

TVS ELECTRONICS LIMITED

(CIN: L30007TN1995PLC032941)

Registered Office: Jayalakshmi Estates, 29, Haddows Road,
Chennai – 600 006, Tamil Nadu

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NOTICE OF MEETING OF THE EQUITY SHAREHOLDERS OF TVS ELECTRONICS LIMITED CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, SINGLE BENCH, CHENNAI (‘NCLT’ OR ‘TRIBUNAL’)

Day	Monday
Date	27 th November 2017
Time	10.30 A.M.
Venue	Kasturi Srinivasan Hall (Mini Hall) The Music Academy, No. 168 (Old No. 306), T.T.K. Road, Chennai 600 014

E-VOTING	
Commencing on	27 th October 2017
Ending on	26 th November 2017

Volume 1 – Notice and Explanatory Statement

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
SINGLE BENCH, CHENNAI
FORM NO. CAA. 2
[Pursuant to Section 230 (3) and Rule 6 and 7)]
CA/156/CAA/2017
In the Matter of Section 230 to 232 of The Companies Act, 2013
And
In the Matter of Scheme of Amalgamation
Between
PRIME PROPERTY HOLDINGS LIMITED
(Transferor Company)
And
TVS ELECTRONICS LIMITED
(Transferee Company)
And
Their Respective Share Holders**

TVS Electronics Limited

Having its registered office at
Jayalakshmi Estates,
29, Haddows Road,
Chennai – 600 006

... Applicant Company/ Transferee Company

**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF
TVS ELECTRONICS LIMITED**

To,

The Equity Shareholders of TVS ELECTRONICS Limited

NOTICE is hereby given that by an Order dated October 11, 2017, (the 'Order') the National Company Law Tribunal, Single Bench, Chennai has directed that a meeting of the Equity Shareholders of the Applicant Company be held at Kasturi Srinivasan Hall (Mini Hall), The Music Academy, No. 168 (Old No. 306), T.T.K Road, Chennai 600 014, on Monday 27th November, 2017 at 10.30 A.M., for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation between TVS Electronics Limited (Company/Applicant Company/Transferee Company) and Prime Property Holdings Limited (Transferor Company) and their respective Share Holders ('Scheme' or 'the Scheme').

Take further notice that in pursuance of the said Order, a Meeting of the Equity Shareholders of the Applicant Company will be convened and held at Kasturi Srinivasan Hall (Mini Hall), The Music Academy, No. 168 (Old No. 306), T.T.K Road, Chennai 600 014, on Monday, 27th November, 2017 at 10.30 A.M., at which time and place you are requested to attend.

The quorum for the Meeting shall be 200 (Two Hundred) Members. In case the quorum is not in place at the designated time, the Meeting shall be adjourned by half an hour and thereafter, the persons present for voting shall be deemed to constitute the quorum.

Please note that each Equity Shareholder can opt for only one mode of voting i.e. either by way of remote e-voting or voting at the venue through polling paper. If the Equity Shareholder opts for e-voting, then he cannot vote at the venue of the meeting and vice versa. In case any Equity Shareholder exercises his right to vote by e-voting as well as at the venue of the meeting of the Equity Shareholders of TVS Electronics Limited, then votes cast at the venue of the meeting by that Equity Shareholder shall be treated as invalid.

Copies of the Scheme of Amalgamation and of the Statement under Section 230 and Section 102 of the Companies Act, 2013 can be obtained free of charge at the Registered Office of the Company.

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 Jayalakshmi Estates, 29, Haddows Road, Chennai – 600 006, not later than 48 hours before the meeting.

Copies of the Scheme and of the Statement under Section 230 of the Companies Act, 2013, Form of Proxy and Attendance Slip and other annexures as stated in the Index are enclosed herewith.

The Tribunal has appointed Mr. Gopal Srinivasan, Chairman of the Company, failing him Mrs. Srilalitha Gopal, Director of the Company as the Chairperson of the said meeting. The Scheme, if approved by the meeting, will be subject to the subsequent approval of the Tribunal.

Dated this the 13th day of October, 2017
Place: Chennai

Sd/-

Gopal Srinivasan
Chairman Appointed for the Meeting

TVS Electronics Limited
CIN: L30007TN1995PLC032941
Registered Office: Jayalakshmi Estates,
29, Haddows Road, Chennai – 600 006

Notes:

- 1 A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The form of proxy duly completed should, however, be deposited at the Registered Office of the Company not less than 48 (forty-eight) hours before the meeting. A person can act as a proxy on behalf of not more than 50 (fifty) members and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 2 All alterations made in the Form of Proxy should be initialled.
- 3 Only registered Equity Shareholders of the Company may attend and vote (either in person or by proxy or by authorised representative under applicable provisions of the Companies Act, 2013) at the Equity Shareholders Meeting. The authorised representative of a body corporate which is a registered Equity Shareholder of the Company may attend and vote at the Equity Shareholders meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorising such representative to attend and vote at the Equity Shareholders meeting is deposited at the Registered Office of the Company not later than 48 (forty-eight) hours before the meeting.
- 4 Foreign Portfolio Investors (FPIs) who are registered Equity Shareholder(s) of the Company would be required to deposit certified copies of Custodial resolutions/Power of Attorney, as the case may be, authorising the individuals named therein, to attend and vote at the meeting on its behalf. These documents must be deposited at the Registered Office of the Company not later than 48 (forty-eight) hours before the commencement of the meeting.

- 5 A Member or his proxy is requested to hand over the enclosed attendance slip, duly completed and signed as per the specimen signature(s) registered with the Company at the entrance of the meeting hall.
- 6 Members who hold shares in dematerialized form may be required to quote their Client ID and DP ID number for easy identification for attendance at the meeting.
- 7 Members are informed that in case of joint holders attending the meeting, only such joint holders whose name stands first in the Register of Members of the Company/list of Beneficial Owners as received from the National Securities Depository Limited/Central Depository Services (India) Limited in respect of such joint holding will be entitled to vote.
- 8 The Notice is being sent to all the Equity Shareholders, whose names appeared in the Register of Members/Beneficial Owners as per the details furnished by the depositories as on 13th October, 2017. A soft/electronic copy of the Notice indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form is being sent to all the Equity Shareholders whose e-mail ids are registered with the Applicant Company/Registrar and Transfer Agent (RTA)/Depository Participant(s) for communication purposes unless any Member has requested for a physical copy of the same. For those Members who have not registered their e-mail addresses, physical copies of this Notice along with Attendance Slip and Proxy Form are being sent in the permitted mode. This Notice is also displayed/posted on the website of the Company <http://www.tvs-e.in>.
- 9 The Company is providing the Members the facility to exercise their right to vote on the resolution proposed by electronic means using an e-voting system from a place other than the venue of the meeting ("remote e-voting") through National Securities Depository Limited (NSDL).
- 10 Members can opt only for one mode of voting. The facility of voting through ballot paper shall be made available at the meeting to those Members, who have not cast their votes through remote e-voting. Those Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their votes again.
- 11 The material documents referred to in the accompanying Statement shall be open for inspection by the Equity Shareholders at the Registered Office of the Company on all working days upto 24/11/2017 between 11.00 a.m. to 1.00 p.m. except Saturday, Sunday and Public Holidays.
- 12 The remote e-voting period commences on 27th October 2017 at 10.00 am and ends on 26th November 2017 at 5.00 pm. During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the 'cut-off date' of 13th October 2017, may cast their vote by remote e-voting. Thereafter the remote e-voting module shall be disabled on 26th November 2017 after 5.00 pm for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- 13 However, a person who is not a member as on cut-off date should treat this notice for information purpose only.
- 14 **The instructions, as provided by NSDL, regarding the process and manner is given below:**
 - a. **Members receiving e-mail from NSDL** (for members who have registered their email Ids with the Company / Depository Participants)
 - i. Open e-mail and then Open PDF file viz., "**TVSE NCLT Meeting-2017.pdf**" with the Client ID or Folio number as password. The PDF file contains the User ID and Password for e-voting. Please note that the password is an initial password which requires to be changed when the password change menu appears.
 - ii. Open your web browser during the voting period and log on to the e-voting website www.evoting.nsdl.com
 - iii. Click on Shareholder – Login

- iv. Enter User ID and Password as initial password noted in step (i) above. Click Login.
 - v. Password change menu appears. Change the password with new password with minimum 8 digits / characters or combination thereof. Please note the new password. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.
 - vi. Home page of e-voting opens. Go to “e-voting” icon and select “Active E-Voting Cycles”.
 - vii. Select “EVEN” of TVS Electronics Limited.
 - viii. Cast your vote and select “Submit” and “Confirm” when prompted.
 - ix. Upon confirmation, the message “Vote cast successfully” will be displayed.
 - x. Once the member has voted on the resolution, such member will not be allowed to modify their vote, subsequently.
 - xi. Institutions members (i.e other than individuals, HUF, NRI, etc) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with the attested specimen signature of the duly authorised signatory(ies), who are authorized to vote, to the Scrutinizer through email: sriram.krishnamurthy@rediffmail.com with a copy marked to evoting@nsdl.com and kr.raman@scl.co.in.
 - (a) In case of any queries, Members may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads section of www.evoting.nsdl.com or contact NSDL at 022-24994600.
 - (b) If members are already registered with NSDL for e-voting, then they can use their existing user ID and password for casting the vote.
 - (c) Members can also update their mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- b. For members who received the Notice of Meeting of Equity Shareholders in physical form, initial password is provided in the Attendance Slip. Members are requested to follow instruction given in Sl. No.(ii) to (ix).**
- 15 A person whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the Cut-off Date only shall be entitled to avail the facility of e-voting as well as voting at the meeting.
 - 16 Mr. K Sriram of M/s.S Krishnamurthy & Co., Practising Company Secretaries will be acting as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
 - 17 The Chairman of the meeting shall, at the meeting, at the end of discussion on the resolution on which voting is to be held, allow voting with the assistance of the Scrutiniser, for all those Members who are present at the meeting who have not cast their votes by availing the remote e-voting facility.
 - 18 The Scrutiniser shall after the conclusion of voting at the meeting will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company who shall make, a consolidated Scrutiniser’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
 - 19 The consolidated results of e-voting and the voting at the venue will be submitted to the Stock Exchanges within forty-eight hours of the conclusion of the meeting. The results declared along with the Scrutiniser’s Report shall be placed on the Company’s website, <http://www.tvs-e.in> and on the website of NSDL.

Enclosure : As above

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
SINGLE BENCH, CHENNAI
FORM NO. CAA. 2
[Pursuant to Section 230 (3) and Rule 6 and 7)]
CA/156/CAA/2017
In the Matter of Section 230 to 232 of The Companies Act, 2013
And
In the Matter of Scheme of Amalgamation
Between
PRIME PROPERTY HOLDINGS LIMITED
(Transferor Company)
And
TVS ELECTRONICS LIMITED
(Transferee Company)
And
Their Respective Shareholders**

TVS Electronics Limited

Having its registered office at
Jayalakshmi Estates,
29 Haddows Road,
Chennai – 600 006

... Applicant Company/ Transferee Company

**STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013 READ WITH
SECTION 102 OF THE COMPANIES ACT 2013 FOR THE MEETING OF EQUITY
SHAREHOLDERS OF TVS ELECTRONICS LIMITED CONVENED AS PER THE
DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, SINGLE BENCH,
CHENNAI**

1. Pursuant to the Order dated 11th October, 2017 passed by Hon'ble National Company Law Tribunal, Single Bench, Chennai in the Company Application No. 156/CAA/2017, a meeting of the Equity Shareholders of the Applicant Company is scheduled to be held on 27th day of November, 2017 at 10.30 A.M. to obtain their approval to the Scheme of Amalgamation between TVS Electronics Limited (Applicant Company/Transferee Company) and Prime Property Holdings Limited (Transferor Company) And their respective Share Holders ('Scheme' or 'the Scheme').
2. The Hon'ble National Company Law Tribunal, Single Bench, Chennai by an Order dated 11th October, 2017 was pleased to issue directions for convening of the meeting of the Equity Shareholders of the Applicant Company at Kasturi Srinivasan Hall (Mini Hall), The Music Academy, No. 168 (Old No. 306), T.T.K. Road, Chennai 600 014 on Monday, the 27th day of November, 2017 at 10.30 A.M to be presided over by Mr. Gopal Srinivasan, Chairman of the Applicant Company, failing him Mrs. Srilalitha Gopal, Director of the Applicant Company, as the Chairman of the Meeting. The said Order will be available for inspection at the Registered Office of the Applicant Company at Jayalakshmi Estates, 29 Haddows Road, Chennai – 600 006 on any working day of the Company up to the date of meeting, after receipt from the Court.

3. In addition to the meeting of the Equity Shareholders of the Applicant Company convened on the directions of the National Company Law Tribunal, to seek the approval of the said Shareholders pursuant to Section 230 read with Section 232 of the Companies Act, 2013 further read with other relevant provisions of the Companies Act, 2013, approval of the Equity Shareholders of the Applicant Company is also sought by way of e-voting as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (erstwhile Clause 35B of the Listing Agreement with the Stock Exchanges) and the SEBI Circulars and the Companies Act, 2013.
4. The Board of Directors of the Companies/TVS Electronics Limited and Prime Property Holdings Limited at their respective meetings held on 04.05.2016 and 29.04.2016 have approved the Scheme of Amalgamation under which the entire undertaking of Prime Property Holdings Limited will get amalgamated with the Company/ TVS Electronics Limited. A copy of the Scheme, setting out the terms and conditions of the amalgamation as approved by the Board of Directors of Prime Property Holdings Limited (Transferor Company) and TVS Electronics Limited (Transferee Company) is enclosed herewith as **Annexure A**. The proposed Scheme is envisaged to be effective from the Appointed Date but shall be made operative from the Effective Date (as defined in the Scheme).

5. **Particulars Of The Companies**

5.1. **TVS Electronics Limited**

- 5.1.1 TVS Electronics Limited was incorporated under the Companies Act, 1956 on 15/09/1995 in the State of Tamil Nadu. The Corporate Identity Number of TVS Electronics Limited is L30007TN1995PLC032941 and the PAN is AAACI0886K. The e-mail address of the Company is investorservices@tvs-e.in. The Applicant Company is a publicly listed company whose share are listed on the National Stock Exchange of India Limited ('NSE') and the BSE Limited ('BSE'). The registered office of TVS Electronics Limited is situated at Jayalakshmi Estates, 29 Haddows Road, Chennai – 600 006, Tamil Nadu.
- 5.1.2 TVS Electronics Limited is the Transferee Company. The main objects of TVS Electronics Limited are as follows:
 - a. To carry on the business of manufactures and merchants of and dealers in and consultants on electronic equipment and/or sub-systems and/or components of every kind for domestic, entertainment, automotive, non-automotive, industrial and professional applications including railway, scientific, aircrafts, marine, defence, communications and other similar applications.
 - b. To manufacture, produce, assemble, repair, export, import, sell, trade and deal in and generally to carry on business in the manufacture, sale and supply of all electronic equipments and / or sub-systems, and/or components for use in all types of applications, commercial, entertainment, industrial and professional and power supply equipments and/or all kinds and descriptions.
 - c. To carry on the business of manufacture and selling of electronic components of all descriptions and types including microprocessor based items, DC motor controls, microprocessor based and thyristers based controls, inverters, resistors, condensers, coils, chokes, transformers, switches, volume controls, plugs, sockets, hoses, aerial gear, batteries, accumulators, cabels, metal and other cases, peizoelectroquartz, crystals of all types and those made from synthetic materials, meters of all kinds including those for domestic use, holders and covers.
 - d. To manufacture, sell or otherwise deal with all materials or components as are akin to the above mentioned products.

- 5.1.3 The authorised, issued, subscribed and paid up capital of the Applicant Company as on 31/03/2017 is as follows:

Particulars	Amount in Rs.
Authorised Share Capital:	
2,50,00,000 Equity Shares of Rs.10/- each	25,00,00,000
Total	25,00,00,000
Issued, Subscribed and Paid Up:	
1,86,12,818 Equity Shares of Rs.10/- each	18,61,28,180
Total	18,61,28,180

As on date, there has been no change in the authorized, issued, subscribed and paid up share capital of the Applicant Company.

- 5.1.4 The details of the directors and Promoters of the Applicant Company along with their addresses are as follows:

- a. Name(s) of Directors and their Address

S. No.	Name	Designation	Address
1.	Mr. Gopal Srinivasan	Non Executive Director- Chairman	14, Boat Club Road, Raja Annamalaipuram, Chennai - 600 028
2.	Mrs. Srilalitha Gopal	Non Executive Director	14, Boat Club Road, Raja Annamalaipuram, Chennai - 600 028
3.	Mr. D Sundaram	Non Executive Director	#1901, 19 th Floor, A-Wing, Beaumonde New Prabhadevi Road Prabhadevi, Mumbai – 400 025
4.	Mr. Kenneth Tai	Independent Director	RM1201 12F, No.333, Sec 1 Keelung Road., Taipei city 110. Taiwan ROC
5.	Mr. Praveen Chakravarty	Independent Director	7/73, Goolestan Building, 34, Bhulabhai Desai Road, near to Mahalakshmi Temple, Cumballa Hill, Mumbai – 400 026
6.	Dr. Nagendra Palle	Independent Director	Villa No.8, Windmills of Your Mind, EPIPZONE, Whitefield, Bangalore 560 048.
7.	Mr. M Lakshminarayan	Independent Director	No.464, 7 th Main, NGEF Layout, Sadanandnagar, Bangalore – 560 038.
8.	Mr. M F Farooqui	Independent Director	1102, Tower 9, The Close South, Nirvana Country, Sector 50, Gurgaon – 122 018.
9.	Mr. Narayan K Seshadri	Non Executive Director	10, Skylark Apartments, Little Gibbs Road, Malabar Hill, Mumbai – 400 006.
10.	Mr. R S Raghavan	Non Executive Director	4, Gokulam Colony, 2, Ramavaram Road, Valasaravakkam, Chennai – 600 087.

- b. The details of the Promoters of the Applicant Company along with their address is given below:

S.No.	Name and Address of the Promoter
1	TVS Investments Limited (Formerly Sundaram Investment Limited) Jayalakshmi Estates, 29, Haddows Road, Chennai – 600 006.

- 5.1.5. The amount due to unsecured creditors of the Applicant Company as on 30/06/2017 is Rs. 3,70,51,50,515/-.

5.2. Prime Property Holdings Limited

- 5.2.1. Prime property Holdings Limited, the Transferor Company, was incorporated under the Companies Act, 1956 on 09/11/2007 in the State of Tamil Nadu. The Corporate Identity Number of the Transferor Company is U45200TN2007PLC065330 and the PAN is AAEC4315Q. The Transferor Company is a Public limited company and a wholly owned subsidiary of TVS Electronics Limited. The registered office of the Transferor Company is at Jayalakshmi Estates, 29 Haddows Road, Chennai – 600 006, Tamil Nadu.

- 5.2.2. The main objects of the Transferor Company are as follows:

- To carry on the business of acquisition of lands/buildings as owners/lease holders or otherwise by itself or through promoters to construct, erect, repair, re-model, demolish, develop and dispose off or maintain commercial, residential houses/flats, theatres, places and halls, factories, workshop, lodging houses, guest houses, restaurants, sheds, parking places of all kinds and to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric, telephonic, television installations and to deal with the same in any manner whatsoever, and by advancing money to and entering into such contracts and/or arrangements of kinds with builders, tenants and others and, for this purpose, to purchase for investment or resale and to traffic in land and house and other property of any tenure and any interest thereon and for this purpose to create, sell and deal in freehold and leasehold ground rents and to make advances upon the security of land or house or other property or any interest therein and generally deal in, traffic by way of sale, lease, exchange, or otherwise, with land and house property and any other property, whether real or personal.
- To carry on the business of civil engineers, architects, surveyors, designers, town planners, estimators, valuers interior and exterior decorators, electricians, electrical engineers, electrical contractors, structural and mechanical engineers, machinists, iron founders, brass founders, founders of all metals and metal compounds whatsoever, metal workers, welders general and govt. civil contractors of immovable properties including building, highway, road, earthways, bridges, tunnels, waterways, sea-ports in general and under Building Operate and Transfer (BOT) system and all types of structural and piling engineering work, interior designing and graphic, furnishers, landscapers, upholsters, woodworkers, consultants and contractors for all types of projects and to undertake all kinds of jobs as cleaners, repairers and render services in all other auxiliary field and to provide all kinds of services connected with the above.
- To carry on business as estate agents and estate managers to collect rents, repair, look after, manage and maintain immovable properties of or for any persons, firms and companies, governments and states and to give, take, let, and sublet rent-farming contracts, and to carry out, undertake or supervise any building, constructing, altering, improving, demolishing, and repairing operations and all other works and operations in connection with immovable estates and properties.

- 5.2.3 The authorised, issued, subscribed and paid up capital of the Transferor Company as on 31/03/2017 is as follows:

Particulars	Amount in Rs.
Authorised Share Capital:	
50,000 Equity Shares of Rs.10/- each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid Up:	
50,000 Equity Shares of Rs.10/- each	5,00,000
Total	5,00,000

As on date, there has been no change in the authorized, issued, subscribed and paid up share capital of the Transferor Company.

- 5.2.4 The details of the directors and Promoters of the Transferor Company/Prime Property Holdings Limited along with their addresses are as follows:

- a. Name(s) of Directors and their Address

S.No.	Name	Designation	Address
1.	Mr. R S Raghavan	Director	4, Gokulam Colony, 2, Ramavaram Road, Valasaravakkam, Chennai – 600 087.
2.	Mr. R Jagannathan	Director	17, Kamaraj Street Dasarathapuram Saligramam Chennai - 600 093
3.	Mr. T A Prasanna	Director	33, 1 st Main Road, CIT Colony Mylapore Chennai - 600 004

- b. The details of the Promoters and their address is given below:

S.No.	Name and Address of the Promoter
1	TVS Electronics Limited Jayalakshmi Estates, 29, Haddows Road, Chennai – 600 006.

- 5.2.5 The amount due to unsecured creditors of the Transferor Company as on 30/06/2017 is Rs. 1,50,00,000 /-

6. Relationship subsisting between the Companies who are parties to the Scheme of Amalgamation

The Transferor Company is a wholly owned subsidiary of the Transferee Company

7. Rationale and Benefits of the Scheme of Amalgamation

- a. The Transferor Company is a wholly owned subsidiary of the Transferee Company and the amalgamation of the Transferor Company with the Transferee Company will have the following benefits among others :

- (a) The Amalgamation will result in legal integration of the business, reduction of the shareholding layers and direct control of assets of the Transferor Company in the hands of the Transferee Company. This will benefit the shareholders, employees and creditors;
- (b) The administration and operational costs will get considerably reduced and the Transferee Company will be able to operate and run more effectively and economically resulting in improved operational efficiencies arising out of more productive utilization of resources.
- (c) Duplication of management, statutory compliances and administrative functions will be eliminated together with the need for multiple record-keeping, resulting in reduced expenditure.
- (d) The interests of any shareholder or creditor of either the Transferor Company or the Transferee Company would not in any way be prejudiced. Further, the Scheme will not impose any additional burden on the members of the Transferor Company or the Transferee Company.
- (e) The long term funds position of Transferee Company will, improve.

8. **The salient features of the Scheme are as follows:**

PART A

1. **DEFINITIONS AND SHARE CAPITAL**

- 1.2 ***“Appointed Date”*** means date from which this Scheme shall become operative viz. the commencement of business on 1st April 2016;
- 1.6 ***“Effective Date”*** means the last of the following dates, namely (a) date on which certified copies of the orders of the Court under Sections 391 and 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) sanctioning the Scheme are filed with the Registrar of Companies and (b) date on which the last of all such consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary thereto have been obtained or passed;
- 1.10 ***“Scheme of Amalgamation”*** or ***“Scheme”*** or ***“the Scheme”*** or ***“this Scheme”*** means this Scheme of Amalgamation in its present form or with any modification(s) and amendment(s) as may be made from time to time, with appropriate approvals and sanctions of the Courts and other relevant regulatory/ statutory/ governmental authorities, as may be required under the Act, and/or under any other applicable laws;

PART B

AMALGAMATION OF TRANSFEROR COMPANIES WITH THE TRANSFEE COMPANY

4. **TRANSFER OF ASSETS:**

- 4.1 *Upon the coming into effect of the Scheme, that is with effect from the Appointed Date, the entire businesses and all the movable and immovable properties, Sundry Debtors, Loans and Advances, Cash and Bank Balances and Deposits with Government, Semi Government or Local Authorities, real or personal, corporeal or incorporeal, including fixed assets, capital asset, capital work-in-progress, current assets, investments of all kinds, carry interest or other benefits in any of the Investments, lease and hire purchase contracts, lending contracts, benefits of any security arrangements, rights, title, interest, quotas, benefits and advantages of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession and /or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company including all Patents, Trademarks, Copyrights, Trade names and other Intellectual Property Rights of any nature whatsoever and licenses in respect thereof, privileges, liberties easements, advantages, exemptions, benefits, leases including mining leases, pending applications for mining leases and prospecting licenses, leasehold rights, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, power lines, communication lines and other services, reserves, deposits, provisions, funds, benefit of all agreements, subsidies, grants,*

incentives including sales tax incentives, tax credits, sales-tax, turnover tax, excise, and all other interests arising of the Transferor Company and any accretions or additions thereto after the Appointed Date (hereinafter collectively referred to as "the said assets") shall be transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company, without any further act or deed or instrument, pursuant to the provisions of Sections 391 -394 of the Companies Act, 1956(or such applicable provisions of the Companies Act, 2013, as the case may be) and other applicable provisions of the said Act, so as to become as and from the Appointed Date, the estate, assets, rights, title and interests of the Transferee Company.

- 4.2 *Any floating charges, if created by the Transferor Company in favour of their bankers on any of the movable assets, documents of title to goods, receivables, claims and other current assets that are acquired by the Transferor Company from the Appointed Date till the Effective Date, shall be deemed to be the security and shall be available as security for the loans, cash credit and other working capital facilities, both fund based and non-fund based, which were sanctioned by the bankers of the Transferor Company, either utilised fully or partly or unutilised by the Transferor Company subject to the limits sanctioned by their respective bankers so transferred and vested in the Transferee Company pursuant to the Scheme.*
- 4.3 *The Scheme, as aforesaid, shall be, subject to existing charges / hypothecation / mortgage (if any as may be subsisting) over or in respect of the said assets or any part thereof in favour of Banks and Financial Institutions. Provided, however, that any reference in any security documents or arrangements to which the Transferor Company are a party, to such assets of the Transferor Company offered or agreed to be offered as security for any financial assistance both availed and to be availed up to any limit for which sanctions have already been obtained by the Transferor Company shall be construed as references only to the assets pertaining to the Transferor Company as are vested in the Transferee Company by virtue of the Sub-Clause 4.1 hereof, to the end and intent that such security, mortgage and or charge shall not extend or be deemed to extend, to any of the assets or to any of the other units or divisions of the Transferee Company, unless specially agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company.*
- 4.4 *It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual or constructive delivery and / or by endorsement and delivery, the same shall be so transferred by the respective Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of Sections 391 - 394 of the Companies Act, 1956, (or such applicable provisions of the Companies Act, 2013, as the case may be) such transfer being deemed to have taken place at the location of the Registered Office of the Transferee Company, i.e., in the State of Tamil Nadu.*
- 4.5 *In respect of the assets other than those referred to above shall without any further act, instrument, deed or matter or thing be transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be). The vesting of all such assets shall be by virtue of the provisions of this Scheme and Sections 391 to 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) be deemed to have taken place at the location of the Registered Office of the Transferee Company i.e., in the State of Tamil Nadu.*
- 4.6 *All benefits including any direct and indirect taxes, etc., to which the Transferor Company is entitled to in terms of the various Statutes and/or Schemes of the Union and State Governments or local authorities shall be available to and vest in the Transferee Company without any further act or deed.*
- 4.7 *Any refund under the Tax Laws received by / due to Transferor Company consequent to the assessments made on Transferor Company subsequent to the Appointed Date and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by Transferee Company.*

- 4.8 *The Transferee Company may, at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors, if any, of the respective Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company are a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company to implement or carry out all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.*
- 4.9 *Upon the coming into effect of the Scheme, the Transferee Company may, if it considers necessary or expedient, revise (with retroactive effect, if applicable), its Income-Tax returns, TDS returns, Service Tax returns, Sale-Tax returns and other tax returns and claim refunds and/or credits etc. pertaining to business activities of the Undertakings of the Transferor Company, pursuant to the provisions of the Scheme.*

5. TRANSFER OF DEBTS AND LIABILITIES:

- 5.1 *With effect from the Appointed Date, all debts, liabilities, loans, borrowings, bills payable, deposits, security deposits, interest accrued, duties and obligations of the respective Transferor Company including contingent liabilities not provided in their books and any accretions and additions or reductions thereto after the Appointed Date shall also stand transferred or be deemed to be transferred without any further act or instrument or deed to the Transferee Company so as to become as and from that date, the debts, liabilities, loans, borrowings, bills payable, deposits, security deposits, interest accrued, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause, PROVIDED ALWAYS that nothing in this Clause shall or is intended to enlarge the security for any loan, deposit or other indebtedness created by the Transferor Company prior to the Appointed Date which shall be transferred to and vested in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be required or obliged in any manner to create any further or additional security therefore after the Appointed Date or otherwise.*
- 5.2 *All the loans, advances and other facilities sanctioned to the Transferor Company by their bankers or any other creditors prior to the Appointed Date, which are partly drawn / utilised shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn / utilised either partly or fully by the respective Transferor Company from the Appointed Date till the Effective Date and all the advances / loans and or other facilities so drawn by the respective Transferor Company (within the overall limits sanctioned by their bankers) shall on the Effective Date be treated as advances and loans made available to the Transferee Company under any loan agreement and shall become the obligation of the Transferee Company without any further act, or deed on the part of the Transferee Company.*
- 5.3 *Upon the coming into effect of this Scheme, the limits of the Transferee Company for borrowing, lending, providing loans and advances, investments or providing guarantees or giving donations, shall without further act or deed stand enhanced by an amount equivalent to the combined authorised limits of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company.*
- 5.4 *The resolutions, if any, of the Board of Directors, or Committees thereof, Shareholders, Debenture Holders of the Transferor Company which are valid and subsisting on the Effective Date shall be continued to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable legislations then said limits shall be added and shall constitute the aggregate of the said limits of the Transferee Company.*
- 5.5 *Upon this Scheme coming into effect, any loan or liabilities other obligations due and all the interparty transactions or commitments between or amongst the Transferor Company and the Transferee Company shall stand discharged and shall stand cancelled and there shall be no liability in that behalf.*

8. EMPLOYEES

- 8.1 *Upon the Scheme becoming effective, all the employees in the service of the Transferor Company immediately before the Sanction Date shall become the employees of the Transferee Company, on the basis that:*
- a) *Their services shall have been continuous and shall not have been interrupted by reason of such transfer.*
 - b) *The terms and conditions of employment applicable to the said employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately before the transfer;*
 - c) *In the event of retrenchment of such employees, the Transferee Company shall be liable to pay compensation in accordance with law on the basis that the services of the employees shall have been continuous and shall not have been interrupted by reason of such transfer; and*
 - d) *In so far as the existing provident fund trusts, gratuity fund and pension and / or superannuation fund trusts created by the Transferor Company for its employees are concerned, the part of the funds referable to the employees who are being transferred shall be continued for the benefit of the employees who are being transferred to the Transferee Company pursuant to the Scheme in the manner provided hereinafter. In the event that the Transferee Company has its own funds in respect of any of the funds referred to above, the amounts in such funds in respect of contributions pertaining to the employees of the Transferor Company shall, subject to approvals and permissions, if required, be transferred to the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own fund, in respect of any of the aforesaid matters, the Transferee Company may, subject to approvals and permissions, if required, continue to contribute to the relevant funds of the Transferor Company until such time that the Transferee Company creates its own fund, at which time the contributions pertaining to the employees of the Transferor Company shall be transferred to the funds created by the Transferee Company. Provided however that, the Transferee Company shall be at liberty to form or restructure its provident fund trusts, gratuity fund and pension and/or superannuation fund trusts in such manner as may be decided by its Board of Directors, subject to compliance of relevant labour laws and any other allied laws for the purpose.*

10. CANCELLATION OF SHARES

- 10.1 *Since the Transferor Company is the wholly owned subsidiary of the Transferee Company, upon the Scheme being sanctioned by the Hon'ble Court and the transfer having been effected as provided hereinabove, all the equity shares held by the Transferee Company and its Nominees in the Transferor Company shall be cancelled and extinguished as on the Appointed Date. Accordingly, there will be no issue and allotment of equity shares of the Transferee Company to the Shareholders of the Transferor Company upon this Scheme becoming effective.*

11. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANY TILL EFFECTIVE DATE

- 11.1 *With effect from the Appointed Date and up to and including the Effective Date:*
- a) *The Transferor Company shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.*
 - b) *All profits or income or taxes, including but not limited to income tax, fringe benefit tax, advance taxes, minimum alternate tax, tax deducted at source by or on behalf of the Transferor Company, wealth tax, sales tax, value added tax, excise duty, service tax, customs duty, etc, accruing or arising to the Transferor Company, or losses arising or expenditure incurred by them, on and from Appointed Date upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the said taxes of the Transferee Company.*

- c) *The Transferor Company shall carry on its business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any of the business undertaking or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company prior to the Appointed Date).*
- d) *The Transferee Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require in relation to the Undertaking of the Transferor Company including the registration, approvals, exemptions, reliefs, etc., as may be required / granted under any law for time being in force for carrying on business by the Transferee Company.*
- e) *The Transferor Company shall not declare any dividend, between the Appointed Date and the Effective Date, without the prior written consent of the Transferee Company.*
- f) *The Transferor Company shall not make any modification to its capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or re-organisation or in any other manner, whatsoever, except by mutual consent of the Boards of Directors of the Transferor Company and of the Transferee Company.*
- g) *The Transferor Company shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.*

13. DISSOLUTION OF TRANSFEROR COMPANY

- 13.1 *Subject to an order being made by the Court under Section 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made there under.*

PART C

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE ENTIRE SCHEME

16. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

- 16.1 *The sanction or approval under any law of the Central Government, State Government, or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.*
 - 16.2 *The Scheme being agreed to by the requisite majorities of the members of the Transferor Company if a meeting of the members of the Transferor Company is convened by the Court or if dispensation from conducting the meeting of the members of the Transferor Company is obtained from the Court, and the sanction of the Court being accorded to the Scheme.*
 - 16.3 *The sanction by the Court under Sections 391 and 394 of the Companies Act, 1956 and other applicable provisions of the Act being obtained by the Transferor Company and also the Transferee Company, if a separate petition for sanction of the Scheme is directed by the Court to be filed by the Transferee Company.*
 - 16.4 *The filing with the Registrar of Companies, Chennai of certified copies of order sanctioning the Scheme by the Transferor Company and Transferee Company.*
9. The Salient features as set out above being only the salient features of the Scheme of Amalgamation as are statutorily required to be included in this explanatory statement, the members are requested to read the entire text of the Scheme of Amalgamation (annexed herewith) to get fully acquainted with the provisions thereof and the rationale and objectives of the proposed Scheme of Amalgamation.

EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

10. The directors of the Applicant Company/TVS Electronics Limited and Transferor Company/Prime Property Holdings Limited, may be deemed to be concerned and/or interested in the Scheme to the extent of their shares that may be held by them, if any, or by the Companies, firms, institutions, trusts of which they are directors, partners, members or trustee in the Applicant Company/TVS Electronics Limited and Transferor Company/Prime Property Holdings Limited. None of the directors, Key Managerial Personnel ('KMPs') or relatives of the directors and KMPs of the Applicant Company/TVS Electronics Limited and Transferor Company/Prime Property Holdings Limited, have any material, financial or other interest, in the Scheme, except as shareholders to the extent appearing in the Register of Directors' shareholding and Register of Members maintained by the Applicant Company/TVS Electronics Limited and Transferor Company/Prime Property Holdings Limited respectively. The directors holding the shares in the Applicant Company/TVS Electronics Limited do not have any other interest in the Scheme otherwise than that as shareholder in general. Further, none of the managers, key managerial personnel and relatives of the directors of Applicant Company/TVS Electronics Limited is concerned or interested, financial or otherwise in the proposed Scheme. Save as aforesaid, none of the Directors of the Applicant Company/TVS Electronics Limited have any material interest in the proposed Scheme.
11. The details of the present Directors, Key Managerial Personnel's of the Applicant Company/TVS Electronics Limited and their shareholding either individually or jointly as a first holder or as a nominee in the Applicant Company/TVS Electronics Limited and Transferor Company/ Prime Property Holdings Limited, as on 30/06/2017, is as under:

Name of the Director & Key Managerial Personnel	Position	Equity Share held in	
		TVS Electronics Limited	Prime Property Holdings Limited
Mr. Gopal Srinivasan	Non Executive Director – Chairman	150	10
Mrs. Srilalitha Gopal	Non Executive Director	-	-
Mr. D Sundaram	Non Executive Director	-	-
Mr. Kenneth Tai	Independent Director	-	-
Mr. Praveen Chakravarty	Independent Director	-	-
Dr. Nagendra Palle	Independent Director	-	-
Mr. M Lakshminarayan	Independent Director	-	-
Mr. M F Farooqui	Independent Director	-	-
Mr. Narayan K Seshadri	Non Executive Director	5,30,000	-
Mr. R S Raghavan	Non Executive Director	-	10
Mrs. S Nagalakshmi	Company Secretary	-	-
Mr. Prakash Katama	Chief Executive Officer	-	-
Mr. Karthi Chandramouli	Vice President Finance & CFO	-	-

12. The details of the present Directors, Key Managerial Personnel's of Prime Property Holdings Limited and their shareholding either individually or jointly as a first holder or as a nominee in the Applicant Company/TVS Electronics Limited, as on 30/06/2017, is as under:

Name of the Director & Key Managerial Personnel	Position	Equity Share held in	
		TVS Electronics Limited	Prime Property Holdings Limited
Mr. R S Raghavan	Director	-	10
Mr. R Jagannathan	Director	-	10
Mr. T A Prasanna	Director	-	10

PRE AND POST AMALGAMATION SHAREHOLDING PATTERN

13. The Pre Amalgamation capital structure of the Applicant Company / TVS Electronics Limited and Prime Property Holdings Limited has already been provided under Para 5 of this Statement.
14. The Post Amalgamation capital structure of the Applicant Company/ TVS Electronics Limited and Prime Property Holdings Limited is as follows:
- 14.1 Name of the Company: TVS Electronics Limited

Particulars	Amount in Rs.
Authorised Share Capital:	
2,50,00,000 Equity Shares of Rs.10/- each	25,00,00,000
Total	25,00,00,000
Issued, Subscribed and Paid Up:	
1,86,12,818 Equity Shares of Rs.10/- each	18,61,28,180
Total	18,61,28,180

- 14.2 Name of the Company: Prime Property Holdings Limited

Upon the proposed Scheme becoming effective, the entire share capital of Prime Property Holdings Limited shall stand cancelled.

PRE- AND POST-AMALGAMATION SHAREHOLDING PATTERN

15. The pre and post Scheme shareholding pattern of the Applicant Company/TVS Electronics Limited is as follows:

Sl. No.	Category	Pre Scheme of Arrangement (as on 30.06.2017)		Post Scheme of Arrangement	
		No. of shares	%	No. of shares	%
(A)	Promoter & Promoter Group				
(1)	Indian				
(a)	Bodies Corporate	1,11,60,093	59.96	1,11,60,093	59.96
	Sub-total (A)(1)	1,11,60,093	59.96	1,11,60,093	59.96

Sl. No.	Category	Pre Scheme of Arrangement (as on 30.06.2017)		Post Scheme of Arrangement	
		No. of shares	%	No. of shares	%
(2)	Foreign	-	-	-	-
	Sub-total (A)(2)	-	-	-	-
	Total A= A(1)+A(2)	1,11,60,093	59.96	1,11,60,093	59.96
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Funds / UTI	4,200	0.02	4,200	0.02
(b)	Alternate Investment Funds	-	-	-	-
(c)	Foreign Portfolio Investors	-	-	-	-
(d)	Foreign Institutional Investors	100	-	100	-
(e)	Financial Institutions / Banks	40,723	0.22	40,723	0.22
(f)	Insurance Companies	-	-	-	-
	Sub-total (B)(1)	45,023	0.24	45,023	0.24
(2)	Non-Institutions				
(a)	Individuals				
i	Individual shareholders holding nominal share capital upto Rs. 2 lakhs	52,37,839	28.14	52,37,839	28.14
ii	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	9,42,998	5.07	9,42,998	5.07
(b)	NBFCs registered with RBI	-	-	-	-
(c)	Any other				
i	Body Corporate	8,66,870	4.66	8,66,870	4.66
li	Clearing Member	-	-	-	-
lii	Foreign National	-	-	-	-
Iv	Trusts	-	-	-	-
v	NRIs	2,68,063	1.44	2,68,063	1.44
vi	Unclaimed Share Suspense Account	91,932	0.49	91,932	0.49
	Sub-total (B)(2)	74,07,702	39.80	74,07,702	39.80
	Total Public Shareholding (B) = (B)(1) + (B)(2)	74,52,725	40.04	74,52,725	40.04
(C)	Non-Promoter Non Public	-	-	-	-
	Total C	-	-	-	-
	Total Shareholding (A+B+C)	1,86,12,818	100.00	1,86,12,818	100.00

16. The expected pre and post Scheme shareholding pattern of Prime Property Holdings Limited is as follows:

Sl. No.	Name of shareholder	Pre Scheme of Arrangement		Post Scheme of Arrangement	
		No. of shares	%	No. of shares	%
1	TVS Electronics and its 6 Nominees	50,000	100	-	-
	Total	50,000	100	-	-

17. **Valuation, Fairness Opinion and Approvals**

- 17.1 M/s Raghu & Gopal, Chartered Accountants, vide their certificate dated 11.10.2016 certified and recommended to the Board of Directors of the Applicant Company that the condition of obtaining a Valuation Report mentioned in Para 4(a) of Annexure 1 of Circular No. CIR/CFD/CMD/16/2015 dated 30th November, 2015 issued by the Securities and Exchange Board of India is not applicable to the proposed Scheme. A copy of the Certificate Issued by the Chartered Accountants is enclosed herewith as **Annexure B**.
- 17.2 Fairness Opinion dated 17/10/2016 was obtained from Vivro Financial Services Private Limited; a SEBI registered Category I Merchant Banker as prescribed by SEBI. The copy of Fairness Opinion issued by Vivro Financial Services Private Limited is enclosed herewith as **Annexure C**.
- 17.3 The proposed Scheme was placed before the Audit Committee of the Applicant Company at its meeting held on 04.05.2016. The Audit committee recommended and approved the proposed Scheme after considering the Certificate of the Chartered Accountants on the Non- Applicability of obtaining a valuation report and the Fairness Opinion of Vivro Financial Services Private Limited, a SEBI registered Merchant Banker.
- 17.4 The Board of Directors of the Applicant Company have at its Board Meeting held on 04/05/2016 unanimously approved the Scheme based on the recommendation of the Audit Committee, Certificate of the Chartered Accountants on the Non- Applicability of obtaining a valuation report and the Fairness Opinion of Vivro Financial Services Private Limited, a SEBI registered Merchant Banker. The copies of the said Certificate of the Chartered Accountants, Fairness Opinion and other documents submitted to the Stock Exchange are also displayed on the website of the Applicant Company at <http://www.tvs-e.in>, the website of National Stock Exchange of India Limited, the designated stock exchange and the website of BSE Limited where the shares of the Applicant Company are listed, in terms of the Securities and Exchange Board of India circular CIR/CFD/CMD/16/2015 dated 30th November, 2015.
- 17.5 At the Board Meeting held on May, 4th, 2016, all the Directors of the Applicant Company/TVS Electronics Limited, as mentioned under Para 5.1.4 , approved the Scheme.
- 17.6 Pursuant to the Securities and Exchange Board ("SEBI") circular CIR/CFD/CMD/16/2015 dated 30th November, 2015 (the "SEBI Circular") read with Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') the Applicant Company had applied to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 29th December, 2016 for seeking their No objection to the proposed Scheme of Amalgamation. NSE, the Designated Stock Exchange and BSE and the stock exchanges forwarded the said application along with Draft Scheme to SEBI for its approval and/or comments. The NSE gave its Observation letter on 22.02.2017 conveying its "No Objection" for the scheme, which is enclosed herewith as **Annexure D**. The BSE gave its Observation letter on 01.03.2017 advising "No adverse observation" with regard to the Scheme, which is enclosed herewith as **Annexure E**.
- 17.7 The Scheme of Amalgamation along with related documents were hosted on the websites of the Applicant Company, NSE and BSE and have been open for complaints/comments from 13th January, 2017 and 10th January, 2017 respectively to 5th February and 1st February respectively. During the

above period, the Applicant Company has received **no complaint/comment** and accordingly the complaints report (indicating Nil complaints) was filed with the NSE on 6th February, 2017 and filed with BSE on 2nd February, 2017 taken on record by NSE and BSE. A copy of the said Complaints Report filed with NSE is enclosed herewith as **Annexure F**. A Copy of the Complaints Report filed with BSE is enclosed herewith as **Annexure G**.

- 17.8 A copy of the Unaudited Financial Statements of the Applicant Company/ TVS Electronics Limited for the three months and quarter ended June 30, 2017 together with the Limited Review Report and the Provisional Unaudited Financial Statements of Prime Property Holdings Limited for the period ending June 30, 2017 are enclosed herewith as **Annexure H**.
18. The Applicant Company/TVS Electronics Limited will make a petition under Section 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 to the Hon'ble National Company Law Tribunal, Chennai Bench, for sanctioning of the Scheme.
19. Under Section 230 of the Companies Act, 2013, the proposed Scheme will have to be approved by a majority in number representing three-fourths in value of the Equity Shareholders present and voting either in person or by proxy at the meeting. A proxy form is enclosed. It is hoped that in view of the importance of the business to be transacted, you will personally attend the meeting. The signing of the form or forms of proxy will, however, not prevent you from attending and voting in person, if you so desire.
20. The requirements as stated under Para I(A) 9(a) of Annexure I of the Circular No. CIRJCFD/CMD/16/2015 dated November 30, 2015 issued by SEBI in relation to the approval of public shareholders to the Scheme through postal ballot and e-voting is not applicable to the Applicant Company and the Applicant Company has issued an undertaking as required under Para 9(c) of the said circular to that effect.

RESOLUTION PROPOSED TO BE APPROVED AT THE MEETING

21. It is in the interest of the Equity Shareholders of the Applicant Company that the said Scheme of Amalgamation should be approved. Accordingly, the following resolutions will be moved at the meeting convened pursuant to this Notice.

"RESOLVED that pursuant to the provisions of Section 230 read with Section 232 of the Companies Act, 2013 (Including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions of the Companies Act, 2013, and the enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to the requisite approval(s), consents, sanctions and permissions of the Central Government, other concerned regulatory authorities and the sanction of the National Company Law Tribunal, Chennai Bench (hereinafter also referred to as "NCLT" or "the Tribunal") and/or such other appropriate authority/ies, as may be applicable, if any, and all such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company, the Scheme of Amalgamation of Prime Property Holdings Limited and TVS Electronics Limited and their respective shareholders placed before this meeting, be and is hereby approved."

"FURTHER RESOLVED that the Board of Directors of the Company and any person(s) nominated by the Board of Directors, be and are hereby severally authorised to take all steps as may be necessary or desirable and to do all such acts, deeds, things and matters, as may be considered necessary to give effect to the aforesaid Scheme of Amalgamation and this resolution and to accept such alteration, modification and/or conditions, if any, which may be proposed, required or imposed by the Hon'ble National Company Law Tribunal, Chennai Bench, while sanctioning the said Scheme of Amalgamation."

22. The rights and interests of the members and the creditors of the Applicant Company/TVS Electronics Limited and Prime Property Holdings Limited will not be prejudicially affected by this Scheme of Amalgamation.

23. No investigation proceedings are pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 against the Applicant Company.
24. A copy of the Scheme has been filed by the Applicant Company/TVS Electronics Limited with the Registrar of Companies, Tamil Nadu, Chennai, on 12th October, 2017.
25. No winding up petition is pending against the Applicant Company.
26. In compliance with the provisions of Section 232(2) of the Companies Act, 2013, the Board of Directors of the Applicant Company, vide a circular resolution dated 12th October, 2017, have adopted a Report, inter-alia, explaining the effect of the Scheme on each class of shareholders (promoter and non-promoter shareholders) and key managerial personnel. A copy of the Report adopted by the Board of Directors of the Applicant Company is enclosed to this Explanatory Statement as **Annexure I**.
27. As far as the equity shareholders are concerned (promoter shareholders as well as non-promoter shareholders), there will be no dilution in their shareholding in the Applicant Company. The Scheme is not expected to have any adverse effect on the Key Managerial Personnel, directors, secured or unsecured creditors, non-promoter members, and employees of the Applicant Company wherever relevant, as no sacrifice or waiver is at all called from them nor their rights sought to be modified in any manner.
28. An equity shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her. Such proxy need not be a member of the Applicant Company. The instrument appointing the proxy should however be deposited at the registered office of the Applicant Company not later than 48 (Forty Eight) hours prior to the commencement of the meeting.
29. Corporate members intending to send their authorised representatives to attend the meeting are requested to lodge a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate not later than 48 (Forty Eight) hours before commencement of the meeting, authorising such person to attend and vote on its behalf at the meeting.
30. The following documents will be available for inspection by the Shareholders of the Applicant Company at its Registered Office between 11.00 A.M. and 1.00 P.M. up to the date of the meeting, on all working days (except Saturdays, Sundays and public holidays):
 - a) Certified copy of the Order of the Hon'ble National Company Law Tribunal, Single Bench, Chennai dated 11th October, 2017 passed in Company Application No. 156/CAA/2017 directing and convening of the meeting of Equity Shareholders of the Applicant Company/TVS Electronics Limited.
 - b) Scheme of Amalgamation.
 - c) Memorandum and Articles of Association of Prime Property Holdings Limited and TVS Electronics Limited.
 - d) Annual Reports of Prime Property Holdings Limited and TVS Electronics Limited for the last three financial years ending March 31st 2015, March 31st 2016 and March 31st 2017.
 - e) Copies of Unaudited Financial Statements of TVS Electronics Limited for the quarter ended 30th June, 2017 and Provisional Unaudited Financial Statements of Prime Property Holdings Limited for the period ending 30th June 2017
 - f) Copy of the Observation Letter dated 22.02.2017 received from the National Stock Exchange of India Limited.
 - g) Copy of the Observation Letter dated 01.03.2017 received from the BSE Limited.
 - h) Certificate of the Chartered Accountant dated 11.10.2016 for Non- Applicability of obtaining a Valuation Report.
 - i) Copy of the Fairness opinion by Merchant Banker, Vivro Financial Services Private Limited dated 17.10.2016.

- j) Copy of the Audit Committee Report dated 04/05/2016.
 - k) Copies of the Resolutions passed by the respective Board of Directors of Prime Property Holdings Limited and TVS Electronics Limited on 29/04/2016 and 04/05/2016 respectively.
 - l) Report adopted by the Board of Directors of the Applicant company as required under Section 232(2)(c) of the Companies Act, 2013.
 - m) Complaints Report dated 06.02.2017 submitted by the Company to the NSE and Complaints Report dated 02.02.2017 submitted by the Company to BSE and also uploaded on its website.
 - n) Copy of the Statutory Auditor's certificate dated 27.10.2016 issued by M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai of the Applicant Company/TVS Electronics confirming that the accounting treatment provided in the Scheme is in compliance with Section 133 of the Companies Act, 2013.
 - o) Copy of the Statutory Auditors' Certificate dated 11/10/2016 issued by M/s.Raghu & Gopal, Chartered Accountants, Chennai, of Prime Property Holdings Limited confirming that the accounting treatment provided in the Scheme is in compliance with Section 133 of the Companies Act, 2013.
 - p) Copy of the Company Application No. 156/CAA/2017 and the Affidavit in support thereof.
31. This statement may be treated as an Explanatory Statement under Section 230 of the Companies Act, 2013 read with Sections 102 and 110 of the Companies Act, 2013. A copy of the Scheme and Explanatory statement may also be obtained free of cost from the registered office of the Applicant Company.

Dated at Chennai on this the 13th day of October 2017

Sd/-

Gopal Srinivasan
Chairman Appointed for the Meeting

Registered Office

TVS Electronics Limited

Jayalakshmi Estates
29 Haddows Road,
Chennai – 600 006

**SCHEME OF AMALGAMATION
BETWEEN
PRIME PROPERTY HOLDINGS LIMITED
(Transferor Company)
AND
TVS ELECTRONICS LIMITED
(Transferee Company)
AND
THEIR RESPECTIVE SHAREHOLDERS**

Under Sections 391 to 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) in respect of the Amalgamation of Prime Property Holdings Limited with TVS Electronics Limited.

This Scheme is divided into following Parts

1. **Part A – Dealing with Definitions and Share Capital;**
2. **Part B – Dealing with Amalgamation of Prime Property Holdings Limited with TVS Electronics Limited;**
3. **Part C – Dealing with General Terms and Conditions applicable to the entire Scheme.**

PART A

DEFINITIONS & SHARE CAPITAL

1. **DEFINITIONS**

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

- 1.1 **“Act” or “the Act”** means the Companies Act, 1956 and the Companies Act, 2013 and rules made there under (as modified from time to time) and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force;
- 1.2 **“Appointed Date”** means the date from which this Scheme shall become operative viz., the commencement of business on 1st April, 2016.
- 1.3 **“Board” or “Board of Directors”** means the Board of Directors of the Transferor Company and the Transferee Company and includes any Committee thereof;
- 1.4 **“Book Value(s)”** means the value(s) of the assets and liabilities as appearing in the respective Balance Sheets of the Transferor Company, and the Transferee Company on a same date;
- 1.5 **“Court” or “High Court”** means the Hon’ble High Court of Judicature at Madras, and shall include the National Company Law Tribunal, as and when applicable;
- 1.6 **“Effective Date”** means the last of the following dates, namely (a) date on which certified copies of the orders of the Court under Sections 391 and 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) sanctioning the Scheme are filed with the Registrar of Companies and (b) date on which the last of all such consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary thereto have been obtained or passed;

- 1.7 **“Government” or “Semi Government” or “Local Authority”** means any applicable Central, State or Local Government, Legislative Body, Regulatory or Administrative Authority, Agency or Commission or any Court, Tribunal, Board, Bureau, Judicial or Arbitral body having jurisdiction over the Territory of India;
- 1.8 **“Transferor Company”** means Prime Property Holdings Limited (Corporate Identity Number U45200TN2007PLC065330), a Company incorporated under the provisions of the Companies Act, 1956 on 9th November, 2007 and having its Registered Office at Jayalakshmi Estates, 29 Haddows Road, Chennai - 600006;
- 1.9 **“Transferee Company”** means TVS Electronics Limited, (Corporate Identity Number L30007TN1995PLC032941), a Company incorporated under the Indian Companies Act, 1956 on 15th September, 1995 and having its Registered Office at ‘Jayalakshmi Estates, 29, Haddows Road, Chennai - 600006;
- 1.10 **“Scheme of Amalgamation” or “Scheme” or “The Scheme” or “This Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) and amendment(s) as may be made from time to time, with appropriate approvals and sanctions of the Courts and other relevant regulatory/statutory/governmental authorities, as may be required under the Act, and/or under any other applicable laws;
- 1.11 **“Undertaking”** means all respective businesses of, the Transferor Company on a going concern basis and shall also include all the Assets, Liabilities and employees of the Transferor Company.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act and other applicable laws, rules, regulations and byelaws as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. **DATE OF TAKING EFFECT**

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

3. **SHARE CAPITAL**

- 3.1 The Authorised, Issued, Subscribed and Paid-up Share Capital of Transferor Company as on 31st March, 2016 is as under:

Particulars	Amount in Rs.
Authorised Share Capital:	
50,000 Equity Shares of Rs.10/- each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid Up:	
50,000 Equity Shares of Rs.10/- each	5,00,000
Total	5,00,000

There is no change in the capital structure of the Transferor Company since March 31, 2016 till date.

- 3.2 The Authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 31st March, 2016 is as under:

Particulars	Amount in Rs.
Authorised Share Capital	
2,50,00,000 Equity Shares of Rs. 10/- each	25,00,00,000
Total	25,00,00,000
Issued, subscribed and paid-up Share Capital	
1,85,52,818 Equity Shares of Rs.10/- each	18,55,28,180
Total	18,55,28,180

The issued, subscribed and paid up share capital of the Transferee Company has since increased to Rs. 18,61,28,180/- consisting of 1,86,12,818 equity shares of Rs. 10/- each upon an issue and allotment of 60,000 Equity Shares of Rs. 10/- each on 18th May, 2016

- 3.3 The Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2 (1B) of the Income Tax Act, 1961 or any statutory modification or re-enactment thereof. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section, at a later date, including resulting from an amendment of law or for any other reason whatsoever upto the Effective Date, the provisions of the said Section of the Income Tax Act, 1961 or re-enactment thereof shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2 (1B) of the Income Tax Act, 1961 or re-enactment thereof. Such modification will, however, not affect the other parts of the Scheme.

PART B

AMALGAMATION OF TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

4. TRANSFER OF ASSETS:

- 4.1 Upon the coming into effect of the Scheme, that is with effect from the Appointed Date, the entire businesses and all the movable and immovable properties, Sundry Debtors, Loans and Advances, Cash and Bank Balances and Deposits with Government, Semi Government or Local Authorities, real or personal, corporeal or incorporeal, including fixed assets, capital asset, capital work-in-progress, current assets, investments of all kinds, carry interest or other benefits in any of the Investments, lease and hire purchase contracts, lending contracts, benefits of any security arrangements, rights, title, interest, quotas, benefits and advantages of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession and /or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company including all Patents, Trademarks, Copyrights, Trade names and other Intellectual Property Rights of any nature whatsoever and licenses in respect thereof, privileges, liberties easements, advantages, exemptions, benefits, leases including mining leases, pending applications for mining leases and prospecting licenses, leasehold rights, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, power lines, communication lines and other services, reserves, deposits, provisions, funds, benefit of all agreements, subsidies, grants, incentives including sales tax incentives, tax credits, sales-tax, turnover tax, excise, and all other interests arising of the Transferor Company and any accretions or additions thereto after the Appointed Date (hereinafter collectively referred to as “the said assets”) shall be transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company, without any further act or deed or instrument, pursuant to the provisions of Sections 391-394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) and other applicable provisions of the said Act, so as to become as and from the Appointed Date, the estate, assets, rights, title and interests of the Transferee Company.

- 4.2 Any floating charges, if created by the Transferor Company in favour of their bankers on any of the movable assets, documents of title to goods, receivables, claims and other current assets that are acquired by the Transferor Company from the Appointed Date till the Effective Date, shall be deemed to be the security and shall be available as security for the loans, cash credit and other working capital facilities, both fund based and non-fund based, which were sanctioned by the bankers of the Transferor Company, either utilised fully or partly or unutilised by the Transferor Company subject to the limits sanctioned by their respective bankers so transferred and vested in the Transferee Company pursuant to the Scheme.
- 4.3 The Scheme, as aforesaid, shall be, subject to existing charges / hypothecation / mortgage (if any as may be subsisting) over or in respect of the said assets or any part thereof in favour of Banks and Financial Institutions. Provided, however, that any reference in any security documents or arrangements to which the Transferor Company are a party, to such assets of the Transferor Company offered or agreed to be offered as security for any financial assistance both availed and to be availed up to any limit for which sanctions have already been obtained by the Transferor Company shall be construed as references only to the assets pertaining to the Transferor Company as are vested in the Transferee Company by virtue of the Sub-Clause 4.1 hereof, to the end and intent that such security, mortgage and or charge shall not extend or be deemed to extend, to any of the assets or to any of the other units or divisions of the Transferee Company, unless specially agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company.
- 4.4 It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual or constructive delivery and / or by endorsement and delivery, the same shall be so transferred by the respective Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of Sections 391 - 394 of the Companies Act, 1956, (or such applicable provisions of the Companies Act, 2013, as the case may be) such transfer being deemed to have taken place at the location of the Registered Office of the Transferee Company, i.e., in the State of Tamil Nadu.
- 4.5 In respect of the assets other than those referred to above shall without any further act, instrument, deed or matter or thing be transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be). The vesting of all such assets shall be by virtue of the provisions of this Scheme and Sections 391 to 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) be deemed to have taken place at the location of the Registered Office of the Transferee Company i.e., in the State of Tamil Nadu.
- 4.6 All benefits including any direct and indirect taxes, etc., to which the Transferor Company are entitled to in terms of the various Statutes and/or Schemes of the Union and State Governments or local authorities shall be available to and vest in the Transferee Company without any further act or deed.
- 4.7 Any refund under the Tax Laws received by / due to Transferor Company consequent to the assessments made on Transferor Company subsequent to the Appointed Date and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by Transferee Company.
- 4.8 The Transferee Company may, at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors, if any, of the respective Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company are a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company to implement or carry out all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

- 4.9 Upon the coming into effect of the Scheme, the Transferee Company may, if it considers necessary or expedient, revise (with retroactive effect, if applicable), its Income-Tax returns, TDS returns, Service Tax returns, Sale-Tax returns and other tax returns and claim refunds and/or credits etc. pertaining to business activities of the Undertakings of the Transferor Company, pursuant to the provisions of the Scheme.

5. TRANSFER OF DEBTS AND LIABILITIES:

- 5.1 With effect from the Appointed Date, all debts, liabilities, loans, borrowings, bills payable, deposits, security deposits, interest accrued, duties and obligations of the respective Transferor Company including contingent liabilities not provided in their books and any accretions and additions or reductions thereto after the Appointed Date shall also stand transferred or be deemed to be transferred without any further act or instrument or deed to the Transferee Company so as to become as and from that date, the debts, liabilities, loans, borrowings, bills payable, deposits, security deposits, interest accrued, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause, PROVIDED ALWAYS that nothing in this Clause shall or is intended to enlarge the security for any loan, deposit or other indebtedness created by the Transferor Company prior to the Appointed Date which shall be transferred to and vested in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be required or obliged in any manner to create any further or additional security therefore after the Appointed Date or otherwise.
- 5.2 All the loans, advances and other facilities sanctioned to the Transferor Company by their bankers or any other creditors prior to the Appointed Date, which are partly drawn / utilised shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn / utilised either partly or fully by the respective Transferor Company from the Appointed Date till the Effective Date and all the advances / loans and or other facilities so drawn by the respective Transferor Company (within the overall limits sanctioned by their bankers) shall on the Effective Date be treated as advances and loans made available to the Transferee Company under any loan agreement and shall become the obligation of the Transferee Company without any further act, or deed on the part of the Transferee Company.
- 5.3 Upon the coming into effect of this Scheme, the limits of the Transferee Company for borrowing, lending, providing loans and advances, investments or providing guarantees or giving donations, shall without further act or deed stand enhanced by an amount equivalent to the combined authorised limits of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company.
- 5.4 The resolutions, if any, of the Board of Directors, or Committees thereof, Shareholders, Debenture Holders of the Transferor Company which are valid and subsisting on the Effective Date shall be continued to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable legislations then said limits shall be added and shall constitute the aggregate of the said limits of the Transferee Company.
- 5.5 Upon this Scheme coming into effect, any loan or liabilities other obligations due and all the interparty transactions or commitments between or amongst the Transferor Company and the Transferee Company shall stand discharged and shall stand cancelled and there shall be no liability in that behalf.

6. LEGAL PROCEEDINGS

- 6.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company or its properties, assets, debts, liabilities, duties and obligations referred to above, shall be continued and/or enforced until the Effective Date as desired by the Transferee Company and as and from the Effective Date shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. On and from the Effective

Date, the Transferee Company shall and may, if required, initiate any legal proceedings in its name in relation to the Transferor Company in the same manner and to the same extent as would, or might, have been initiated by the Transferor Company.

7. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

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

8. EMPLOYEES

- 8.1 Upon the Scheme becoming effective, all the employees in the service of the Transferor Company immediately before the Effective Date shall become the employees of the Transferee Company, on the basis that:
- a) Their services shall have been continuous and shall not have been interrupted by reason of such transfer.
 - b) The terms and conditions of employment applicable to the said employees after such transfer shall not in any way be less favourable to them, than those applicable to them immediately before the transfer;
 - c) In the event of retrenchment of such employees, the Transferee Company shall be liable to pay compensation in accordance with law on the basis that the services of the employees shall have been continuous and shall not have been interrupted by reason of such transfer; and

- d) In so far as the existing provident fund trusts, gratuity fund and pension and / or superannuation fund trusts created by the Transferor Company for its employees are concerned, the part of the funds referable to the employees who are being transferred shall be continued for the benefit of the employees who are being transferred to the Transferee Company pursuant to the Scheme in the manner provided hereinafter. In the event that the Transferee Company has its own funds in respect of any of the funds referred to above, the amounts in such funds in respect of contributions pertaining to the employees of the Transferor Company shall, subject to approvals and permissions, if required, be transferred to the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own fund, in respect of any of the aforesaid matters, the Transferee Company may, subject to approvals and permissions, if required, continue to contribute to the relevant funds of the Transferor Company until such time that the Transferee Company creates its own fund, at which time the contributions pertaining to the employees of the Transferor Company shall be transferred to the funds created by the Transferee Company. Provided however that, the Transferee Company shall be at liberty to form or restructure its provident fund trusts, gratuity fund and pension and/or superannuation fund trusts in such manner as may be decided by its Board of Directors, subject to compliance of relevant labour laws and any other allied laws for the purpose.

9. SAVING OF CONCLUDED TRANSACTIONS

- 9.1 The transfer of Assets under Clause 4 above, the continuance of proceedings by or against the Transferee Company under Clause 6 above and the effectiveness of contracts and deeds under Clauses 7 above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

10. CANCELLATION OF SHARES

- 10.1. Since the Transferor Company is the wholly owned subsidiary of the Transferee Company, upon the Scheme being sanctioned by the Hon'ble Court and the transfer having been effected as provided hereinabove, all the equity shares held by the Transferee Company and its Nominees in the Transferor Company shall be cancelled and extinguished as on the Appointed Date. Accordingly, there will be no issue and allotment of equity shares of the Transferee Company to the Shareholders of the Transferor Company upon this Scheme becoming effective.

11. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANY TILL EFFECTIVE DATE

- 11.1. With effect from the Appointed Date and up to and including the Effective Date:
- a. The Transferor Company shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.
 - b. All profits or income or taxes, including but not limited to income tax, fringe benefit tax, advance taxes, minimum alternate tax, tax deducted at source by or on behalf of the Transferor Company, wealth tax, sales tax, value added tax, excise duty, service tax, customs duty, etc, accruing or arising to the Transferor Company, or losses arising or expenditure incurred by them, on and from Appointed Date upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the said taxes of the Transferee Company.
 - c. The Transferor Company shall carry on its business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any of the business undertaking or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company prior to the Appointed Date).

- d. The Transferee Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require in relation to the Undertaking of the Transferor Company including the registration, approvals, exemptions, reliefs, etc., as may be required / granted under any law for time being in force for carrying on business by the Transferee Company.
- e. The Transferor Company shall not declare any dividend, between the Appointed Date and the Effective Date, without the prior written consent of the Transferee Company.
- f. The Transferor Company shall not make any modification to its capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or re-organisation or in any other manner, whatsoever, except by mutual consent of the Boards of Directors of the Transferor Company and of the Transferee Company.
- g. The Transferor Company shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.

12. ACCOUNTING TREATMENT

- 12.1 The Transferee Company shall account for the Amalgamation of the Transferor Company as per the method prescribed under Accounting Standard 14 prescribed by the Institute of Chartered Accountants of India for Amalgamations and any amendments thereto.
- 12.2 With effect from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company be required, all the assets and liabilities of the Transferor Company transferred to the Transferee Company pursuant to this Scheme shall be recorded in the books of the Transferee Company at Book Values as appearing in the books of accounts of the Transferor Company.
- 12.3 With effect from the Appointed Date and upon the Scheme becoming effective, subject to any corrections and adjustments as may in the opinion of the board of directors of the Transferee Company be required, the reserves of the Transferor Company shall be merged with those of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company.
- 12.4 The difference arising out of the transfer of assets and liabilities of the Transferor Company to the Transferee Company over the face value of equity shares issued by the Transferee Company and adjusting the appreciation and/or diminution, if and to the extent considered appropriate by the Board of Directors of the Transferee Company, in the value of certain of its assets, whether fixed or current, as on the date determined by the Board of the Transferee Company in the books of account of the Transferee Company shall, in case of surplus, or deficit, an amount, as may be considered appropriate by the Board, be adjusted to the general reserve in the financial statements of the Transferee Company.
- 12.5 In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the general reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 12.6 Upon the Scheme coming into effect, to the extent that there are inter-company investments, if any, loans, bonds, debentures, advances, deposit balances or other obligations as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of Transferee Company for the cancellation of any such assets or liabilities, as the case may be. The difference, if any, arising by such effects in the books of accounts, shall be adjusted to the Capital Reserve of the Transferee

Company. For the removal of doubts, it is hereby clarified that there would be no accrual of interest or other charges in respect of any such inter-company investments, loans, debt securities or balances with effect from the Appointed Date.

13. DISSOLUTION OF TRANSFEROR COMPANY

- 13.1. Subject to an order being made by the Court under Section 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made there under.

PART C

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE ENTIRE SCHEME

14. APPLICATION TO THE HIGH COURT OF JUDICATURE AT MADRAS

- 14.1 The Transferor Company and the Transferee Company shall, with reasonable dispatch, apply to the High Court for necessary orders or directions for holding or dispensing with the meetings of the members (and creditors, if necessary) of the Transferor Company and the Transferee Company respectively and for sanctioning this Scheme under Sec.391 to 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) and orders under Sec.394 of the Company Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) for carrying this Scheme into effect, for dissolution of the Transferor Company without winding up, for the transfer of the undertaking of the Transferor Company to the Transferee Company.

15. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 15.1 The Transferor Company and the Transferee Company through their respective Board of Directors or other persons, duly authorised by the respective Boards in this regard, may make or assent to any alteration or modification to this Scheme or to any conditions or limitations, which the High Court or any other Competent Authority may deem fit to direct, approve or impose and may give such directions, as they may consider necessary, to settle any doubt, question or difficulty, arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do all such acts, deeds, matters and things necessary for putting this Scheme into effect.
- 15.2 After dissolution of the Transferor Company, the Transferee Company by its Board of Directors or other persons, duly authorised by its Board in this regard, shall be authorised, to take such steps, as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by reasons of any order of the High Court or of any directive or order of any other authorities or otherwise, however, arising out of, under by virtue of this Scheme in relation to the Amalgamation and / or matters concerning or connected therewith.

16. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

This Scheme is conditional on and subject to -

- 16.1. The sanction or approval under any law of the Central Government, State Government, or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
- 16.2. The Scheme being agreed to by the requisite majorities of the members of the Transferor Company if a meeting of the members of the Transferor Company is convened by the Court or if dispensation from conducting the meeting of the members of the Transferor Company is obtained from the Court, and the sanction of the Court being accorded to the Scheme.

- 16.3. The sanction by the Court under Sections 391 and 394 of the Companies Act, 1956 and other applicable provisions of the Act being obtained by the Transferor Company and also the Transferee Company, if a separate petition for sanction of the Scheme is directed by the Court to be filed by the Transferee Company.
- 16.4. The filing with the Registrar of Companies, Chennai of certified copies of order sanctioning the Scheme by the Transferor Company and Transferee Company.

17. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme and incidental to the completion of the Amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.



Rajhu & Gopal
Chartered Accountants

48 (old 157) Ivy Church Road,
Mylapore, Chennai - 600 004
2444 2908, 2444 0060
gopal.raj@gmail.com

The Board of Directors
TVS Electronics Limited
Jayalakshmi Estates,
29, Haddows Road,
Chennai – 600 006

CERTIFICATE

1. We have examined the proposed “Scheme of Amalgamation (Merger)” between Prime Property Holdings Limited (‘PPHL’ or the ‘Transferor Company’), a wholly owned subsidiary company and TVS Electronics Limited (‘TVSE’ or the ‘Transferee Company’), the holding company and their respective shareholders under Section 391 to 394 and other applicable provisions of the Companies Act, 1956 (Section 230 to 240 and the applicable provisions of the Companies Act, 2013) (the ‘Proposed Scheme’) for merger of PPHL with TVSE, for the purpose of certifying the non-applicability of para 4(a) of Annexure 1 of Circular No.CIR/CFD/CMD/16/2015 dated 30th November, 2015 issued by the Securities and Exchange Board of India (SEBI Circular).
2. The Management of the Company is responsible for the maintenance of proper books of accounts and other relevant records prescribed under the applicable laws. This includes collecting, collating and validating data, designing, implementing and monitoring of internal controls relevant for the preparation of the Proposed Scheme and for ensuring compliance with the applicable laws.
3. Our responsibility for the purpose of this certificate, is limited to certifying whether a valuation report is required to be obtained by the Company in terms of the above stated provisions of the SEBI Circular on the basis of the Proposed Scheme, audited books of account and other relevant records and documents maintained by the Company, and did not include the evaluation of the adherence by the Company with all the applicable guidelines. We conducted our verification in accordance with the Guidance Note on Certificate for Special Purpose and Standard on Auditing issued by the Institute of Chartered Accountants of India.



[Handwritten Signature]



Raghu & Gopal
Chartered Accountants

48 (old 157) Luz Church Road,
Mylapore, Chennai - 600 004
2499 2908, 2499 0060
gopal.luz@gmail.com

4. On the basis of our verification of the Proposed Scheme, audited books of account and other relevant records and documents as referred to in Paragraph 3 above and according to the information and explanation provided to us by the Management of the Company, we certify that the condition of obtaining a valuation report mentioned in para 4(a) of Annexure 1 of Circular No. CIR/CFD/CMD/16/2015 dated 30th November, 2015 issued by the Securities and Exchange Board of India is not applicable to the Proposed Scheme as:
- a. The entire shares of PPHL held by TVSE shall stand cancelled;
 - b. There will not be any issuance of shares or payment of other consideration by TVSE to PPHL; and
 - c. There will not be any change in the shareholding pattern of TVSE
5. This certificate is issued at the request of Management of the Company for submission to the BSE Limited and National Stock Exchange of India Limited and the Securities and Exchange Board of India and other connected matters and should not be used for any other purpose without our prior written consent.

For Raghu & Gopal

Chartered Accountants

Firm Registration No. 003335 S




A. Gopal

Partner

Membership No.F-9035

Date: 11th October, 2016

Place: Chennai

VIVRO

Vivro Financial Services Private Ltd.

Appaswamy Manor, Old No.9/New No.16, IInd Floor, 4th Cross Street,
CIT Colony, Mylapore, Chennai - 600 004. Tel.: 044-24986774,
Fax : 044-24986777 E-mail : chennai@vivro.net W : www.vivro.net

October 17, 2016

To,
The Board of Directors,
TVS Electronics Limited
"Jayalakshmi Estates",
29, Haddows Road,
Chennai - 600 006

Subject: Fairness Opinion on the proposed amalgamation of Prime Property Holdings Limited being wholly owned subsidiary with its holding company TVS Electronics Limited

Dear Sirs,

We, Vivro Financial Services Private Limited ('Vivro', 'we', 'us', 'our'), refer to our engagement letter dated October 12, 2016 whereby TVS Electronics Limited (hereinafter referred to as 'TVSEL' the Company, 'You', 'Your') has appointed us as an Independent Merchant Banker for furnishing a "Fairness Opinion" in terms of CIR/CFD/CMD/16/2015 under regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 towards the proposed Scheme of Amalgamation of Prime Property Holdings Limited (the "Transferor Company", "PPHL") with TVS Electronics Limited (the "Transferee Company", "TVSEL") pursuant to section 391-394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 2013.

1. SOURCE OF INFORMATION

We have relied on the following information made available to us by the management of both the Companies for purpose of this opinion:

1. Memorandum and Articles of Association of TVSEL and PPHL;
2. Audited Financial Statements of TVSEL and PPHL for the Financial Year ended on March 31, 2016, March 31, 2015 and March 31, 2014;
3. Certificate from Raghu & Gopal, Chartered Accountants;
4. Draft Scheme of Arrangement in nature of Amalgamation between TVSEL and PPHL;
5. Present shareholding Pattern of both the Companies;
6. Such other information and explanations as required and which have been provided by the management of the Companies, which were considered relevant for purpose of carrying out this assignment.

legd. Office : Vivro Financial Services Private Limited

Vivro House, 11 Shashi Colony, Opp. Suvidha Shopping Center, Paldi, Ahmedabad, Gujarat, India - 380 007

Tel. : +91 (79) 26650670, 3299 3233/44, Fax : +91 (79) 2665 0570

CIN - U67120GJ1996PTC029182, Merchant Banker Sebi. Reg. No. INM000010122, AMBI Reg. No. AMBI/086



2. DISCLAIMER

This Fairness Opinion Report is prepared by Vivro Financial Services Private Limited under an engagement from TVSEL on the basis of information, documents, papers, and explanations given by the management, officers and staff of TVSEL and PPHL to Vivro.

In preparing the Fairness Opinion Report, Vivro has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and financial data provided by the Companies. Vivro has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information.

Vivro has also considered the proposed Scheme of amalgamation as furnished. It is assumed that the proposed Scheme will be consummated in accordance with the expected terms.

Vivro shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly on account of the use of or reliance on the information set out herein in this report.

Vivro has not provided any accounting, tax or legal advice to any Company involved in the transaction. Fairness Opinion Report should not be construed as investment advice or any form of recommendation either for making or divesting investment in any of the companies involved in the transaction.

This Opinion is furnished on a strictly confidential basis. Neither this Opinion nor the information contained herein may be reproduced or passed to any person or used for any purpose other than stated above or as may be required under applicable laws and regulation.

The fee for our services is not contingent upon the results of the proposed amalgamation. This opinion is subject to Laws of India.

This Report is necessarily based on various factors and conditions as of the date hereof, and the written and oral information made available to us until October 17, 2016. It is understood that subsequent developments may affect the conclusions of the Report and of the Opinion and that, in addition, Vivro has no obligation to update, revise, or reaffirm the Opinion.

3. LIMITATIONS

Our report is subject to the scope limitations detailed hereinafter. The report should be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

In 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 financial statements and the information and representations furnished to us without carrying out any audit or other tests to verify

Vivro Financial Services Private Limited



the 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 facts and material factors. Accordingly, we do not express any opinion in 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. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the companies.

Our work does not constitute an audit or certification or due diligence of the past financials of TVSEL and PPHL used in the study and we have relied upon the information provided to us by the management of both the Companies as regards such working results.

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 accept no responsibility as to the prices at which the equity shares of TVSEL will trade following the announcement of the proposed Scheme or as to the financial performance of TVSEL following the consummation of the proposed Scheme.

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

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

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 considering the financial position of the Companies, their businesses, and any other matter, which may have an impact on our opinion for the proposed amalgamation, 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 of 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.

4. BACKGROUND OF COMPANIES

TVS ELECTRONICS LIMITED-TRANSFEREE COMPANY

TVS Electronics Limited is a public limited company incorporated on September 15, 1995 under the Companies Act, 1956 having its registered office situated at "Jayalakshmi Estates", 29, Haddow Road, Chennai - 600 006.

Vivro Financial Services Private Limited



TVS Electronics, headquartered in Chennai, was founded as an IT Peripherals manufacturer. TVSEL is a leading Transaction Automation IT Product manufacturer & service provider. The Company serves extensive product lines across various brands via various delivery models like exclusive service centers, multi brand service centers, Onsite support, repair centers and factories.

The Equity Shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

Financial Performance of the Company:

₹ in Lacs

Particulars	2015-16 (A)	2014-15(A)	2013-14(A)
Total Revenue	59,503.04	27,103.10	24,961.77
Profit Before Tax	543.53	316.62	66.28
Profit After Tax	431.18	229.10	40.02
Shareholders' Funds	4,340.87	3,770.64	3,550.81

Board of Directors of TVSEL:

Sr. No.	Names of Directors	Designation
1.	Mr. Gopal Srinivasan	Non-Executive Chairman
2.	Mrs. Srilalitha Gopal	Non-Executive Director
3.	Mr. D Sundaram	Non-Executive Director
4.	Mr. R Ramaraj	Independent Director
5.	Mr. Praveen Chakravarty	Independent Director
6.	Mr. Kenneth Tai	Independent Director
7.	Dr. Nagendra Palle	Independent Director
8.	Mr. M Lakshminarayan	Independent Director
9.	Mr. M F Farooqui	Independent Director
10.	Mr. Narayan K Seshadri	Non-Executive Director
11.	Mr. R S Raghavan	Non-Executive Director

Shareholding Pattern of TVSEL as on September 30, 2016:

Sr. No.	Particulars	No. of Shares	% Shareholding
1.	Promoter and Promoter Group	1,11,60,093	59.96
2.	Public Shareholders	74,52,725	40.04
	Total		100.00



Vivro Financial Services Private Limited

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PRIME PROPERTY HOLDINGS LIMITED-TRANSFEROR COMPANY

Prime Property Holdings Limited is a public limited company incorporated on November 09, 2007 under the Companies Act, 1956 having its registered office situated at "Jayalakshmi Estates", 29, Haddows Road, Chennai - 600 006. PPHL is a wholly owned subsidiary of TVS Electronics Limited.

Financial Performance of the Company:

□ in Lacs

Particulars	2015-16 (A)	2014-15(A)	2013-14(A)
Total Revenue	140.67	-	0.43
Profit Before Tax	124.43	(0.79)	(0.20)
Profit After Tax	59.43	(0.70)	24.03
Shareholders' Funds	769.39	709.97	710.66

Board of Directors of PPHL

Sr. No.	Names of Directors	Designation
1.	Mr. R S Raghavan	Director
2.	Mr. R Jagannathan	Director
3.	Mr. T A Prasannaa	Director

Shareholding Pattern of PPHL:

Sr. No.	Particulars	No. of Shares	% Shareholding
1.	TVS Electronics Limited and its nominees	5,00,000	100%

5. SCOPE AND PURPOSE OF THIS REPORT

We understand that the Board of Directors of TVSE Land PPHL have considered and proposed a Scheme of Amalgamation of TVSEL with PPHL, pursuant to the provisions of section 391 to 394 and other relevant provisions of the Companies Act, 1956 and the applicable provisions of the Companies Act, 2013.

In this connection, the Management as engaged Vivro to submit a Fairness Opinion on the Valuation Report of the practicing Chartered Accountant and on the proposed amalgamation.

This report is subject to the scope, assumptions, limitations and disclaimers detailed above. As such the report is to be ready in totality, not in parts and in conjunction with the relevant documents referred to herein. This report has been issued only for the purpose of facilitating the Amalgamation and should not be used for any other purpose.



Vivro Financial Services Private Limited


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6. OUR OPINION & CONCLUSION

The fairness opinion has been prepared based on information and explanations provided by the management of the entities and our understanding of the Draft scheme of arrangement. As the merger is between PPHL, wholly owned subsidiary with its holding company, TVSEL, it does not involve any transfer of assets or liabilities outside the group or any change in the shareholding of the Transferee Company. Hence, considering the SEBI Circular and the report issued by Raghu & Gopal, Chartered Accountants, a valuation report is not required to be undertaken.

In view of the above and on consideration of all relevant factors and circumstances, we are of the opinion that the proposed amalgamation of the Transferor Company with Transferee Company as per the scheme of Arrangement is fair.

For, Vivro Financial Services Private Limited


S.Sreedharan
Associate Vice President



Date: October 17, 2016
Chennai-4



Ref: NSE/LIST/10520

February 22, 2017

The Company Secretary
TVS Electronics Limited
Jayalakshmi Estate,
29, Haddows Road,
Chennai - 600006

Kind Attn.: Ms. S Nagalakshmi

Dear Madam,

Sub: Observation letter for Scheme of Amalgamation Between Prime Property Holdings Limited (Transferor Company) and TVS Electronics Limited (Transferee Company) And Their respective shareholders.

This has reference to draft Scheme of Amalgamation Between Prime Property Holdings Limited (Transferor Company) and TVS Electronics Limited (Transferee Company) and Their respective shareholders submitted to NSE on January 09, 2017 vide your letter dated December 29, 2016.

Based on our letter reference no Ref: NSE/LIST/102597 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI has vide letter dated February 17, 2017, has given following comments on the draft Scheme of Amalgamation:

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

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 / NCLT.

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 February 22, 2017, within which the Scheme shall be submitted to the Hon'ble High Court/ NCLT. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court / NCLT, you shall submit to NSE the following:

- a) Copy of Scheme as approved by the High Court / NCLT;
- 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

1.



- 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

Divya Poojari
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

This Document is Digitally Signed

2.



Signer : Divya Babu Poojari
Date: Wed, Feb 22, 2017 19:01:48 GMT+05:30
Location: NSE



DCS/AMAL/ST/R37/714/2016-17

March 01, 2017

The Company Secretary
TVS ELECTRONICS LTD.
 Jayalakshmi Estates, No. 29, Haddows Road,
 Chennai, Tamil Nadu, 600006

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement between Prime Property Holdings Limited with TVS Electronics Limited and their shareholders and creditors.

We are in receipt of Draft Scheme of Arrangement between Prime Property Holdings Limited and TVS Electronics Limited and their shareholders and creditors filed as required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated February 20, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- **“Company shall duly comply with various provisions of the Circulars.”**

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

- To duly comply with various provisions of the circulars.

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

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

- Copy of the High Court approved Scheme;
- Result of voting by shareholders for approving the Scheme;
- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- 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,


Nithin Pujari
 Manager



BSE Limited (Formerly Bombay Stock Exchange Ltd.)
 Registered Office : Floor 25, P J Towers, Dalal Street, Mumbai 400 001 India
 T: +91 22 2272 1234/33 E: corp.comm@bseindia.com www.bseindia.com
 Corporate Identity Number : U67120MH2005PLC155188



ISO 9001:2008

www.tuv.com
ID 91050611316th February, 2017

To
Listing Department
National Stock Exchange of India Limited
Plot No.C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051.

NSE Scrip Code: TVSELECT**Kind Attn: Mr. Nikhil Jain, Asst. Manager**

Dear Sir,

Sub: Submission of Complaint Report – Application filed under Regulation 37 of SEBI (LODR) Regulations, 2015 for the Scheme of Amalgamation of Prime Property Holdings Limited ("the Transferor Company") and TVS Electronics Limited ("the Transferee Company")

Ref: Application No.10520 dated 10th January, 2017

In connection with the application submitted to NSE under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Scheme of Amalgamation of Prime Property Holdings Limited (Transferor Company) with TVS Electronics Limited (Transferee Company), we wish to submit as follows:

1. In terms of Para (I)(B)(3) of Annexure I of SEBI Circular No.CIR/CFD/ CMD/16/2015 dated November 30, 2015 (SEBI Circular) NSE and BSE have disclosed the Scheme documents on 13th January, 2017 and 10th January, 2017 respectively on their websites. The Company also disclosed the same in its website.
2. In terms of Para A(1)(6) of the said SEBI Circular, we hereby submit a Complaint Report in the prescribed format as per Annexure III.
3. We wish to state that the Company has not received any complaints / comments either directly or through Stock Exchanges / SEBI, relating to the Scheme.

Please find enclosed herewith the Complaints Report dated 6th February 2017 indicating 'Nil' Complaints received on the Scheme during the period 13th January, 2017 to 5th February, 2017.

This report is being uploaded on the Company's website at www.tvs-e.in/Investors as required under the said SEBI Circular.

Thanking you,

For TVS Electronics Limited


S Nagalakshmi
Company Secretary

Encl: As above

**TVS Electronics Limited**

South Phase 7A, Second Floor, Industrial Estates, Guindy, Chennai-600 032. Tel.: + 91-44-4200 5200 Fax : +91(44)2225 7577

Registered Office: Jayalakshmi Estate, New No.29, (Old No.8), Haddows Road, Chennai- 600 006.

Corporate Identity Number : L30007TN1995PLC032941

E-mail id : webmaster@tvs-e.in Website: www.tvs-e.in



ISO 9001:2008

www.tuv.com
ID 9105061131**COMPLAINT REPORT**(For the period 13th January 2017 to 5th February 2017)**Part A**

Sr. 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	Nil
5.	Number of complaints pending	Nil

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
Not Applicable as no complaints received			

Place: Chennai
Date: 6th February, 2017

For TVS Electronics Limited


S. Nagalakshmi
Company Secretary**TVS Electronics Limited**

South Phase 7A, Second Floor, Industrial Estates, Guindy, Chennai-600 032. Tel.: + 91-44-4200 5200 Fax : +91(44)2225 7577

Registered Office: Jayalakshmi Estate, New No.29, (Old No.8), Haddows Road, Chennai- 600 006.

Corporate Identity Number : L30007TN1995PLC032941

E-mail id : webmaster@tvs-e.in Website: www.tvs-e.in

2nd February, 2017

To
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

BSE Scrip Code: 532513

Dear Sir,

Sub: Submission of Complaint Report - Application filed under Regulation 37 of SEBI (LODR) Regulations, 2015 for the Scheme of Amalgamation of Prime Property Holdings Limited ("the Transferor Company") with TVS Electronics Limited ("the Transferee Company")

Ref: Case No.47448 - uploaded in BSE website on 10th January, 2017

In connection with the application submitted to BSE under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Scheme of amalgamation of Prime Property Holdings Limited (Transferor Company) with TVS Electronics Limited (Transferee Company), we wish to submit as follows:

1. In terms of Para (I)(B)(3) to Annexure I of SEBI Circular No CIR/CFD/CMD/16/2015 dated November 30, 2015 (SEBI Circular), BSE and NSE have disclosed the scheme documents on 10th January, 2017 and 13th January, 2017 respectively on their websites. The Company also disclosed the same in its website
2. In terms of Para A(1)(6) of the said SEBI Circular, we hereby submit a Complaint Report in the prescribed format as per Annexure III of the SEBI Circular.
3. We wish to state that the Company has not received any complaints / comments either directly or through Stock Exchanges / SEBI.

Please find enclosed herewith the Complaints Report dated 2nd February, 2017 indicating 'Nil' Complaints received on the Scheme during the period 10th January, 2017 to 1st February, 2017.

This report is being uploaded on the Company's website at www.tvs-e.in/Investors as required under the said SEBI Circular.

Thanking you,

For TVS Electronics Limited

Nagalakshmi
S Nagalakshmi
Company Secretary



Encl: As above

TVS Electronics Limited

South Phase 7A, Second Floor, Industrial Estates, Guindy, Chennai-600 032. Tel.: + 91-44-4200 5200 Fax : +91(44)2225 7577

Registered Office: Jayalakshmi Estate, New No.29, (Old No.8), Haddows Road, Chennai- 600 006.

Corporate Identity Number : L30007TN1995PLC032941

E-mail id : webmaster@tvs-e.in Website: www.tvs-e.in



COMPLAINT REPORT
(For the period 10th January, 2017 to 1st February, 2017)

Part A

Sr. 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	Nil
5.	Number of complaints pending	Nil

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
Not Applicable as no complaints received			

For TVS Electronics Limited


S Nagalakshmi
Company Secretary



Date: 2nd February, 2017

Place: Chennai

TVS Electronics Limited

South Phase 7A, Second Floor, Industrial Estates, Guindy, Chennai-600 032. Tel.: + 91-44-4200 5200 Fax : +91(44)2225 7577
Registered Office: Jayalakshmi Estate, New No.29, (Old No.8), Haddows Road, Chennai- 600 006.
Corporate Identity Number : L30007TN1995PLC032941
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www.tuv.com
ID 9105061131**TVS ELECTRONICS LIMITED**

Registered Office: "Jayalakshmi Estates", No. 29, Haddows Road, Chennai - 600 006

Statement of Unaudited Financial Results for the Quarter ended June 30, 2017

(₹ in Lakhs)

S. No.	Particulars	Standalone Financials	
		Three months ended	
		June 30, 2017	June 30, 2016
		Unaudited	
	Income from operations		
	a. Gross Sales / Income from operations	88,474	10,782
	b. Other Operating Income	19	1
	Total Revenue from Operations	88,493	10,783
	Other Income	14	22
1	Total Revenue	88,507	10,805
	Expenses		
	a. Cost of materials consumed	4,190	2,256
	b. Purchases of stock-in-trade	91,834	10,008
	c. Changes in inventories of finished goods, work-in-process and stock-in-trade	(10,653)	(4,031)
	d. Excise Duty on sales	145	79
	e. Employee benefits expense	747	792
	f. Finance costs	66	66
	g. Depreciation and amortisation expense	191	208
	h. Other expenses	1,728	1,634
2	Total Expenses	88,248	11,012
3	Profit / (Loss) before tax (1- 2)	259	(207)
	Current Tax	53	-
	Deferred Tax	(34)	-
4	Tax Expense	19	-
5	Net Profit / (Loss) after tax (3-4)	240	(207)
6	Other comprehensive Income (net of tax)	-	-
7	Total Comprehensive Income (After tax) (5-6)	240	(207)
8	Paid-up equity share capital (Face Value of the Share is Rs.10/- each)	1,861	1,861
9	Earnings per share (EPS) (Face value of Rs.10/- each) (not annualised)		
	a) Basic	1.29	(1.10)
	b) Diluted	1.28	(1.11)

TVS Electronics Limited

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Corporate Identity Number : L30007TN1995PLC032941

E-mail id : webmaster@tvs-e.in Website: www.tvs-e.in



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TVS ELECTRONICS LIMITED

Statement of Segment wise Revenue, Results and Capital Employed for the Quarter ended June 30, 2017

S. No.	Particulars	(₹ in Lakhs)	
		Standalone Financials	
		Three months ended	
		June 30, 2017	June 30, 2016
		Unaudited	
1	Segment Revenue		
	a) IT Products & Technical Services	7,435	6,654
	b) Distribution Services	81,058	4,129
	Net Sales / Income from operations	88,493	10,783
2	Segment Results		
	a) IT Products & Technical Services	(10)	(158)
	b) Distribution Services	335	17
	Total Segment results	325	(141)
	Less: i) Finance cost	66	66
	ii) Other unallocable expenditure net of unallocable income	-	-
	Total Profit before tax	259	(207)
3	Segment Assets		
	a) IT Products & Technical Services	12,633	12,654
	b) Distribution Services	42,780	6,326
	c) Unallocated	517	240
	Total Segment Assets	55,930	19,220
4	Segment Liabilities		
	a) IT Products & Technical Services	4,990	3,874
	b) Distribution Services	43,649	7,648
	c) Unallocated	160	373
	Total Segment Liabilities	48,799	11,895
5	Capital Employed (3-4)	7,131	7,325

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ID 9105061131**NOTES**

- 1) The above unaudited financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held today. The statutory auditors have carried out limited review of financial results for the Quarter Ended June 30, 2017.
- 2) The distribution services for mobile phones is a large volume, large value business, with low margins. Any periodic comparison should take this into consideration.
- 3) The Company is focussed on the following business segments: IT product and Technical services and Distribution services. Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments.
- 4) The Company has adopted the Indian Accounting Standard (Ind AS) from April 1, 2017 and these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- 5) The Ind AS compliant financial results for the corresponding quarter ended June 30, 2016 have been stated in terms of SEBI circular CIR/CFD/FAC/62/2016 dated July 5, 2016. The financial results relating to quarter ended June 30, 2016 under Ind AS have not been subjected to limited review by the statutory auditors of the company. The management has exercised necessary due diligence and ensured that the financial results provide a true and fair view of its affair in accordance with the Companies (Indian Accounting Standards) Rules 2015.
- 6) The reconciliation of net loss reported under Indian GAAP for the quarter ended June 30, 2016 with Ind AS is given below:

(₹ in Lakhs)

Particulars	Quarter ended June 30, 2016
	Unaudited
Net Loss under IGAAP	(201)
Add / (less) :	
Fair valuation of Investment	(5)
Other Ind AS adjustments	(1)
Total Comprehensive Income	(207)

- 7) The financial results are available on the website of BSE Limited (Bombay Stock Exchange Limited), National Stock Exchange of India Limited and the Company - www.tvse.in.
- 8) Figures for the previous periods have been regrouped, wherever necessary, to conform to current period's classification.

Chennai

August 11, 2017


D Sundaram

Chairman of the meeting

TVS Electronics Limited

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ID 9106061131**TVS ELECTRONICS LIMITED**

Registered Office: "Jayalakshmi Estates", No. 29, Haddows Road, Chennai - 600 006

Extract of Standalone Unaudited Financial Results for the Quarter ended June 30, 2017

(₹ in Lakhs)

S.No.	Particulars	Standalone Unaudited Financials	
		Three months ended	
		June 30, 2017	June 30, 2016
1	Total Income from operations (net)	88,507	10,805
2	Net Profit / (Loss) for the period (before tax, Exceptional and/or Extraordinary items)	259	(207)
3	Net Profit / (Loss) for the period (before tax, after Exceptional and/or Extraordinary items)	259	(207)
4	Net Profit / (Loss) for the period (after tax, after Exceptional and/or Extraordinary items)	240	(207)
5	Total Comprehensive Income for the period [Comprising Profit/ (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	240	(207)
6	Earnings per share (EPS) (Face value of Rs. 10/- each) (not annualised)		
a	Basic	1.29	(1.10)
b	Diluted	1.28	(1.11)

Note: The above is an extract of the detailed format of Quarterly ended 30th June 2017. Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Audited Financial Results are available on the Stock Exchange websites. (www.bseindia.com and www.nseindia.com) and on the Company's website (www.tvse.in).

By order of the Board

-D Sundaram
Chairman of the meetingChennai
11th August, 2017**TVS Electronics Limited**

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF TVS ELECTRONICS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **TVS ELECTRONICS LIMITED** ("the Company"), for the quarter ended June 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

As stated in Note 05 of the Statement, we have not performed a review or audit of the figures relating to the corresponding quarter ended June 30, 2016 including the reconciliation of net loss for the quarter ended June 30, 2016 between the previous GAAP and the Indian Accounting Standards ("Ind AS").

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Chennai, August 11, 2017

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)



Bhavani Balasubramanian
Partner
(Membership No. 22156)



PRIME PROPERTY HOLDINGS LIMITED

Regd. Office: "Jayalakshmi Estates", # 29, Haddows Road, Chennai - 600 006.
Corporate Office : No.9, Second Floor, Murrays Gate Road, Alwarpet, Chennai - 600 018

CIN : U45200TN2007PLC065330

Ph: +91 044 42928500

Unaudited financial statement of Prime Property Holdings Limited as on 30th June, 2017

Balance Sheet

Rs in lakhs

SI No.	Financial Indicator	30-June-2017 (Unaudited)	31-Mar-2017 (Audited)
1	Equity Share Capital	5	5
2	Reserves & Surplus	792	793
3	Net Worth	797	798
4	Other Liabilities	155	163
5	Total Liabilities	952	961
6	Fixed Assets	-	-
7	Non Current Investments	745	745
8	Cash and Bank balances	50	109
9	Other Current / Non current assets (TDS / Tax refundable)	157	107
10	Total Assets	952	961

Statement of Profit & Loss

Rs.in lakhs

SI No.	Financial Indicator	QE 30-Jun-17 (Unaudited)	QE 30-Jun-16 (Unaudited)	2016-17 (Audited)
1	Investment income	1	-	6
2	Profit on sale of assets	-	-	120
3	Total Income	1	-	126
4	Expenses	2	4	89
5	Profit/(Loss) Before Tax	(1)	(4)	37
6	Tax	-	-	8
7	Profit/(Loss) After Tax	(1)	(4)	29

For Prime Property Holdings Limited


Director



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Report of the Board of Directors of TVS Electronics Limited pursuant to Section 232(2)(c) of the Companies Act, 2013 explaining the effect of the Scheme of Amalgamation between Prime Property Holdings Limited and TVS Electronics Limited

1.0 Background

The Board of Directors of TVS Electronics Limited ('the Company') approved the draft Scheme of Amalgamation under Section 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 2013 as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof), which involves the amalgamation of Prime Property Holdings Limited (Transferor Company) with TVS Electronics Limited (Transferee Company)

As per Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Directors explaining the effect of the Amalgamation on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders is required to be circulated to the shareholders, along with the notice convening the meeting.

Accordingly, this report has been prepared in compliance with the provisions of Section 232(2)(c) of the Companies 2013.

2.1 Share Exchange Ratio and Consideration

Prime Property Holdings Limited (Transferor Company) is a wholly owned subsidiary of TVS Electronics Limited (Transferee Company). Since the entire share capital of the Transferor Company is held by TVS Electronics Limited, the Scheme envisages that no shares or consideration shall be issued / payable by TVS Electronics Limited to Prime Property Holdings Limited pursuant to the Amalgamation. There will not be any change in the shareholding pattern of TVS Electronics Limited, pursuant to the Amalgamation.

Further, a Certificate dated 11.10.2016 was issued by M/s. Raghu & Gopal, Chartered Accountants that the condition of obtaining a Valuation Report is not applicable to the present Scheme of Amalgamation. Further, M/s. Vivro Financial Services Private Limited, Chennai, Category I Merchant banker has provided the Fairness Opinion on 17.10.2016 that the Scheme of Amalgamation is fair.

TVS Electronics Limited

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2.2 Effect of the Amalgamation on each class of shareholders, promoters and non-promoter shareholders

- 2.2.1 TVS Electronics Limited and Prime Property Holdings Limited have only one class of Shareholders viz., Equity Shareholders.
- 2.2.2 The entire share capital of Prime Property Holdings Limited is held by TVS Electronics Limited and its six nominees. As mentioned earlier, no shares or consideration shall be issued / payable by TVS Electronics Limited pursuant to the amalgamation.
- 2.2.3 The Equity Shareholders of TVS Electronics Limited comprise the promoters and non-promoter Shareholders i.e., public. There would be no change in the shareholding of the promoters and public shareholders of TVS Electronics Limited.

2.3 Effect of the Amalgamation on Key Managerial Personnel of TVS Electronics Limited

The Scheme of Amalgamation does not affect the KMP's of TVS Electronics Limited in any manner.

Approved and adopted by the Board of Directors vide Resolution passed in Circulation on 12th October, 2017.

By order of the Board
For TVS Electronics Limited

D Sundaram
Director

Date: 12th October 2017

Place: Mumbai

TVS Electronics Limited

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