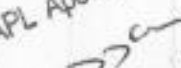
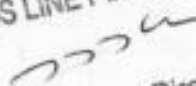


**SCHEME OF ARRANGEMENT  
AMONG  
LLOYDS LINE PIPES LIMITED  
AND  
APL APOLLO TUBES LIMITED  
AND  
THEIR SHAREHOLDERS**

**FOR AMALGAMATION OF  
LLOYDS LINE PIPES LIMITED  
(TRANSFEROR COMPANY)  
WITH  
APL APOLLO TUBES LIMITED  
(TRANSFeree COMPANY)**

**(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956  
OR  
ANY CORRESPONDING PROVISIONS OF COMPANIES ACT, 2013)**

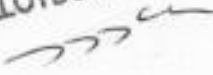
For APL Apollo Tubes Ltd.  
  
Director

For LLOYDS LINE PIPES LTD.  
  
Director

**PARTS OF THE SCHEME:**

1. **Part I** – This part of Scheme contains general provisions applicable as used in this Scheme including Definitions and Capital Structure of the Companies along with Objects and Rationale of the Scheme.
2. **Part II** – This part of Scheme contains Transfer and Vesting of undertaking of M/s. Lloyds Line Pipes Limited (Transferor Company) to M/s. APL Apollo Tubes Limited (Transferee Company) pursuant to present scheme.
3. **Part III** -This part of Scheme contains Reorganization of Share Capital and the Accounting Methodology adopted for the Amalgamation.
4. **Part IV** - This part of Scheme contains miscellaneous provisions i.e. application/petition to Hon'ble High Court and conditionality of Scheme.

For APL Apollo Tubes Ltd.  
  
Director

For LLOYDS LINE PIPES LTD.  
  
Director

**SCHEME OF ARRANGEMENT  
UNDER SECTIONS 391 & 394 OF THE COMPANIES ACT, 1956  
AMONG  
LLOYDS LINE PIPES LIMITED  
(TRANSFEROR COMPANY)  
AND  
APL APOLLO TUBES LIMITED  
(TRANSFeree COMPANY)  
AND  
THEIR SHAREHOLDERS**

[For Amalgamation of LLOYDS LINE PIPES LIMITED WITH APL APOLLO TUBES LIMITED under Section 391 read with Section 394 of the Companies Act, 1956 or any corresponding provisions of Companies Act, 2013]

**PREAMBLE**

**A. BACKGROUND AND DESCRIPTION OF COMPANIES**

1. **APL APOLLO TUBES LIMITED** (herein after referred to as '**APTL**' or '**Transferee Company**'), bearing CIN L74899DL1986PLC023443 was incorporated on 24<sup>th</sup> February, 1985 as Bihar Tubes Private Limited, in accordance with the provisions of the Companies Act, 1956 and Certificate of Incorporation was obtained from Registrar of Companies at Delhi & Haryana. Subsequently, the Company got converted into Public Company and the name changed from Bihar Tubes Private Limited to Bihar Tubes Limited and fresh certificate in respect of same was obtained from the Registrar of Companies, Delhi & Haryana. Further the name of Company, was again changed from Bihar Tubes Limited to its present name APL Apollo Tubes Limited on 7th July, 2010 and the fresh certificate of incorporation in this respect was issued from the Registrar of Companies, Delhi & Haryana.

At present, the registered office of the Transferee Company, is situated at 37, Hargobind Enclave, Vikas Marg Delhi – 110 092.

The Equity Shares of the Transferee Company is listed at Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE), Ahmedabad Stock Exchange Limited (ASEL), Calcutta Stock Exchange Limited (CSEL).

2. **LLOYDS LINE PIPES LIMITED** (herein after referred to as '**LLPL**' or '**Transferor Company**'), bearing CIN U27320DL2008PLC223550 was incorporated on 4<sup>th</sup>

For APL Apollo Tubes Ltd.

Director

For LLOYDS LINE PIPES LTD.

Director

September, 2008 in accordance with the provisions of the Companies Act, 1956 and Certificate of Incorporation was obtained from Registrar of Companies at Delhi & Haryana. At present, the registered office of the Transferor Company, is situated at 37, Hargobind Enclave, Vikas Marg Delhi – 110 092.

The entire share capital of the Transferor Company is held by the Transferee Company, APL Apollo Tubes Limited, thus, the Transferor Company, is the Wholly Owned Subsidiary of the Transferee Company.

#### **B. RATIONALE FOR THE SCHEME OF ARRANGEMENT**

Lloyds Line Pipes Limited, the Transferor Company, is the Wholly Owned Subsidiary (WOS) of APL Apollo Tubes Limited, the Transferee Company. The amalgamation would enable consolidation and further expansion of the Transferee Company. This amalgamation will contribute in furthering and fulfilling the objectives and business strategies of both the companies thereby accelerating growth, expansion and development of their business.

Further, the independent operations of Transferor Company and Transferee Company leads to incurrence of significant costs and thus the amalgamation would enable economies of scale by attaining critical mass and achieving cost saving. The amalgamation would also provide the Transferee Company a strong and focused base to undertake the business more advantageously. The other benefits likely to arise through the proposed amalgamation are as follows:

- I. Optimum and efficient utilization of capital, resources, assets and facilities;
- II. Enhancement of competitive strengths including financial resources;
- III. Obtaining synergy benefits;
- IV. Better management and focus on growing the businesses.
- V. The amalgamation would result in reduction of overheads, administrative, managerial and other expenditure and bring about operational rationalization, efficiency and optimum utilization of various resources.

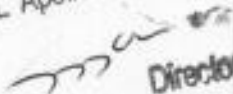
C. Due to the aforesaid reasons, it is considered desirable and expedient to amalgamate both the companies in accordance with this Scheme, pursuant to Section 391 read with section 394 and other relevant provisions of the Companies Act, 1956 or any corresponding provisions of the Companies Act, 2013.

D. The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, under Section 394 and other relevant provisions of the

For APL Apollo Tubes Ltd.  
Director

For LLOYDS LINE PIPES LTD.  
Director

Companies Act, 1956 or any corresponding provisions of Companies Act, 2013, shall take place with effect from the Appointed Date and shall be in compliance with Section 2(1B) of the Income Tax Act, 1961.

For APL Apollo Tubes Ltd.  
  
Director

For LLOYDS LINE PIPES LTD.  
  
Director

**PART-I  
GENERAL PROVISIONS**


**1. Definitions:**

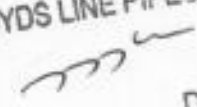
In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the same meanings as set out herein below:

- 1.1. **"Act"**: means the Companies Act, 1956, and will include any statutory modifications, re-enactments or amendments thereof and also mean and refer to corresponding sections of Companies Act, 2013 as and when such corresponding sections are notified in the official gazette by the Central Government.
- 1.2. **"Appointed Date"**: means 1<sup>st</sup> April, 2015 being the date with effect from which the Scheme shall be applicable or such other date as may be approved by the Hon'ble High Court.
- 1.3. **"Board" or "Board of Directors"**: shall have the same meaning assigned to it as under the Companies Act, 2013.
- 1.4. **"Effective Date"**: means the date on which certified copy of the order of the Hon'ble High Court under Sections 391 and 394 of the Act or any corresponding provisions of the Companies Act, 2013 sanctioning the Scheme is filed with the Registrar of Companies after obtaining the sanctions, orders or approvals referred to in Clause 2 of PART-IV of this Scheme.

References in this Scheme to the date of "Upon the Scheme becoming effective" or "effectiveness of this Scheme" shall mean the Effective Date.

- 1.5. **"Scheme"**: means this Scheme of Amalgamation among Transferor Company and the Transferee Company and their respective Shareholders as approved by the Board of Directors of the respective companies, in its present form and with any modifications as may be approved by the Hon'ble High Court.
- 1.6. **"High Court"**: means the Hon'ble High Court of Delhi and shall include National Company Law Tribunal ("NCLT"), or any other appropriate forum or authority empowered to approve the Scheme as per the law for the time being in force.
- 1.7. **"Registrar of Companies" or "RoC"**: means the Registrar of Companies, Delhi & Haryana.

For APL Apollo Tubes Ltd.  
  
Director

For LLOYDS LINE PIPES LTD.  
  
Director

## 2. DATE OF EFFECT AND OPERATIVE DATE:

The Scheme setout herein in its present form or with any modification(s), if any made as per Clause 3 of PART-IV of this Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date.

## 3. CAPITAL STRUCTURE:

The Capital Structure of the Transferor Company and the Transferee Company, as on Appointed Date and immediately before implementation of the Scheme are as under:

### 3.1. APL APOLLO TUBES LIMITED

Particulars	Amount (Rs.)
<b>Authorized Share Capital</b>	
25,000,000 Equity Shares of Rs.10/- each	250,000,000.00
<b>Issued, Subscribed and Paid-Up Share Capital</b>	
23,438,636 Equity Shares of Rs10/- each	234,386,360.00

There is no change in the Capital Structure of the Transferee Company since the Appointed Date.

### 3.2. LLOYDS LINE PIPES LIMITED

Particulars	Amount (Rs.)
<b>Authorized Share Capital</b>	
20,000,000 Equity Share of Rs. 10/-each	200,000,000.00
<b>Issued, Subscribed and Paid up Share Capital</b>	
20,000,000 Equity Share of Rs. 10/-each	200,000,000.00

There is no change in the Capital Structure of the Transferor Company since the Appointed Date.

For APL Apollo Tubes Ltd.  
Director

For LLOYDS LINE PIPES LTD.

Director



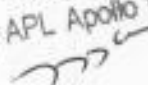
**PART-II**  
**TRANSFER & VESTING OF UNDERTAKING**


1. With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and the whole of the undertaking(s), properties and liabilities of Transferor Company shall, in terms of Section 391 and 394 and applicable provisions, if any, of the Act, or any corresponding provisions of the Companies Act, 2013 and pursuant to the orders of the High Court or other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing, stand transferred and vested in and/ or deemed to be transferred to and vested in Transferee Company as a going concern so as to become the undertaking(s), properties and liabilities of Transferee Company.
2. With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and undertaking of Transferor Company shall stand transferred to and be vested in Transferee Company without any further deed or act, together with all the properties, assets, rights, benefits and in the following manner:

2.1. With effect from the Appointed Date and upon the Scheme becoming effective all memberships, franchises, rights, privileges, permits, quotas, entitlements, allotments, approvals, consents, concessions, certifications, licenses, software, powers, trademarks, including, application for registration of trade mark, patents, copyrights, and its right to use available to Transferor Company, facilities of every kind and description of whatsoever nature in relation to Transferor Company to which Transferor Company are the party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect as on Appointed Date or any which may be taken after the Appointed Date but till the Effective Date, shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.

2.2. With effect from the Appointed Date and upon the Scheme becoming effective all Certificate of Registrations for different products and services, including quality of products & services as available with Transferor Company as on Appointed Date or any which may be taken by Transferor Company after the Appointed Date but till the Effective Date shall get transferred to Transferee Company without any further instrument, deed or actor payment of any further fee, charge or securities.

2.3. With effect from the Appointed Date and upon the Scheme becoming effective all the assets of Transferor Company as are movable in nature including, but not limited to, stock of goods, raw materials available in the market/ depots/ Godown / factories,

For APL Apollo Tubes Ltd.  
  
Director

For LLOYDS LINE PIPES LTD.  


Director



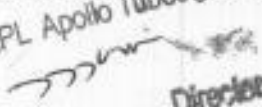
sundry debtors, plants and equipments, outstanding loans and advances, insurance claims, advance tax, Minimum Alternate Tax (MAT) set-off rights, pre-paid taxes, levies/liabilities, CENVAT/VAT credits if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other persons or any other assets otherwise capable of transfer by physical delivery would get transferred by physical delivery only and all others assets would get transferred by endorsement and delivery by vesting and recordable pursuant to this Scheme, shall stand vested in Transferee Company, and shall become the property and an integral part of Transferee Company without any further instrument, deed or actor payment of any further fee, charge or securities.

2.4. With effect from the Appointed Date and upon the Scheme becoming effective all incorporeal properties of Transferor Company as on Appointed Date or any which may be taken after the Appointed Date but till the Effective Date, shall get transferred to Transferee Company without any further instrument, deed or actor payment of any further fee, charge or securities.

2.5. With effect from the Appointed Date and upon the Scheme becoming effective, all immovable property including but not limited to land and buildings with plants and equipments or any other immovable property of Transferor Company, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in Transferee Company, without any further instrument, deed or act or payment of any further fee, charge or securities either by the Transferor Company or Transferee Company.

2.6. With effect from the Appointed Date and upon the Scheme becoming effective, Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, taxes and fulfill obligations, in relation to or applicable to such immovable properties. The mutation/substitution of the title to the immovable properties shall be made and duly recorded in the name of Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the Hon'ble High Court and the Scheme becoming effective in accordance with the terms hereof.

2.7. With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to Transferor Company to which the Transferor Company is the party or to the benefit of which Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall

For APL Apollo Tubes Ltd.  
  
Director

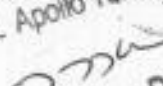
For LLOYDS LINE PIPES LTD.  


Director

be in full force and effect against or in favor of Transferee Company and may be enforced as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or oblige thereto.

- 2.8. With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, no-objection certificates, permissions or approvals or consents required to carry on operations of Transferor Company or granted to Transferor Company shall stand vested in or transferred to Transferee Company without further act or deed, and shall be appropriately transferred or assigned by the statutory authorities concerned therewith in favor of Transferee Company upon the vesting of Transferor Company Business and Undertakings pursuant to this Scheme.
- 2.9. With effect from the Appointed Date and upon the Scheme becoming effective, all motor vehicles of any description whatsoever, shall stand transferred to and be vested in, and the appropriate Governmental and Registration Authorities shall substitute the name of Transferee Company in place of Transferor Company, without any further instrument, deed or act or any further payment of fee, charge or securities.
- 2.10. With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts or disclosed in the balance sheets of Transferor Company, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of Transferee Company.
- 2.11. Without prejudice to the generality of the provisions contained herein, all loans raised after the Appointed Date but before the Effective Date and liabilities incurred by Transferor Company after the Appointed Date but before the Effective Date for its operations shall be deemed to be of Transferee Company.
- 2.12. The transfer and vesting of the entire business and undertaking of Transferor Company as aforesaid, shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of Transferor Company, as the case may be.

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

For APL Apollo Transfers Ltd.  
  
Director

For LLOYDS LINE R.T.D.  


Director

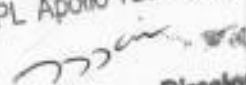
Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by Transferor Company which shall vest in Transferee Company by virtue of the amalgamation of Transferor Company with Transferee Company and Transferee Company shall not be obliged to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

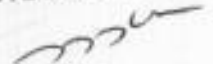
2.13. Transferee Company will, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangements in relation to Transferor Company to which Transferor Company are parties, in order to give formal effect to the above provisions. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of Transferor Company and to carry out or perform all such formalities or compliances referred to above on part of Transferor Company.

2.14. With effect from the Appointed Date and upon the Scheme becoming effective, Transferee Company shall bear the burden and the benefits of any legal or other proceedings initiated by or against Transferor Company.

Provided however, all legal, administrative and other proceedings of whatsoever nature by or against Transferor Company pending in any court or before any authority, judicial, quasi judicial or administrative, any adjudicating authority and/or arising after the Appointed Date and relating to Transferor Company or its respective properties, assets, liabilities, duties and obligations shall be continued and/or enforced until the Effective Date by or against Transferor Company; and from the Effective Date, shall be continued and enforced by or against Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Company.

2.15. If any suit, appeal or other proceedings of whatever nature by or against Transferor Company be pending, the same shall not abate, be discontinued or be in any way be prejudicially affected by reason of the transfer of the Transferor Company business and undertakings or of anything contained in this scheme but the proceedings may be continued, prosecuted and enforced by or against Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Transferor Company as if this Scheme had not been made.

For APL Apollo Tubes Ltd.  
  
Director

For LLOYDS LINE PIPE L.  
  
Director

- 2.16. With effect from the Appointed Date and upon the scheme becoming effective, all persons that were employed by Transferor Company immediately before such date shall become employees of Transferee Company with the benefit of continuity of service on same terms and conditions as were applicable to such employees of Transferor Company immediately prior to such transfer and without any break or interruption of service. Transferee Company undertakes to continue to abide by agreement/settlement, if any, entered into by Transferor Company with any union/employee thereof. With regard to Provident Fund, Gratuity Fund, Superannuation fund or any other special fund or obligation created or existing for the benefit of such employees of Transferor Company upon occurrence of the Effective Date, Transferee Company shall stand substituted for Transferor Company, for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. The existing Provident Fund, Gratuity Fund and Superannuation Fund or obligations, if any, created by Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and conditions. With effect from the Effective Date, Transferee Company will make the necessary contributions for such transferred employees of Transferor Company and deposit the same in Provident Fund, Gratuity Fund or Superannuation Fund or obligations, where applicable. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of Transferor Company in relation to such schemes or funds shall become those of Transferee Company.
- 2.17. Loans or other obligations, if any, due between Transferee Company and Transferor Company shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by Transferor Company and held by Transferee Company and vice versa are concerned, the same shall, unless sold or transferred by holder of such securities, at any time prior to the Effective Date, stand cancelled and shall have no further effect.
- 2.18. With effect from the Appointed Date and upon the scheme becoming effective, all the profits or income accruing or arising to Transferor Company, and all expenditure or losses arising or incurred by Transferor Company shall, for all purposes, be treated (including all taxes, if any, paid or accruing in respect of any profits and income) and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of Transferee Company. Moreover, Transferee Company shall be entitled to revise its statutory returns relating to indirect taxes like sales tax/ service tax/ excise, etc. and to claim refund/credits and/or set off

Director

For APL Apollo Tubes Ltd.

For LLOYDS LINE FILE

Director



all amounts under the relevant laws towards the transactions entered into by Transferee Company and Transferor Company which may occur between the Appointed Date and the Effective Date. The rights to make such revisions in the sales tax returns and to claim refunds/credits are expressly reserved in favour of Transferee Company.

2.19. Transferee Company shall be entitled to revise its all Statutory returns relating to Direct and indirect taxes like Income Tax, Wealth Tax, VAT, Excise, Service Tax, etc. and to claim refunds/advance tax credits and/or set off the tax liabilities of Transferee Company and Transferor Company under the relevant laws and its rights to make such revisions in the statutory returns and to claim refunds, advance tax credits and/or set off the tax liabilities is expressly granted.

2.20. It is expressly clarified that with effect from the Appointed Date, all taxes whether direct or indirect, payable by Transferor Company including all or any refunds of the claims/TDS Certificates shall be treated as the tax liability or refunds/claims/TDS Certificates as the case may be of Transferee Company.

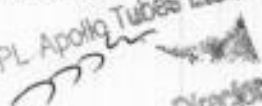
2.21. From the Effective Date and till such time as the name of the Transferee Company would get entered as the account holder in respect of all the bank accounts and demat accounts of Transferor Company in the relevant bank's/DP's books and records, the Transferor Company shall be entitled to operate the bank/demat accounts of Transferee Company in its existing names.

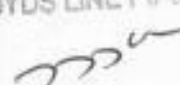
2.22. Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of Transferor Company shall stand transferred by the order of the High Court to Transferee Company, Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning court.

### 3. Conduct of Business

3.1. With effect from the Appointed Date and till the Scheme come into effect:

3.1.1. Transferor Company shall be deemed to carry on all its businesses and activities and stand possessed of its properties and assets for and on account of and in trust for Transferee Company; and all the profits accruing to Transferor Company and all taxes thereon or gains or losses arising or

For APL Apollo Tubes Ltd.  
  
Director

For LLOYDS LINE P&F LTD.  
  
Director

incurred by them shall, for all purposes, be treated as and deemed to be the profits or losses, as the case may be, of Transferee Company;

- 3.1.2. Transferor Company shall carry on its business with reasonable diligence and in the same manner as they had been doing hitherto, and Transferor Company shall not alter or substantially expand its business except with the concurrence of Transferee Company;
- 3.1.3. Transferor Company shall not, without the written concurrence of Transferee Company, alienate charge or encumber any of its properties except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company, as the case may be.
- 3.1.4. Transferor Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of Transferee Company.
- 3.1.5. With effect from the Appointed Date, all debts, liabilities, duties and obligations of Transferor Company as on the close of business on the date preceding the Appointed Date, whether or not provided in its books and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of Transferee Company.
- 3.2. Upon the Scheme coming into effect, Transferee Company shall commence and carry on and shall be authorized to carry on the business carried on by Transferor Company.
- 3.3. For the purpose of giving effect to the vesting order passed under Sections 391 and 394 of the Act or any corresponding provisions of the Companies Act, 2013 in respect of this Scheme by the Hon'ble High Court, Transferee Company shall, at any time pursuant to the orders on this Scheme, be entitled to get the record all of the change in the legal right(s) upon the vesting of the Transferor Company business and undertakings in accordance with the provisions of Sections 391 and 394 of the Act or any corresponding provisions of the Companies Act, 2013. Transferee Company shall be authorized to execute any pleadings; applications, forms, etc. as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

For APL Apollo Tubes Ltd.

  
Director

For LLOYDS LINE PIPES LTD.

  
Director

**PART III**  
**REORGANIZATION OF CAPITAL**

**1. REORGANISATION OF CAPITAL IN THE TRANSFEREE COMPANY**

1.1. The entire share capital of the Transferor Company is held by the Transferee Company directly. Therefore, the Transferee Company shall not be required to issue any shares or pay any consideration to the Transferor Company or to their shareholders.

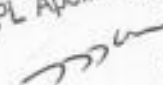
1.2. Upon coming into effect of this Scheme, the shares or the share certificates of the Transferor Company in relation to the shares held by its member shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and be of no effect on and from the Effective Date without any necessity of them being surrendered

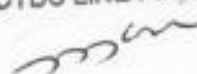
**1.3. INCREASE IN AUTHORIZED SHARE CAPITAL**

1.3.1. With effect from the Appointed Date and upon the Scheme becoming effective, without any further acts or deeds on the part of the Transferor Company or Transferee Company and notwithstanding anything contained in Sections 94 to 97 of the Companies Act, 1956 or Section 61 and 64 or any corresponding provisions of Companies Act, 2013 the Authorized Share capital of Transferor Company as appearing in its Memorandum of Association on the Effective Date shall get clubbed with the Authorized Share Capital of the Transferee Company as appearing in its Memorandum of Association on the Effective Date and pursuant to this clubbing the Clause V of the Memorandum of Association of the Transferee Company shall stand altered to give effect to the same with effect from the Effective Date. The Face Value of Equity share shall remain same as of the Transferee Company after clubbing of Authorized Capital.

1.3.2. The fees/duty paid by the Transferor Company for its Authorized Share Capital shall be deemed to have been paid by the Transferee Company.

1.4. On approval of the Scheme by the members of Transferee Company pursuant to Section 391 -394 of the Act or any corresponding provisions of Companies Act, 2013, it shall be deemed that the said members have also accorded their consent under relevant Articles of the Articles of Association of the Company and Section 94 to 97 and other provisions of the Companies Act, 1956 or Section 61 and Section 64 or any corresponding provisions under companies Act, 2013 as may be applicable for giving effect to the provisions contained in this Scheme.

For APL Apollo Tubes Ltd.  
  
Director

For LLOYDS LINE PIPES LTD.  
  
Director