



Annesure - C 1

ಕರ್ನಾಟಕ ನೀರಾವರಿ ನಿಗಮ ನಿಯಮಿತ

(ಕರ್ನಾಟಕ ಸರ್ಕಾರದ ಉದ್ಯಮ)

Karnataka Neeravari Nigam Limited

(A Government of Karnataka Enterprise)

Resolution extract of the 86th meeting of the Board of Directors of the Company held on 01.02.2019 at Bangalore.

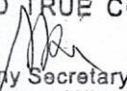
Subject No.8: Approval for Composite Scheme of Arrangement between KNNL (Demerged) and VJNL (Resulting) U/Ss. 230 to 232 of the Companies Act, 2013 & Companies (Compromises, Arrangements and Amalgamations), Rules, 2016.

"RESOLVED THAT based on the recommendations of Audit Committee of the Board and pursuant to the provisions of Sections 230 to Section 232 Section 66 and other applicable provisions, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Rules made thereunder and the Memorandum of Association read with the Articles of Association of the Company and subject to approval of the requisite approvals, sanctions, consent, observations from the shareholders and creditors of the company, the Central Government, and such other statutory/regulatory authority(ies), as may be applicable, the approval of the Board of Directors (hereinafter referred to as the 'Board') be and is hereby accorded for approving the Composite Scheme of Arrangement ("**Scheme**") between Karnataka Neeravari Nigam Limited (KNNL - Demerged Company) and Visvesvaraya Jala Nigam Limited (VJNL-Resulting Company) and their respective Shareholders and Their respective Creditors with respect to Demerger of demerged undertaking of Karnataka Neeravari Nigam Limited ("**Demerged Company**") to Visvesvaraya Jala Nigam Limited ("**Resulting Company**") and their respective shareholders and creditors providing for the demerger of the demerged undertakings of the Demerged Company to the resulting Companies with effect from January 1st, 2017 ("**Appointed Date**"), pursuant to the draft Composite Scheme of Arrangement as placed before the Board be and is hereby approved.

"RESOLVED FURTHER THAT Upon the Scheme becoming effective and in consideration of the demerger including the transfer and vesting of the Demerged Undertaking into the Resulting Company, the Resulting Company shall, without any further act or deed, issue and allot 3,69,89,037 Equity Shares of Rs. 1000/- each of the Resulting Company as fully paid-up (the "**New Equity Shares**") to the Government of Karnataka, the sole share-holder whose name appears in the Register of members of Demerged Company (except beneficiary shareholders representing the Government of Karnataka, holding 12 Equity shares for the purpose of minimum number of members as required by the Act) for 26,87,77,776 fully paid Equity shares of Rs.1000/- held by the Government of Karnataka in the Demerged Company on the Record Date. Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number".

CERTIFIED TRUE COPY

.....2/-


Company Secretary
Karnataka Neeravari Nigam Ltd.
Bangalore

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A Concern for Water

**Resolution extract of the 86th meeting of the Board of Directors of the Company
held on 01.02.2019 at Bangalore.**

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"RESOLVED FURTHER THAT Upon the Scheme becoming effective and in consideration of the demerger including the transfer and vesting of the Demerged Undertaking into the Demerged Company, the issued, subscribed and paid up equity share capital of the Demerged Company shall be reduced by Rs. 36,98,90,37,000/- being the net value of assets (Assets minus Liabilities) of the Demerged Undertaking (KNNL) transferred and vested into the Resulting Company (VJNL) by extinguishing 3,69,89,037 Equity Shares of Rs. 1,000/- each of the Demerged Company. As a result, the issued, subscribed and paid up share capital of the Demerged Company shall stand reduced from Rs.26877,77,76,000/- to Rs. 23178,87,39,000/- comprising of 23,17,88,739 equity shares of Rs.1000/- each held by the shareholders of the Company i.e. the Government of Karnataka without any further act or deed".


RESOLVED FURTHER THAT Managing Directors of the Company or the Company Secretary of the Company (referred to as Authorised Representative(s) of the Company) be and are hereby authorized to carry out or assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the Central Government and/ or any other authority may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate."

"RESOLVED FURTHER THAT Managing Director or Company Secretary as the Authorised Representative(s) be and hereby jointly or severally authorized to take all actions and decide all matters relating to and /or incidental to the aforesaid scheme, including but not limited to:

- a) Preparing and signing the scheme of arrangement, applications, petitions, affidavits, undertakings, vakalatnamas, declarations, letters, notices, documents, papers and the like on behalf of the Company in consultation with the Nigam's Statutory Auditors and engaging the services of Nigam's Practicing Company Secretary for the purpose of giving effect to the said composite scheme of arrangement;
- b) Filing applications with the Central Government or such other appropriate authority seeking directions as to convening or dispensing with the meeting of the shareholders or creditors of the Company and where necessary to take steps to convene and hold such meetings as per the directions of the Central Government;
- c) Signing and issuing public advertisements and to issue notices to the members or any other class of persons, as per directions of the Central Government

.....3/-

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Company Secretary
Karnataka Neeravari Nigam Ltd
Bangalore



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(ಕರ್ನಾಟಕ ಸರ್ಕಾರದ ಉದ್ಯಮ)

Karnataka Neeravari Nigam Limited

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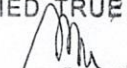
Resolution extract of the 86th meeting of the Board of Directors of the Company held on 01.02.2019 at Bangalore.

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- d) Filing and submitting the scheme of arrangement, necessary petitions, affidavits, letters, documents, papers and the like with the Central Government, Registrar of Companies, Regional Director and/or any other authority as may be required pursuant to the relevant provisions of applicable laws, rules or regulations;
- e) Engaging Counsels, Advocates, Solicitors, Chartered Accountants, Practicing Company Secretary and other professionals and signing and executing vakalatnama wherever necessary, and signing and issuing public advertisements and notices;
- f) Obtaining approval from such other authorities and parties including the shareholders, creditors, lenders as may be considered necessary, to the said Scheme;
- g) To communicate and correspond with the stock exchanges, banks, institutions, investors, government authorities, local authorities and other authorities where required about the scheme and do all such acts, deeds, matters and things as may be at their discretion deem necessary or desirable for such purpose and with power of the Company to settle any queries, difficulties or doubts that may arise in this regard as they may in their absolute discretion, deem fit and proper for the purpose of giving effect to the above resolutions;
- h) Making any modifications/alterations/changes therein as may be suggested, prescribed, expedient or necessary for satisfying the requirement or conditions imposed by the Central Government, Registrar of Companies, Regional Director, Income Tax Authorities, other Governmental Authorities and/or any other authority;
- i) Withdrawing the scheme at any stage in case the changes or modifications required in this Scheme or the conditions imposed by the Central Government and/or any other authority, are not acceptable, and if the Scheme cannot be implemented otherwise and to do all such acts, deeds and things considered necessary in connection therewith or incidental thereto;
- j) Settling any question or difficulty that may arise with regard to the implementation of the above Scheme, and to give effect to the above resolution;

.....4/-

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Company Secretary
Karnataka Neeravari Nigam Ltd.
Bangalore

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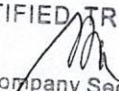
- k) Obtaining the order of the Central Government, approving the scheme and filing the same with the Registrar of Companies, Karnataka, Bengaluru, so as to make the sanctioned scheme effective;
- l) Doing all further acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to the scheme and for matters connected therewith or incidental thereto; and
- m) Filing a copy of the resolution duly certified and forward to the concerned authorities including the Central Government, as the case may be.

"RESOLVED FURTHER THAT the Common Seal of the Company, wherever required, be affixed to relevant documents wherever deemed necessary in accordance with the Articles of Association of the Company."

"RESOLVED FURTHER THAT any one Directors or the Company Secretary of the Company be and are hereby authorized to sign any copy of this resolution as a certified true copy thereof and furnish the same to whomsoever concerned."

"RESOLVED FURTHER THAT the action taken to convene Nigam's 3rd Extra-Ordinary General Meeting (EGM) on Friday, the 1st February, 2019 as approved by both the Audit Committee and Finance Committee of the Board be and is hereby ratified."

CERTIFIED TRUE COPY


Company Secretary
Karnataka Neeravari Nigam Ltd
Bangalore