

सं. 28/2010

पंजीकृत

भारत सरकार

औद्योगिक और वित्तीय पुनर्निर्माण बोर्ड

21 वीं मंजिल, जवाहर व्यापार मंडल,

1, टॉलस्टॉय मार्ग, नई दिल्ली - 110001

दिनांक: 14-9-2012

टैलेफोन - 031 56492

फैक्स -

फैक्स - 23701211

देश में,

(संलग्न सूची के अनुसार)

विषय: श्री. यू.पी.एल.के.ए. लवला लि.

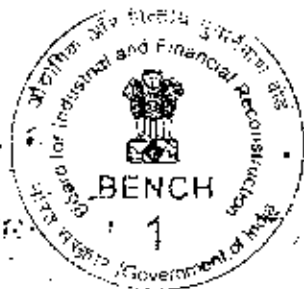
के मामले /माभला संख्या 28/2010

आदेश,

युक्त दिनांक 14-9-2012 की कार्यवाही/आदेशों/कारण-स्तम्भों कोटेशन की प्रणालि

प्रति लाभकी सुदना तथा आवश्यक कार्रवाई के लिये भेजने का निर्देश हुआ है।

भवदीय



अनुमोदक/उपस्थित

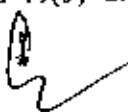
श्री. वी. के. श्रीनिवासन
अनुभाष आधिकारी
बैंच-1, वी.आई.ए.एम.आर.

BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION
UNIFLEX CABLES LTD.
BIFR CASE NO. 28/2010

ORDER

1. M/s Uniflex Cables Limited (UCL) (hereinafter referred to as the 'Company') was declared a sick industrial company in terms of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (hereinafter referred to as the 'Act') in the hearing held on 15.10.2010 and the Syndicate Bank was appointed as the Operating Agency (OA) u/s 17(3) of the Act to examine its viability and prepare a techno-economic viability study report.
2. Based on the direction given by the Board in the hearing held on 15.10.2010, OA conducted Joint Meeting of all the stake holders on 14.01.2011. The hearing took place on 3rd February 2011 subsequent to which Operating agency submitted a draft rehabilitation scheme envisaging amalgamation of UCL with Apar Industries Ltd (AIL) Holding Company, vide its communication dated 28.06.2011, taking the cut off date as 31st March 2010. Queries were raised on this DRS and finally the DRS was forwarded by OA vide its letter dt 06.03.2012.
3. Based on the above, the Board had formulated a Draft Rehabilitation Scheme (DRS) for the revival of the company which was circulated to all concerned for consent as required u/s 19(2) read with section 19(1) of Act. The suggestions/objections to the scheme were heard on 23rd July 2012 and the Bench sanctioned the Scheme (SS12) of Uniflex Cables Ltd u/s 19(3) and 18(4) of SICA for expeditious

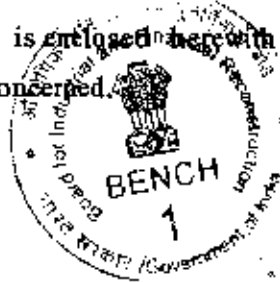
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implementation by all concerned.

The Sanctioned Scheme is enclosed herewith for Circulations and
Implementation by all concerned.


(Y.K. GAIHA)
MEMBER




(NIRMAL SINGH)
CHAIRMAN

Date: 13/09/2012

Encl: Sanctioned Scheme (along with Annexure)

DATE OF ISSUE
17 SEP 2012

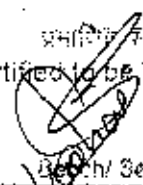
Board for Industrial & Financial Reconstruction
BENCH-I
वस्तुतः सत्य प्रमाणित
Certified to be True Copy

Section Officer

EXHIBIT - I
SCHEME OF AMALGAMATION

PREAMBLE

(A) Description of Companies:

1. Uniflex Cables Limited (UCL) is a Company incorporated under the provisions of the Companies Act, 1956 with its registered office at Apar House, Corporate Park, Building No. 5, Sion-Trombay Road, Chembur, Mumbai - 400 071 Maharashtra. UCL is engaged in the manufacture of Insulated Wires and Electrical Cables including Telecom cables and Conductors.
2. Apar Industries Limited (AIL) is a company incorporated under the provisions of the Companies Act 1956 with its registered office at 301 Panorama Complex, R. C. Dutt Road, Vadodara 390 007. Gujarat. AIL is presently engaged in the manufacture of Transformer Oils, Special Grade Pharmaceutical Oils, Other Speciality Oils, AACC, AAAC and ACSR Conductors, Aluminum Rods (suitable for further manufacture of AAC, ACSR and AAAC).

(B) Parts of the Scheme:

The scheme is divided into the following parts:

- | | | | |
|----|----------|---|---|
| a. | Part I | : | Definitions & Capital Structure |
| b. | Part II | : | The Scheme. |
| c. | Part III | : | Restructuring of paid up capital of UCL |
| d. | Part IV | : | Accounting Treatment. |
| e. | Part V | : | General Clauses |
| f. | Part VI | : | General Terms and Conditions |



PART - I

Definitions & Capital structure

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

- i. "The Transferor Company (UCL)" means Uniflex Cables Limited (UCL) a company incorporated under the provisions of the Companies Act, 1956, having its registered office at Apar House, Corporate Park, Building, No. 5, Sion-Trombay Road, Chembur, Mumbai - 400 071, Maharashtra.
- ii. "The Transferee Company (AIL)" means Apar Industries Limited (AIL) a company incorporated under the provisions of Companies Act, 1956 having its registered office at 301, Panorama Complex, R. C. Dutt Road, Vadodara 390 007 Gujarat.
- iii. "The Act" means the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA).
- iv. "The BIFR" means The Board for Industrial and Financial Reconstruction constituted u/s 4 of the Sick Industrial Companies (Special Provisions) Act, 1985.
- v. "The Transfer Date" means the April 1, 2010.
- vi. "UCL Shareholders" means the persons who are registered on the Register of Members of the Transferor Company (UCL) as the holders of the issued Equity Capital of the Transferor Company (UCL) as on such date after the transfer date (hereinbefore defined) as the Board of Directors of the Transferee Company (AIL) may determine.
- vii. "The Effective Date" means the date on which the last of the conditions specified in para 10 of Part II specified hereunder of this scheme are complied with. However, the effective date of the scheme for the purpose of preparing the Accounts of Amalgamated Company and for purpose of Income Tax Act shall be April 1, 2010

(59)



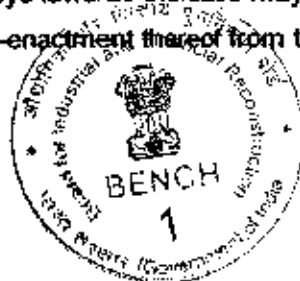
- viii. "The Record Date" means the date as may be fixed by Board of Directors of the Transferee Company (AIL), for the purpose of allotment of Transferee Company (AIL)'s shares to UCL shareholders
- ix. "Accounting Standard" (AS) means accounting standards issued by The Institute of Chartered Accountants of India.
- x. "The Financial Institutions and Banks" means Banks and Financial Institutions etc. financing the Transferor Company and the Transferee Company.
- xi. "Scheme" or "the Scheme" or "this Scheme" means this scheme of amalgamation in its present form as submitted to the BIFR and this scheme with such modification-(s), as required by the BIFR.
- xii. Undertakings : means and includes all the Undertakings, the entire business, all the properties (whether movable or immovable, tangible or intangible), plant and machinery, freehold land, leasehold land, buildings and structures, offices, residential and other premises, capital work-in-progress, furniture, fixtures, office equipment, appliances, accessories, power lines, and other utility, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrip, stocks, bonds, debenture stock, warrants, units or certificates), cash balances with banks, Fixed Deposits with Banks, loans, advances, Bank/Performance Guarantees issued/ to be released against FDs deposited with Banks, Letter of Credits or otherwise, contingent rights or benefits, receivables including book debts, benefit of any deposits, financial assets, leases and hire purchase contracts and assets lending contracts, Employees, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and licenses (industrial and otherwise), municipal / local authority permissions, tenancies in relation to the office and / or residential properties for employees or other persons, guest houses, Godown, warehouses, leases, licenses, fixed and other assets, benefits



of assets or properties or other interests held in trust, registrations, contracts, engagements, arrangements of all kind including Line of Credit Agreement, share purchase and share cum warrant purchase agreement, privileges and all other rights including sales tax deferrals, title, interests, other benefits (including tax benefits), capital and interest subsidy benefits, and advantages of whatsoever nature and whatsoever situation belonging to or in the ownership, power or possession and in the control of, or vested in or granted in favour of or enjoyed by the Transferor Company (UCL), including but without being limited to trade and service names and marks, patents, brand names, logos, art work, Copy rights and other intellectual property rights of any nature whatsoever, authorizations, permits, approvals, right to use and avail of telephone, telexes, facsimile, email, internet/data-leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, books of accounts, files, papers, computer programs, manuals, data, catalogues, sales and advertising materials, lists and other details of present and future and former customers and suppliers, dealer, distributors, retailers, pricing information and other records in connection with or relating to the Transferor Company (UCL), and all other interests of whatsoever nature belonging to or in the ownership, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company (UCL), whether in India or overseas and all liabilities of Transferor Company (UCL) including contingent liabilities of all nature, all existing charges on properties and assets, pending legal cases by or against the Transferor Company.

All terms and words not defined in this Scheme, shall, unless they be repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the SICA, the Companies Act 1956, The Securities Contract Regulation Act, 1956, The Depositories Act, 1996 and other applicable laws, rules, regulations, bye laws as the case may be or any other statutory modifications or the re-enactment thereof from time to time.

(61)



- B. The Authorized Share Capital of the Transferor Company (UCL) is Rs. 300,000,000 divided into: 30,000,000 equity shares of Rs. 10/- each as on 31.03.2010. The issued, subscribed and paid up capital as on 31.03.2010 is Rs. 249,803,660 divided into 24,980,366 equity shares of Rs. 10/- each fully paid up.
- C. The Authorized Equity Share Capital of the Transferee Company (AIL), is Rs. 9199.88 lac divided into 9,19,98,750 equity shares of Rs. 10/- each as on 31.03.2010. The issued, subscribed and paid up equity share capital as on 31.03.2010, is Rs. 3233.60 lac divided into 3,23,36,031 equity shares of Rs. 10/- each fully paid up.



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Part - II

THE SCHEME :

1. The Undertakings of the Transferor Company (UCL) is proposed to be amalgamated with effect from the Transfer Date and without any further act or deed in the Transferee Company (AIL) pursuant to the scheme to that effected by the Transferor Company (UCL) for all the estates and interests of the Transferor Company (UCL) but subject nevertheless to all charges, if any, then affecting the same or any part thereof and as on the Transfer Date, the Transferor Company (UCL) shall be deemed to have been amalgamated with the Transferee Company (AIL).

- 2a. For the purpose of the Scheme, the Undertakings of the Transferor Company (UCL) as defined in Part I shall include:
 - i. All the assets and properties of the Transferor Company (UCL) as on Transfer Date as shown in the balance sheet / accounts/records of the Transferor Company (UCL).
 - ii. Subject to the provisions of clause 2 (c) hereinafter, all the liabilities of the Transferor Company (UCL) as on Transfer Date.

- 2b. Without prejudice to the generality of sub-clause (a) hereof the Undertakings of the Transferor Company (UCL) shall include all rights, privilege powers and authorities and all properties movable or immovable, real, corporeal or incorporeal in possession or reversion, present or contingent or of whatsoever nature and whosoever situate including in particular all licenses and-liberties, patents, trade marks and import quotas held by or applied for by the Transferor Company (UCL) or to which the Transferor Company (UCL) is entitled and subject to what is stated hereinafter, all debts, liabilities and duties of the Transferor Company (UCL) and all other obligations of whatsoever kind including liabilities for payment of gratuity, pension benefits provident fund or compensation in the event of retrenchment. Provided always that the scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company (UCL) which shall vest in the Transferee Company (AIL) by virtue of the amalgamation.




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2c. Loans or other obligations or Agreements or arrangements between or amongst the Transferor Company (UCL) and the Transferee Company (AIL) shall stand discharged and there shall be no liability in that behalf with effect from the Transfer Date.

3. If any suit or appeal or other proceedings of whatsoever nature (hereinafter called the proceedings) by or against the Transferor Company (UCL) be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertakings of the Transferor Company (UCL) to the Transferee Company (AIL) or of anything contained in the scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company (AIL) in the same manner and to the same extent as if this scheme has not been made.

4a. The transfer and vesting of the property and liabilities under clauses 1 and 2 hereinbefore and the continuance of the proceedings by the Transferor Company (UCL) under clause 3 hereof shall not affect any transactions or proceedings already concluded by the Transferor Company (UCL) in the ordinary course of business on or after the Transfer Date to the end and to the intent that the Transferee Company (AIL) accepts on behalf of itself all acts, deeds and things done lawfully and executed by the Transferor Company (UCL).

4b. As from the Transfer Date, the Transferor Company (UCL) shall be deemed to have carried on and to be carrying on its business on behalf of and on account of and in trust for the Transferee Company (AIL) until such time as the amalgamation becomes effective in terms of this scheme.

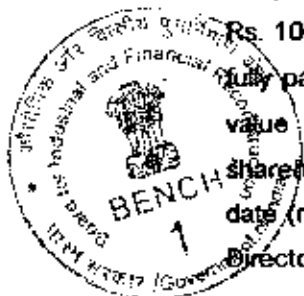
4c.  As from the Transfer Date, the Transferor Company (UCL) shall carry on business of the Transferor Company (UCL) until the amalgamation becomes effective with utmost prudence and shall not without the concurrence of the Transferee Company (AIL) alienate, charge or otherwise deal with the property or assets of the Transferor Company (UCL) or any part thereof except in the ordinary course of business.

5. Subject to the other provisions contained in this scheme all lawful contracts, deeds, bonds, agreement and other instruments of whatsoever nature to which

the "Transferor Company (UCL)" is a party subsisting or having effect immediately before the amalgamation shall be in full force and effect against or in favour of the Transferee Company (AIL) and may be enforced as fully and as effectively as if instead of the Transferor Company (UCL), the Transferee Company (AIL) had been a party thereto.

6. All permanent employees of the Transferor Company (UCL) who are in the employment of the Transferor Company (UCL) on the effective date, in terms of this scheme shall as from such date become the employees of the Transferee Company (AIL) on the basis that the services have not been interrupted by vesting of the Undertakings of the Transferor Company (UCL) in the Transferee Company (AIL) under this Scheme and that the terms and conditions of services applicable to such employees on the effective date will not in any way be less favourable to them than those applicable to them immediately before the Transfer Date. However, to make the Unit viable the Transferee Company may review the manpower and shall take appropriate steps as permitted under Law. The Transferee Company (AIL) however, shall have also the right to exercise an option if warranted to transfer such number of workers to any other unit of Transferee Company (AIL) as may be deemed necessary and the workers of the Transferor Company (UCL) shall desist from any strike / disruption at the work place.
7. Upon the transfer of the Undertakings of the Transferor Company (UCL) pursuant to clause 1 hereinbefore and the amalgamation becoming effective in terms of this Scheme.

- i. The Transferee Company (AIL) shall issue at par and allot to all the equity shareholders of Transferor Company (UCL) in the Transferee Company (AIL), equity shares in the proportion of 1 (one) equity share of the face value of Rs. 10/- each of the Transferee Company (AIL) credited as fully paid up in lieu of 10/- (Ten) equity shares of the face value of Rs. 10/- each fully paid held by the equity shareholders of the Transferor Company (UCL) on such date (record date) after the Transfer Date as the Board of Directors of the Transferee Company (AIL) may determine.



(65)

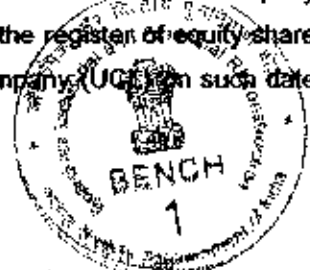
The shares so issued and allotted will be subject to lock in period as provided in Regulation 78 of SEBI (Issue of Capital and Disclosure Requirements), 2009.

- ii. As a result of the allotment in the manner specified hereinabove, if any equity shareholder of the Transferor Company (UCL) becomes entitled to any fractional coupon/s of equity shares of the Transferee Company (AIL) no such fractional coupon/s shall be issued in respect of or representing such equity shares of the Transferee Company (AIL) but such fractional coupon/s shall be consolidated into whole equity shares of Rs 10- (ten) each and the Board of Directors of the Transferee Company (AIL) may allot any one or more of such consolidated shares to any nominee(s) as the Board of Directors may in their absolute discretion deem fit for the purpose of holding and selling of such consolidated equity shares and for prorata distribution of net proceeds of sale to shareholders entitled to said fractional coupons.
- iii. Pursuant to Section 42, Section 77 the Companies Act, 1956 and as per AS-14 issued by The Institute of Chartered Accountants of India a company can not hold any of its own shares. Therefore, the Transferee Company (AIL) shall on the Effective Date, transfer all the shares of the Transferor Company (UCL) held by it (the "Trust Shares") to an individual trustee or a board of trustees (including the survivors or survivor of any of the trustees comprising such board of trustees) or a corporate trustee (hereinafter referred to as the "Trustees"), to have and to hold the Trust Shares and/or the shares of the Transferee Company (AIL) to which the Trustees become entitled to for its' holding of the shares of the Transferor Company (UCL) in trust together with all additions or accretions thereto upon trust exclusively for the benefit of Transferee Company(AIL) and its successor subject to the

powers, provisions, discretions, rights and agreements contained in the instrument (the "Trust Deed") establishing the aforesaid trust (the "Trust"). The constitution of the Trust, and the functions and powers of the Trustee shall be set forth in the Trust Deed. The obligations of the Trustees shall stand discharged and the Trust shall stand terminated in accordance with the provisions of the Trust Deed. For the purpose of this clause, it is hereby clarified that the procedural requirements of the Act, including the passing of resolutions by the Board of Directors, need not be separately complied with/obtained and the required consents shall be deemed to have been given on the sanction of this Scheme"

- iv. The Transferee Company (AIL) shown amount of investment into equity shares of Transferor Company (UCL) amounting to Rs. 2788.34 lac (having total cost of Rs. 8343.72 lac reduced after providing for diminution in value of investment by Rs. 5555.38 lac) proposed to adopt "Pull on Method" as per Accounting Standard 14 issued by The Institute of Chartered Accountants of India, and shown the said amount receivable from Uniflex Trust A/c for its present holding of 16353875 equity shares of Rs. 10/- each.
- v. Equity shares so allotted by the Transferee Company (AIL) to the member of the Transferor Company (UCL) will in all respects rank *pari-passu* with the existing equity shares of the Transferee Company (AIL) for dividend and voting rights. Save and except that the owners of such equity shares shall only be entitled to dividend, if any, to be declared by the Transferee Company (AIL) after the date of allotment of Transferee Company (AIL)'s shares.
- vi All equity share members of the Transferor Company (UCL) whose names appear in the register of equity share members of the Transferor Company (UCL) on such date

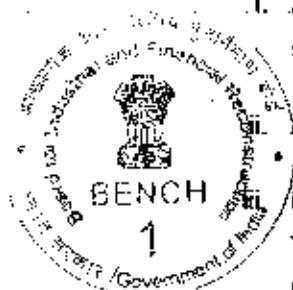
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after the Effective Date as the Board of Directors may determine, shall surrender to the Transferee Company (AIL) for cancellation of their share certificate in respect of the equity shares held, in physical form of the Transferor Company (UCL) and shares held in dematerialized form shall get extinguished.

8. Upon the amalgamation becoming effective, in terms of this Scheme, without any further act or deed and without payment of any registration fees or stamp duty, the Authorized Share Capital of the Transferor Company (UCL) of Rs. 300,000,000/- consisting of 30,000,000 (Three Crore) of Equity shares of Rs. 10/- (Ten only) each shall be added to the Authorized Share Capital of the Transferee Company (AIL) and the Capital Clause of the Memorandum of Association and Articles of Association of the Transferee Company (AIL) shall stand amended accordingly.
9. All Reserves of the Transferor Company (UCL) as on Transfer Date shall be deemed to have been transferred to the Transferee Company (AIL) and shall be added to its' corresponding reserves.
10. This Scheme is conditional upon the following approvals and the amalgamation shall be deemed to be effective on compliances of the followings :

- i. Approval of the Scheme by a Special Resolution passed by the shareholders of the Transferor and Transferee Company.



Approval of this scheme.

BIFR passing Orders on the prayer of the Transferor and Transferee Companies for a declaration that the accumulated losses and unabsorbed depreciation of the Transferor Company (UCL) shall be deemed to be the loss or depreciation allowance of the Transferee Company (AIL) for the previous year in which the amalgamation becomes effective and the other provisions of the Income Tax Act relating to the carry forward and set off of the losses and depreciation allowance shall apply accordingly.

- iv. BIFR passing order on package of relief and concessions prayed for in the Proposal for Rehabilitation cum Amalgamation.
- v. On sanction of the Scheme, a copy of the BIFR order sanctioning the Scheme of Amalgamation will be filed with the respective Registrar of Companies within one month from the date the order is received by the Transferee Company (AIL).

11. Upon this Scheme being sanctioned as aforesaid and filing thereof with the Registrar of Companies the Transferor Company (UCL) shall stand dissolved without winding up of such Effective Date.

12. All cost, charges and expenses of the Transferor Company (UCL) and the Transferee Company (AIL) respectively in relation to or in connection with the leading up to this Scheme or carrying out and completing the terms and provisions of this Scheme and / or incidental to the completion of the amalgamation of the Transferor Company (UCL) in pursuance of this Scheme shall be borne and paid by the Transferee Company (AIL).

13. For the purpose of giving effect to this Scheme the Board of Directors of the Transferee Company (AIL) are authorized to give such directions, as may be necessary or desirable and to settle, as they may deem fit, any question, doubts or difficulty that may arise in connection with or in the working of the Scheme including with regard to issue and allotment of shares under the Scheme thereof to the members of the Transferor Company (UCL) and to do all acts, deeds and things necessary for carrying into effect this Scheme.

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Part III
Restructuring of paid up capital of UCL

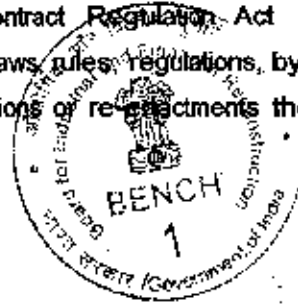
1. Equity share capital:

Upon coming into effect of this Scheme and in consideration thereof all the shareholders of UCL shall extinguish their respective shareholding and shall surrender the share certificates for cancellation, consequent to the amalgamation of UCL with the Transferee Company (AIL) in terms of the Scheme and shares held in dematerialized form shall get extinguished. The Transferee Company (AIL) shall without any further application, act, instrument or deed, cancel equity shares held by the equity shareholders of the Transferor Company (UCL), whose names are recorded in the Register of Members (the "Members"), on the Record Date of the Transferor Company. All the Equity shares of Transferor Company (UCL) shall be delisted from the stock exchange.

The equity shares to be issued by the Transferee Company (AIL) pursuant to above shall be issued in dematerialized form by the Transferee Company (AIL), unless otherwise notified in writing by the shareholders of UCL to the Transferee Company (AIL) on or before such date as may be determined by the Board of Directors of AIL or a committee thereof. In the event that such notice has not been received by the Transferee Company (AIL) in respect of any of the members of UCL, the equity shares shall be issued to such members in dematerialized form provided that the members of the Transferor Company (UCL) shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event that the Transferee Company (AIL) has received notice from any member that equity shares are to be issued in physical form or if any member has not provided the requisite details relating to the demat account with a depository participant or other confirmations as may be required, or if the details furnished by any member do not permit electronic credit of the shares of the Transferee Company (AIL), then the Transferee Company (AIL) shall issue equity shares in physical form to such member or members.

On approval of the Scheme by the Members of the Transferor Company (UCL) pursuant to such directives/orders of the BIFR, it shall be deemed that the said members and the Members of the Transferee Company (AIL) have also resolved and accorded all relevant consents under the provisions of the SICA, the Companies Act, 1956, the Securities Contract Regulation Act 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modifications or re-enactments thereof from time to time.

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Part - IV

Accounting Treatment:

1. On the Scheme becoming effective, the Transferee Company (AIL) shall account for the Scheme and its effects as follows:
2. The Transferee Company (AIL) shall record all the Assets and all the Liabilities of the Transferor Company (UCL) being Assets and Liabilities transferred to and/or vested in the Transferee Company (AIL) pursuant to the Scheme as per the Accounting Standard 14 (Accounting for Amalgamation AS-14) issued by the Institute of Chartered Accountants of India.
3. The difference if any being the excess of the net assets of the Transferor Company (UCL) transferred to and vested in the Transferee Company (AIL) pursuant to the Scheme, over the amount credited by the Transferee Company (AIL) to share capital account above shall be credited/debited by the Transferee Company (AIL) to the Reserves and Surplus. To the extent there are inter corporate loans or balances between Transferor Company (UCL) and Transferee Company (AIL), the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company (AIL) for the reduction of any assets or liabilities, as the case may be and any consequential credit / debit shall be adjusted to Reserve and Surplus Account of the Transferee Company.

On the Scheme becoming effective, the steps taken to implement the Scheme *inter-alia* including write off/write back of expenses/provisions made by the UCL in the past would be deemed to be adjustments to the net worth of AIL.

4. Further in the case of any difference in accounting policy between the Transferor Company (UCL) and the Transferee Company (AIL), the impact of the same till the amalgamation will be quantified and adjusted in the Revenue Reserve to ensure that the financial statements of the Transferee Company (AIL) reflects the financial position on the basis of consistency in the accounting policy.
5. The financial values of all liabilities and obligations of AIL shall be as per its audited balance sheet as at 31.03.2010.
6. The reliefs/concessions/commitments/ obligations and the repayment of the dues of the creditors of AIL/UCL shall be governed by the Sanctioned Scheme.

Part - V

General Clauses

1. Conduct of business

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

The Transferor Company (UCL) shall carry on its business and activities with reasonable diligence and business prudence and shall not, undertake, any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments, or sell, transfer, alienate, charge, mortgage or encumber or deal with the whole or part of the Business and Undertakings to be transferred pursuant to the Scheme, save and except in each case in the following circumstances:

- i. if the same is in its ordinary course of business as carried on by it as on the date of filing of this Scheme with the BIFR; or
- ii. if the same is expressly permitted by this Scheme; or
- iii. if written consent of the Transferee Company (AIL) has been obtained

2. The Transferee Company (AIL) shall carry on its business and activities with reasonable diligence and business prudence in ordinary course of business and may undertake any additional financial commitments of any nature, borrow any amounts, incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumbrances or deal with the assets or Undertakings.

3. The Transferor Company (UCL), shall not make any change in its' capital structure either by any increase, (by issue of equity or shares on a rights basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organization, or in any other manner.



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4. Legal proceedings

- a. Upon the coming into effect of this Scheme, all suits, actions and proceedings by or against the Transferor Company (UCL) pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company (AIL) as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company (AIL).
- b. The Transferee Company (AIL) undertakes to have all legal or other proceedings initiated by or against the Transferor Company (UCL) transferred to its name and to have the same continued, prosecuted and enforced as if by or against the Transferee Company (AIL).

5. Contract deeds and other documents.

- a. Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Company (UCL) or powers or authorities granted by or to it of whatsoever nature to which the Transferor Company (UCL) is a party or to the benefit of which the Transferor Company (UCL) may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed, be in full force and effective against or in favour of the Transferee Company (AIL) as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company (UCL) the Transferee Company (AIL) had been a party or beneficiary thereto. The Transferee Company (AIL) shall, at any time prior to the Effective Date, wherever necessary, enter into, and/or issue and/or execute deeds, writings, confirmations, any tripartite arrangements or novation to which the Transferor Company (UCL) will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.
- b. The Transferee Company (AIL) shall enter into, or issue or execute deeds, writings, confirmations, novation, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the

Transferor Company (UCL), is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company (AIL) shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Company (UCL), to carry out or perform all such formalities or compliances for required purposes referred to above on the part of the Transferor Company (UCL).

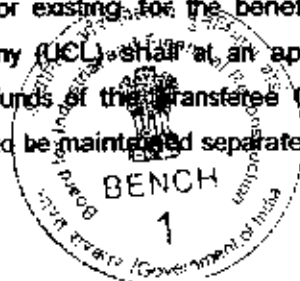
- c. All contracts and agreements entered between the Transferor Company (UCL) and Transferee Company (AIL) shall stand cancelled upon Amalgamation becoming effective.

6. **Staff, workmen and employees.**

On the scheme becoming effective:

- a. All the employees of the Transferor Company (UCL) in service on the Effective Date shall become the employees of the Transferee Company (AIL) on such date without any break or interruption in service and on terms and conditions as to remuneration not less favorable than those subsisting with reference to the Transferor Company (UCL) as on the said date. It is clarified that the employees of the Transferor Company (UCL) who become employees of the Transferee Company (AIL) by virtue of this Scheme, shall not be entitled to the employment policies, and shall not be entitled to avail of any schemes and benefits that are applicable and available to any of the employees of the Transferee Company (AIL), unless otherwise determined by the Transferee Company (AIL). The Transferee Company (AIL) undertakes to continue to abide by any agreement/settlement, if any, entered into by the Transferor Company (UCL) with any union/employee of the Transferor Company (UCL). However, to make the Unit viable the Transferee Company may review the manpower and shall take appropriate steps as permitted under Law.
- b. The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Company (UCL) or any other special funds created or existing for the benefit of the employees of the Transferor Company (UCL) shall at an appropriate stage be transferred to the relevant funds of the Transferee Company (AIL) and till such time shall continue to be maintained separately. In the

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event that the Transferee Company (AIL) does not have its own fund with respect to any such matters, the Transferee Company (AIL) shall create its own funds to which the contributions pertaining to the employees of Transferor Company (UCL) shall be transferred.

7. Dividends, Profits, Bonus / right shares.

a. With effect from the date of filing of this Scheme with the BIFR and up to and including the Effective Date, the Transferor Company (UCL) and the Transferee Company (AIL) shall be entitled to declare and pay dividends, whether interim or final, to their respective equity shareholders in respect of the accounting period prior to the Effective Date, provided that the Transferor Company (UCL) shall not make any such declaration, except with the prior approval of the Board of Directors of the Transferee Company (AIL) and of the BIFR.

b. Until the coming into effect of this Scheme, the holder of equity shares of the Transferor Company (UCL), and the Transferee Company (AIL) shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company (UCL) and/or the Transferee Company (AIL) to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Transferor Company (UCL) and of the Transferee Company (AIL) and subject, wherever necessary, to the approval of the shareholders of the respective Companies.

8. Permissions.

a. Any statutory licenses, permissions, approvals or consents to carry on the operations of the Transferor Company (UCL) shall stand vested in or transferred without any further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of AIL upon the

vesting and transfer of the Undertakings of the Transferor Company (UCL) with/to the Transferee Company (AIL) pursuant to this Scheme. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents, sales tax / VAT registrations or other licenses and consents shall vest in and become available to AIL pursuant to this scheme. In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Company (UCL) are concerned, the same shall vest with and be available to AIL on the same terms and conditions.

9. Security

a. It is clarified that unless otherwise determined by the Board of Directors of AIL so far as the assets comprising the Undertakings of the Transferor Company (UCL) is concerned:

- i. the security or charge relating to loans, debentures or borrowings of the Transferor Company (UCL) shall without any further act or deed continue to relate to the said assets after the Effective Date and shall not relate to or be available as security in relation to the borrowings of AIL.
- ii. the assets of AIL shall not relate to or be available as security in relation to the said borrowings of the Transferor Company (UCL).

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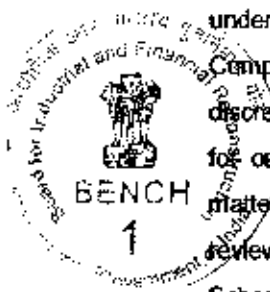
Part - VI

General Terms and Conditions In application to the entire Scheme

1. The Transferor Company (UCL), the Transferee Company (AIL) shall with all reasonable dispatch, make all applications/petitions as are necessary and comply with applicable provisions of SICA, for sanctioning of this Scheme by the BIFR. The parties shall in the application(s) also seek order for the dissolution without winding up of the Transferor Company (UCL), under the provisions of the law of the land, and obtain all approvals as may be required under the law.

2. Modifications / Amendments to the Scheme

a. The Transferor Company (UCL), and the Transferee Company (AIL) may accord assent from time to time on behalf of all persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations; which either the Board of Directors or any Director or other officer or a committee or committees of the concerned Board of Directors or any Director specifically authorized in that behalf by the concerned Board of Directors (hereinafter referred to as the "Delegates") of the Transferor Company (UCL) and the Transferee Company (AIL) deem fit, or which the Board or any other authorities under law may deem fit to approve of or impose and which the Transferor Company (UCL) and the Transferee Company (AIL) may at their discretion deem fit and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or to review the position relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under law) for bringing this Scheme into effect. In the event that any of the conditions may be imposed by the Board or other authorities which, the Transferor Companies, and the Transferee Company (AIL) may find unacceptable for any reason, then the Transferor Company (UCL) and the Transferee Company (AIL) are at liberty to withdraw the Scheme. The aforesaid powers of the Transferor Company (UCL) and the Transferee Company (AIL) may be exercised by the Delegates of the respective Companies. In particular and without prejudice to the generality of the



forgoing the modifications and amendments referred to in this Sub-clause may include modifications and amendments relating to the mode by which the business Undertakings assets and properties of the Transferor Company (UCL) are transferred to the Transferee Company (AIL).

- b. For the purpose of giving effect to this Scheme or to any modifications or amendments, thereof or additions thereto, the Delegate of the Transferor Company (UCL) and the Transferee Company (AIL) may with the consent of all the other parties give and are authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

3. Conditions

The scheme is conditional upon and subject to the following:

- i. The Scheme being agreed to by the requisite majority of the members of the Transferor Company and Transferee Company as required under the applicable provisions of law and the requisite orders of the BIFR being obtained;
- ii. The BIFR passing Orders on the prayer of the Transferor and Transferee Companies for a declaration that the accumulated losses and unabsorbed depreciation of the Transferor Company (UCL) shall be deemed to be the loss or depreciation allowance of the Transferee Company (AIL) for the previous year in which the amalgamation becomes effective and the other provisions of the Income Tax Act relating to the carry forward and set off of the losses and depreciation allowance shall apply accordingly.
- iii. Passing of appropriate orders by the BIFR granting exemption from the applicability of the provisions of clause 10.7.2 of Share Purchase and Shareholders Agreement dated February 11, 2008 amongst Selling shareholder and AIL and UCL.
- iv. Such other sanctions and approvals including sanction of any governmental or regulatory authority, creditor, lessor, lender, or contracting party as may be required by law or contract in respect of the Scheme or

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any of the transfers contemplated under or as a consequence of the Scheme being obtained.

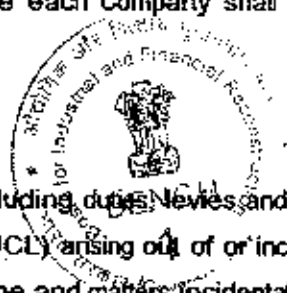
- v. The certified copies of the orders of the BIFR being filed with the Registrar of Companies, Gujarat and Maharashtra.
- vi. The provisions contained in this Amalgamation Scheme are inextricably inter-linked with the other provisions of the Rehabilitation Scheme and this Amalgamation Scheme constitutes an integral whole. The Amalgamation Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the Transferor Company (UCL) and the Transferee Company (AIL) by their respective Board of Directors or any Committee constituted by them.

4. Effect of non receipt of approvals

In the event of this Scheme failing to take effect within 12 months of the first filing thereof with the BIFR or by such later date as may be agreed by the respective Board of Directors of the Transferor Company (UCL) and the Transferee Company (AIL), this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by both the Companies or their shareholders or creditors or employees or any other person. In such case each Company shall bear its own costs or as may be mutually agreed.

5. Costs

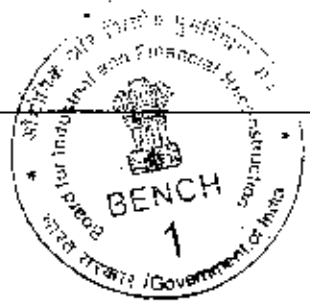
All costs including dues levies and all other expenses, if any of the Transferor Company (UCL) arising out of or incurred in connection with the implementation of the Scheme and matters incidental thereto shall be borne by AIL.



ANNEXURE MI

Statement of Contracts/Agreements/Assurances etc sought suspension under para 15.0(IV)(b) of scheme.

| Sr No | Party | Details of Contract/Order/ Agreement/Award etc. |
|-------|---|---|
| 1 | Tamil Nadu Electricity Board (TNEB), Chennai | Order No. 54 dated 07.08.2003; No. 45 dated 06.08.2003 and No. 44 dated 15.07.2003 for supply of cables. Dispute relating to encashment of Bank Guarantee has been decided in favour of the Company by Hon'ble City Civil Court, Chennai. The Suits are pending with regard to above Contracts. |
| 2. | Ethiopia Telecommunication Corporation | Contract dated 21.08.2003 and Amendment to the said Contract dated 28.10.2003 for supply of cables. The disputes relates to the claim made by Ethiopia Telecommunication against Export of Cables made by the Company pursuant to above Contract. The matter is pending before Hon'ble High Court at Bombay. |
| 3 | Jaykumar Baid & Others (Outgoing Promoters) | Share Purchase and Shareholders Agreements dated 11 th February, 2008. Agreements provides an Undertaking given by the Company to outgoing promoters for not changing the constitution of the Company/business. |
| 4 | Mr Mahesh P. Mistry and Mr. Mahesh Thakkar - Employees of the Company | Two Employees terminated in September 1986. They went in the Labour court. The Labour Court has directed the company to pay them Rs 95,000 each against their claim and the amounts have been deposited. The employees were not satisfied and has gone in Gujarat High Court at Ahmadabad, The matter is pending. |
| 5. | 72 Contract Workers | These were workers employed by Contractors and they are claiming reinstatement as Company's Workers. Since they were not company's employees Company has not agreed to reinstate them and they have approached the Labour Court for intervention. The matter is pending. |



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Case No : 28/2010 – M/s Uniflex Cables Ltd

1. The Managing Director
M/s Uniflex Cables Ltd
Apar House, Corporate Park
Sion-Trombay Road, Chembur
Mumbai – 400 071

2. The Chairman & MD
Syndicate Bank
Post Box No. 1
Manipal – 576 119

3. The Chairman & MD
Indian Bank
31, Rajaji Salai
Chennai – 600 001

4. The Chairman & MD
Yes Bank
Mittal Chambers, Ground Floor
Nariman Point
Mumbai – 400 021

5. The Chairman & MD
IDBI, IDBI Tower
WTC Complex, Cuffe Parade
Mumbai - 400 005
(Fax No. 022-22181294)

6. The Chairman & MD
IFCI, IFCI Towers
61, Nehru Place
New Delhi-110 019.

7. The MD & CEO
ICICI Bank Ltd.
ICICI Bank Towers
9th Floor, North Tower
Bandra Kurla Complex
Bandra(E), Mumbai-400 051
(Fax No. 022-26531373)

8. The Chairman & MD
IIBI
19, Netaji Subhash Road
Kolkata-700 001
(Fax No.033-2207182/2208049)

9. The Regional Director
ESIC, Rajendra Bhawan
Rajendra Place
New Delhi – 110 008
(Fax No. 011-25734381)

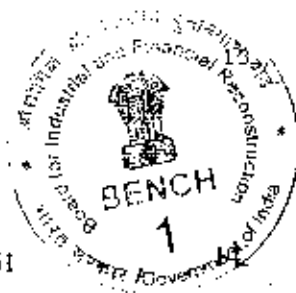
10. The Commissioner
Central Provident Fund Organization,
HUDCO Vishala
Bhavishyanidhi Bhawan
14, Bhikaji Cama Place
New Delhi-110 066

11. The Secretary
Govt of Gujarat
Industries Mines & Energy
Sachivalaya
Gandhinagar

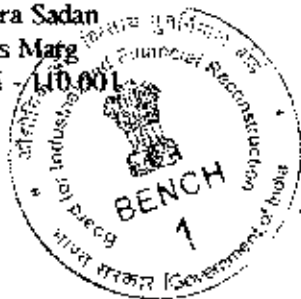
12. President/Secretary
Central Labour Assoc
5/6, Gori Appt. Opp. Swastik Takies
Killa Pardi 396 125
Dist Valsad
Gujarat

The Chief Secretary
Govt of Gujarat
Gujarat Sachivalaya
Gandhi Nagar, Gujarat

Principal Resident Commissioner
Govt. of Gujarat
1, Kautilya Marg, Chanakya Puri
New Delhi-21



15. Director of Income Tax (Recovery)
DIT(R), 6th Floor, Mayur Bhawan
Connaught Circus, New Delhi - 1
(Fax No. 011-23412749)
16. The Commissioner (Central Excise)
Central Board of Excise & Customs
(CBEC), North Block, New Delhi
17. Director General of Foreign Trade
(DGFT), M/o Commerce & Industry
Udyog Bhawan, New Delhi - 110 011
18. Bombay Stock Exchange Ltd.(BSE)
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001
19. The DGM
Syndicate Bank
2nd Floor, 2nd Cross Road
Gandhinagar
Bangalore - 560 009
20. Chief Secretary
Govt of Maharashtra
Mantrayala
Mumbai-400 032
21. Resident Commissioner
Govt of Maharashtra
Maharashtra Sadan
Copernicus Marg
New Delhi - 110 001



22. Apat Industries Ltd
30E, Panorama Complex
R.C. Dutt Road
Vadodara - 390 007
Gujarat