres of land , altogether total extent of **3.56 acres of land** together with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Varapatti village Panchayat limits.
(As per schedule of property more fully described in document no.4352/1994 on the file of sub-Registrar of **Palladam**)

Item No.37

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.1301, SF No. 13/2 extent of 7.31 acres and 14/3, extent of 1.21 acres , total extent of 8.52 acres of land in this common share of 1.50 acres and common ¾th share of 1.12½ acres of land altogether extent of **2.62½ acresof land** together with all appurtenances with the usual pathway, cart track rights and easements.
The property is situated within the Varapatti village Panchayat limits.
(As per schedule of property more fully described in document no.4346/1994 on the file of sub-Registrar of **Palladam**)

Item No.38

In Tirupur Registration District, Palladam Sub Registration District, Sulur Taluk, Varapatti village, Patta No.27, 107, &972, SF No.18/1,extent 3.67 in this South North Eastern side Pozhi extent of 0.40acres situated within the following boundries, West by land owned by Periyasellappa gounder, North by SF.No. 19/6, East by SF.No.17/3, South by SF.No.18/2 in the midst extent of 0.40 acres and

SF.No.17/3, extent of 2.55 acres in this south north Western side pozhi 0.84 acres situated within the following boundaries West of Land owned by Kaliappa gounder and others, East of SF.No. 18/1&2, and SF.No. 19/6, North of SF.No.14/1, South of East west pathway in SF.No.17/3 in the midst extent of 0.84 acres and SF.No.19/6,e xtent of 0.51 in this East West, South North extent of 0.41acres of land situated within the following boundaries, South of East West road in the northern end in SF.No. 19/6, East of East West road in the western end in SF.No.19/6, North of land owned by Kuppanda gounder SF.No.18/1, West of Land owned by Kuppanda gounder in SF.No.17/3 in the midst extent of 0.41 acres and SF.No.13/5,extent 1.60 acres in this East west poli, half share of extent of 0.80acres and SF.No.19/5,extent of 2.02acres and SF.No.13/6 extent of 3.23 in this common share of 1.61½ acres and SF.No. 15/4,extent 3.07 in this common share of 1.53½ altogether extent of 3.15acress of land, in this common share of 1.57½ SF.No.17/3, extent of 2.55 acres in this South north poli eastern side 1.65 acres situated within the following boundaries East of 0.84 acres Land owned by Kuppanda gounder , south of East west pathway, West of SF.No.17/4, North of SF.No.14/1 in the midst extent of 1.65 acres of land, in this south north poli eastern side extent of 0.82½ acres of land situated within the following boundaries East of land owned by Natchimuthu gounder, West of Rajammal Land, North of Athappa gounder land, South Subbiah gounder land in the midst 0.82½ acres of land and SF.No.13/5,extent 1.60 in this east west poli equal share of 0.80 acres in this common equal share of 0.40acres of land and SF.No.13/6 extent 3.23 acres in this common 1.61½ acres and SF.No. 15/4, extent of 3.07 acres in this common 1.53½ of land altogether extent of 3.15 acres of land in this common half share of 1.57½ acres, altogether total extent of **8.84½** acres of land along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Varapatti village Panchayat limits.

(As per schedule of property more fully described in document no.1522/1995 on the file of sub-Registrar of **Palladam**)

VILLAGE-GETHELREV

Item No.39

In Tirupur Registration District, Dharapuram Sub Registration District, Dharapuram Taluk, Gethelrev village, Patta No.78, SFNo. 564/D1, extent of **2.50acres** situated within the following boundaries:

South by Resurvey No.564/D4

West by Resurvey No.565, South North waterline

North by Remaining Part of Resurvey No.564/D1

East by Resurvey No.564/D2 and Remaining part of SF.564/D1

The said extent of **2.50acres of land** along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within Gethalrev village Panchayat limits.

(As per schedule of property more fully described in document no.6291/2010 on the file of sub-Registrar of Dharapuram)

VILLAGE-DHANAKKARKULAM

Item No.40 (1)

In Tirunelveli Registration District, Radhapuram Sub Registration District, Radhapuram Taluk, Dhanakkarkulam village, Patta No.2733, SF Number 776/2, extent of 1.22acres situated within the following boundaries.

South by Survey No.776/5
West by Survey No.775
North by Survey No.776/2 and remaining part of land
East by Survey No.776/5

The said extent of **1.22acres** along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Dhanakkarkulam village Panchayat limits.

(As per schedule of property more fully described in document no.1250/2004 on the file of Sub-Registrar of Radhapuram)

Item No.40 (2)

In Tirunelveli Registration District, Radhapuram Sub Registration district, Radhapuram Taluk, Dhanakkarkulam village, Patta No. 2734, SF.No. 776/7, extent of 0.78acres situated within the following boundaries.

South by Survey No.776/5
West by Survey No.776/5
North by Survey No.776/7 remaining part of land
East by Survey No.776/4A

The said extent of **0.78acres** together with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the **Dhanakkarkulam** village Panchayat limits.

(As per schedule of property more fully described in document no.1250/2004 on the file of Sub-Registrar of Radhapuram)

VILLAGE-IRUKKANTHURAI

Item No.41

In Tirunelveli Registration District, Radhapuram Sub Registration District, Radh apuram Taluk, Valliyur Panchayat Union Irukkandurai village, Patta No.945, SF Number 358/1A,measuring acres 2.00 (Which is a portion of the total area of 5.04 acres in SF.No. 358/1A) situated within the following boundaries.

South by Survey No. at Dhanakkarkulam
West by Remaining part of SF.No.358/1A
North by Remaining part of SF.No.358/1A
East by SF.No.359

In the midst, extent of **2.00acres** along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Irukkandurai village Panchayat limits.

(As per schedule of property more fully described in document no.1247/2004 on the file of Sub-Registrar of Radhapuram)

Item No.42

In Tirunelveli Registration District, Radhapuram Sub Registration District, Radh apuram Taluk, Valliyur Panchayat union, Irukkandurai village, Patta No.460, SF Number 32/1C extent of 2.00acres (Which is a portion of the total area of 3.00 acres in SF.No.32/1C) situated within the following boundaries.

South by SF.No.32/1G
West by Remaining part of SF.No.32/1C
North by SF.No.32/1B
East by SF.No.28

In the midst, extent of **2.00acres** along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Irukkandurai village Panchayat limits.

(As per schedule of property more fully described in document no.1248/2004 on the file of Sub-Registrar of Radhapuram)

Item No.43

In Tirunelveli Registration District, Radhapuram Sub Registration District, Radhapuram Taluk, Valliyur Panchayat Union, Ir ukkandurai village, Patta No.519, SF Number 34/1C2 extent of 2.00acres (Which is a portion of the total area of 6.74 acres in SF.No. 34/1C2) situated within the following boundaries.

South by Remaining part of SF.No.34/1C2
West by SF.No.43
North by Remaining part of SF.No.34/1C2
East by Remaining part of SF.No.34/1C2

In the Midst extent of **2.00acres** along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Irukkandurai village Panchayat limits.

(As per schedule of property more fully described in document no.1249/2004 on the file of Sub-Registrar of Radhapuram)

Item No.44

In Tirunelveli Registration District, Radhapuram Sub Registration District, Radhapuram Taluk, Valliyur Panchayat union, Iru kkandurai village, Patta No.1163, SF Number 48/1 extent of 2.00acres (Which is a portion of the total area of 15.23 acres in SFNo.48/1) situated within the following boundaries.

South by Remaining part of SF.No.48/1
West by Remaining part of SF.No.48/1
North by Remaining part of SF.No.48/1
East by SF.No.49

In the midst extent of **2.00 acres** along with all appurtenances with the usual pathway, cart track rights and easements.

The property is situated within the Irukkandurai village Panchayat limits.

(As per schedule of property more fully described in document no.1251/2004 on the file of Sub-Registrar of Radhapuram)

SCHEDULE – I PART-B- SEGMENTED FINANCIAL STATEMENT OF THE DEMERGED UNDERTAKING ON THE CLOSE OF BUSINESS HOURS ON 31-03-2015

Particulars	Rs.
I. EQUITY AND LIABILITIES	
1. Shareholders' funds	-
(a) Share capital	-
(b) Reserves and surplus	-
(c) Money received against share warrants	-
Sub total [1]	-
2. Share application money pending allotment	-
3. Non-current liabilities	
(a) Long-term borrowings	12,80,97,206
(b) Deferred tax liabilities (net)	11,37,00,000
(c) Other long-term liabilities	24,88,123
(d) Long-term provisions	-
Sub total [3]	24,42,85,329
4. Current liabilities	
(a) Short-term borrowings	25,69,74,286
(b) Trade payables	7,67,04,839
(c) Other current liabilities	6,96,62,460
(d) Short-term provisions	1,14,13,871
Sub total [4]	41,47,55,456
	65,90,40,785
Net Consideration - Due to S.Holders of Result co.	**58,83,87,854**
	1,24,74,28,639
II. ASSETS	
1. Non-current assets	
(a) Fixed assets	
(i) Tangible assets	79,69,79,513
(ii) Intangible assets	4,58,568
(iii) Capital work-in-progress	2,79,154
(iv) Intangible assets under development	-
	79,77,17,235
(b) Non-current investments	5,43,997
(c) Deferred tax assets (net)	-
(d) Long-term loans and advances	1,46,64,646
(e) Other non-current assets	-
Sub total [1]	81,29,25,878
2. Current assets	
(a) Current investments	-
(b) Inventories	25,57,37,742
(c) Trade receivables	13,36,59,225
(d) Cash and cash equivalents	1,55,32,129
(e) Short-term loans and advances	2,28,08,635
(f) Other current assets	67,65,030
Sub total [2]	43,45,02,761
Total [1+2]	**1,24,74,28,639**

SCHEDULE – I PART-C- EXPORT OBLIGATIONS RELATING TO UNDERTAKING AS ON 31.3.2015

Sl.No.	EPCG Licence		Duty Saved	Export Obligation	
	No.	Date	Rs.	USD	Rs.
1	3230017855	02.05.2012	66,28,484	10,29,667.42	5,30,27,872
2	3230018536	23.11.2012	52,99,360	7,63,871.71	4,23,94,880
3	3230018829	21.02.2013	18,42,727	1,44,499.27	73,70,908
4	3230019714	20.11.2013	8,35,835	40,313.00	25,07,505
5	3230020072	26.02.2014	6,78,194	32,710.32	20,34,582
	Total		**1,52,84,600**	**20,11,061.72**	**10,27,93,660**

SCHEDULE-II

PART-I – SEGMENTED FINANCIAL STATEMENT OF THE REMAINING UNDERTAKING ON THE CLOSE OF BUSINESS HOURS OF 31-03-2015

Particulars		Rs.
I. EQUITY AND LIABILITIES		
1. Shareholders' funds		
(a) Share capital		21,60,45,210
(b) Reserves and surplus		1,29,32,83,965
(c) Money received against share warrants		-
	Sub total [1]	1,50,93,29,175
2. Share application money pending allotment		-
3. Non-current liabilities		
(a) Long-term borrowings		82,08,80,271
(b) Deferred tax liabilities (net)		31,21,38,000
(c) Other long-term liabilities		5,57,900
(d) Long-term provisions		-
	Sub total [3]	1,13,35,76,171
4. Current liabilities		
(a) Short-term borrowings		70,88,01,995
(b) Trade payables		23,60,51,721
(c) Other current liabilities		36,69,46,686
(d) Short-term provisions		2,54,18,602
	Sub total [4]	1,33,72,19,004
		3,98,01,24,349
II. ASSETS		
1. Non-current assets		
(a) Fixed assets		
(i) Tangible assets		2,13,34,04,055
(ii) Intangible assets		32,02,023
(iii) Capital work-in-progress		5,34,35,688
(iv) Intangible assets under development		-
		2,19,00,41,766
(b) Non-current investments		1,05,78,673
(c) Deferred tax assets (net)		-
(d) Long-term loans and advances		29,89,42,929
(e) Other non-current assets		62
	Sub total [1]	2,49,95,63,430
2. Current assets		
(a) Current investments		-
(b) Inventories		53,32,94,486
(c) Trade receivables		21,49,54,217
(d) Cash and cash equivalents		5,08,75,010
(e) Short-term loans and advances		4,25,60,161
(f) Other current assets		5,04,89,191
	Sub total [2]	89,21,73,066
Due from Resulting co.		58,83,87,854
	Total [1+2]	**3,98,01,24,349**

SCHEDULE III

PART-A- FINANCIAL STATEMENT OF THE DEMERGED COMPANY ON THE OPENING OF BUSINESS HOURS ON APPOINTED DATE ON THE SCHEME COMING INTO EFFECT

Particulars	Rs
I. EQUITY AND LIABILITIES	
1. Shareholders' funds	
(a) Share capital	12,96,27,130
(b) Reserves and surplus	79,13,14,191
(c) Money received against share warrants	-
Sub total [1]	92,09,41,321
2. Share application money pending allotment	-
3. Non-current liabilities	
(a) Long-term borrowings	82,08,80,271
(b) Deferred tax liabilities (net)	31,21,38,000
(c) Other long-term liabilities	5,57,900
(d) Long-term provisions	-
Sub total [3]	1,13,35,76,171
4. Current liabilities	
(a) Short-term borrowings	70,88,01,995
(b) Trade payables	23,60,51,721
(c) Other current liabilities	36,69,46,686
(d) Short-term provisions	2,54,18,602
Sub total [4]	1,33,72,19,004
	3,39,17,36,496
II. ASSETS	
1. Non-current assets	
(a) Fixed assets	
(i) Tangible assets	2,13,34,04,055
(ii) Intangible assets	32,02,023
(iii) Capital work-in-progress	5,34,35,688
(iv) Intangible assets under development	-
	2,19,00,41,766
(b) Non-current investments	1,05,78,673
(c) Deferred tax assets (net)	-
(d) Long-term loans and advances	29,89,42,929
(e) Other non-current assets	62
Sub total [1]	2,49,95,63,430
2. Current assets	
(a) Current investments	-
(b) Inventories	53,32,94,486
(c) Trade receivables	21,49,54,217
(d) Cash and cash equivalents	5,08,75,010
(e) Short-term loans and advances	4,25,60,161
(f) Other current assets	5,04,89,191
Sub total [2]	89,21,73,066
Total [1+2]	**3,39,17,36,496**

PART-B- FINANCIAL STATEMENT OF THE RESULTING COMPANY AS ON THE DATE OF INCORPORATION, ON THE SCHEME COMING INTO EFFECT

Particulars	Rs.
I. EQUITY AND LIABILITIES	
1. Shareholders' funds	
(a) Share capital#	8,64,18,080
(b) Reserves and surplus	50,37,33,894
(c) Money received against share warrants	-
Sub total [1]	59,01,51,974
2. Share application money pending allotment	-
3. Non-current liabilities	
(a) Long-term borrowings	12,80,97,206
(b) Deferred tax liabilities (net)	11,37,00,000
(c) Other long-term liabilities	24,88,123
(d) Long-term provisions	-
Sub total [3]	24,42,85,329
4. Current liabilities	
(a) Short-term borrowings#	25,69,74,286
(b) Trade payables	7,67,04,839
(c) Other current liabilities	6,96,62,460
(d) Short-term provisions	1,14,13,871
Sub total [4]	41,47,55,456
	1,24,91,92,759
II. ASSETS	
1. Non-current assets	
(a) Fixed assets	
(i) Tangible assets	79,69,79,513
(ii) Intangible assets	4,58,568
(iii) Capital work-in-progress	2,79,154
(iv) Intangible assets under development	-
	79,77,17,235
(b) Non-current investments	5,43,997
(c) Deferred tax assets (net)	-
(d) Long-term loans and advances	1,46,64,646
(e) Other non-current assets	-
Sub total [1]	81,29,25,878
2. Current assets	
(a) Current investments	-
(b) Inventories	25,57,37,742
(c) Trade receivables	13,36,59,225
(d) Cash and cash equivalerts	1,60,37,129
(e) Short-term loans and advances	2,28,08,635
(f) Other current assets	80,24,150
Sub total [2]	43,62,66,881
Total [1+2]	**1,24,91,92,759**
#Note: Pursuant to Clause 9.2.8 cancellation of Share Capital held by and Advances from DemergedCompany have been credited to General Reserve post demerger.	

DCS/AMAL/MN/24(f)/334/2015-18
March 18, 2016

The Company Secretary
Shiva Texyarn Limited
252, Mettupalayam Road,
Coimbatore ,Tamil Nadu ,641043.

Sub: Observation letter regarding the Draft Scheme of Arrangement involving demerger of standalone spinning unit together with windmills relating to the said unit of Shiva Texyarn LImited into STYL Textile Ventures Limited.

We are in receipt of Draft Scheme of Arrangement involving demerger of standalone spinning unit together with windmills relating to the said unit of Shiva Texyarn LImited into STYL Textile Ventures Limited.

As required under SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI vide its letter dated March 17, 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.

However, the listing of equity shares of STYL Textile Ventures Limited on the BSE Limited, shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No .CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013. Further, STYL Textile Ventures Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of STYL Textile Ventures Limited is at the discretion of the Exchange. In addition to the above, the listing of STYL Textile Ventures Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about STYL Textile Ventures Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.

2. To publish an advertisement in the newspapers containing all the information STYL Textile Ventures Limited in line with the details required as per the aforesaid SEBI circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BS
3. STYL Textile Ventures Limited to BSE on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:

i. The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."

ii. "There shall be no change in the shareholding pattern of STYL Textile Ventures Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of arrangement.

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/66219

March 18, 2016

The Company Secretary
Shiva Texyarn Limited
252, Mettupalayam Road,
Coimbatore - 641043.

Kind Attn.: Mrs. M Shyamala

Dear Madam,

Sub: Observation letter for draft Scheme of Arrangement between Shiva Texyarn Limited, STYL Textile Ventures Limited and their respective shareholders and creditors.

This has reference to draft Scheme of Arrangement between Shiva Texyarn Limited, STYL Textile Ventures Limited and their respective shareholders and creditors vide your letter dated December 24, 2015.

Based on our letter reference no. NSE/LIST/59768 submitted to SEBI and pursuant to SEBI circular no. CIR/CFD/DIL/5/2013 dated February 04, 2013 read with SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated March 17, 2016, has given following comments on the draft Scheme of Arrangement:

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

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with the 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 March 18, 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
f. Complaints Report as per SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015.

Yours faithfully,
For **National Stock Exchange of India Limited**

Kamlesh Patel
Manager

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

Dalmia Securities Private Limited

Date: November 30, 2015

T he Board of Directors, **Shiva Texyarn Limited,** 252 Mettupalayam Road, Coimbatore 641043	**The Board of Directors,** **STYL Textile Ventures Limited,** 252 Mettupalayam Road, Coimbatore 641043

Dear Sirs,

Sub: Fairness Opinion on the Share entitlement ratio for the purpose of the proposed Scheme of arrangement between Shiva Texyarn Limited and STYL Textile Ventures Limited and their respective shareholders and creditors

This has a reference to the engagement letter dated November 26, 2015 addressed to Shiva Texyarn Limited (STYL) on the above subject.

We understand that the managements of STYL and STYL Textile Ventures Limited (STVL) are considering a proposal for the demerger of Spinning Unit 1 of STYL viz. the standalone cotton yarn spinning unit with installed capacity of 39,072 spindles together with windmills relating to the said unit with an installed capacity of 10.65 MW (unit 1), herein referred to as (Demerged Undertaking) into STVL pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956, (The Act) and other applicable provisions of the Act with effect from April 1, 2015 (Appointed date) (hereinafter referred to as the "Scheme"). The Scheme is subject to approval by the High Court of Madras.

We understand from the managements that upon obtaining necessary approvals, the Demerged Undertaking of STYL would be demerged into STVL with effect from the Appointed Date. In consideration for the demerger the shares of STVL, would be issued to the shareholders of STYL.

For the aforesaid purpose the managements of STYL and STVL have appointed VKS Aiyer & Co, a Chartered Accountant firm as valuer (referred to as Valuer) to prepare a valuation report on the fair exchange ratio for issue of STVL shares to the shareholders of STYL, to be placed before the Audit Committee of STYL as per the requirement of SEBI circular CIR/CFD/DIL/5/2013 dated February 4, 2013. In this connection, we have been requested by STYL and STVL to render our professional services by way of a fairness opinion on the Swap Ratio from a financial point of view to the Board of Directors of the Company through the Audit Committee of the Board as to whether the Equity Share Exchange Ratio as recommended by the Valuer in their report dated November 30,2015 and based on the valuation analysis carried out by them, which forms the basis for the Demerger as per the aforesaid scheme is fair and reasonable. The fairness report is required as per clause 24(h) of the Listing Agreement.

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Background:

(A) **Shiva Texyarn Limited (STYL) - (Demerged Company):** STYL was originally incorporated on May 28,1980 under the provisions of the Companies Act 1956 with CIN L65921TZ1980PLC000945 and having its registered Office at 252, Mettupalayam Road,Coimbatore-641043. The Company is engaged in the business of manufacture of textile yarns of various counts at its spinning units located in Tirupur, Erode District, and Dindigul District both in Tamil Nadu and generates electricity from its wind mills.

The Dindigul unit has 39,072 spindles to produce hosiery yarns with average count of 40s. It has a capacity of 10.65 MW of wind mills to generate electricity.

The Tirupur facility has 52,416 spindles for production of cotton yarn of average count of 30s. It has a capacity of 18.145 MW of wind mills to generate electricity. The unit in Tirupur also has a Technical Textiles Division to manufacture value added products such as coated and laminated fabrics, specialty garments for defense, processing unit, activated carbon unit and Bag division. Thus, the Tirupur unit is a composite mills employing high skill set professionals and cater to niche markets.

Shareholding Pattern:

The shares of STYL are listed on both BSE and NSE. The current Paid up capital of STYL is Rs. 21,60,45,210 comprising 2,16,04,521 equity shares of Rs.10 each. The shareholding pattern of STYL, as at September 30, 2015 is as under:

Category	Shareholding of equity shares (%)
Promoters	74.94
Public	25.06

(Source: filing with NSE dated October 10, 2015)

Summary of Financials of STYL

INR Cr

Year ending/As at March 31	2015	2014	2013
Total Revenue	466.12	505.59	420.38
Total Expenditure	453.40	475.64	393.58
Profit Before Tax	12.72	29.95	26.80
Profit / After Tax	8.89	20.86	22.29
Equity share capital(fully paid up)	21.60	21.60	21.6 0
Reserves (net of revaluation reserves)	129.33	123.04	105.22
Net Worth	150.93	144.64	126.82

(Source: Audited accounts and Annual reports filed with Stock Exchanges)

Dalmia Securities Private Limited

(B) **STYL Textile Ventures Limited (STVL) (Resulting Company)**

STVL was incorporated on November 24, 2015 under the provisions of the Companies Act, 2013 with CIN of U17111TZ2015PLC022007 and having its registered Office at 252, Mettupalayam Road, Coimbatore 641043. It has a paid up capital of Rs.500000 divided into 50,000 equity shares of Rs.10 each, which are held by STYL and its nominees. Hence STVL is a wholly owned subsidiary of STYL. It is incorporated to facilitate the proposed demerger. It is yet to commence its operations.

2. **Rationale for the Scheme:**

a. As a result of demerger the units/divisions requiring special attention will be separated. The Demerged Company and Resulting Company would focus on their respective businesses to achieve sustained growth.

b. The nature of risk involved and focus required for the Remaining Undertaking in the Demerged Company and the Demerged Undertaking in the Resulting Company is distinct from each other. Consequently, each business or undertaking is capable of addressing independent business opportunities, deploying different business techniques and attracting different set of investors, strategic partners, lenders and other stakeholders.

c. The demerger would provide scope for independent expansion without committing the organization in entirety.

d. It is believed that the proposed demerger will create enhanced value for the shareholders and allow a focused strategy in operations which would be in the best interest of all stake holders.

e. The Board of Demerged Company considered that it would be advantageous to demerge the Demerged Undertaking, into a separate entity.

f. The shareholders of the Demerged Company will receive the shares of the Resulting Company at an appropriate ratio and the shares of Resulting Company would also be listed in the Stock Exchange.

g. Upon the scheme becoming effective, all the assets, properties and liabilities of the Demerged Undertaking shall be transferred and/or be deemed to have been transferred to the Resulting Company with effect from the appointed date at the values appearing in the books of the Demerged Company immediately preceding the appointed date.

3. **Scope of Engagement**

This report is intended only for the sole use of STYL and STVL and in connection with the proposed Scheme including for the purpose of obtaining judicial and regulatory approvals for the Scheme.

4. **Sources of Information:**

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

1. Draft Scheme under section 391 to 394 of the Act with regard to the proposed demerger;

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2. Copy of Memorandum of Association and Articles of Association of STYL and STVL;
3. Shareholding pattern of STYL as at September 30,2015 and of STVL as at November 24,2015;
4. Audited financial statement of STYL for the years ended March 31, 2015, March 31, 2014 and March 31, 2013.
5. Valuation Report dated November 30, 2015 issued by M/s VKS Aiyer& Co, Chartered Accountants, Coimbatore ; and
6. Such other information, documents, data, reports, discussions and verbal & written explanations from STYL and STVL as well as advisors to STYL/ STVL for the Scheme, public domain websites, as were considered relevant for the purpose of the Fairness Opinion.

5. Basis for Valuation:

Approach:

The valuer M/s. VKS Aiyer& Co have analysed various methods for valuation of the equity shares of demerged and resulting entities and after careful evaluation have adopted the method of the networth of consolidated undertaking and demerged undertaking as also based on the equity capital to networth ratio of the consolidated undertaking and applying the same to arrive at the equity capital of resulting company. This is observed to be an appropriate method by the auditors as the resulting company is a wholly owned subsidiary of the Demerged Company, the shareholding pattern of the Resulting company should naturally mirror the shareholding pattern of the Demerged Company and should be in *parimateria* thereto. It is also reckoned that the investment made by the Demerged Company in the shares of the Resulting Company and the advances made to the Resulting Company will be cancelled.

Accordingly, the valuer has calculated the networth of the consolidated undertaking to be Rs.150,93,29,175 represented by Equity share capital of 21,60,45,210 (14.31%) and reserves of 129,32,83,965 (85.69%) (Source: Annual report for FY ended March 31, 2015).

Based on the book value of assets and Liabilities of the Business undertaking to be transferred to the resulting company, the networth of the Resulting Company as Rs.58,83,87,854 (as at March 31,2015). Applying the ratio of 14.31% for equity and 85.69% for the reserves, the equity capital of the Resulting Company is Rs.8,42,21,772 and the reserves would be Rs.50,41,66,082.

The shareholders of the Demerged company needs to be allotted shares of the resulting company for an aggregate sum of Rs. 8,42,21,772 through pro rata allotment of equity shares at par value i.e. Rs10/share. The number of shares of Resulting Company to be allotted for the equity shares of 216,04,5,21 shares of the Demerged Company is 84,22,177.

Based on the above premises, the valuer has recommended a Swap ratio, of 2 equity shares of Resulting Company with face value of Rs.10/ share for every 5 equity shares of face value of Rs.10/share held by the shareholders in the Demerged Company as part of the scheme.

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6. Exclusions and Limitations

Our report is subject to the scope limitations detailed hereinafter.

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

6.1 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 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.

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

6.3 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.

6.4 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 STYL/ STVL will trade following the announcement of the proposed Scheme or as to the financial performance of STYL/STVL following the consummation of the proposed Scheme

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

6.6 No investigation of the companies claim to the title of assets or property owned by the companies has been made for the purpose of this fairness opinion. With regard to the Company's claim we have relied solely on representation, whether verbal or otherwise made, by the management to us for purpose of this report.



Dalmia Securities Private Limited

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

6.8 This report has been issued for the sole purpose to facilitate the Company to comply with clause 24(f) and 24(h) of the Listing Agreement and SEBI Circular No CIR/CFID/DIL/5/2013 dated February 04, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013 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 Scheme and after analyzing the Draft Scheme, we understand that the present Scheme has been intended to demerge an undertaking of STYL into STVL. There will be no change in the promoter and public shareholding pattern of either STYL or STVL upon the scheme becoming effective.

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 exchange ratio of allotment of 2 equity shares of STYL Textile Ventures Limited of face value of Re.10/- share for every 5 equity shares of face value of Rs.10/- share of Shiva Texyarn Limited to the equity shareholders of Shiva Texyarn Limited as part of the proposed Scheme is fair and reasonable.

For **Dalmia Securities Private Limited**

DALMIA SECURITIES PVT. LTD. MUMBAI

Jeyakumar S
COO-Investment Banking

SHIVA TEXYARN LIMITED

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ANNEXURE III

Complaints Report as on 1.2.2016

PART A

S.No	Particulars	Number
1	Number of Complaints received directly	Nil
2	Number of Complaints forwarded by Stock Exchange	Nil
3	Total number of complaints/comments received (1+2)	Nil
4	Number of Complaints resolved	NA
5	Number of Complaints pending	NA

PART B

S.No	Name of Complainant	Date of complaint	Status (Resolved/Pending)
1	NA		

For Shiva Texyarn Limited

M SHYAMALA
Company Secretary