

MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
FERMENTA BIOTECH LIMITED

भारत सरकार-कम्पनी कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, महाराष्ट्र, मुंबई

कम्पनी अधिनियम, 1956 की धारा 18(1)(क)

उद्देश्य-खंडों में परिवर्तन की पुष्टि हेतु विशेष विनिश्चय के पंजीकरण का प्रमाण-पत्र

कार्पोरेट पहचान संख्या : L99999MH1951PLC008485

मैसर्स DIL LIMITED

के अंशधारकों ने दिनांक 27/03/2007 को आयोजित की गई वार्षिक / असाधारण बैठक में एक विशेष विनिश्चय पारित करके कम्पनी अधिनियम, 1956 (1956 का 1) की धारा 18 (1) का अनुपालन करते हुए अपने संगम-ज्ञापन के प्रावधानों में परिवर्तन कर लिया है।

मैं, एतद्वारा सत्यापित करता हूँ कि उक्त विशेष विनिश्चय की प्रतिलिपि, यथा परिश्रित संगम-ज्ञापन के साथ, आज पंजीकृत कर ली गई है।

मेरे हस्ताक्षर द्वारा मुंबई में यह प्रमाण-पत्र, आज दिनांक पंद्रह जून दो हजार सत्त को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF COMPANY AFFAIRS
Registrar of Companies, Maharashtra, Mumbai

SECTION 18(1)(A) OF THE COMPANIES ACT, 1956

Certificate of Registration of the Special Resolution Confirming Alteration of Object
Clause(s)


Corporate Identity Number : L99999MH1951PLC008485

The share holders of M/s DIL LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 27/03/2007 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section (18)(1) of the Companies Act, 1956 (No. 1 of 1956).

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Mumbai this Fifteenth day of June Two Thousand Seven.




(A S SINGH)
कम्पनी रजिस्ट्रार/ Registrar of Companies
महाराष्ट्र, मुंबई
Maharashtra, Mumbai

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

DIL LIMITED

DIL COMPLEX S.V. ROAD, MAJIWADA,, THANE (WEST),

THANE - 400607,

Maharashtra, INDIA



सरकारी कार्यालय
GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies
Everest, 100 Marine Drive, Mumbai, Maharashtra, India, 400002

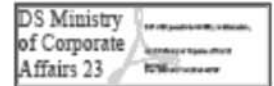
Certificate of Incorporation pursuant to change of name
[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): L99999MH1951PLC008485

I hereby certify that the name of the company has been changed from DIL LIMITED to FERMENTA BIOTECH LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name DIL Limited.

Given under my hand at Mumbai this Seventeenth day of October two thousand nineteen.



V T SAJEEVAN

Registrar of Companies
RoC - Mumbai

Mailing Address as per record available in Registrar of Companies office:

FERMENTA BIOTECH LIMITED

A -1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (West) 400 610,
Maharashtra, India, Thane, Thane, Maharashtra, India, 400610



NO. 11 -8485

**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME**

**IN THE OFFICE OF THE REGISTRAR OF COMPANIES,
MAHARASHTRA, MUMBAI.**

In the matter of

DUPHAR INTERFRAN LIMITED

I hereby approve and signify in Writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India, Department of Company Affairs, Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the company:

From DUPHAR INTERFRAN LIMITED

to DIL LIMITED.

and I hereby certify that

DUPHAR INTERFRAN LIMITED

Which was originally incorporated on First day of May, 1951 under the Companies Act, 1956 under the name

INTERNATIONAL FRANCHISES PRIVATE LIMITED

having duly passed necessary resolution in terms of section 21/ /

/ / of the Companies Act, 1956 the name of the said company is this day changed to

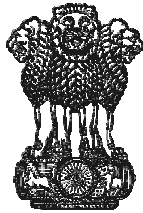
DIL LIMITED and this certificate is issued pursuant to Section 23 (1) of the said Act.

Given under my hand at Mumbai this Thirteenth day of October Two Thousand Three.



Sd/-
S. C. Gupta
DEPUTY REGISTRAR OF COMPANIES
MAHARASHTRA, MUMBAI.

NO. 8485/TA



सत्यमेव जयते

CERTIFICATE OF CHANGE OF NAME

**IN THE OFFICE OF THE REGISTRAR OF COMPANIES UNDER
THE COMPANIES ACT, 1956.**

IN THE MATER OF "CROOKES INTERFRAN LIMITED"

I do hereby certify that pursuant to the provisions of section 23 of Companies Act, 1956, and under order of the Central Government, conveyed by the Department of Company Law Administration by their No. RD:D:4 (21)2/71 dated the 29-4-1971

to the address of M/s. Crookes Interfran Limited
F/5, Shivsagar Estate, Dr. Annie Besant Road,
Bombay 18WB.

the name of "CROOKES INTERFRAN LIMITED"

has this day been changed to " DUPHAR - INTERFRAN LIMITED"

and that the said Company has been fully incorporated as a Company under the provision of the said Act.

Dated this First day of May one Thousand Nine Hundred and Seventy One.



Sd/-

O. P. Jain

Asstt. Registrar of Companies,
Maharashtra, Bombay

NO. 8485

**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME**

IN THE OFFICE OF THE REGISTRAR OF COMPANIES,
MAHARASHTRA, BOMBAY.

[Under the Companies Act, 1956 (I of 1956)].

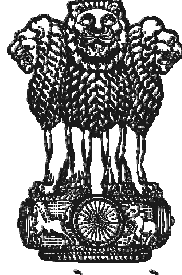
IN THE MATTER OF M/s. INTERNATIONAL FRANCHISES PRIVATE LTD.

I hereby certify that M/s. International Franchises Private Limited, which was originally incorporated on 1st day of May 1951 under the Indian Companies Act, 1913 and under the name International Franchises Private Limited having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto in the Ministry of Commerce and Industry, Department of Company Law Administration/Regional Director, Western Region, Bombay, by his letter No. RD: D:9 (9)-63-Change dated 15th April, 1963 the name of the said company is this day changed to **M/s. Crookes Interfran Limited** and this Certificate is issued pursuant to Section 23 (1) of the said Act.

Given under my hand at **BOMBAY** this NINETEENTH day of APRIL ONE THOUSAND NINE HUNDRED SIXTY THREE. (29th Chaitra, 1885)

The Seal of
the Registrar
of Companies,
BOMBAY

Sd/-
Hari Prasad
Asstt. Registrar of Companies,
Maharashtra, Bombay



सत्यमेव जयते

CERTIFICATE OF INCORPORATION

NO. 8485 OF 1951-52

I hereby Certify that INTERNATIONAL FRANCHISES PRIVATE LIMITED is this day incorporated under the Companies' Act, VII of 1913, and that the Company is Limited.

Given under my hand at Bombay this first day of May One Thousand Nine Hundred and Fifty-One.



Sd/-

Behramji M. Modi

Registrar of Companies,
BOMBAY.

THE COMPANIES ACT 2013
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
FERMENTA BIOTECH LIMITED*

- 1 The name of the Company is **FERMENTA BIOTECH LIMITED***.

*(*Inserted pursuant to the order of the National Company Law Tribunal dated September 19, 2019 sanctioning the Scheme of Amalgamation of Fermenta Biotech Limited with DIL Limited and the Certificate of Incorporation pursuant to change of name issued by the Registrar of Companies dated October 17, 2019.)*

2. The Registered Office of the Company will be situated in the State of Maharashtra.
3. The objects for which the Company is established are:

A. THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:

1. To take over as a running concern the firm 'International Franchises' conducted and owned by Mr. E. V. S. Desikachari on such terms and payment in consideration as the Board of Directors may determine.
2. To carry on business as manufacturers of, and dealers in, pharmaceutical, veterinary and phytopharmaceutical products and

preparations, chemicals, biochemicals and biological products, drugs, medicines and remedies, atomic and radioactive isotopes, chemicals, fine chemicals, spirits, fertilisers, sprays, disinfectants, insecticides, pesticides, germicides, vermifuges, acids, alkalis, salts, dyes, dye-stuffs, dye-wares, colours, paints pigments, lacquers, compounds, varnishes, polishes, glues, gums, cosmetic and toilet preparations, foodstuffs and beverages, and photographic, industrial, medicinal, surgical, hospital, laboratory and scientific preparations, compounds, equipments and apparatus, and other preparations, compounds, substances, and articles intended for, or capable of being used in or connected with, any such business as aforesaid.

- 2A.[@] To engage in and to conduct the business of conceiving, designing, providing and manufacturing for sale and distribution of sustainable environmental solutions including but not limited to, solid waste management, waste water management, water management, lake and pond bioremediation and fly ash management, air pollution management, installation, operation and maintenance of Sewage Treatment Plants (STPs) either on its own or through collaboration and other related and incidental activities.

[@]Inserted vide members' special resolution by way of postal ballot dated July 25, 2018.)

3. To carry on business in India and elsewhere as importers, exporters, merchants, traders, distributors, commission agents, indenting agents, selling agents and representatives for dealing or manufacturing, utilising or turning into account, exploiting any of the above products and articles.
4. To engage in the production, direction, marketing, conceptualizing, leasing, licensing, distribution, financing and dealing in films, television, audio and video transmissions, literary, dramatic and artistic works and various forms of entertainment including but not limited to owning and operating public entertainment centers and providing contents for and managing programs, events, projects and exhibitions relating thereto and various forms of entertainment related software.
5. To establish, provide, maintain and conduct, or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on with all scientific and technical researches, experiments and tests of all kinds and to promote studies and research both scientific and technical, investigations and invention by providing, subsidising,

endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing for the remunerations of scientific or technical professors or teachers and by providing for the award of exhibitions, scholarships, prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the Company is authorized to carry on.

6. To carry on business as importers, exporters, buyers and sellers of and merchants and dealers in and manufacturers of merchandise, goods, materials and machinery of all kinds, spare parts, accessories and equipments.
7. To repair, alter, remodel, clean, renovate, convert, manipulate and prepare for resale and resell any goods from time to time belonging to the Company.
8. To borrow or raise or secure the payment of money, or to receive money on deposit at interest for any of the purpose of the Company, to draw, make, accept, endorse, negotiate, discount, execute and otherwise deal with and issue bills of exchange, cheques, promissory notes, bills of lading and other documents, to mortgage, pledge or charge the whole or any part of the property assets, or revenue and profits of the company, present or future by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may expedient, and to purchase, redeem or pay off any such securities.
9. To carry on any other business, which may seem to the Company capable of being conveniently carried on in connection with any business of the Company or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights for the time being.
10. To acquire and undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the Company is authorised to carry on, or possessed of property suitable for the purposes of this company.
11. To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as directly or indirectly to benefits this company.

12. To purchase, take on lease or in exchange, hire or otherwise acquire any immovable or movable property, and any rights or privileges which the company may think necessary or convenient for the purposes of its business and in particular any land, buildings, easements, machinery, plant and stock-in-trade; and either to retain any property so acquired for the purposes of the Company's business or to turn the same to account as may seem expedient.
13. To construct, improve, maintain, develop, work, manage, carry out or control any buildings, factories or works, or any roads, ways, tramways, railways, branches or sidings, bridges, wells, reservoirs, watercourses, wharves, warehouses, electric works, shops, stores, chawls and other buildings for housing work-people and others or other works and conveniences which may seem calculated directly or indirectly to advance the Company's interests and to contribute to, subsidise or otherwise assist or take part in the construction, improvement, maintenance, development, working, management, carrying out or control thereof.
14. To manage land, building and other property, whether belonging to the company or not, and to let any portion of the premises for residential, trade or business purposes or other private or public purposes, and to collect rents and income.
15. To lend money to such persons or companies and on such terms as may seem expedient and in particular to customers and others having dealings with the Company, and to guarantee the performance of contracts by and obligations of any persons or companies and to give all kinds of indemnities.
16. To apply for, purchase, or otherwise acquire any patents, brevets d'invention, licences, concessions, and the like conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated, directly or indirectly, to benefit the Company, and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property, rights, or information so acquired.
17. To employ experts to investigate and examine into the condition, prospects, value, character and circumstances of any business concerns and undertakings and generally of any assets, property or rights.

18. To establish branches or appoint agencies for or in connection with any of the objects of the Company and to transact all kinds of agency business, and in particular in relation to the investment of money, the sale of property and the collection and receipt of money, and to act as Managing Agents of any firm or company.
19. To adopt such means of making known the business of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, by radio and television and by granting prizes, rewards and donations.
20. To establish and support, or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit employees or ex-employees of the Company, or its predecessors in business, or the dependents or connections of such persons and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object.
21. To enter into any arrangement with any Government, or authority supreme, municipal, local, or otherwise, that may seem conducive to the Company's objects or any of them, and to obtain from any such Government or authority all rights, concessions and privileges which the company may think it desirable to obtain, and to carry out, exercise, and comply with any such arrangements, rights, privileges and concessions.
22. To obtain any provisional order or Act of the Government of India or any State Government for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly, to prejudice the Company's interests.
23. To enter into partnership, or into any arrangement for sharing profits or losses, or for any union of interest, joint-adventure, reciprocal concession or co-operation with any person or persons, or company or companies carrying on, or engaged in or about to carry on, or engage in, or being authorised to carry on, or engage in, any business or transaction which this Company is authorised to carry on or engage in, or in any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.

24. To sell, lease, grant licences, easements and other rights over and in any other manner deal with or dispose of, the undertaking, property assets, rights and effects of the company, or any part thereof, for such consideration as the company may think fit, and in particular for shares, debentures, or securities of any other company.
25. To amalgamate, enter into any partnership or partially amalgamate with or acquire an interest in the business of any other company, person or firm carrying on a business included in the objects of the Company, or enter into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance, with any such person, firm or company, or to acquire and carry on any other business (whether manufacturing or otherwise) auxiliary to the business of the Company or connected therewith or which may seem to the Company capable of being conveniently carried on in connection with the above, or calculated directly or indirectly to enhance the value of or render more profitable any of the company's property, and to give or accept by way of consideration for any of the acts or things aforesaid, or property acquired, any shares, debentures, debenture-stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture-stock or securities so received.
26. To underwrite, acquire, take up and hold shares, stocks, debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or in any foreign country; and debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any Government, Sovereign Ruler, Commissioners, public body or authority supreme, municipal, local or otherwise, whether at home or abroad.
27. To acquire any such shares, stocks, debentures, debenture-stock, bonds, obligations or securities by original subscription, purchase, exchange or otherwise, and to subscribe for the same, either conditionally or otherwise, and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof.
28. To promote or join in the promotion of any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company and to underwrite shares and securities therein.

29. To make donations to such persons or institutions and in such cases and either of cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise, expedient and in particular to remunerate any person or corporation introducing business to this company and to subscribe, contribute, or otherwise assist or guarantee money for charitable, scientific, religious or benevolent, national public or political or other institutions objects or for any exhibition or for any public, general or other objects and to establish and support or aid in the establishment and support of associations, institutions, funds, trusts and convenience for the benefit of the employees or of persons having dealings with the Company or the dependents, relatives or connection of such person and in particular friendly or other benefit societies and to grant pensions, allowances, gratuities, and bonuses either by way of annual payments or a lump sum and to make payments towards insurance and to form and contribute to provident and benefit funds of or for such persons.
30. To refer or agree to refer any claims, demands, disputes or any other question, by or against the Company, or in which the company is interested or concerned, and whether between the company and the member or members of his or their representatives, or between the Company and third party, to arbitration in India or at any place outside India, and to observe and perform and to do all acts, deeds, matters and things to carry out or enforce the awards.
31. To invest and deal with the moneys of the Company in such manner as may from time to time be determined.
32. To undertake and execute any trusts the undertaking of which may seem to the Company desirable and either gratuitously or otherwise.
33. To remunerate any person or company for services rendered, or to be rendered in placing or assisting to place or guaranteeing the placing of shares in the Company's capital or any debentures, debenture-stock, or other securities of the Company, or in or about the formation or promotion of the Company, or the acquisition of property by the Company, or the conduct of its business.
34. To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company for the time being.

35. To distribute any of the property of the Company in specie among the members, subject to the provisions of the Companies Act, 2013, or any statutory modification or re-enactment thereof for the time being in force.
 36. To insure the whole or any part of the property of the Company either fully or partially; to protect and indemnify the Company from liability or loss in any respect either fully or partially and also to insure and to protect and indemnify any part or portion thereof either on mutual principle or otherwise.
 37. To do all or any of the above things either as principals, agents, trustees, contractors or otherwise, and by or through agents, sub-contractors, trustees or otherwise, and either alone or in conjunction with others.
 38. To do all such other things as are incidental or conducive to the attainment of the above objects or any of them, the intention being that each object specified in the above paragraphs of this Memorandum shall be regarded as an independent object and may be carried out in as full and ample a manner and construed and applied in as wide a sense as if, each of the said objects defines the objects of separate, distinct and independent Company.
- IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.
- V*. The Authorised Share Capital of the Company is INR 25,00,00,000 (Rupees Twenty Five Crores) divided into 4,98,40,000 equity shares of INR. 5/- each, and 1,60,000 Unclassified shares of INR. 5/- each with such rights, privileges and conditions as to security, redemption, conversion into equity shares, rate of dividend, right of accumulation of dividend etc., attaching thereto as are provided by the Articles of Association of the Company. The Company shall have power to increase or reduce, consolidate or sub-divide the Share Capital of the Company for the time being and from time to time divide the shares of the new Capital into several classes and denomination and to issue any shares of the original or further Share Capital of the Company for the time being with such preferential, qualified or special rights, privileges or conditions attached thereto respectively including rights to dividend in distribution of assets of the Company from time to time in accordance with the Articles of Association of the Company and subject to the provisions of the Companies Act, 2013, for the time being in force.

(* Inserted pursuant to the order of the National Company Law Tribunal dated September 19, 2019 sanctioning the Scheme of Amalgamation of Fermenta Biotech Limited with DIL Limited.)

We, the several persons whose names and addresses are subscribed hereunto, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite to our respective names.

Sr. No.	Name, Addresses, Description & Occupations of the Subscribers with their signatures	No. of Equity Shares taken by each Subscriber	Signature of the Subscribers	Signature of Witnesses with Name, Address, Description and Occupation
1.	Mr. GAJENDRA C. BUCH Dr. Sadahni's Bungalow G. B. Road, Malad. (Business)	1 (One)	Sd/-	Praveen Aggarwal Chartered Accountant Aggarwal, Rajiv & Associates 39, Sector 28-A, Chandigarh 160 002
2.	Mr. E. V. S. DESIKACHARI T/57, Ex-Military Hutment Sion Road, Bombay. (Business)	1 (One)	Sd/-	
3.	Dr. D. V. K. Raju Anand Niwas Dongerse Road, Malabar Hill, Bombay. (Business)	1 (One)	Sd/-	

Dated this 24th day of April, 1951

**(THE COMPANIES ACT, 2013)
(COMPANY LIMITED BY SHARES)**

ARTICLES OF ASSOCIATION

OF

FERMENTA BIOTECH LIMITED*

The regulations contained in Table ‘F’ in Schedule I of the Companies Act, 2013 (Table ‘F’), as are applicable to a company limited by shares, shall apply to the Company so far as they are not inconsistent with any of the provisions contained in these Articles or modifications thereof and only to the extent that there is no specific provision in these Articles. In case of any conflict between the provisions of these Articles and Table ‘F’, the provisions of these Articles shall prevail.

Table “F” to
apply save as
varied

I. Interpretation

1) In the interpretation of these Articles, unless repugnant to the subject of context,

Interpretation
clause.

a. ‘Company’ means Fermenta Biotech Limited*.

“Company”

*(*Inserted pursuant to the order of the National Company Law Tribunal dated September 19, 2019 for approval for the Scheme of Amalgamation of Fermenta Biotech Limited with DIL Limited and the Certificate of Incorporation pursuant to change of name issued by the Registrar of Companies dated October 17, 2019.)*

b. ‘Act’ means the Companies Act, 2013 and rules made thereunder or any statutory modification or re-enactment thereof, or to the extent applicable provisions of the earlier Companies Acts (including the Companies Act, 1956), for the time being in force, both as amended from time to time.

“The Act.”

c. ‘Auditor’ means the statutory auditor of the Company appointed by the Company in accordance with the provisions of the Act.

“Auditors”

d. ‘Beneficial Owner’ means a person whose name is recorded as such with a Depository.

“Beneficial
Owner”

"Board"	e. 'Board' means the Board of Directors for the time being of the Company.
"Chairperson"	f. 'Chairperson' means the chair of the Board or the chair of the general meeting for the time being of the Company, as applicable.
"Debenture"	g. 'Debenture' includes Debenture Stocks.
"Depository"	h. 'Depository' means a depository as defined in section 2 of the Depositories Act, 1996.
"Director"	i. 'Director' means a member of the Board for the time being of the Company and includes an alternate director.
"Extraordinary General Meeting"	j. 'Extraordinary General Meeting' means an extraordinary general meeting of the Company held in accordance with the applicable provisions of the Act and the rules made thereunder, and includes any adjournment thereof.
"Managing Director"	k. 'Managing Director' means the managing director(s) for the time being of the Company, so appointed.
"Annual General Meeting"	l. 'Annual General Meeting' means an annual general meeting of the Company held in accordance with the applicable provisions of the Act and the rules made thereunder and includes any adjournment thereof.
"Office"	m. 'Office' means the Registered Office for the time being of the Company.
"Person(s)"	n. 'Person(s)' include all natural and juristic persons.
"Seal"	o. 'Seal' means the common seal of the Company.
"Share(s)"	p. 'Share(s)' mean shares in the capital of the Company and includes all rights and interests therein.
"Table F"	q. 'Table F' means the Table F of the First Schedule to the Act.
"These presents"	r. 'These presents' means the Memorandum of Association and these Articles of Association of the Company for the time being in force.

- 2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force

at the date at which these regulations become binding on the Company.

- 3) ‘In writing’ and ‘written’ includes printing, lithography and any other modes of representing or reproducing words in a visible form including by means of electronic media recognized as written communication pursuant to the provisions of the Information Technology Act, 2000, as amended from time to time.
- 4) Words importing the singular number shall include, where the context admits or requires, the plural number and vice versa.
- 5) Words importing masculine gender also include the feminine and neuter grammatical gender.

II. Share capital and variation of rights

- | | | |
|--------|--|--|
| 1) (i) | The authorised Share capital of the Company shall be as stated in Clause V of the Company’s Memorandum of Association, with the power to increase or reduce such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this behalf and with the power also to divide the Shares in the capital for the time being into equity Share capital and preference Share capital, including of different classes, and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles. | Authorised
Share
Capital |
| (ii) | Subject to the provisions of the Act and these Articles, the Shares (including the Shares forming part of the increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion on such terms and conditions and either at a premium or at par, including to give any person the option to call for or be allotted Shares of any class of the Company, and such option being exercisable for such time and for such consideration as the Board of Directors think fit. The Board shall cause to be filed, as applicable, the returns as to allotment provided for in the Act and the rules made thereunder. | Shares
under
control of
Directors |

Issue of
share
Certificate

- 2) (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
- (a) one certificate for all his Shares without payment of any charges; or
- (b) several certificates, each for one or more of his Shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the Seal and shall specify the Shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders.

Issuance of
new share
certificate

- 3) (i) If any Share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of such fees (not exceeding Rs. 20/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space thereon for endorsement of further transfers.
- (ii) The provisions of paragraphs 2) and 3) above, of this Article II, shall mutatis mutandis apply to debentures of the Company.

Company
not bound to
recognize
any interest
in share other
than that of
registered holder

- 4) Except as ordered by a Court of competent jurisdiction or otherwise required by law, no person shall be recognised by the Company as holding any Share upon any trust and the Company shall not be bound by or be compelled in any

way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any Share or other security issued by the Company, or any interest in any fractional part of a Share or other security issued by the Company, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any Share or other security issued by the Company, except an absolute right to the entirety thereof in the registered holder.

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| 5) | (i) | The Company may exercise the powers of paying commissions conferred under the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the rules made thereunder. | Commission |
| | (ii) | The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act or the rules made thereunder as applicable. | |
| | (iii) | The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other. | |
| 6) | | The Company may pay a reasonable sum for brokerage. | Brokerage |
| 7) | | With the previous authority of the Company in General Meeting and the sanction of the Court and upon otherwise complying with Section 53 of the Act it shall be lawful for the Directors to issue at a discount shares of a class already issued. | Shares at a discount |
| 8) | | Calls shall be made on a uniform basis on all shares falling under the same class. | Calls on a uniform basis |
| 9) | | If by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the persons who for the time being shall be the registered holders of the share. | Instalments on shares to be duly paid |
| 10) | | Save as provided by Section 67 of the Act none of the funds of the Company shall be employed in the purchase of, or lent on the security of, shares of the Company and the Company shall not give any financial assistance for the purpose of or in connection with any purchase of shares in the Company. | Company not to purchase its own shares |

Trust
not
recognised

- 11) Except as ordered by a Court of competent jurisdiction or required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

Who may
be
registered

- 12) Shares may be registered in the name of any limited Company or other corporate body but not in the name of a firm.

Modification
of rights

- 13) (i) If at any time the Share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the applicable provisions of the Act and the rules made thereunder, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued Shares of the class in question.

- 14) The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

Issue of
preference
shares

- 15) Subject to the provisions of the Act and other applicable provisions of the Act, any preference Shares may, with the sanction of a special resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the Shares may, by special resolution, determine.

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| 16) The Shares shall be numbered progressively according to their several denominations and in whole numbers, and there shall be no fractional Shares. Every forfeited or surrendered Share shall continue to bear the number by which the same was originally distinguished. | Shares to be numbered progressively and no share to be sub-divided |
| 17) If and whenever as the result of issue of any alteration, consolidation or subdivision of Shares, any Shares held by members in fractions, the Board shall subject to the provisions of the Act and the Articles and to the directions of the Company in general meeting, if any, deal with the fractional portion in such manner as may be determined, so as to ensure all resulting Shares are in whole numbers. | Sale of fractional shares |
| 18) In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in general meeting may subject to the provisions of the Act and other applicable provisions: (i) determine to issue further Shares out of authorized but unissued capital of the Company and may determine that any Share, (whether forming part of the original capital or of any increased capital of the Company), shall be offered to such persons, (whether Members or holders of Debentures or not), in such proportion and on such terms and conditions and (subject to compliance with all applicable provisions of the Act and the rules made thereunder), either at a premium or at par or at a discount, such option being exercisable at such time and for such consideration as may be directed by such general meeting, or (ii) make any other provision whatsoever for the issue, allotment or disposal of any Shares. | Power also to Company in General Meeting to issue shares |
| 19) Any application signed by or on behalf of an applicant for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles and every person who thus or otherwise accepts any Shares and whose name is on the Register of Members shall for the purposes of these Articles be a member. | Acceptance of shares |
| 20) Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the capital of the Company as payment or part payment for any property, (including goodwill of any business, sold or transferred, goods or machinery supplied or for services rendered to the Company), either in or about the conduct of business of the Company and any Shares which may be so allotted | Board may allot Shares as fully paid-up |

may be issued as fully paid-up or partly paid-up otherwise than in cash and if so issued shall be deemed to be fully paid-up or partly paid-up Shares as aforesaid.

Deposit and calls etc. be a debt payable immediately

21) Subject to the provisions of the Act, the money, (if any), which the Board shall, on the allotment of any Shares being made by them require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the inscription of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members

22) Subject to the provisions of the Act, every Member, or his heirs, executors, or administrators or other legal representatives shall pay to the Company, the portion of the capital represented by his Share or Shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Company's regulations require or fix for the payment thereof.

Joint-holders

23) Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following provisions :-

Maximum Number

a. The Company shall not be bound to register more than four persons as the joint-holders of any share.

Liability several as well as joint

b. The joint-holders of a share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share.

Receipts

c. Any one of such joint-holders may give effectual receipts for all dividends and payments on account of dividends payable to such joint-holders.

Delivery of Certificates

d. Only the person whose name stands first in the Register as one of the joint- holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint-holders.

Voting

e. Any one of several joint registered holders of any share may vote at any meeting either personally or by proxy as if he were solely entitled thereto and, if



more than one of such joint-holders be present at any meeting either personally or by proxy, then that one of the said persons so present whose name stands prior in order on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint-holders thereof.

III. Lien

24) (i) The Company shall have a first and paramount lien—

(a) on every Share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

Company
to have
Lien on
shares

Provided that the Board may at any time declare any Share to be wholly or in part exempt from the provisions of this Article.

(ii) The Company's lien, if any, on a Share shall extend to all dividends payable and bonuses declared from time to time in respect of such Shares.

25) For the purpose of enforcing such lien, the Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien:

As to
enforcing
lien by
sale

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.

26) (i) To give effect to any such sale, the Board may authorize some person to transfer the Shares sold to the purchaser thereof.

Transfer of
shares to
purchaser

(ii) The purchaser shall be registered as the holder of the Shares comprised in any such transfer.

	(iii)	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
Application of proceeds of sale	27)	<p>(i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</p> <p>(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the Shares at the date of the sale.</p>
Directors may issue new certificates	(iii)	Where any shares under the power in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.

IV. Calls on shares

Board may make Calls	28)	<p>(i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:</p> <p>(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.</p> <p>(iii) A call may be revoked or postponed at the discretion of the Board.</p>
Call to date from resolution	29)	A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed and may be required to be paid by instalments.
Liability of joint holders	30)	The joint holders of a Share shall be jointly and severally liable to pay all calls (and installments) due in respect thereof.

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|-----|--|--|
| 31) | The Board may from time to time at its discretion extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members; but no Member shall be entitled to such extension save as a matter of grace and favour. | Board
may
extend
time |
| 32) | If any Member or allottee fails to pay the whole or any part of any call or installment, due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board; but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part. | Calls to
carry
interest |
| 33) | <p>(i) Any sum which by the terms of issue of a Share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time or by installments whether on account of the nominal value of the Share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise such sum becomes payable.</p> <p>(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</p> | <p>Sums
deemed to
be called</p> <p>Non-
payment
of
sum
payable</p> |
| 34) | On the trial or hearing of any action or suit brought by the Company against any Member or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove: (i) that the name of the Member in respect of whose Shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which such money is sought to be recovered; (ii) that the resolution making the call is duly recorded in the minute book; and (iii) that notice of such call was duly given to the Member or his representatives sued in pursuance of these Articles. It shall not be necessary to prove the appointment of the Directors who | Proof on
trial of
suit for
money
due on
Shares |

made such call, nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; and the proof of the matters aforesaid in the preceding sentence shall be conclusive of the debt owed to the Company.

Partial
payment not
to preclude
forfeiture

35) Neither a judgment or decree in favour of the Company for calls, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as herein provided.

36) The Board—

Payment in
Anticipation of
Calls
may carry
interest

- (i) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any Shares held by him; and
- (ii) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as the member paying the advance and the Board may agree upon, provided such interest rate shall not exceed twelve per cent per annum unless the Company in general meeting shall otherwise direct. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing.
- (iii) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. A sum paid in advance of calls on any Shares shall not in respect thereof confer a right to dividends or to participate in the profits of the Company.

V. Transfer and Transmission of Shares

Application
for transfer

37) (i) An application for the transfer of Shares in the Company may be made either by the transferor or the transferee.

- (ii) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
- 38) In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to form prescribed in Clause 39 hereof as circumstances shall permit.
- 39) The instrument of transfer of any share in the Company shall be duly stamped and executed by or on behalf of both the transferor and transferee and shall contain the name, address and occupation of the transferee and the transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof. Each signature to the transfer shall be duly attested by the signature of one credible witness who shall add his address and occupation. Such duly stamped and executed instrument of transfer shall be delivered to the Company together with share certificate(s).
- 40) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 41) Before registering any transfer tendered for registration the Directors may, if they so think fit, give notice by letter posted in the ordinary course to the registered holder that such transfer deed has been lodged and that, unless objection is taken, the transfer will be registered and if such registered holder fails to lodge an objection in writing at the registered office of the Company within ten days from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder the Directors shall be deemed to have decided not to give notice and in any event the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company or the Directors in respect of such non-receipt.
- 42) Neither the Company nor its Directors shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same
- Form of Transfer outside India
- Form of Transfer
- Execution of transfer, etc.
- Notice of transfer to registered holder
- Indemnity against wrongful transfer

may, by reason of any fraud or other cause not known to the Company or its Directors, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. And in every such case the person registered as transferee, his executors, administrators and assigns alone shall be entitled to be recognized as the holder of such shares and the previous holder shall so far as the Company is concerned be deemed to have transferred his whole title thereto.

No transfer to infant, etc.

43) No transfer shall be made to an infant or a person known by Directors to be of unsound mind.

Transfer to be left at office and evidence of title given

44) Every instrument of transfer shall be left at the office for registration, accompanied by the certificate of the shares to be transferred, and such other evidence as the Directors may require, to prove the title of the transferor or his right to transfer the shares.

When transfer to be retained

45) All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

Right of appeal

46) Subject to the provisions of the Act, including the right of appeal conferred by the Act, the Board may, decline to register—

- (i) the transfer of a Share, not being a fully paid share, to a person of whom they do not approve; or
- (ii) any transfer of Shares on which the Company has a lien.

Refusal to Sub-divide Share Certificate

47) (i) Notwithstanding anything contained in any other provisions of these Regulations, but subject to the provisions of the Act, the Board may in its absolute discretion refuse applications for sub-division or consolidation of Share certificates into denominations of less than the marketable lot or trading unit as determined by the stock exchange from time to time, except when such sub-division or consolidation is

required to be made to comply with a statutory provision or an order of a competent court of law.

(ii) No fee may be charged:

(a) For splitting up, sub-division and consolidation of Shares certificates and for splitting up and sub-division of letters of allotment and splitting, consolidation, renewal into denomination corresponding to the market units of trading as per rules of the concerned stock exchange.

Splitting up,
sub-division
and
consolidation
of Shares
certificates

(b) For sub-division of rights Shares offered to Shareholders.

(c) For registration of any power of attorney, probate or will, letter of administration or similar other documents.

48) The Board may decline to recognize any instrument of transfer unless—

(i) the instrument of transfer is in the form as prescribed in the Act and rules made thereunder;

Board's
refusal
to
recognise
instrument of
transfer

(ii) the instrument of transfer is accompanied by the certificate of the Shares to which it relates, or such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(iii) the instrument of transfer is in respect of only one class of Share(s).

49) On giving not less than seven days' previous notice in accordance with the Act and rules made thereunder and the applicable requirements of any stock exchange on which the securities of the Company may be listed, the registration of transfers may be suspended at such times and for such periods as the Board may, subject to the provisions of the Act, from time to time determine.

Transfer
books
when
closed

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

50) Nothing contained in these Articles, shall apply to transfer of a security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the records of a depository.

Company not
liable disregard
of a notice
prohibiting
registration of
a transfer

51) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

Title to
shares of
deceased
Member
Title

52) The executors or administrators (acting under a grant having effect in the State of Maharashtra) or the holder of a Succession Certificate or other legal representation in respect of the shares of a deceased member (whether he was a member of a Hindu joint family or not) and not being one of several joint holders shall be the only persons whom the Company shall be bound to recognize as having any title to the shares registered in the name of each member and in case of the death of any one or more of the joint-holders of any registered shares, the survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing herein contain shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other persons. Provided nevertheless that in any case where the Director in their absolute discretion think fit it shall be lawful for the Directors to dispense with the production of probate or letters of administration or succession certificate upon such terms as to indemnity or otherwise as the Directors may consider desirable. Provided also that the holder of a succession certificate shall not be entitled to receive any dividends already declared but not paid to the deceased member unless the succession certificate declares that the holder thereof is entitled to receive such dividends.

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| <p>53) Any committee or guardian of a lunatic or infant member or any person becoming entitled to or to transfer shares in consequence of death or insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title as the Directors think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give) be registered as a member of such shares, or may, subject to the regulations as to transfer herein-before contained transfer such shares. This Article is hereinafter referred to as 'The Transmission Article'. Subject to any other provisions of this Article, if the person so becoming entitled to shares under this Article shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer the shares to some other person he shall execute an instrument of transfer in accordance with the provisions of these Articles relating to transfers of shares. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid.</p> | <p>Registration of persons entitled to shares otherwise than by transfer</p> |
| <p>54) Subject to provisions of the Act, every holder of Shares in the Company may, at any time, nominate, in the prescribed manner a person to whom his Shares shall vest in the event of his death.</p> <p>(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or executors or administrators, legal representatives where he was a sole shareholder, shall be the only persons recognized by the Company as having any title to his interest in the Shares registered in the name of such member, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificates, and upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit, register the name of any person who claims to be absolutely entitled to the Shares standing in the name of the deceased member, as a member.</p> <p>(ii) Nothing in sub-article (i) above, shall release the estate of a deceased joint holder from any liability in respect of any Share, which had been jointly held by him with other persons.</p> | <p>Nomination</p> |

Registration of persons entitled to shares otherwise than by transfer

- 55) (i) Any person becoming entitled to a Share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the Share; or
 - (b) to make such transfer of the Share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the Share before his death or insolvency.

Acceptance to be registered as holder of the share

- 56) (i) If the person so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

Testifying election by executing a transfer of the share

- (ii) If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.

Limitations and restrictions

- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

Rights of Such persons

- 57) A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Share, until the requirements of the notice have been complied with.

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| 58) The Board shall not knowingly issue or register a transfer or transmission of any Share to a minor (except through a guardian only as fully paid Shares) or person of unsound mind (except through his next friend only as fully paid Shares) or undischarged insolvent. | No transfer to Minor etc. |
| 59) Subject to the provisions of the Act, no fee shall be charged for transfer or transmission of Shares or for effecting transmission or for registering any letters of probate, letters of administration and similar other documents. | Fee on transfer or transmission |
| 60) Subject to the provisions of the Act and the rules made thereunder, and subject further to any conditions specified in the terms of issue thereof, the provisions of these regulations relating to transfer and transmission of Shares shall apply, mutatis mutandis, to the transfer and transmission of other securities of the Company. | Transfer of other securities |

VI. Copies of Memorandum and Articles to be sent to Members

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| 61) Copies of the memorandum and articles of association of the Company and other documents referred to in the Act shall be sent by the Company to every member at his request within seven days of the receipt of the request on payment of such fees as may be prescribed, for each copy, under the Act and/or by the Members of the Company. | Copies of the memorandum and articles of association to be sent by the Company |
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VII. Dematerialisation of Securities

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| 62) (i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities, rematerialise its securities held with any depositories and/or offer its securities for subscription in a dematerialised form pursuant to the Depositories Act, 1996 and other applicable law. | Company entitled to dematerialize/ Rematerialise its Shares |
| (ii) Where the securities of the Company are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities in accordance with the provisions of the Act and other applicable laws. | Intimation of Allotment of Shares, Debentures and other securities to a Depository |
| (iii) Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the | |

manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. Where a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security;

(iv) Rights of Depositories and Beneficial Owners:

- a) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner;
- b) Save as otherwise provided in (i) above, the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it;
- c) Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository.

- (v) If a beneficial owner seeks to opt out of a Depository in respect of any security, the beneficial owner shall inform the Depository accordingly. The Depository shall, on receipt of the intimation as above, make appropriate entries in its record and shall inform the Company accordingly. The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.
- (vi) No stamp duty would be payable on shares and securities held in dematerialised form in any medium as may be permitted by law including any form of electronic medium.

- (vii) Nothing contained in these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to dematerialized securities held by a depository.
- (viii) Notwithstanding anything contained in these Articles, in the case of transfer or transmission of securities where the Company has not issued any certificates and where such securities are being held in an electronic and fungible form by a Depository, the provisions of the Depositories Act, 1996 shall apply. Securities in depositors to be in fungible form
- (ix) Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the Person whose name appears as the Beneficial Owner of the securities in the records of the depository as the absolute owner thereof and accordingly the Company shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any security or (except only as is by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof. Beneficial owner deemed as Absolute owner
- (x) Notwithstanding anything contained in the Act or these Articles, where securities are held by a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of media containing electronic data or files. Service of documents
- (xi) Notwithstanding anything contained in the Act or in these Articles, the Company can hold investments with a depository when such investments are in the form of securities held by the Company as a Beneficial Owner. Investment in the name of the Depository

VIII. Forfeiture of Shares

- 63) If a member fails to pay any call, or installment of a call or any money due in respect of any Shares either by way of principal or interest, on or before the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued. If money payable on share not paid, notice to be given to Member

Terms
of notice

- 64) (i) The notice aforesaid shall—
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made shall be liable to be forfeited.

In default of
payment
shares to be
forfeited.

- 65) If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other money payable in respect of the forfeited Share and not actually paid before the forfeiture.

Forfeited
share to be
property of
the Company
and may be
sold etc.

- 66) (i) A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

Member
still liable to
pay money
owing at
time of
forfeiture
and interest

- 67) (i) A person whose Shares have been forfeited shall cease to be a member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares.
- (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.

Effect of
forfeiture

- (iii) Subject to the provisions of the Act, the forfeiture of a Share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the Share and all other rights incidental to the Share, except only such of these rights as by these Articles are expressly saved.

Evidence of
forfeiture

- 68) (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a Share in the Company has

been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share;

- (ii) The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of;
 - (iii) The transferee shall thereupon be registered as the holder of the Share; and
 - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.
- 69) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the register of members in respect of the Shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the register of members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
- 70) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the related Shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.
- 71) The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Validity of
Sale under
Articles 25
and 66

Cancellations
of Shares
certificate in
respect of
forfeited
shares

Consequences
of
Non-payment

Power to
annul
forfeiture

- 72) The Board may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

IX. Alteration of capital

Increase of
capital by
the Company
and how
carried into
effect

- 73) The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution.
- 74) (i) Subject to the provisions of the Act and other applicable regulations, including the provisions of any listing agreement to which the Company is a party, the new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as by the general meeting creating the same shall be directed and if no direction be given by the general meeting, as the Board shall determine; and in particular, subject to the foregoing, such Shares may be issued with a preferential, qualified or differential rights as to dividends, distribution of assets, voting or otherwise as permitted under applicable law.
- (ii) Notwithstanding anything contained in sub-article (i) above and subject to the provisions of the Act and to the provisions of other applicable regulations, the Company shall be authorized to issue Shares for cash or consideration other than cash or a combination thereof, in compliance with the provisions of the Act and any rules made thereunder and the Company may by special resolution in general meeting delegate to the Board or a committee of the Board, the administration, operation or implementation of any acts or things necessary or incidental to the aforesaid sub clause.

New capital
same as
existing
capital

- 75) Except so far as provided by the condition of issue or by these presents, any capital raised by the creation of new Shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- 76) Subject to the provisions of the Act, if, owing to any inequality in the number of new Shares to be issued and

the number of Shares held by members entitled to have the offer of such new Shares, any difficulty arising in the allotment of such new Shares or any of them amongst the members shall, in the absence of any direction in the resolution creating the Shares or by the Company in general meeting, be determined by the Board.

77) Subject to the provisions of the Act, the Company may, by ordinary resolution,—

- (i) consolidate and divide all or any of its Share capital into Shares of larger amount than its existing Shares;
- (ii) convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination;
- (iii) sub-divide its existing Shares or any of them into Shares of smaller amount than is fixed by the memorandum;
- (iv) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Consolidation,
division and
sub-division

78) Where Shares are converted into stock,—

- (i) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the Shares from which the stock arose.

- (ii) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage.

Rights,
Privileges
and
advantages

Reduction
of
capital

- (iii) such of the regulations of the Company as are applicable to paid-up Shares shall apply to stock and the words “Share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

79) The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (i) its Share capital;
- (ii) any capital redemption reserve account; or
- (iii) any Share premium account.

X. Capitalisation of Profits

80) (i) The Company in general meeting may, upon the recommendation of the Board, resolve—

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in clause amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (d), either in or towards—

- (a) paying up any amounts for the time being unpaid on any Shares held by such members respectively;
- (b) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up bonus Shares, to and amongst such members in the proportions aforesaid;
- (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
- (d) A securities premium account, capital redemption reserve account or free reserves may, for the purposes of this regulation, be applied in the paying up of unissued Shares to be issued to

members of the Company as fully paid bonus Shares;

- (e) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

- 81) (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares if any; and
- (b) generally do all acts and things required to give effect thereto.

Fractional
certificates

- (ii) The Board shall have power—

- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares becoming distributable in fractions; and
- (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further Shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing Shares;

- (iii) Any agreement made under such authority shall be effective and binding on such members.

XI. Buy-back of shares

- 82) Notwithstanding anything contained in these articles but subject to the provisions of the Act or any other law for the time being in force, the Company may purchase its own Shares or other specified securities.

Buy back
of shares

XII. Borrowing Powers

- 83) Subject to the provisions of the Act and of these Articles and without prejudice to the other powers conferred by

Power to
borrow

these Articles, the Board may, from time to time at its discretion, accept deposits from Members, (either in advance of calls or otherwise), and from other persons and generally borrow or raise or secure the payment of any sum or sums of money for the purposes of the Company.

Conditions on which money may be borrowed

84) Subject to provisions of the Act and these Articles, the Board may borrow, raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage, charges, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, (both present and future).

Bonds, Debentures etc. to be subject to control of Board

85) Subject to the provision of the Act, any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Mortgage of uncalled capital

86) Subject to the provisions of the Act and these Articles, if any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

Register of Mortgages etc. to be kept

87) The Board shall cause a proper Register to be kept in accordance with the provisions of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company, and shall cause the requirements of all applicable provisions of the Act in that behalf to be duly complied with, so far as they are required to be complied with by the Board.

Register and Index of Debenture holders and Beneficial Owner

88) The Company shall, if at any time it issues debentures keep a register and index of debenture holders in accordance with the Act and Depositories Act, 1996 or any other applicable law. The register and index of Beneficial Owners maintained by a depository under section 11 of the Depositories Act, 1996 shall be deemed to be the register and index of debenture holders for the purpose of the Act. The Company shall have the power to keep in any state or country outside India a branch register of Debenture holders resident in that state or country.

- 89) The Company is hereby authorized to exercise the powers conferred by the Act with regard to keeping of foreign registers of members, debenture holders and other security holders and the Board may (subject to the provisions of the Act and these regulations) make and vary such regulations as it may think fit in respect of the keeping of any such foreign registers.
- 90) Debentures and other securities may be made assignable free from any equities between the Company and the persons to whom the same may be issued.

XIII. General meetings

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|-----|---|-------------------------------------|
| 91) | All general meetings other than annual general meetings shall be called extraordinary general meetings. | Annual
General
Meetings |
| 92) | <p>(i) The Board may, whenever it thinks fit, call an extraordinary general meeting.</p> <p>(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.</p> | Extraordinary
General
Meeting |
| 93) | Notice of any meeting of the Company specifying the day and hour and place of the meeting, and the object thereof shall be given in writing or through electronic mode in such manner as prescribed in the Act and rules made thereunder. | Notice of
meeting to
be given |

XIV. Proceedings at general meetings

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| 94) | No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be as provided in the Act. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with the Act. | Quorum at
General
Meeting |
| 95) | The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company. | Chairperson
of General
Meeting |
| 96) | If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding | |

the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall elect one of their members to be Chairperson of the meeting.

- 97) If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall elect one of themselves to be Chairperson of the meeting

XV. Adjournment of meeting

If quorum
not present,
meeting to
be dissolved
or adjourned

- 98) If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting shall stand adjourned to the same day in the next week or if that day is a national holiday until the next succeeding day which is not a national holiday at the same time and place or to such other day at such other time and place within the city, town or village in which the Registered Office of the Company is situate as the Board may determine, and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the Members present shall be a quorum, and may transact the business for which the meeting was called.

Chairperson
with consent
may Adjourn
Meeting

- 99) (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

XVI. Voting Rights

Questions
at general
meeting
how
decided

- 100) At any general meeting, a resolution put to vote of the meeting shall be decided on a show of hands or as may be provided in the Act, unless, before or on the declaration of

the result of the voting on a show of hands, a poll is ordered to be taken by the Chairperson of the meeting on his own motion or on a demand made in that behalf by such member or members as may be prescribed in the Act, and unless a poll is demanded and ordered in the manner aforesaid a declaration by the Chairperson that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the minute book of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.

- 101) In the case an equality of votes, the Chairperson shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a member.

Chairperson's casting vote
- 102) If a poll is demanded, on any question other than adjournment of the meeting or election of Chairperson, the same shall be taken at such time as prescribed in the Act.

Poll to be taken, if demanded
- 103) (i) Subject to the provisions of these Articles votes may be given personally or by an attorney or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorized in accordance with the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could exercise if it were an individual member.

(ii) A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.
- 104) (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

Votes of Joint-holders
- 105) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his

How members non-compos mentis may vote

committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy provided that such evidence of the authority of the person claiming to vote as shall be accepted by the Directors, shall have been deposited at the Office of the Company not less than forty-eight hours before the time of holding a meeting.

Demand for poll not to prevent transaction of other business

106) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

No vote unless calls are paid

107) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of Shares in the Company have been paid.

Time for objections to votes

108) (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Chairperson of any meeting to be the judge of validity of any vote

(iii) The Chairperson of any meeting shall be sole judge of the validity of every vote tendered at such meeting.

Number of votes to which Member entitled

109) Subject to the provisions of these Articles and to any rights or restrictions for the time being attached to any class or classes of Shares, every member, not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every Member present in person shall have one vote and upon a poll, the voting right of such Member present, either in person or by proxy, shall be in proportion to his Share of the paid-up equity Share capital of the Company, held alone or jointly with any other person or persons.

XVII. Proxy

Appointment of proxy

110) Every proxy, (whether a member or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation, or be signed by an officer or an attorney duly authorized by it. In case of a member who is of unsound mind or who is a minor, his committee or guardian may appoint such proxy.

<p>111) An instrument of proxy may appoint a proxy either for the purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purposes of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.</p>	<p>Proxy either for specified Meeting or for a period</p>
<p>112) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the Office not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. An attorney shall not be entitled to vote unless a certified copy of the power of attorney or other instrument appointing him has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the member or the attorney, given at least fourteen days before the meeting, require him to produce the original power of attorney or any other instrument. The Board may however, in its absolute discretion excuse such non-production and deposit.</p>	<p>Deposit of instrument of Appointment</p>
<p>113) An instrument appointing a proxy shall be in the form as prescribed in the Act and rules made thereunder.</p>	<p>Form of Proxy</p>
<p>114) Any instrument of appointment of an attorney or proxy for voting at meetings of the Company shall remain permanently, or for such time as the Directors may determine, in the custody of the Company: if such instrument embraces any other objects a copy thereof, subject to examination of the original, shall be delivered to the Company and shall remain in the custody of the Company.</p>	<p>Custody of the instrument</p>
<p>A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or</p>	<p>Validity of votes given by proxy and withstanding death of member</p>

the transfer of the Shares in respect of which the proxy is given as long as no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

XVIII. Board of Directors

Number of Directors	115) Unless otherwise approved by the Board by way of special resolution, number of Directors shall not be less than three or more than fifteen excluding Alternate Directors.
Remuneration of Directors	116) (i) Subject to the applicable provisions of the Act, the Board shall have the power to pay such remuneration to a Director for his services, as may be determined by the Board. If any Director, being willing, shall be called upon to perform extra services, or to make any special exertions in going to or residing at a place other than the place where the Office of the Company is situated or where such Director usually resides, or otherwise in the Company’s business or for any of the purposes of the Company, then subject to the provisions of the Act, the Board shall have power to pay to such Director such remuneration as may be determined by the Board.
Directors not residents of the place where Meeting held may receive extra compensation	(ii) Subject to the provisions of the Act and other applicable law, in addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all reasonable travelling, hotel and other expenses properly incurred by them— (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or (b) in connection with the business of the Company.
Remuneration for attending Board Meetings	(iii) Each Director, other than the Managing Director or Managing Directors, whole-time Director or whole-time Directors, may be paid remuneration not exceeding the amount prescribed in the Act for each meeting (including the adjourned meeting) of the Board or of a Committee of the Board attended. (iv) The Board may pay all expenses incurred in getting up and registering the Company.

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| 117) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board or a committee thereof shall from time to time by resolution determine or delegate. | Cheques, promissory notes etc |
| 118) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose. | |
| 119) (i) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, including to fill a casual vacancy in the Board, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. | Directors may fill up vacancies and add to their number |
| (ii) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act. | |
| 120) Subject to the provisions of the Act, the Board may appoint an Alternate Director recommended for such appointment by the Director, (hereinafter called the “Original Director”), to act for him during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office as such, for a longer period than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director. | Appointment of Alternate Director |
| 121) A Director shall not be required to hold any qualification Shares. | Qualification of Directors |
| 122) Subject to the provisions of the Act and without prejudice to the general powers conferred by the last preceding Article and to any other powers or authorities conferred by these presents on the Directors it is hereby expressly | Specific powers given to Directors |

declared that the Directors shall have the following powers that is to say, power :-

To maintain the business of the Company	a)	to arrange for the establishment and maintenance of all necessary factories, power stations, works and offices for carrying on the business of the Company;
To purchase property etc.	b)	to purchase or otherwise acquire for the Company any property, plant, machines, materials, stores, articles, rights or privileges which the Company is authorised to acquire and to sell, let, exchange or otherwise dispose of absolutely or conditionally all or any part of the property, produce, goods, rights, privileges and undertakings of the Company at such price and for such consideration and on such terms and conditions as they may think fit;
To pay for property, etc.	c)	to pay for any property, rights, privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares (but subject to the provisions of the Act), bonds, debentures or other securities of the Company and any such shares may be issued whether as fully paid or with such amount credited as paid up thereon as may be agreed upon; and such bonds, debentures or securities may be either specifically charged upon all or any of the property of the Company and its uncalled capital or not so charged;
To enter into financial arrangements	d)	to enter into, carry out, rescind or vary all financial arrangements with any banks, persons, companies or corporations or in connection with the Company or its business;
To create securities	e)	to create debentures or debenture-stock of the Company and to mortgage, charge, pledge or hypothecate all or any of the Company's property and assets (including its unpaid capital) both present and future or the documents representing or relating to the same;
To borrow moneys	f)	to borrow or seize or secure the payment of money or to receive money on deposit or loan and to secure the same in such manner as the Directors think fit;
To invest money	g)	to invest and deal with any of the money of the Company not immediately required for the purposes thereof upon such securities (not being shares of the Company) and in such manner as they think fit and from time to time to vary or realize such investments;

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|----|---|--|
| h) | to determine who shall be entitled to sign, draw, accept, endorse, negotiate or otherwise execute cheques, drafts, bills of exchange, pay orders, bills of lading, promissory notes (Government or otherwise) documents of title, transfer deeds, securities and other negotiable or transferable instruments, receipts, contracts and other documents on behalf of the Company; | To authorize signing of negotiable instruments, etc. |
| i) | to engage, and fix and pay the remuneration of either by way of salary or commission or otherwise or partly by the one and partly by the other and dismiss or discharge all managers, agents, assistants, clerks, servants, workmen and other persons employed or to be employed in or in connection with the Company's business and to determine their powers and duties other than those appointed by the Company in General Meeting; | To engage employees |
| j) | to make and give receipts, releases and other discharges for money paid or payable to the Company and for the claims and demands of the Company and for all property delivered or deliverable to the Company and any such receipts, release or discharge shall be an effectual discharge from the Company for the money or property therein stated to have been received, released or discharged. | To give receipts |
| k) | to release, compound and allow time for the payment or satisfaction of any debts due to or by the Company and any claims and demands by or against the Company and to refer any claim or demand by or against the Company to arbitration and observe and perform the awards; | To compound claims and refer to arbitration |
| l) | to institute, prosecute, defend, compromise, withdraw or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company; | |
| m) | to execute in the name and on behalf of the Company in favour of any Director or other persons who may incur or be about to incur any personal liability for the benefit of the Company such mortgages or charges of the Company's property (present and future) as they think fit and any such mortgage or charge may contain a power of sale and such other power, covenants and provisions as shall be agreed upon; | To execute mortgages or charges |

To accept
or hold in
trust any
property of
the Company

- n) to appoint any person or persons (whether incorporated or not), to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes, and to execute and do all such deeds, documents and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees;

To remunerate
by way of
commission

- o) to give to any person employed by the Company, as remuneration for their services as such, a commission on the profits of any particular business or transaction or a share in the general profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the Company;

To support
charities

- p) to establish, maintain, support, contribute and subscribe to any national, charitable, benevolent, political, public, general or useful object or fund and any institution, society or club which may be for the benefit of the Company or its employees or ex-employees or may be connected with any town or place where the Company carries on business or any national or universal object and to give pensions, gratuities or charitable aid to any person (including a Director or ex-Director) who has served the Company or to the wife, children or dependants of such person that may appear to the Directors just or proper whether any such person, his widow, children or dependants have or have not a legal claim upon the Company;

To appoint
agents and
attorneys

- q) subject to any express provisions contained in these Articles and to any resolution of the Company in General Meeting to appoint agents and attorneys of the Company with power to sub-delegate and to delegate such of the powers, other than the power of allotting shares, making calls, issuing debentures or charging any of the properties or assets of the Company, vested in them to such managers or other officers of the Company or to such agents, attorneys or other persons as the Directors shall from time to time think fit

Power to
appoint
Managing
Director(s) or
Whole time
Director(s)

- 123) (i) Subject to the provisions of the Act and of these Articles, the Board of Directors of the Company shall be empowered to designate one or more of the members of the Board as the Managing Director(s) or whole time director(s) of the Company. On a vacancy

being caused in the office of the Managing Director or Whole time Director from any cause, whether by resignation, removal or otherwise, Board shall have the right to designate another or other members for such appointment and the Board shall proceed to appoint such designate or designates in the same manner as prescribed above. The terms of appointment of the Managing Director(s) or Whole time Director(s) shall, subject to applicable law, be such as are specified, (with the power to vary such terms), by the Board from time to time and these shall be the terms on which the Managing Director(s) or Whole time Director(s) shall be such as are specified, (with the power to vary such terms), by the Board from time to time as the case may be, so appointed, shall have such powers exercisable upon such conditions and subject to such restrictions as the Board may from time to time determine.

- (ii) The Managing Director or Whole time Director of the Company in office on the date of adoption of these Articles of the Company shall for the purposes of these Articles, be deemed to be the Managing Director(s) or Whole time Director(s) appointed by the Board as provided in Sub-Article (i) above and the remaining provision of sub-Article (i) above shall apply to such Managing Director(s) or Whole time Director(s).

- 124) Subject to the provisions of the Act, the Board shall have power to appoint or employ any person to be the manager of the Company upon such terms and conditions as the Board thinks fit and the Board may, subject to the provisions of the Act, vest in such manager such of powers, vested in the Board, as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to restrictions as it may determine and at such remuneration as it may think fit. A Director may be appointed as general manager/ manager subject to the Act.

Manager

- 125) Subject to the provisions of the Act and these Articles, no Director shall be disqualified by his office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker or otherwise nor shall any such contract or any contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director

Directors may contract with the Company

shall be a member or otherwise interested be avoided, nor shall any Director so contracting or being such member or so interested be liable to account to this Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but the nature of his interest must be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined on, if his interest then exists, or in any other case at the first meeting of the Directors after the acquisition of his interest or the making of the contract or arrangements. Provided that a general notice that a Director is a Director or promoter, Manager, Chief Executive Officer or a member of any specified company or is a partner, owner or a member of any specified firm and is to be regarded as interested in any subsequent transaction with such company or firm shall, as regards any such transaction, be sufficient disclosure under this Article and after such general notice it shall not be necessary under this Article to give any special notice relating to any particular transaction with such company or firm, nor shall any Director so contracting or being such member or so interested be liable to account to this Company for any profit realised by such contract or arrangement by reason only of such Director's holding that office or of the fiduciary relation thereby established. Provided further that any such general notice shall expire at the end of the financial year in which it is given, but may be renewed for further periods of one financial year at a time, by a fresh notice given in the first Board meeting of that financial year in which it would otherwise have expired. No Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid and, if he does so, his vote shall not be counted. Provided nevertheless that a Director may vote on any contract by or on behalf of the Company to give to the Directors or any of them any security by way of indemnity against any loss which they or any of them may suffer by becoming or being sureties or surety for the Company or on any contract or arrangement entered into or to be entered into with a Public Company or a Private Company which is a subsidiary of a Public Company in which the interest of the Director of this Company consists solely (i) in his being a Director of such company and the holder of not more than the number of shares in such Company as are requisite to qualify him as a Director thereof he having been nominated a Director of such company by the Company, or (ii) in his being a member holding not more

than 2% of such Company’s paid up capital. Provided always that nothing in this Article shall apply to any contract or arrangement entered into between the Company and another company formed and registered under the Act where any Director of the Company or two or more of the Directors of the Company together holds or hold not more than two percent (2%) of the paid up share capital of the other company.’

- 126) The Board of Directors may appoint, by resolution, the retiring Chairperson as Chairperson Emeritus, to seek his advice / consultancy from time to time, on such terms and conditions as may be mutually agreed. Chairperson Emeritus may be invited by the Chairperson of the Board to attend and participate in any Board / Committee meetings and shareholders meetings from time to time, as consultant / advisor of the Company on such terms including consultancy fees as may be mutually decided.

Appointment of retiring Chairperson as Chairperson Emeritus

XIX. Managing Director

- 127) The Directors may, subject to the provisions of the Act, from time to time appoint one of the Directors to be Managing Director for such period at such remuneration and upon such terms as to the duties to be performed, the powers to be exercised and all other matters as they think fit, but so that the Managing Director shall not be invested with any powers or entrusted with any duties which the Directors themselves could not have exercised or performed.

Managing Director

XX. Proceedings of the Board

- 128) (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

Meetings of Directors
- (ii) A Director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 129) If a meeting of the Board could not be held for want of a quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairperson not being later than seven days from the date originally fixed for the meeting.

Adjournment of meetings for want of quorum
- 130) A Director may at any time and the secretary upon the request of a Director shall convene a meeting of the Board

Convening of Meeting

by giving a notice in writing to every Director at his usual address.

Chairperson

131) The Board shall appoint one of the Directors of the Company to be the Chairperson of the Board of Directors and the Director so appointed, shall be the Chairperson of the Board of Directors. On any vacancy occurring in such office from any cause, the Board shall have the right to appoint another Director to fill the vacancy. In the absence of the Chairperson, the Board may elect one of their Members to be the Chairperson for the meeting.

Casting vote

132) Save as otherwise provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes, and in the case of an equality of votes, the Chairperson shall have a second or casting vote.

Continuing
Directors may
act
notwithstanding
any vacancy

133) Notwithstanding any vacancy, a meeting of the Board for the time being at which a quorum is present or the continuing directors, in case of resolutions by circulation passed in accordance with the provisions of the Act, shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board. Without prejudice to the powers conferred by the other Articles and so as not in any way to limit or restrict those, powers, the Board may, subject to the provisions of the Act, delegate any of their powers to the Managing Director, the manager or any other Principal Officer of the Company or in the case of a Branch Office of the Company a principal officer of the Branch office and may at any time revoke such delegation. The Managing Director, the manager or other principal officer as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

Board may
appoint
committees

134) Subject to the restrictions contained in the Act, the Board may delegate any of their powers to committees of the Board, consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committees of the Board either wholly or in part, and either as to persons or purposes; but every committee of the Board so formed shall in the exercise of

the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

- 135) The meetings and proceedings of any such committee of the Board consisting of two or more Directors shall be governed by the provisions herein contained, for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.

Meeting of Committee, how to be governed
- 136) Subject to the provisions of the Act and these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorized to exercise and do, provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or any other act or by the Memorandum or these Articles or otherwise, to be exercised or done by the Company in a general meeting.

General power of the Board
- 137) Subject to the provisions of the Act, unless a prior act of the Board is subject to the approval of the shareholders in general meeting, no resolution passed by the Company in general meeting, shall invalidate any prior act of the Board, which would have been valid if that resolution had not been passed. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

Approval of shareholders
- 138) (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

Delegation to committees

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 139) (i) A committee may elect a Chairperson of its meetings.

- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

Voting at meeting

- 140) (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

Validity of meeting

- 141) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director or member of a committee, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a director.
- 142) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

XXI. Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

Appointment of CEO, CFO or CS

- 143) Subject to the provisions of the Act and the other provisions of these Articles—
 - (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer (CEO), manager, company secretary (CS) or chief financial officer (CFO) so appointed may be removed by means of a resolution of the Board;
 - (ii) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- 144) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a Director and chief

executive officer, manager, Company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, Company secretary or chief financial officer.

XXII. The Seal

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| 145) The Board shall provide a Seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. | The Seal, its Custody and use |
| 146) Every deed or other instrument to which the Seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney, be signed by (i) two Directors or (ii) by one Director and the secretary or (iii) by one Director and any other person as may be authorized by the Board for that purpose. . | Deeds how executed |

XXIII. Dividends and Reserve

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| 147) The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board, it being clarified that the Company in general meeting may declare a smaller dividend than the amount recommended by the Board. | The Company in General Meeting may declare a dividend |
| 148) Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company. | Interim dividend |
| 149) The profits, of the Company, subject to any special rights relating thereto created or authorized to be created by the Memorandum or these Articles and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid-up on the Shares held by them respectively. Provided always that, (subject as aforesaid), any capital paid up on a Share during the period in respect of which a dividend is declared, shall unless the Board otherwise determine, only entitle the holder of such Share to an apportioned amount of such dividend as from the date of payment. | Division of profits |
| 150) (i) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all | |

dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares.

- (ii) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purposes of this regulation as paid on the Share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid; but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly.

No interest
or dividend
when the
money is
due

151) Subject to the provisions of the Act, no member shall be entitled to receive payment of any interest or dividends in respect of his share or Shares, whilst any money may be due or owing from him to the Company in respect of such share of Shares or otherwise howsoever, either alone or jointly with any other person or persons, and the Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares of the Company.

Dividends
how
remitted

- 152) (i) Any dividend, interest or other monies payable in cash or such other mode as may be prescribed in the Act in respect of Shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may direct in writing.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Retention
of
Dividend
until
completion
of transfer

153) Subject to the provisions of the Act, the Board may retain the dividends payable upon Shares in respect of which any person under that Article is entitled to transfer, until such person shall become a member, in respect of such Shares or shall duly transfer the same.

154) Any one of two or more joint holders of a Share may give effective receipts for any dividends, bonuses or other monies payable in respect of such Share.	Dividends etc. to joint holders
155) Notice of any dividend that may have been declared shall be given to the persons entitled to Share therein in the manner mentioned in the Act.	Notice of dividend
156) No dividend shall bear interest against the Company.	
157) No unclaimed dividend shall be forfeited and all unclaimed dividends shall be dealt with in accordance with the provisions of section 126 of the Act.	Unclaimed dividends
158) Any general meeting declaring a dividend may, on the recommendation of the Board, make a call on the members of such amount as the meeting fixes but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and the members, be set off against the calls.	Dividend and call together
159) The Company in General meeting may resolve that any moneys, investments, or other assets forming part of the undivided profits of the Company or standing to the credit of the general reserve, or any reserve fund or any other fund of the Company or the capital redemption Reserve account, or in the hands of the Company and available for dividend, or representing premiums received on the issue of Shares and standing to the credit of the Share Premium Account, be capitalised and distributed amongst such of the shareholders or any class of shareholders as would be entitled to receive the same if distributed by way of dividend in accordance with their respective rights and interests and in proportion to the amount of capital paid-up on Shares held by them respectively, on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued Shares of the Company or Debentures of the Company which shall be distributed accordingly, on in or towards payment of the whole or part of the uncalled liability on any issued Shares and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum. Provided that a Share Premium Account and a Capital Redemption	Capitalisation of profits and reserves

Reserve Account may, for the purposes of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares.

Subject to the provisions of the Act, a general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income-tax, be distributed among the Members on the footing that they receive the same as capital.

XXIV. Accounts

Inspection
of
accounts
or books
by
members

- 160) (i) Subject to the provisions of the Act, the Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

XXV. Winding up

Liquidator
may divide
assets in
specie

- 161) Subject to applicable provisions of the Act and rules made thereunder—
- (i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be

compelled to accept any Shares or other securities whereon there is any liability.

XXVI. Indemnity

- 162) Subject to the provisions of the Act, every Director, Managing Director, Manager, Company Secretary or other officer or employee of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

Directors and others right to Indemnity
- 163) Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortious act of any person, Company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.

Not responsible for acts of others

**SPECIAL RESOLUTION(S) PASSED AT THE
ANNUAL GENERAL MEETING(S)(AGM) OF THE COMPANY**

1. **“RESOLVED THAT** the Articles of association of the Company be altered by substituting the following Article for the present Article 63:

Whenever the share capital, by reason of the issue of the Preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 106 and 107 of the Act, be varied, modified or dealt with, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class, and all the provisions contained in these Articles as to general meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.”

(Vide Special Resolution passed at the AGM of the members of Crookes Interfran Ltd. held on 5th December, 1964)

2. **“RESOLVED THAT** the Company’s Articles of Association be and they are hereby altered as follows :

- (a) Article 3 be deleted.
- (b) Insert a proviso as under at the end of Article 6: “Provided that no option to call of shares shall be given to any person or persons except with the sanction of the Company in General Meeting”.
- (c) Delete the word “not” in line 10, Article 7, on page 11.
- (d) Insert a proviso as under at the end of Article 19: “Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilized or when subdivision on consolidation of share certificates is made into lots of the market unit”.
- (e) Insert the words “or participate in profits” after the word “dividend” in line 9, Article 27, on page 14.
- (f) Delete the existing Article 37 and substitute the same with the following : “The Company shall have a first and paramount lien upon all the shares (other than fully paid shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that Article 15 hereof will have full

effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the company's lien, if any, on such shares. The Directors may at any time declare any shares wholly in part to be exempt from the provisions of this clause."

- (g) Substitute the phrase "both of the transferor and" with the words "of the" in line 7, Article 41, on page 17.
- (h) Substitute the existing Article 45(a) with the following: "The instrument of transfer shall be in writing and all the provisions of Section 108 of the Act shall be duly complied with in respect of all transfers of shares and of the registration thereof."
- (i) Insert a proviso as under at the end of Article 46: "Provided that registration of a transfer shall not be refused on the grounds of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where a lien exists on the shares."
- (j) Delete Articles 50, 53 and 54.
- (k) Delete the phrase "on the last preceding" in line 3, Article 55, on page 21.
- (l) Substitute the word "three" for the word "six" in line 3, Article 157, on page 43.
- (m) Insert a proviso as under at the end of Article 157: "Provided that no unclaimed dividend shall be forfeited by the Directors before the claim thereto becomes barred by law."

(Vide special resolution passed at the AGM of members of Duphar-Interfran Limited held on 25th June, 1975)

3. **"RESOLVED THAT** the present Article 98 of the Articles of Association be deleted and the following new Article 98 be substituted there;

98. (a) Until otherwise determined by the Company in General Meetings by a Special Resolution the number of Directors shall not be less than three nor more than nine.
- (b) Notwithstanding anything to the contrary contained in these Articles, so long as any monies shall remain owing by the Company to Gujarat Industrial Investment Corporation Limited ("GIIC") or to any other financial institution or credit corporation or any other financial company or body (each of which GIIC, financial institution or credit corporation or any

other financing company or body is hereinafter in this Article referred to as “the Corporation”) or so long as the corporation holds any shares in the Company as a result of underwriting obligations or conversion of loans or debentures into equity capital of the Company or if the corporation holds any debentures in the company by direct subscription or private placement as a result of underwriting obligations or so long as any guarantee given by the corporation in respect of any financial obligations or commitment of the company remains outstanding, the Board may by an agreement specifically entered into between itself and the Corporation give the corporation a right to appoint one or more persons as Director(s) on the Board of Directors of the Company (each such director is hereinafter referred to as “the Nominee Director”). The Nominee Director shall not be required to hold qualification shares and shall not be liable to retire by rotation unless otherwise agreed to by the corporation. Subject as aforesaid, the Nominee Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The Corporation may at any time and from time to time remove the Nominee Director appointed by itself and may, in the event of such removal also in case of death or resignation of the Nominee Director, appoint another in his place and also fill any vacancy which may occur as a result of the Nominee Director ceasing to hold office for any reason whatsoever. Such appointment or removal shall be made in writing by the Corporation and shall be delivered to the company at its office. The Board of Directors of the Company shall have no power to remove the Nominee Director from office. Each such Nominee Director shall be entitled to attend all general meetings. Board Meetings and meetings of the committee of which he is a member and he and the Corporation appointing him shall also be entitled to receive notices as well as minutes of all such meetings. The Nominee Director shall be paid remuneration, fees, allowances, expenses and other monies to which other non-whole-time Directors are entitled”

(Vide Special Resolution passed at the AGM held on 21st June, 1982).

4. **“RESOLVED THAT** pursuant to section 31 and other applicable provisions if any, of the Companies Act, 1956, the Articles of Association of the company be and are hereby altered as follows:
 - (a) The existing Article 82 be substituted by the following:
 82. At any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of results on the show of hands)

ordered to be taken by the Chairman of the meeting either on his own motion or on a demand made by any member or members present in person or by proxy and holding not less than one tenth of the total voting power in respect of the resolution, or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum of not less than Rupees fifty thousand has been paid up and unless a poll is so demanded, a declaration by the chairman that a resolution has on a show of hands, been carried or carried unanimously, or by a particular majority, or lost, and entry to that effect in the minutes book of the Company shall be conclusive evidence of the fact, without proof of member or proportion of the votes recorded in favour of or against that resolution.

(b) The existing Article 101 be substituted by the following:

101. Every Director other than a Director in the whole time employment of the Company shall receive such fee, as the Directors may fixed from time to time, for attending meetings of the Board or Committee thereof, within the limits prescribed in that behalf by the Act or by the central government from time to time.

(c) The existing Article 111 be substituted by the following:

111. No person, not being a retiring a director shall be eligible for appointment to the office of director at any general meeting, unless he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the director or the intention of such member to propose him as a candidate for that office, as the case may be, along with the deposit of Rupees Five Hundred or such other sum as may be prescribed by the act from time to time, which amount shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a director.

(d) The existing Article 138(3) be substituted by the following:

138 (3).Subject to the provisions of section 219 of the act, a copy of the balance Sheet (including the Profit & Loss Account, the Auditors Report and every other document required by law to be annexed or attached to the balance Sheet) or the salient features of such documents, in the prescribed form, shall be sent to, and also be available for inspection by the members of the Company or every trustee for the holders of any debentures

issued by the Company and other persons entitled thereto, as required by the Act.”

(e) The existing Article 157 be substituted by the following:

157. All dividends remaining unclaimed shall be dealt with in accordance with the provisions of section 205(a) of the Act.

(Vide Special Resolution passed at the AGM held on 15th September, 1989).

5. **“RESOLVED THAT** the Company’s Memorandum of Association be and is hereby altered by substituting the following clause V for the present clause V thereof:

V. The share capital of the Company is Rs. 5,00,00,000/- divided into 49,20,000 equity shares of Rs. 10 each and 80,000 unclassified shares of Rs. 10 each with power of the Company to increase or reduce the capital of the Company or any portion thereof or to issue any part of the capital, original or increased with or without any preference, priority or special privilege as may be determined by or in accordance with company’s Articles of Association and the legislative provisions for the time being in force in that behalf.”

(Vide Special Resolution passed at the AGM held on 21st September, 1990).

6. **“RESOLVED THAT** Company’s Articles of Association be and they are hereby altered by substituting the following new Article 4 for the present Article 4 thereof:

4. The share capital of the Company consists of Rs. 5,00,00,000 divided into 49,20,000 equity shares of Rs. 10 each and 80,000 unclassified shares of Rs. 10 each.”

(Vide Special Resolution passed at the AGM held on 21st September, 1990).

7. **“RESOLVED THAT** pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and the same are hereby altered as under. The following Article 7A be added after the existing Article 7:

7A. The Company shall have power, subject to and in accordance with applicable provisions of the Act to purchase any of its own fully paid shares whether or not they are redeemable and may make a payment out of Capital in respect of such purchase.”

(Vide Special Resolution passed at the AGM held on 22nd September, 1995).

8. **“RESOLVED THAT** pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association

of the Company be and the same are hereby altered as under. The last sentence of the existing Article 112 be substituted by the following:

The Chairman of the Board and the Managing Director of the Company, however, shall not be liable to retire by rotation.”

(Vide Special Resolution passed at the AGM held on 22nd September, 1997).

9. **“RESOLVED THAT** pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and the same are hereby altered as under:

After Article 55, a new Article 55A be inserted as under:

Nomination 55A Notwithstanding anything stated in Articles 44, 52 and 55, a holder or joint holders of shares or debentures, may nominate, in accordance with the provisions of Section 109A of the Companies Act, 1956, and in the manner prescribed thereunder, a person to whom all the rights in the shares or debentures of the Company shall vest in the event of death of such holder/s. Any nominations so made shall be dealt with by the Company in accordance with the provisions of Section 109B of the Companies Act, 1956.”

(Vide Special Resolution passed at the AGM held on 30th September, 1999).

10. **“RESOLVED THAT** pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and it is hereby altered as follows:

- (a) The following shall be inserted as Article 17A after the existing Article 17:

17A Register and Index of Members

The Company shall cause to be kept at its Registered Office or at such other place as may be decided by the Board of Directors, the Register and Index of Members in accordance with Sections 150 and 151 and other applicable provisions of the Companies Act, 1956 and the Depositories Act, 1996 with the details of shares held in physical and dematerialised form in any media as may be permitted by law including in any form of electronic media.

The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall

also deemed to be the Register and Index of Members for the purpose of the Companies Act, 1956 and any amendment or re-enactment thereof. The Company shall have power to keep in any State or country outside India, a Register of Members for the residents in that State or country.

- (b) The following new Article 56A with marginal notes on 'Dematerialisation of Securities' be inserted after the existing Article 56:

56A Dematerialisation of Securities

- A. Definitions: For the purposes of this Article, unless the context otherwise requires:

Beneficial Owner: 'Beneficial Owner' means the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996;

Depositories Act: 'Depositories Act' means the Depositories Act, 1996, and any statutory modification or re-enactment thereof for the time being in force;

Depository: 'Depository' shall mean a Depository as defined under clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996;

Record: 'Record' includes the records maintained in the form of books or stored in a computer or in such other form or medium as may be determined by the regulations made by SEBI;

SEBI: 'SEBI' means the Securities and Exchange Board of India;

Security: 'Security' means such security as may be specified by SEBI from time to time;

- B. Dematerialisation of Securities :

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its shares, debentures and other securities (both existing and future) held by it with the Depository and to offer its shares, debentures and other securities for subscription in a dematerialised form pursuant to the Depositories Act, 1996 and the Rules framed thereunder, if any.

- C. Option for Investors :

Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security

in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

Where a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security;

D. Securities in Depositories to be in fungible form:

All securities held by a Depository shall be dematerialised and shall be in a fungible form. Nothing contained in Sections 153, 153A, 153B, 187A, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners;

E. Rights of Depositories and Beneficial Owners:

- i. Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner;
- ii. Save as otherwise provided in (i) above, the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it;
- iii. Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository.

F. Option to opt out in respect of any security:

If a beneficial owner seeks to opt out of a Depository in respect of any security, the beneficial owner shall inform the Depository accordingly. The Depository shall, on receipt of the intimation as above, make appropriate entries in its record and shall inform the Company accordingly.

The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by

the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

G. Section 83 and 108 of the Act no to apply :

Notwithstanding anything to the contrary contained in the Articles –

- i. Section 83 of the Act shall not apply to the shares with a Depository;
- ii. Section 108 of the Act shall not apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a Depository.

H. Register and Index of Beneficial Owners :

The Register and Index of Beneficial Owners, maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be the Register and Index of Members and Securityholders as the case may be for the purposes of these Articles.

I. Intimation to Depository :

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities thereof to the Depository immediately on allotment of such securities.

J. Stamp duty on securities held in dematerialised form :

No stamp duty would be payable on shares and securities held in dematerialised form in any medium as may be permitted by law including any form of electronic medium.

K. Applicability of the Depositories Act :

In case of transfer of shares, debentures and other marketable securities, where the Company has not issued any certificate and where such shares, debentures or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

L. Company to recognise the rights of Registered Holders as also the Beneficial Owners in the records of the Depository :
Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the Beneficial Owner of the shares in records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus or

service of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.”

(Vide Special Resolution passed at the AGM held on 28th September, 2000).

11. **“RESOLVED THAT** pursuant to the provisions of Section 21 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, consent of the Company be and is hereby granted for changing the name of the Company from DUPHAR-INTERFRAN LIMITED to DIL LIMITED and consequently the new name DIL LIMITED shall appear in the Memorandum and Articles of Association of the Company and that the Board of Directors of the Company (hereinafter referred to as ‘the Board’, which term shall be deemed to include any committee thereof for the time being exercising the powers conferred on the Board by this resolution), be and is hereby authorized to do all such acts and things and deal with all such matters and take all such steps as may be necessary to give effect to this resolution.”

(Vide Special Resolution passed at the AGM held on 25th September, 2003).

12. **“RESOLVED THAT** pursuant to the provisions of Section 5, Section 14, Table F to Schedule I and other applicable provisions, if any, of the Companies Act, 2013 [including any statutory modification(s) or re-enactment thereof], the revised Articles of Association of the Company, as per the draft Articles of Association placed before this meeting and duly initialed, in substitution and supersession of the existing Articles of Association of the Company, be and is hereby approved and adopted.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things necessary or expedient to give effect to this resolution.”

(Vide Special Resolution passed at the AGM held on 30th September, 2015).

**SPECIAL RESOLUTION(S) PASSED AT THE EXTRAORDINARY
GENERAL MEETING(S)(EGM) OF THE COMPANY**

1. **“RESOLVED THAT** Clause III of the Memorandum of Association of the Company be deleted and the Clause mentioned on Enclosure No. 1 hereto be substituted therefor.”

(Vide special resolution passed at the EGM held on 16th February, 1963)

2. **“RESOLVED THAT** subject to the approval of the Central Government signified in writing, the name of the Company be changed from “International Franchises Private Limited” to “Crookes Interfran Limited”.

(Vide special resolution passed at the EGM held on 16th February, 1963)

3. **“RESOLVED THAT** Article 4 of the Company’s Articles of Association be altered accordingly as follows :

4.(A) The authorized capital of the Company consist of Rs. 50,00,000/- divided into 4,800 Equity Shares of Rs. 1000/- each and 200, 6% Redeemable Cumulative tax free Preference Shares of Rs. 1000/- each.

(B) (i) The said 6% Redeemable Cumulative tax free Preference Shares (hereinafter called “the Preference Shares”) shall confer on the holders thereof the right to fix Cumulative Preference dividend at the rate of 6% per annum (tax-free) on the capital for the time being paid-up thereon and in a winding up to payment off of such capital and all arrears of such fixed dividend accrued upto the commencement of the winding-up (whether earned or declared or not).

(ii) Subject to the provisions of Section 80 of the Companies Act, 1956, the Preference Shares shall be redeemable in the following manner:

(a) The Company may at any time after the fifth day December, 1964, apply any of its profits or moneys which may be lawfully applied for the purpose in the redemption of the said Preference Shares at par together with a sum equal to the arrears of the fixed dividend thereon down to the date of redemption.

(b) The Company shall give to the holders of the said Preference Shares a notice in writing of the Company’s intention to redeem the same and fixing the time (not less than 15 days ahead) and place for the redemption and surrender of the shares to be redeemed.

- (c) At the time and place so fixed each such holder of the said Preference Shares shall be bound to surrender to the Company the certificates for his shares to be redeemed and the Company shall pay to him the amount payable in respect of such redemption.

(Vide special resolution passed at the EGM of members of Crookes Interfran Limited held on 5th December, 1964)

- 4. **“RESOLVED THAT** the Company’s Memorandum of Association be and it is hereby altered by substitution of the following Clause V for the present clause V:

V. The share capital of the Company is Rs. 1,00,00,000/- divided into 1,00,000 shares of Rs. 100/- each with power to the Company to increase or reduce the capital of the Company or any portion thereof and to issue any part of the capital, original or increased, with or without any preference, priority or special privilege as may be determined by, or in accordance with the Company’s Articles of Association and the legislative provisions for the time being in force in that behalf.”

(Vide special resolution passed at the EGM of members of Crookes Interfran Ltd. held on 21st December, 1970)

- 5. **“RESOLVED THAT** the Company’s Articles of Association be and they are hereby altered by substituting the following new Articles 4 and 5 for the present Article 4 thereof :

4. The share capital of the Company consists of Rs. 1,00,00,000/- divided into 1,00,000 shares of Rs. 100/- each.

5. (a) Subject to the provisions of Section 80 of the Act, the Company shall have power to issue Preference Shares which are, or at the option of the Company are to be, liable to be redeemed and the Resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

(b) On the issue of the Redeemable Preference Shares under the provision of Article 5(a) hereof, the following provisions shall take effect :

(i) no such shares shall be redeemed except out of the profits of the Company, which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;

(ii) no such shares shall be redeemed unless they are fully paid;

- (iii) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
- (iv) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company."

(Vide special resolution passed at the EGM of members of Crookes Interfran Ltd. held on 21st December, 1970)

6. **"RESOLVED THAT** subject to the approval of the Central Government, the name of the Company be and it is hereby changed from its present name to 'Duphar- Interfran Limited.

RESOLVED FURTHER THAT upon the said change of name becoming complete and effective in pursuance of Section 23 of the Companies Act, 1956, Articles 2, 45(a) and 95 of the Articles of Association of the Company be altered by substituting the name "DUPHAR-INTERFRAN LIMITED" for the present name "CROOKES INTERFRAN LIMITED" appearing therein respectively."

(Vide special resolution passed at EGM of members of Crookes Interfran Ltd. held on 21st December, 1970)

7. **"RESOLVED THAT"** the Company's Memorandum of Association be and it is hereby altered by substitution of the following clause V for the present Clause V:

V. The share capital of the Company is Rs. 1,00,00,000/- divided into 9,20,000 equity shares of Rs. 10/- each and 80,000 unclassified shares of Rs. 10/- each with power to the Company to increase or reduce the capital of the Company or any portion thereof and to issue any part of the capital, original or increased, with or without preference, priority or special privilege, as may be determined by, or in accordance with the Company's Articles of Association and the legislative provisions for the time being in force in that behalf."

(Vide special resolution passed at EGM of members of Duphar Interfran Ltd. held on 24th December, 1976)

8. **“RESOLVED THAT** the Company’s Articles of Association be and they are hereby altered by substituting the following new article 4 for the present article 4 thereof:

4. The share capital of the Company consists of Rs. 1,00,00,000/- divided into 9,20,000 equity shares of Rs.10/- each and 80,000 unclassified shares of Rs. 10/- each.”

(Vide special resolution passed at EGM of members of Duphar Interfran Ltd. held on 24th December, 1976)

9. **“RESOLVED THAT** the company’s Memorandum of Association be and it is hereby altered by substitution of the following clause V for the present clause V:

- V. The share capital of the Company is Rs. 1,50,00,000/- divided into 14,20,000 equity shares of Rs. 10/- each and 80,000 unclassified shares of Rs. 10/- with power to the company to increase or reduce the capital of the company or any portion thereof and to issue any part of the capital, original or increased, with or without any preference, priority or special privilege as may be determined by, or in accordance with the company’s Articles of Association and the legislative provisions for the time being in force in that behalf.”

(Vide special resolution passed at EGM of members of Duphar Interfran Ltd. held on 26th June, 1984)

10. **“RESOLVED THAT** the company’s Articles of Association be and they are hereby altered by substituting the following new Article 4 for the present Article 4 thereof:

4. The share capital of the company consists of Rs. 1,50,00,000/- divided into 14,20,000 equity shares of Rs. 10/- each and 80,000 unclassified shares of Rs. 10/- each.”

(Vide special resolution passed at EGM of members of Duphar Interfran Ltd. held on 26th June, 1984)

11. **“RESOLVED THAT** the company’s Memorandum of Association be and is hereby altered by substituting the following clause V for the present clause V thereof:

- V. The share capital of the company is Rs. 2,00,00,000/- divided into 19,20,000 equity shares of Rs. 10/- each and 80,000 unclassified shares of Rs. 10/- each. with power to the company to increase or reduce the capital of the company or any portion thereof and to issue any part of the capital, original or increased, with or without any preference, priority or special privilege as may be determined by,

or in accordance with the company's Articles of Association and the legislative provisions for the time being in force in that behalf."

(Vide special resolution passed at EGM of members of Duphar Interfran Ltd. held on 14th October, 1988)

12. **"RESOLVED THAT** the company's Articles of Association be and they are hereby altered by substituting the following new Article 4 for the present Article 4 thereof:

4. The share capital of the company consists of Rs. 2,00,00,000/- divided into 19,20,000 equity shares of Rs. 10/- each and 80,000 unclassified shares of Rs. 10/- each."

(Vide special resolution passed at EGM of members of Duphar Interfran Ltd. held on 14th October, 1988)

SPECIAL RESOLUTIONS PASSED AT THE MEETING(S)
OF CLASS OF SHAREHOLDERS OF THE COMPANY

1. **"RESOLVED THAT** Article 4 of the Company's Articles of Association be altered accordingly as follows:

4. (A) The authorized capital of the Company consist of Rs. 50,00,000/- divided into 4,800 Equity Shares of Rs. 1000/- each and 200, 6% Redeemable Cumulative tax free Preference Shares of Rs. 1000/- each.

(B) (i) The said 6% Redeemable Cumulative tax free Preference Shares (hereinafter called "the Preference Shares") shall confer on the holders thereof the right to fix Cumulative Preference dividend at the rate of 6% per annum (tax-free) on the capital for the time being paid-up thereon and in a winding up to payment off of such capital and all arrears of such fixed dividend accrued upto the commencement of the winding-up (whether earned or declared or not).

(ii) Subject to the provisions of Section 80 of the Companies Act, 1956, the Preference Shares shall be redeemable in the following manner:

- (a) The Company may at any time after the fifth day December, 1964, apply any of its profits or moneys which may be lawfully applied for the purpose in the redemption of the said Preference Shares at par together with a sum equal to the arrears of the fixed dividend thereon down to the date of redemption.

- (b) The Company shall give to the holders of the said Preference Shares a notice in writing of the Company's intention to redeem the same and fixing the time (not less than 15 days ahead) and place for the redemption and surrender of the shares to be redeemed.
- (c) At the time and place so fixed each such holder of the said Preference Shares shall be bound to surrender to the Company the certificates for his shares to be redeemed and the Company shall pay to him the amount payable in respect of such redemption."

(Vide special resolution passed at the meeting of the holders of Equity shares and the holders of 6% Redeemable Cumulative tax-free Preference Shares of Crookes Interfran Limited held on 5th December, 1964)

SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT

1. **"RESOLVED THAT** pursuant to Section 17 and other applicable provisions, if any, of the Companies Act, 1956, the present Objects Clause III (4) of the Memorandum of Association of the Company be and is hereby substituted with the following new Clause :

Clause III (4) To engage in the production, direction, marketing, conceptualizing, leasing, licensing, distribution, financing and dealing in films, television, audio and video transmissions, literary, dramatic and artistic works and various forms of entertainment including but not limited to owning and operating public entertainment centers and providing contents for and managing programs, events, projects and exhibitions relating thereto and various forms of entertainment related software.

RESOLVED FURTHER THAT the Board of Directors and/or such managerial personnel of the Company be and are hereby authorized to do all such acts, deeds, things, ancillary and consequential matters as may be required to give effect to this resolution."

(Vide special resolution passed through Postal Ballot on 27th March 2007)

2. Split/sub-division of Shares of the Company [Ordinary Resolution]

“RESOLVED THAT pursuant to the provisions of Section 61(1)(d) and other applicable provisions, if any, of the Companies Act, 2013 [including any statutory modification(s) or re-enactment thereof, for the time being in force], the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals and consents from appropriate authorities, the consent of the members be and is hereby accorded to the Board of Directors of the Company (‘the Board’, which term shall include any Committee authorised by the Board to exercise its powers including powers conferred on the Board by this resolution) to split/sub-divide the existing Authorised Share Capital of the Company from face value of Rs. 10 (Rupees Ten) each to face value of Rs. 5 (Rupees Five) each as per the following:

Authorised Share Capital	Existing			Revised		
	No. of Shares	Face Value (in Rs.)	Total Share Capital (in Rs.)	No. of Shares	Face Value (in Rs.)	Total Share Capital (in Rs.)
Equity	49,20,000	10	4,92,00,000	98,40,000	5	4,92,00,000
Unclassified	80,000	10	8,00,000	1,60,000	5	8,00,000
Total Authorised	50,00,000	10	5,00,00,000	1,00,00,000	5	5,00,00,000

RESOLVED FURTHER THAT pursuant to the split/sub-division of equity shares of the Company from face value of Rs. 10 (Rupees Ten) each to face value of Rs. 5 (Rupees Five) each, the existing fully Paid-up Equity Shares of the Company as on the Record Date as may be decided by the Board (‘Record Date’) shall stand sub-divided as per the following:

Authorised Share Capital	Existing			Revised		
	No. of Shares	Face Value (in Rs.)	Total Share Capital (in Rs.)	No. of Shares	Face Value (in Rs.)	Total Share Capital (in Rs.)
Equity	22,93,198	10	2,29,31,980	45,86,396	5	2,29,31,980

RESOLVED FURTHER THAT upon the split/sub-division of the face value of equity shares as aforesaid, the existing share certificate(s) in relation to the existing issued equity shares of the face value of Rs. 10/- each held in physical form shall be deemed to have been automatically cancelled with effect from the Record Date, and the Board be and is hereby authorised, without requiring to surrender the existing issued share certificate(s) by the members, to issue new shares certificates in lieu of the existing share certificate(s), with regard to split/sub- divided

shares, and in case of the equity shares held in the dematerialized form, the number of split/sub-divided equity shares be credited to the respective beneficiary accounts of the members with the Depository Participants, in lieu of the existing credits in their beneficiary accounts representing the equity shares of the Company before split/sub-division.

RESOLVED FURTHER THAT the Directors, the Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorized to: (a) execute and file necessary applications, declarations, and other documents with stock exchange, depositories, Registrar and Transfer Agents and/or any other statutory authority(ies), if any; (b) cancel the existing physical share certificates; (c) settle any question or difficulty that may arise with regard to the split/sub-division of the Shares as aforesaid or for any matters connected herewith or incidental hereto; and (d) do all such acts, deeds, things, including all other matters incidental thereto in order to implement the foregoing resolution.”

(Vide Ordinary resolution passed through postal ballot dated July 25, 2018)

3. Alteration to the Capital Clause of the Memorandum of Association of the Company [Ordinary Resolution]

“RESOLVED THAT pursuant to the provisions of Section 13, 61 and other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory modification(s) or any re- enactment thereof) [‘Act’], consent of the Members of the Company be and is hereby accorded to alter and substitute the existing Clause V of the Memorandum of Association of the Company with the following new Clause V:

- V. The share Capital of the Company is Rs. 5,00,00,000/- divided into 98,40,000 equity shares of Rs. 5/- each and 1,60,000 unclassified shares of Rs. 5/- each with power to the Company to increase or reduce the capital of the Company or any portion thereof or to issue any part of the capital, original or increased, with or without any preference, priority or special privilege as may be determined by or in accordance with the Company’s Articles of Association and the legislative provisions for the time being in force in that behalf.

RESOLVED FURTHER THAT the Directors, the Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper, expedient or desirable for the

purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

(Vide Ordinary resolution passed through postal ballot dated July 25, 2018)

4. Alteration to the Objects Clause of the Memorandum of Association of the Company [Special Resolution]

“RESOLVED THAT pursuant to provisions of Section 4, 13 and other applicable provisions of the Companies Act, 2013 (including any modification or re-enactment thereof) (the “Act”) and the rules framed thereunder, consent of the members of the Company be and is hereby accorded to alter the Memorandum of Association of the Company (“MOA”) by inserting the following new object in the Objects Clause i.e. Clause 3A of MOA after the object no. 2 and, accordingly, to carry out necessary revisions in numbering of the objects of MOA:

- 2A. To engage in and to conduct the business of conceiving, designing, providing and manufacturing for sale and distribution of sustainable environmental solutions including but not limited to, solid waste management, waste water management, water management, lake and pond bioremediation and fly ash management, air pollution management, installation, operation and maintenance of Sewage Treatment Plants (STPs) either on its own or through collaboration and other related and incidental activities.

RESOLVED FURTHER THAT the Directors, the Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorized to: (a) execute and file necessary documents, forms and writings with statutory authority(ies) if any, and (b) do all such acts, deeds, matters and things as may be necessary to implement this resolution.”

(Vide Special resolution passed through postal ballot dated July 25, 2018)

RESOLUTIONS PASSED AT THE RESPECTIVE MEETING(S) OF SHAREHOLDERS, SECURED CREDITORS AND UNSECURED CREDITORS CONVENED PURSUANT TO THE ORDER OF THE NATIONAL COMPANY LAW TRIBUNAL

Approval for the Scheme of Amalgamation of Fermenta Biotech Limited (the Transferor Company) with DIL Limited (the Transferee Company) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

“RESOLVED THAT pursuant to the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon’ble National Company Law Tribunal, Bench at Mumbai (**“NCLT”**) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which term shall be deemed to mean and include one or more Committee(s) constituted or to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Scheme of Amalgamation of Fermenta Biotech Limited (the Transferor Company) with DIL Limited (the Transferee Company) and their respective shareholders (**“Scheme”**) placed before this meeting and initialled by the Chairman of the meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper”.

(Vide resolution(s) passed at the NCLT convened meeting(s) of Shareholders, Secured Creditors and Unsecured Creditors dated July 8, 2019)

SCHEDULE

SCHEME OF ARRANGEMENT BETWEEN DUPHAR - INTERFRAN LIMITED (“DEMERGED COMPANY”) AND DUPHAR PHARMA INDIA LIMITED (“RESULTING COMPANY”) AND THEIR RESPECTIVE SHAREHOLDERS

Under section 391 to Section 394 of the Companies Act, 1956 in respect of demerger of the Pharmaceutical Division of Duphar-Interfran Limited:

This Scheme of Arrangement is presented for demerger of the Pharmaceutical Division of Duphar- Interfran Limited having its registered office at F/5 Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400 018 as a going concern to and in Duphar Pharma India Limited having its registered office at Maker Bhavan 2, 5th floor, New Marine Lines, Mumbai 400 020 pursuant to the relevant provisions of the Companies Act, 1956 (hereinafter referred to as “the Act”)

1. PRELIMINARY

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

- 1.1 “The Act” means the Companies Act, 1956
- 1.2 “Duphar-Interfran” means Duphar-Interfran Limited a Company incorporated under the Companies Act 1956 having its registered office at F/5 Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400 018.
- 1.3 “DPIL” means Duphar Pharma India Limited a company incorporated under the Companies Act, 1956 and having its registered office at Maker Bhavan 2, 5th floor, New Marine Lines, Mumbai 400 020.
- 1.4 “Pharmaceutical Division” means and includes the undertaking of Duphar-Interfran comprising of the pharmaceutical business being carried on by it on a going concern basis.

Without prejudice to the generality of the above definition, the Pharmaceutical Division shall mean and include the following specifically identified assets and liabilities:

- (a) All assets wheresoever situated, whether movable or immovable, leasehold or freehold tangible or intangible, intellectual property, and all other assets of Duphar-Interfran of any nature whatsoever, which are used by the

Pharmaceutical Division of Duphar-Interfran, including any plant and machinery, buildings, offices, furnitures, fixtures, office equipment, stock and inventories, accruals and improvements, appliances, accessories together with all present and future liabilities appertaining to or relatable thereto. The immovable property proposed to be transferred to DPIL which comprise of the office owned by Duphar-Interfran and located at III Floor, 147, Greens Road, Egmore, Madras 600 006.

- (b) All patents, trade marks, trade names, product registrations, and other intellectual property and rights and licences, assignments and grants in respect thereof, all permits, quotas, rights, entitlements, industrial and other licences, approvals, consents, municipal permissions, employees, offices, goodwill, deposits, advances, recoverable, receivables, easements, advantages, cash balances, bank balances, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Pharmaceutical Division;
- (c) All earnest moneys and / or security deposits paid or received by Duphar-Interfran in connection with or in relation to the Pharmaceutical Division; and
- (d) All records, files, papers, product specifications and process information, computer programs, drawings, manuals, data catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customers' credit information, customer pricing information, and other records in connection with or in relation to the Pharmaceutical Division;
- (e) For the purpose of this Scheme, it is clarified that liabilities pertaining to the Pharmaceutical Division include:
 - (i) The liabilities which directly and specifically arise out of the activities or operations of the Pharmaceutical business;
 - (ii) Specific loans and borrowings raised, if any, incurred and utilized solely for the activities or operations of the Pharmaceutical business;
 - (iii) Liabilities other than those referred to in clauses (i) and (ii) above, i.e. the amounts of general or multipurpose borrowings of Duphar- Interfran, allocated to the pharmaceutical business in the same proportion in which the value of the assets (ignoring the revalued amount) transferred under this Scheme bear to the total value of

the assets of Duphar-Interfran immediately before giving effect to this Scheme.

Provided that all existing or future contingent liabilities of the Pharmaceutical Division arising on account of or pertaining to an event occurred prior to the April 1, 1999 shall continue to be the liability of Duphar-Interfran.

- (f) Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Pharmaceutical Division or whether it arises out of the activities or operations of Pharmaceutical Division shall be decided by mutual agreement between the Board of Directors of Duphar-Interfran and DPIL.
- 1.5 “The Appointed Date” means April 1, 2000 or such other date as may be fixed by the High Court of Judicature at Bombay.
- 1.6 “The Effective Date” means the date on which the certified copies of the order of High Court sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra or the Appointed Date whichever is later:
- 1.7 “Foreign Collaborators” means Solvay Pharmaceutical B. V. and British Colloids Limited and their respective successors in title and their permitted assigns.
- 1.8 “Record Date” means the date to be fixed by mutual agreement between the Board of Directors of DPIL and Duphar-Interfran, for the purpose of issue of shares of DPIL, the resulting company, to the shareholders of Duphar-Interfran.
- 1.9 “Scheme” or “The Scheme” means this Scheme of Arrangement for demerger of the Pharmaceutical Division in its present form or with any modification(s) made under Clause (7) of this Scheme.
- 1.10 “Vasant Kumar Family” means Vasant Kumar Datla and his family members, his HUFs partnership firms and companies owned or controlled by Vasant Kumar Datla and their respective heirs, executors, administrators, successors in title, partners and permitted assigns holding collectively 549, 489 shares in the equity paid up share capital of Duphar-Interfran.

2. SHARE CAPITAL

2.1	Duphar-Interfran	Amount in
	The Share Capital of Duphar-Interfran as of	Rs. (Lakh)
	March 31, 1999 is as under	
	Authorised Capital	
	49,20,000 Equity Shares of Rs. 10 each	492.00
	80,000 Unclassified Shares of Rs. 10 each	8.00
		500.00
	Issued, subscribed and paid up	
	25,24,803 Equity Shares of Rs. 10 each,	
	fully paid up	252.48
2.2	Details of DPIL	
	The Share Capital of DPIL as on	
	January 25, 2000 is as under	
	Authorised Capital	
	50,000 Equity Shares of Rs. 10 each	500,000.00
	Issued, subscribed and paid up	
	100 Equity Shares of Rs. 10 each	1,000.00

PART II - DEMERGER OF PHARMACEUTICAL DIVISION

3 DEMERGER OF PHARMACEUTICAL DIVISION OF DUPHAR INTERFRAN TO DPIL

3.1 Pursuant to the provisions of Section 391/394 and other relevant provisions of the Act and this Scheme, with effect from the Appointed date the entire Pharmaceutical Division of Duphar-Interfran shall, subject to this clause in relation to mode of vesting, be transferred to and vested in or be deemed to have been transferred to and vested in DPIL as a going concern free of all claims, liens and encumbrances so as to become as and from the Appointed Date, the estates, assets, right, titles and interest of DPIL, without any further act, instrument or deed.

3.2 The transfer of movable assets of the Pharmaceutical Division shall be effected as follows:

3.2.1 All movable assets of the Pharmaceutical Division of Duphar-Interfran including plant and machinery, cash on hand and other assets as are movable in nature or otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, shall be handed over by physical delivery to DPIL along with such other documents as may be necessary to the

end and intent that property therein passes to DPIL on such delivery.

3.2.2 In respect of movable assets other than those specified in sub clause 3.2.1 above, including sundry debtors, outstanding loans, recoverable in cash or in kind or value to be received, bank balances and deposits with Government, Semi Government, Local and other authorities, bodies and customers etc. the following modus operandi shall be followed:

On or immediately after the Effective Date, Duphar-Interfran shall give notice in a form, mutually agreed between the Board of Directors of Duphar-Interfran and DPIL to each party, debtor or depositor as the case may be, that pursuant to the High Court of Bombay having sanctioned the Scheme, the said debt, loan, advance, etc. be paid or made good or held on account of DPIL as the person entitled thereof to the end and intent that the right of Duphar-Interfran to recover or realise the same stands extinguished. DPIL shall also give notice in a form mutually agreed between the Board of Directors of Duphar-Interfran and DPIL to each person, debtor or depositor that pursuant to High Court of Bombay having sanctioned the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of DPIL to recover or realize the same is in substitution of the right of Duphar-Interfran.

3.3 The debt, liabilities, duties and obligations of Duphar-Interfran appertaining to the Pharmaceutical Division (hereinafter referred to as "the said liabilities."), shall also, without any further act, instrument or deed be and stand vested in and / or deemed to be vested in DPIL pursuant to the provisions of Section 391/394 of the Act so as to become as and from the Appointed Date the debts liabilities, duties and obligations of DPIL 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 have effect to the provisions of this clause. However, all existing or future contingent liabilities of the Pharmaceutical Division arising on account of or pertaining to an event occurred prior to the April 1, 1999 shall continue to be the liability of Duphar-Interfran.

3.4 In so far as general and multi purpose borrowings is concerned, as referred to in Clause 1.4 (e) (iii) to the Scheme, the portion attributable to the Pharmaceutical Division shall be assumed by and shall stand transferred to DPIL. Thus the liability to redeem / repay these liabilities shall be that of DPIL. For sake of convenience, however, DPIL shall discharge such liability (both principal amount including premium if any as well as interest payable on the principal

amount) by making payments on the respective maturity dates to Duphar-Interfran and the latter shall for and on behalf of the former make payments to the respective creditors.

- 3.5 DPIL may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of confirmation, in favour of any creditor or in favour of any other party to any contract or arrangement to which Duphar-Interfran is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. DPIL under the provision of the Scheme shall be deemed to be authorised to execute any such writing on behalf of Duphar-Interfran and to implement or carry out all such formalities or compliance referred to above on the part of Duphar-Interfran to be carried out or performed.
- 3.6 If any suit, writ petition, appeal, revision or other proceedings of whatever nature (hereinafter called “the Proceedings”) by or against Duphar-Interfran pertaining to the Pharmaceutical Division be pending the same shall not abate, or be discontinued or be in any way prejudicially affected by reason of the transfer of the Pharmaceutical Division of Duphar-Interfran or of anything contained in this scheme, but proceeding may be continued prosecuted or enforced by or against DPIL in the same manner and to the same extent as it would be or might have been continued, prosecuted or enforced by or against Duphar-Interfran as if the Scheme had not been made. On and from the Effective Date DPIL shall and may initiate any legal proceedings for and behalf of Duphar-Interfran.
- 3.7 Subject to the other provision contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the Pharmaceutical Division to which Duphar-Interfran is a party subsisting or operative or having effect on or before the Effective Date shall remain in full force and effect against or in favour of DPIL as the case may be and maybe enforced as fully and effectually as if instead of Duphar-Interfran DPIL was a party or beneficiary thereto.
- 3.8 On the Scheme becoming effective:
- 3.8.1 All the employees of Duphar-Interfran engaged in and pertaining to the business of the Pharmaceutical Division of Duphar-Interfran on the Effective Date shall become the employees of DPIL, without any breaks or interruption in their services, on the same terms and conditions on which they are engaged on the Effective Date by Duphar-Interfran. DPIL, further agrees that for the purpose of payment of any retirement benefit or compensation, such immediate uninterrupted past services with Duphar-Interfran shall also be taken into account.

DPIL undertakes to continue to abide by the terms of agreement/ settlement entered into by Duphar-Interfran with the employees union/ employees or associations of the Pharmaceutical Division.

3.8.2 The Accounts/funds of the employees whose services are transferred under Clause 3.8.1 above, relating to superannuating, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts/ Funds of DPIL and such employees shall be deemed to have become members of such Trust/Funds of DPIL. Until such time that DPIL creates its own funds, DPIL may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Pharmaceutical Division to the relevant funds of Duphar- Interfran and such contributions pertaining to the employees of the Pharmaceutical Division shall be transferred by Duphar-Interfran to the funds of DPIL as and when created. Duphar-Interfran shall take all steps necessary to transfer the provident fund, gratuity & other termination benefits of employees pursuant to the scheme to DPIL or such other authority as may be required.

4. CONDUCT OF PHARMACEUTICAL BUSINESS BY DUPHAR-INTERFRAN FROM THE APPOINTED DATE TILL THE EFFECTIVE DATE

4.1 With effect from the Appointed Date and up to and including the Effective Date, Duphar-Interfran:-

4.1.1 Shall be deemed to have been carrying on and shall carry on all business and activities relating to the Pharmaceutical Division and stand possessed of the properties so to be transferred, for and on account of and in trust for DPIL, including, but not limited to, operating and marketing activities, advance tax installments of income tax, excise and other statutory levies, etc.

4.1.2 All profits or income accruing to Duphar-Interfran or losses or expenditure (including payment of penalty, damages or such litigation) arising or incurred by it relating to the Pharmaceutical Division, shall, for all purposes, be treated as the profits or income or losses or expenditure as the case may be of DPIL. These profits/ income/ losses or expenditure will be determined on a reasonable basis by mutual consent of the Board of Directors of Duphar-Interfran and DPIL.

4.2 Duphar-Interfran hereby undertakes, from the Appointed Date upto and including the Effective Date:-

- 4.2.1 To carry on the business of the Pharmaceutical Division with reasonable diligence, proper prudence and not to alienate, charge, encumber or otherwise deal with or dispose of the Pharmaceutical Division to any part thereof, nor to undertake any new business or a substantial expansion of its existing business other than expansions which have already been commenced with the prior consent of DPIL except in ordinary course of business or pursuant to any pre-existing obligation undertaken by Duphar-Interfran prior to the Appointed Date.
- 4.2.2 Not to utilize the profits or income, if any, relating to the Pharmaceutical Division for the purposes of declaring or paying any dividend or shall not utilize, adjust or claim adjustment of the profits/ losses for any other purpose in respect of the period falling on and after the Appointed Date without the prior written consent of DPIL. Until the Effective Date DPIL shall not issue or allot any further shares either by way of rights or bonus issue; and
- 4.2.3 Not to vary the terms and conditions of employment of any employee of the Pharmaceutical Division, except in the ordinary course of business; and
- 4.3 DPIL shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned (including the Trademarks Registry, food and drug and health authorities) as are necessary under any law for such consents, approvals and sanctions which DPIL may require to own and carry on the Pharmaceutical Division.

5. ISSUE OF SHARES BY DPIL

- 5.1 Upon the coming into effect of this Scheme and in consideration of the demerger, and transfer of the Pharmaceutical Division in favour of DPIL, DPIL shall, without any further act or deed and without any further payment, issue or allot to each member of Duphar-Interfran whose name appears on the register of members of Duphar-Interfran as on the Record Date as per the ratio worked out by Arthur Andersen and Associates, two (2) equity shares of DPIL of the face value of Rs 10 each credited as fully paid up for every one (1) fully paid equity share of face value of Rs 10 each held by such member in Duphar-Interfran. Such shareholders will continue to hold his/her shares in Duphar- Interfran.
- 5.2 The total number of equity shares of DPIL to be issued and allotted to the members of Duphar-Interfran shall be 5,49,606 equity shares of face value of Rs 10 each at par, credited as fully paid up.
- 5.3 Approval of this Scheme by the shareholders of DPIL shall be deemed to be due compliance of the provisions of 81 (1A) and the other

relevant provisions of the Act for the issue and allotment of the equity shares by DPIL to the shareholders of Duphar-Interfran as provided in the Scheme.

- 5.4 Equity shares to be issued by DPIL pursuant to Clause 5.1 in respect any equity shares of Duphar-Interfran which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, also be held in abeyance by the trustees appointed by DPIL.
- 5.5 Equity shares of DPIL issued in terms of Clause 5.1 above shall subject to the execution of the listing agreement by DPIL and payment of the appropriate fee, be listed on the stock exchange/s.
- 5.6 So as to satisfy its obligations under the Scheme, DPIL shall before allotment of the equity shares in terms of Clause 5.1 of the Scheme, alter Clause V relating to the authorized share capital in the Memorandum of Association (and Articles of Association if required) of DPIL by substituting the existing sentence with the following sentence-
- “V. The authorized share capital of the company is Rs. Five crores fifty lakhs (Rupees 5,50,00,000/-) divided into Fifty five lakhs (55,00,000/-) shares of Rs. 10/- (Rs. Ten only) each. The company has power, from time to time, to increase or reduce its capital and to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special right, privileges, conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such right, privilege or conditions or restrictions in such manner as may for the time being be permitted by the Articles of Association of the company or the legislative provisions for the time being in force in that behalf, and to consolidate or subdivide these shares and to issue shares of higher or lower denomination.”
- 5.7 The said equity share in DPIL to be issued to the members of Duphar-Interfran shall be subject to the Memorandum and Articles of Association of DPIL and shall rank *pari passu* in all respects with the existing equity shares in DPIL.
- 5.8 Post allotment of Equity Shares by DPIL in terms of Clause 5.1 above and in pursuance of the Scheme, The Foreign Collaborators shall transfer 9,80,000 Equity Shares of Duphar-Interfran in favour of the Vasant Kumar Family or their nominees in lieu of the Vasant Kumar Family transferring 1,098,978 Equity Shares of DPIL and assigning to brands namely “VERTIN” and “COLASPA”, presently owned by Dupen Laboratories Private Limited, a company wholly

owned by the Vasant Kumar Family in favour of the Foreign Collaborators or its nominees by a separate deed of assignment. The above transfers will be subject to obtaining the necessary regulatory approvals.

- 5.9 Duphar-Interfran and DPIL shall do all such acts, deeds, matters and things as they may require in order to give effect to the provision of clause 5.8 herein.

6 ACCOUNTING TREATMENT

- 6.1 DPIL shall record the assets and liabilities of the Pharmaceutical Division of Duphar-Interfran vested in DPIL pursuant to the Scheme, at their book values as appearing in the books of Duphar-Interfran at the close of business on the day prior to the Appointed Date.
- 6.2 DPIL shall credit in its books of accounts, the face value of the shares issued to the shareholders of Duphar-Interfran pursuant to the Scheme, to its Share Capital Account.
- 6.3 The excess, if any, of the value of the assets over the value of liabilities recorded by DPIL in its books upon vesting of the Pharmaceutical Division pursuant to this Scheme and after adjusting for the face value of shares issued and allotted by DPIL, shall be credited to the General Reserve account in the Books of DPIL.
- 6.4 The difference if any, in the value of assets over the value of liabilities recorded by DPIL, in its books upon vesting of the Pharmaceutical Division pursuant to this Scheme and after adjusting for the face value of shares issued and allotted by DPIL, shall be debited to the Goodwill account in the books of DPIL.
- 6.5 The difference between the value of assets over the value of liabilities, upon vesting of the Pharmaceutical Division in DPIL, pursuant to this Scheme, shall be charged to the General Reserve account of Duphar-Interfran.

7 MODIFICATIONS/ AMENDMENTS TO THE SCHEME

Duphar-Interfran and DPIL by their respective Board of Directors or the restructuring committee may make and / or consent on behalf all persons concerned to any modifications/ amendments to the Scheme or to any conditions or limitations which the Court and/ or any authority under law may deem fit to approve or impose and to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/ or any matter concern connected therewith, for putting the Scheme into effect.

8 CHANGE OF NAME OF DUPHAR-INTERFRAN

Immediately after receiving the approval of the Court for the Re-structuring, Duphar-Interfran shall take steps to cease all further use of the word “Duphar. (or any translation or transliteration thereof or any word deceptively similar thereto) as part of its corporate name.

However, under the terms of a Trademark License Agreement entered into between Duphar-Interfran and the Foreign Collaborators, Duphar-Interfran will be entitled to use the “Duphar” name in the course of its business (otherwise than as a corporate name or as a brand name or trademark) for a period of 1 year after the date of approval of the Court for the Re-structuring.

9 SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

The Scheme is conditional on and subject to:

9.1 Approval of and agreement to the Scheme by the requisite majority of the respective members and creditors of Duphar-Interfran and DPIL as may be directed by the High Court of Bombay.

9.2 Sanctions and Orders under the provisions of Section 391 read with Section 394 of the Act being obtained by Duphar-Interfran and DPIL from the High Court of Judicature at Bombay.

9.3 The approval of the Foreign Investment Promotion Board and/ or Reserve Bank of India under the Foreign Exchange Regulation Act, 1973 being obtained in relation to various matters referred to in terms of this Scheme for which such approval is necessary, including allotment or transfer of equity shares in favour of non-residents pursuant to Clause 5.1 and Clause 5.8 of the Scheme.

9.4 Any other sanction or approval of the appropriate authorities concerned as may be considered necessary and appropriate by the respective Board of Directors of Duphar-Interfran and DPIL, being obtained and granted in respect of any of the matters for which such sanction or approval is required.

10 EFFECT OF NON-RECEIPT OF APPROVALS/ SANCTIONS

In case the Scheme is not sanctioned by the High Court of Judicature at Bombay, or in the event any of the approvals or conditions enumerated in clause (9) above not being obtained or complied, or for any other reason, the Scheme cannot be implemented on/ or before December 31, 2000 or within such further period or periods as may be decided by Board of Directors of Duphar Interfran and DPIL, the Scheme shall become null and Void.

11 COSTS

The costs, Charges and expenses in connection with the Scheme and its implementation shall be shared equally between Duphar-Interfran and DPIL.

12 EFFECTIVE DATE OF THIS SCHEME

This Scheme, although operative from the Appointed Date shall take effect finally upon and from the Effective Date.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 267 OF 2000
CONNECTED WITH
COMPANY APPLICATION NO 57 OF 2000**

In the matter of the Companies Act, 1956.

And

In the matter of Sections 391 to 394 of the Companies Act, 1956;

And

In the matter of Duphar-Interfran Limited, a Company incorporated under the Companies Act, 1913 and having its Registered Office at F/5 Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400 018.

And

In the matter of Scheme of Arrangement for demerger between Duphar - Interfran Limited and Duphar Pharma India Limited

Duphar Interfran Limited, a Company)	
incorporated under the Indian Companies Act,)	
1913 and having its Registered Office at F/5)	
Shivsagar Estate, Dr. Annie Besant Road,)	
Worli, Mumbai- 400 018)Petitioner

CORAM : Smt. K. K. Baam J.

DATED : 29th November, 2000

UPON the Petition of Duphar - Interfran Limited, the Petitioner Company abovenamed, presented to this Hon'ble Court on the 14th day of March, 2000 for sanctioning the Scheme of Arrangement for demerger between

Duphar-Interfran Limited (hereinafter called the “Petitioner Company” or “Transferor Company.”) and Duphar Pharma India Limited (hereinafter called the “Transferee Company.”) and for other consequential reliefs as mentioned in the said Petition and the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and affidavit of Mr. Keshav Kashid, the Chief Executive Officer of the Petitioner Company, solemnly affirmed on the 14th day of March, 2000 verifying the said Petition AND UPON READING the affidavit of Mr. Sanjay Pulekar, dated 10th day of April, 2000, clear in the office of the Advocates for the Petitioner Company proving publication of notice of hearing of the Petition in the issue of newspapers “Times of India” (Mumbai Edition) and marathi translation thereof in “Lok Satta” both on 7th day of April, 2000, pursuant to the Order dated 21st day of March, 2000 AND UPON READING the affidavit of Mr. Sanjay Pulekar dated 23rd day of March, 2000 proving service of notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the Order dated 31st day of January, 2000, passed by this Hon’ble Court in Company Application No. 57 of 2000, whereby the Petitioner Company was directed to convene meeting of the Equity Shareholders and Unsecured Creditors of the Petitioner Company for the purpose of considering and if thought fit, approving with or without modifications, the Scheme of Arrangement for demerger between the Petitioner Company and the Transferee Company, being Exhibit “D” to the Petition AND UPON READING the order dated 2nd day of February, 2000 passed by this Hon’ble Court by which clause (9) of the order dated 31st day of January, 2000 was modified by replacing administrative office address of the Petitioner in the place and stead of the registered office address of the Petitioner Company AND UPON READING the affidavit of Mr. Suresh Talwar dated 23rd day of February, 2000, the Chairman appointed for the meeting of the Equity Shareholders and Unsecured Creditors of the Petitioner Company proving service of notices convening meeting upon the individual Equity Shareholders and Unsecured Creditors of the Petitioner Company and also proving publication of the notice convening a meetings in the issue of newspapers “ Times of India” (Mumbai Edition) and marathi translation thereof in “Lok Satta” both dated 11th day of February, 2000 AND UPON READING the Report of the Chairman Mr. Suresh Talwar dated 13th day of March, 2000 as to the result of the said meeting of the Equity Shareholders and Unsecured Creditors of the Petitioner Company AND UPON READING the affidavit of the Chairman Mr. Suresh Talwar dated 13th day of March, 2000, verifying the Chairman’s Report AND IT APPEARS from the said Report of the Chairman of the meetings of the Equity Shareholders and Unsecured Creditors of the Petitioner Company that the Scheme of Arrangement for demerger between the Petitioner Company and the Transferee Company has been approved by more than requisite majority in number and value of the Equity Shareholders and Unsecured Creditors of the Petitioner Company present at the said meetings AND UPON READING the affidavit of Dr. Renuka Datla dated 29th day of April, 2000, intervener, in reply to the Petition AND UPON READING the affidavit in rejoinder of Mr. Keshav Kashid on behalf of the Petitioner Company dated 7th day of June, 2000 in reply to the affidavit of Dr. Renuka Datla dated 29th day of April,

2000, AND UPON READING the affidavit in rejoinder of Mr. Vasant Kumar Datla one of the promoters of the Petitioner Company, dated 7th day of June, 2000 in reply to the affidavit of Dr. Renuka Datla the affidavit of Mr. Shekhar Desai dated 7th day of June, 2000, on behalf of the intervener in reply to the Petition AND UPON READING in rejoinder of Mr. Keshav Kashid dated 7th day of August, 2000 on behalf of the Petitioner in reply of Mr. Shekhar Desai AND UPON READING the affidavit of Mr. Chandrasekhar Rao dated 24th day of October, 2000, on behalf of Dupen Laboratories Limited, in reply to the affidavit of Mr. Shekhar Desai AND UPON READING Company Application No. 219 of 2000 alongwith affidavit in support of the Company Application AND UPON HEARING, Mr. Virendra V. Tulzapurkar alongwith Mr. Virag V. Tulzapurkar and Mr. Sandeep H. Parikh, Counsel, instructed by M/s. Amarchand & Mangaldas & Suresh A. Shroff. & Co. Advocates for the Petitioner Company And Mr. F. E. Divetri, Counsel instructed by M/s. Mahimkar & Co. for Dr. Renuka Datla and Mr. Shekhar Desai, Shareholders intervener And Mr. Shyam Mehta, Counsel instructed by M/s. Udadia Udeshi And Berjis for Dr. Vijay Kumar Datla and Mr. B. R. Parmar, Counsel instructed by Shri Colin Gonsalves for Sarva Sramik Sangh Trade Union and Mr. C. J. Joy with Mr. M. M. Goswami Panel Counsel, instructed by Mr. R. P. Singh, Company Prosecutor for Regional Director, Department of Company Affairs, Maharashtra, Mumbai who submits to the order of the Court AND no other person or persons entitled to appear at the hearing of the Petition appearing this day either in support of the said Petition or to show cause against the same THIS COURT DOTH by its order dated 29th November, 2000 passed in Company Petition No. 267 of 2000 reject the application raised by the interveners AND UPON READING the order dated 29th November, 2000 made in Company Application No. 219 of 2000 taken out by Sarva Sramik Sangh- Trade Union that the Application stand withdrawn as their rights are protected AND THIS COURT DOTH HEREBY sanction the Scheme of Arrangement for demerger between Duphar - Interfran Limited, the Petitioner Company and Duphar Pharma India Limited the Transferee Company as set forth in the Scheme being Exhibit "D" to the Petition and annexed as Schedule hereto save and except to the extent of clause 5.8, 5.9 and 9.3 to the extent of seeking Reserve Bank's sanction in respect of the transfer of shareholder, stand deleted AND THIS COURT DOTH HEREBY DECLARE that the said Scheme with effect from 1st day of April, 2000 (hereinafter referred to as the "Appointed Date.") shall be binding on all the Shareholders and creditors of the Petitioner Company and all the Shareholders of the Transferee Company AND THIS COURT DOTH ORDER that with effect from the Appointed Date the entire assets and property of the Petitioner Company relating to its Pharmaceutical Division as set out under the Scheme being Exhibit "D" to the Petition and in the Schedule hereto shall without any further act or deed stand transferred to and vested in the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 so as to become the assets and property of the Transferee Company AND THIS COURT DOTH FURTHER ORDER that all debts, liabilities, duties and obligations in respect of the Pharmaceutical Division of the Petitioner Company as set out in the Scheme shall without any further act or deed stand transferred to the Transferee Company pursuant to the provisions of Sections 391 to 394

of the Companies Act, 1956 so as to become debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH FURTHER ORDER that all suits, claims, actions and legal proceedings pending by or against the Petitioner Company in respect of the Pharmaceutical Division as set out in the Scheme shall be continued by or against the Transferee Company AND THIS COURT DOTH FURTHER ORDER that upon the Scheme becoming finally effective and in consideration of the transfer and vesting of the Pharmaceutical Division of the Petitioner Company in the Transferee Company in terms of the Scheme, the Transferee Company shall subject to the provision of the Scheme and without further application or deed and without payment, issue at par and allot to each member of the Petitioner Company whose names are recorded in its Register of Members, on a Record Date to be fixed by the Board of Directors of the Petitioner Company, 2 (two) Equity Share of the face value of Rs. 10/- each credited as fully paid up of the Transferee Company for every 1 (one) Equity Share of the face value of Rs. 10/- each held by such member in the Petitioner Company AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do within 30 days of the sealing of this Order, cause a certified copy of this order to be delivered to the Registrar of Companies, Maharashtra, Mumbai for registration and upon such certified copy of the order being sot delivered the Pharmaceutical Division of the Petitioner Company as set out in the Scheme shall stand transferred to the Transferee Company and the Registrar of Companies, Maharashtra, Mumbai shall place all the files and records of the Petitioner Company in respect of the said Pharmaceutical Division as set out in the Scheme and registered with him on the file kept by him in relation to the Transferee Company and consolidate the files of Pharmaceutical Division of the Petitioner Company and Transferee Company accordingly AND THIS COURT DOTH FURTHER ORDER that the parties to the Scheme of Arrangement for demerger and any other person or persons interested therein, shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary in regard to the working of the arrangement embodied in the Scheme of Arrangements sanctioned hereunder and annexed as Schedule hereto AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs. 1000/- (Rupees One Thousand Only) to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai towards the costs of the Petition WITNESS SHRI BISHESWAR PRASAD SINGH, Chief justice at Mumbai aforesign this 29th day of November, 2000.

Order sanctioning the Scheme of)
 Arrangement for demerger under)
 Sections 391 to 394 of the Companies)
 Act, 1956 drawn on the Application)
 of M/s. Amarchand & Mangaldas &)
 Suresh A. Shroff & Co. Advocates of)
 the Petitioner Company having their)
 Office at Lentin Chambers, Dalal)
 Street Fort, Mumbai - 400 023.)

IN THE HIGH COURT OF JUDICATURE AT BOMBAY ORDINARY
ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 267 OF 2000 CONNECTED WITH COMPANY
APPLICATION NO. 57 OF 2000

In the matter of sections 391 to 394 of the Companies Act, 1956;

And

In the matter of Duphar-Interfran Limited, a Company incorporated under the Companies Act, 1913 and having its Registered Office at F/5, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai- 400 018;

And

In the matter of Scheme of Arrangement for demerger between Duphar-Interfran Limited and Duphar Pharma India Limited.

Duphar - Interfran Limited,
A Company incorporated
Under the Indian Companies Act,
1913 and having its
registered office at
F/5, Shivsagar Estate,
Dr. Annie Besant Road,
Worli, Mumbai 400 018Petitioner.

Shri Virendra Tulzapurkar with Shri Virag Tulzapurkar and Shri S. H. Parikh
i/b Amarchand & Mangaldas & Suresh A. Shroff & Co., for the Petitioner.

Shri F. E. Devitre, i/b M/s Mahimkar & Co. for Shekar P. Desai and Dr. Renuka
Datla Share holders- Intervenors.

Shri Shyam Mehta, i/b M/s Udwadia, Udeshi & Bejor for Dr. Vijay Kumar
Datla.

Shri B. R. Parmar, i/b Shri Colin Gonsalves for Sarva Shramik Sangh Trade
Union.

Shri C. J. Joy with Shri M. M. Goswami, Panel Counsel, i/b R. P. Singh, Company
Prosecutor. For Regional Director, Department of Company Affairs,
Maharashtra, Mumbai.

CORAM: SMT. K. K. BAAM. J.

NOVEMBER 29, 2000

P.C.

1. The Petitioners herein Duphar Interfran Limited have filed this petition seeking sanction to the Scheme of Arrangement for demerger between Duphar- Interfran Limited. And Duphar Pharma India Limited. This sanction is sought as the pharmaceutical division of the petitioner -

Duphar-Interfran Limited is sought to be demerged to Duphar Pharma Limited.

2. Notice of this petition has been published in the newspapers. Notice of the same also been sent to the Regional Director. Shri Joy, who has appeared on behalf of the Regional Director, has stated that the Regional Director has no objection to the sanction of the arrangement embodied in the Scheme of Arrangement.
3. However, an application is made on behalf of the shareholder Renuka Datla seeking to oppose the sanction of the scheme. It is the case of the shareholders that the scheme is designed to benefit a group of shareholders :, namely, Vasant Kumar and his family and the foreign collaborators group consisting of Solvay BV.
4. It is contended on behalf of the interveners that by presenting the scheme, a fraud is perpetrated on the petitioner-company and its shareholders, the same is unfair, unjust and is sought to be pushed through by reason of brute majority voting power.
5. It is also urged on behalf of the interveners that the meeting of members that was convened and held for the purpose of considering the said scheme as illegal and improper as different classes of members, namely, the shareholders on the one hand and Vasant Kumar and family Group and Solvay BV Group, which constituted another class of members, could not participate in the same meeting as a meeting of different classes of members was combined though the interest was not common and were, in fact, in opposition to each other.
6. It is urged on behalf of the interveners that if this scheme is sanctioned, Vasant Kumar and his family and Solvay BV group will acquire controlling interest in their respective companies.
7. It is also urged on behalf of the interveners that the valuation report on the basis of which the share exchange ratio is purported to be made is fully unacceptable and mala fide. It is urged on behalf of the applicants that by this scheme, an attempt is made to transfer unspecified properties of the petitioner company relating to its most valuable division, that is to say, the pharmaceutical division to Solvay BV and apart from that the pharmaceutical products, namely, “VERTIN” and “COLOSPA” are transferred to Duphar Pharma Limited as part of the demerger and that these products originally belonged to the petitioner.
8. It is, therefore, urged on behalf of the applicants that these products are included in the scheme and are required to be transferred as part of the deal which were originally belonging to Duphar- Interfran. Reliance is sought to be placed upon a strip of “COLOSPA” tablets which reflects manufactured and marketed by the registered trade mark owner Dupen Laboratories Pvt. Ltd. in collaboration with Duphar-Interfran Limited. It

is, therefore, urged on behalf of the interveners that the petitioners have a right in this product which is sought to be sold to Solvay BV and thereby the petitioner company is deprived of valuable consideration.

9. It is also urged on behalf of these applicants that the applicants and another shareholder, namely, the husband of the applicant have registered their objection in the meeting which was not taken cognizance of, Whilst appreciating the objection raised on behalf of the shareholders, it is necessary to note that so far as the petitioners are concerned, they have complied with the formalities that are required to be complied with under sections 391 to 394 of the Companies Act, 1956. A meeting of the shareholders was held and at the said meeting, equity shareholders of the applicant-company attended the meeting. The unsecured creditors also attended the meeting and have voted in favour of the scheme. It is also urged on behalf of the petitioner-company that the 3/4th of majority of shareholders present in number were aware of the objection raised by the applicants and having full knowledge of the objection raised by the applicants have given their sanction and approval to the scheme.
10. The main bone of contention which is raised on behalf of the interveners is that by virtue of this, an attempt is made to transfer the unspecified and valuable properties of the company relating to its most valuable business, namely, the pharmaceuticals for a song.
11. On behalf of the interveners, there is a serious challenge raised to clause 5.8, 5.9 and 9.3 of the Scheme of Arrangement. It is these clauses which are seriously objected to as it is contended on behalf of the applicants that by virtue of these clauses, the foreign collaborators are required to transfer 980,000 equity shares of Duphar- Interfran in favour of the Vasant Kumar Family or their nominees in lieu of the Vasant Kumar Family transferring 1,098,978 equity share of DPIL and assigning two brands, namely, "VERTIN" and "COLOSPA.", presently owned by Dupen Laboratories Private Limited, a company wholly owned by the Vasant Kumar Family in favour of the foreign Collaborators or its nominees by a separate deed of assignment. The above transfers will be subject to obtaining the necessary regulatory approvals.
12. Clause 5.9 of the Scheme of Arrangement records that Duphar- Interfran and DPIL shall do all such acts, deed, matters and things they may require in order to give effect to the provision of clause 5.8 herein.
13. Clause 9.3 of the Scheme of Arrangement deals with the approval of the Foreign Investment Promotion Board and/or Reserve Bank of India under the Foreign Exchange Regulation Act, 1973 being obtained in relation to various matters referred to in terms of the scheme for which such approval is necessary, including allotment of transfer of equity shares in favour of nonresidents pursuant to Clause 5.1 and Clause 5.8 of the Scheme of Arrangement.

14. It is in respect of these transfer of shares that principally an objection is raised on behalf of the applicants who also claim to be members of Vasant Kumar Family and apparently claim an interest in the shareholding to be acquired by Vasant Kumar Family.
15. So far as Clauses 5.8 of the Scheme of Arrangement is concerned, the same becomes operative as post sanction of the scheme and that is apparent from a perusal of clause 5.8 of the Scheme of Arrangement which becomes effective only after the scheme comes into effect and the demerger takes place. It is this clause which is challenged principally as it is contended that the meeting held for sanctioning the scheme of arrangement, the two classes of members were involved, one was the share holders of the petitioner-company and the other being Vasant Kumar Family and Solvay BV who by virtue of this clause sought to acquire absolute rights in the two companies. It is contended on behalf of the petitioner-company that this shall form part of the scheme, but the allotment of the shares was to come into operation after the scheme was sanctioned and this clause was incorporated only with a view to make the shareholders aware of the fact that Vasant Kumar Family was taking over the shares of Duphar- Interfran; whereas Solvay BV was to take over the control of Duphar Pharma India Limited. Even so far as the two brands namely, "VERTIN" and "COLOSPA" are concerned, it is urged on behalf of the petitioners that the same were owned by Dupen Laboratories Private Limited a company wholly owned by Vasant Kumar Family. Though Shri Shekhar Desai has in the affidavit filed in support of Dr. Renuka Datla contended that "VERTIN" and "COLOSPA" are manufactured by the petitioner-company, Shri Desai attended the shareholders meeting of Duphar- Interfran Limited, has voted in favour of the scheme and the same is borne out by the affidavit of shri Keshav Kashid, Chief Executive Officer of the Petitioner-company, to which no rejoinder has been filed by Shri Shekhar Desai. The affidavit of Shri Keshav Kashid reflects that at the meeting of the shareholders, Shri Shekhar Desai did not address the shareholders on this issue as regards the brand names "VERTIN" and "COLOSPA" belonging to Duphar-Interfran Limited and not to Dupen Laboratories Private Limited.
16. In support of the contention that the brand names "VERTIN" and "COLOSPA" belong to Dupen Laboratories Private Limited, reliance is placed upon the certificate issued by the Registrar of Trade marks, which reflects that both these brand names were registered under the name of Duphar Pharma India Limited, which was the original name of Dupen Laboratories India Limited. As regards the contention of the petitioners that the strip bears the name of the petitioner, it is contended on behalf of the petitioners herein that marketing agreements were entered into in 1978 and 1983 which were valid for five years and under the said marketing agreements, Duphar- Interfran Limited agreed to purchase the products from Duphar Pharma India Limited on a principal to principal basis and marketed the same. Though this agreement expired in 1988, it is contended

that the same has not been renewed. However, the applicants have produced a strip at the stage of their arguments to which the petitioners have contended that the same has been manufactured and marketed by Dupen Laboratories Private India in collaboration with Duphar- Interfran Limited. However, the manufacture and marketing of the products is that of Dupen Laboratories India Limited. The trademark registration is of Dupen Laboratories India Limited. It, therefore, does not lie in the mouth of the applicants to contend that these two brand names are the products of the petitioners which are sought to be sold to Solvay BV Group.

17. As regards the transfer of shares which forms part of clause 5.8 of the Scheme of Arrangement is concerned, it is relevant to note that Dr. Renuka Datla had filed a suit in the Court at Hyderabad against Solvay Pharmaceutical BV, M/s Duphar Interfran Limited, Dr. Vasant Kumar and M/s Duphar Pharma India Limited, seeking an order of injunction restraining Solvay BV and M/s Duphar Interfran from transferring/ exchanging their shareholding in M/s Duphar Interfran Limited and M/s Duphar Pharma India Limited (DPIL) pending hearing and final disposal of this suit. In the said suit, an application was made and an order was passed on 7th July 2000 by which the petition filed by Renuka Datla was dismissed and the interim injunction granted was vacated. It transpires that so far as the petitioner and her husband, who are having shareholding in the petitioner company to the extent of 4.91% are concerned, they are seeking to hold up the scheme when the same has been approved by the majority of the shareholders. The scheme that is set for approval by the petitioners is not dependent upon the agreement incorporated in clause 5.8 as the same comes into effect only after the scheme of demerger is sanctioned.
18. It was urged on behalf of the petitioners herein that the interveners carried the matter in appeal before the Appellate Court where the application was rejected. However, I am given to understand that the Special Leave Petition has been filed and the order passed in the Special Leave Petition is to the effect that if there is any transfer effected, the same is subject to the outcome of the Special Leave Petition. However, no order of injunction is passed restraining the transfer. Hence so far as the transfer of the equity shares of Duphar-Interfran Limited in favour of Vasant Kumar Family and the transfer of M/s Duphar Pharma India Limited (DPIL) shares in favour of the foreign collaborators with the two brand names which are owned by the Dupen Laboratories India Limited wholly owned by Vasant Kumar Family with regard to which the applicants herein are not concerned, the same being the subject-matter of the suit, the applicants cannot agitate this issue at this stage. However, Shri Tulzapurkar, who appears on behalf of the petitioners, has been very candid and has urged before the Court that so far as clauses 5.8, 5.9 and 9.3 of the Scheme of Arrangement are concerned, the same can be deleted from the scheme. To this, it is contended on behalf of the

applicants that the Scheme of Arrangement is required to be rescheduled and a new scheme is once again required to be placed before the shareholders and their approval is required. So far as this argument is concerned, the same is unwarranted and deserves to be rejected as it is apparent that by following this procedure, the intention of the applicants is to delay the sanction of the scheme which has been sanctioned by a majority of the shareholders. Deletion of clauses 5.8, 5.9 and 9.3 of the Scheme of Arrangement does not in any way alter, affect or prejudice the Scheme of Arrangement so as to direct the petitioner to recast the Scheme of Arrangement and place the same before the members. Therefore, so far as this argument is concerned, the same has no basis and deserves to be rejected.

19. The challenge is also made on behalf of the applicants to the report of Arthor Andersen & Associates, who have recommended the shareholding in the new company as it is contended on behalf of the interveners that the petitioners did not place before the Accountants the share capital of Duphar Pharma Limited to enable the auditors to submit their report with regard to the share ratio of the shareholders in the new company Duphar Pharma Limited.
20. So far as the auditors are concerned, they have submitted their report. The shareholders of Duphar Interfran did not lose their shareholding in the petitioner company. On the contrary, they acquire two shares of Duphar Pharma India Limited. This ratio has also been approved by the Regional Director who, after the perusal of the documents placed before him, has given his no objection to this Scheme of Arrangement. Hence so far as the interveners are concerned, they are disgruntled because they have not been given the shares of the petitioner-company as per clause of the Scheme of Arrangement. Apparently they want to have interest in the shareholding of the petitioner-company by virtue of they being members of Vasant Kumar Family Group, which is the subject matter of the suit. Their objection, at this stage, is not a bona fide one nor is it meant to protect the interest of the company or its shareholders, but is made to gain personal gains to themselves and acquire shareholding for themselves in the petitioner-company which personal motive cannot be employed to defeat the scheme approved by a majority shareholders, the Regional Director. Hence so far as this application is concerned, I am of the opinion that the same is not warranted and deserves to be rejected.
21. On behalf of the petitioners, reliance is sought to be placed upon the ruling in the case of Miheer H. Mafatlal V. Mafatlal Inds. Ltd., Volume 87 Company cases 792, with regard to the contention raised on behalf of the interveners that separate meetings were required to be held of separate classes of shareholders wherein it has been observed that separate meeting of subclass of shareholders can be directed only where separate terms are laid out in the scheme in this regard. So far as the terms are concerned, the main purpose of the scheme was the demerger. It is only

after the demerger that the shareholding is taken by Vasant Kumar and Family on the one hand and Solvay BV on the other. So far as this shareholding is concerned, by virtue of the fact that the petitioners have withdrawn by Clauses 5.8, 5.9 and 9.3 to the extent of the shareholding of Vasant Kumar and Solvay BV from the Scheme of Arrangement, this argument is unwarranted.

22. Hence so far as this application is concerned, the same is not bona fide one made with a view to protect the interest of the shareholders, as is sought to be contended, but made with an oblique motive to gain the shareholding rights in Duphar Pharma by virtue of the interveners contending to be the members of Vasant Kumar Family in respect of which shareholding, proceedings have already been filed in the Hyderabad Court and the matter is carried up to the Supreme Court in which the rights of the interveners to acquire shareholding will be considered. Hence in view of the fact that the rights of the interveners have adequately been protected in the said proceedings, there is no need to prejudice the proceedings adopted in the Company Court with regard to the scheme of arrangement of demerger.
23. Hence so far as this application is concerned, the same stands rejected.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 267 OF 2000
CONNECTED WITH COMPANY APPLICATION NO. 57 OF 2000**

In the matter of Sections 391 to 394
of the Companies Act, 1956
AND in the matter of Scheme of
Arrangement for demerger
between Duphar-Interfran Limited and
Duphar Pharma India Limited

Duphar-Interfran Limited Petitioner

**CERTIFIED COPY OF ORDER SANCTIONING THE SCHEME
OF ARRANGEMENT FOR DEMERGER**

Dated this 29th day of November, 2000
Filed this 3rd day of May, 2001

Amarchand & Mangaldas & Suresh
A. Shroff & Co.
Lentin Chamber, Dalal Street,
Fort, Mumbai-400 023.
Advocates for the Petitioner

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

O.O.C.J.

COMPANY PETITION NO.171 OF 2007

In the matter of the Scheme of
Amalgamation of White Stripes
Entertainment Ltd.

With

DIL Limited.

White Stripes Entertainment Ltd. ... Petitioner.

Mr. Harinder Toor, Mr. Anoj Menon, Ms. Khushboo Shah, Mr. Shailesh Menon
i/b. M/s. Crawford Bayley & Co. for the Petitioner.

Mr. C J Joy, Regional Director.

Mrs. K V Gautam, Dy. O.L.

CORAM :DR. D.Y.CHANDRACHUD, J.

21st April 2007.

P.C.:

1. The sanction of the Court is sought to a Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956. This Company Petition is by the Transferor. The Transferor is a wholly owned subsidiary to the Transferee.
2. The filing of a separate Company Petition by the Transferee was dispensed with in view of the Judgment of this Court dated 19th June 2007 in Mahaamba Investments Ltd. V/s. IDI Ltd. – 105 Company Cases 16 (Bom).
3. The Court has been informed that : (i) The equity shareholders of the Transferor furnished their consents; (ii) There are no secured creditors; and (iii) In view of the undertaking tendered before the Court while dispensing with the meetings of the unsecured creditors individual notices have been served and an affidavit has been filed.
4. Under the scheme all the assets and liabilities of the Transferor are to stand vested in the Transferee. The Regional Director states through Counsel that all the requisitions of the Regional Director have been duly complied with and that the scheme as proposed is not contrary to the public interest or prejudicial to the interest of the share holders or creditors.

5. There is no objection to the Scheme and since all the requisite statutory compliance have been fulfilled, the Company Petition is accordingly made absolute in terms of prayer clauses (a) to (f).
6. The petitioner to pay costs of Rs.2500/- to the Ministry of Law and Justice and Official Liquidator.
7. Filing and issuance of drawn up order is dispensed with. All authorities concerned to set on an authenticated copy of order and Scheme annexed to the Petition issued by the Office of this Court.

TRUE COPY

Session Officer
High Court, Appellate Side
Bombay.

TRUE COPY

Master and Assistant Prothonotary (Judl)
For Registrar Original Side/
Prothonotary and Senior Master,
High Court, Bombay.

**SCHEME OF AMALGAMATION
OF
WHITE STRIPES ENTERTAINMENT LIMITED
AND ITS SHAREHOLDERS
WITH
DIL LIMITED**

This Scheme of Amalgamation is presented for amalgamation of White Stripes Entertainment Limited with DIL Limited pursuant to Sections 391 to 394 and other applicable provisions of the Companies Act, 1956.

1. DEFINITIONS

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

- 1.1 **“The Act”** means the Companies Act, 1956 and shall include any statutory modification, re-enactment or amendment thereof for the time being in force.
- 1.2 **“The Appointed Date”** means 1st April, 2006.
- 1.3 **“The Effective Date”** means last of the dates on which the authenticated / certified copy/ies of the Orders of the High Court of Judicature at Bombay or such other competent authority sanctioning the Scheme are filed with the Registrar of Companies at Mumbai, Maharashtra. References in this Scheme to the date of coming into effect of the Scheme shall mean “the Effective Date”.
- 1.4 **“DIL Limited” or “the Transferee Company”** means DIL Limited, a Company incorporated under the Companies Act, 1956, the Holding Company of the Transferor Company and having its registered office at ‘DIL’ Complex, Ghodbunder Road, Majiwada, Thane (W) 400610, Maharashtra, India.
- 1.5 **“White Stripes Entertainment Limited” or “the Transferor Company”** means White Stripes Entertainment Limited, a Company incorporated under the Companies Act, 1956, a wholly owned subsidiary of the Transferee Company and having its registered office at ‘DIL’ Complex, Ghodbunder Road, Majiwada, Thane (W) 400610, Maharashtra, India.
- 1.6 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation in its present form submitted to the High Court of judicature at Bombay or any other appropriate authority or with any modification(s) made under Clause (15) of this Scheme.

1.7 “Undertaking” shall mean and include:

- (a) all the assets and property of all the undertakings of the Transferor Company as on the Appointed Date;
- (b) all the secured and unsecured debts, liabilities, duties and obligations of all the undertakings of the Transferor Company as on the Appointed Date;
- (c) Without prejudice to the generality of sub clause (a) above, the Undertakings of the Transferor Company shall include each of their reserves, all the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses, registrations, copyrights, patents, trade names, trade marks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trade marks, leases, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, insurance policies, office equipment, telephones, mobile phones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, loans, deposits, reserves, preliminary expenses, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, tax credits / incentives, sales tax, value added tax, turnover tax, customs duties, excise duties, service tax and other claims and powers, of whatsoever nature and wherever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

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

3. SHARE CAPITAL

3.1 The Share Capital of the Transferor Company as on March 31, 2006 was as under:

Particulars	Amount in Rs.
<i>Authorised</i> 1,00,000 Equity Shares of Rs. 10/- each	10,00,000
<i>Issued, Subscribed and Paid up</i> 50,000 Equity Shares of Rs. 10/- each fully paid up.	5,00,000

As on the date of the Scheme being approved by the Board of Directors of the Transferor Company and the Transferee Company, the authorized, issued, subscribed and paid-up equity share capital of the Transferor Company was the same. The entire equity share capital of the Transferor Company is held by the Transferee Company and its nominee(s).

3.2 The Share Capital of the Transferee Company as on March 31, 2006 was as under:

Particulars	Amount in Rs.
<i>Authorised</i> 49,20,00,000 Equity Shares of Rs. 10/- each 80,000 Unclassified Shares of Rs. 10/- each Total	4,92,00,000 8,00,000 <hr/> 5,00,00,000
<i>Issued, Subscribed and Paid up</i> 22,93,198 Equity Shares of Rs. 10/- each fully paid up.	2,29,31,980

As on the date of the Scheme being approved by the Board of Directors of the Transferor Company and the Transferee Company, the authorized, issued, subscribed and paid-up equity share capital of the Transferee Company was the same.

3.3 There has been no change in the authorized, issued, subscribed and paid-up capital of the Transferor Company and Transferee Company subsequent to March 31, 2006.

4. TRANSFER OF UNDERTAKING

4.1 The Undertakings of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- (a) With effect from the Appointed Date, all the Undertakings of the Transferor Company comprising all assets and liabilities of

whatsoever nature and wherever situated, shall, under the provisions of Section 391 read with Section 394 and all other applicable provisions, if any, of the Act, subject to all the charges, if any, without any further act or deed (save as provided in Sub-clauses (b) and (c) below), be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company, so as to become as from the Appointed Date the assets and liabilities of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.

- (b) All the movable assets including cash in hand, if any, of the Transferor Company, capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company.
- (c) In respect of movables other than those specified in sub-clause (b) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, Custom, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and / or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Section 391 read with Section 394 of the Act.
- (d) In relation to the assets, if any, belonging to the Transferor Company, which require separate documents of transfer, the Transferor Company and the Transferee Company will execute the necessary documents, as and when required.
- (e) With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Company shall also, under the provisions of Section 391 read with Section 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company and 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 sub-clause.
- (f) The transfer and vesting of the Undertakings of the Transferor Company as aforesaid shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of

any of the property and assets or any part thereof of the Transferor Company.

Provided however, any reference in any security documents or arrangements (to which the Transferor Company or Transferee Company are a party) to the assets of the Transferor Company or Transferee Company offered or agreed to be offered as security for any financial assistance or obligations, shall continue with such assets or part thereof pertaining to the Undertakings of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clauses or such assets or part thereof pertaining to the Transferee Company respectively, and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferee Company or any of the assets of the Transferor Company respectively.

- 4.2 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 and carry out all formalities and compliances, if required, referred to above.

5. LEGAL PROCEEDINGS

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

Provided, however, that this Clause shall not apply to proceedings where the liability is of a personal nature and the successor in interest or assignee is not liable to be proceeded against under the provisions of the applicable law.

- 5.2 On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings 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.

6. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

Subject to the other provisions of the Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, agreements, incentives

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 operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmation or enter into any tripartite agreement, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

7. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

7.1 With effect from the Appointed Date and up to and including the Effective Date,

- i) The Transferor Company shall carry on and be deemed to have carried on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its entire business and undertakings for and on account of and in trust for the Transferee Company;
- ii) All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred by the Transferor Company shall for all purposes be treated and deemed to be the profits or income or expenditure or losses (as the case may be) of the Transferee Company; and
- iii) The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company.

7.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

7.3 The transfer of the entire business and undertakings of the Transferor Company to the Transferee Company and the continuance of all contracts or proceedings by or against the Transferor Company

shall not affect any contracts or proceedings already concluded by the Transferor Company on or after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things done and/or executed by the Transferor Company in regard thereto as having been done or executed on behalf of the Transferee Company.

- 7.4 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorized to carry on the business carried on by the Transferor Company.

8. CONSIDERATION

As the entire Equity Share Capital of the Transferor Company is held by the Transferee Company, upon the Scheme becoming effective the entire equity capital of the Transferor Company shall stand automatically cancelled and there will not be any issue and allotment of shares or any other consideration by the Transferee Company.

9. COMPLIANCE WITH TAX LAWS

- 9.1 This 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. 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 a retrospective amendment of law or for any other reason whatsoever, till the time the scheme becomes effective, the provisions of the said section of the Income Tax Act, 1961 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.

10. ACCOUNTING TREATMENT IN BOOKS OF THE TRANSFEE COMPANY

The Transferee Company shall, upon the scheme coming into effect, account for the amalgamation in its books as under:

- i) The Transferee Company shall record all the assets and liabilities of the Transferor Company transferred to and vested in the Transferee Company at their book values;
- ii) Inter company loans or balances between the Transferor Company and the Transferee Company, if any, shall be cancelled;
- iii) The Transferee Company shall record the Reserves if any of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.

- iv) The excess, if any, of the value of the assets over the value of the liabilities of the Transferor Company vested in the Transferee Company pursuant to this Scheme and recorded in the books of account of the Transferee Company and the amounts recorded in terms of Clause 10 (iii) above, as reduced by the cost of investments of the Transferee Company in the equity shares of the Transferor Company, be credited to the General Reserve / Profit and Loss account in the books of the Transferee Company.
- v) The deficit, if any, of the value of the assets over the value of the liabilities of the Transferor Company vested in the Transferee Company pursuant to this Scheme and recorded in the books of account of the Transferee Company and the amounts recorded in terms of Clause 10 (iii) above, as reduced by the cost of investments of the Transferee Company in the equity shares of the Transferor Company, be debited to the General Reserve / Profit and Loss account in the books of the Transferee Company.
- vi) In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted against General Reserve / Profit and Loss account, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

11. STAFF AND EMPLOYEES

- 11.1 On the Scheme becoming operative, all staff and employees in employment of the Transferor Company on the Effective Date shall be deemed to have become staff and employees of the Transferee Company on such date without any break or interruption in their service and on the terms and conditions of their employment not less favourable than those subsisting with reference to the Transferor Company as on the said date.
- 11.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund, Employees' State Insurance Contribution, Labour Welfare Fund or any other Special Fund or Trusts created or existing for the benefit of the staff and employees of the Transferor Company shall become trusts / funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company and all the rights, duties and benefits of

the employees of the Transferor Company under such Funds and Trusts shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff and employees of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.

12. SCHEME CONDITIONAL ON APPROVAL/SANCTIONS

The Scheme is conditional upon and subject to:

- 12.1 Approval by requisite majority of the members / creditors of the Transferor Company / the Transferee Company as may be directed by the High Court of Judicature at Bombay or any other appropriate authority.
- 12.2 Authenticated / Certified copy/ies of the orders of the High Court of Judicature at Bombay, sanctioning the Scheme being filed with the Registrar of Companies at Mumbai, Maharashtra by the Transferee Company and the Transferor Company, as may be required.
- 12.3 All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

13. DISSOLUTION OF THE TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

14. APPLICATION TO THE BOMBAY HIGH COURT

The Transferor Company and the Transferee Company, as may be required, shall, with all reasonable dispatch, make applications / petitions to the High Court of Judicature at Bombay or any other appropriate authority, under Sections 391 to 394 of the Act and other applicable provisions of the Act for sanctioning this Scheme.

15. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 15.1 The Transferor Company and the Transferee Company by their respective Board of Directors or Committee thereof may make and/or consent to any modifications/ amendments to the Scheme or to any conditions or limitations that the Courts or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors or Committee thereof).
- 15.2 The Transferor Company and the Transferee Company by their respective Board of Directors shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or order

of any other authority or otherwise however arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

16. REVOCATION OF THE SCHEME

In the event of any of the said sanctions and approvals referred to in Clause (12) not being obtained and / or the Scheme not being sanctioned by the High Court of Judicature at Bombay or such other competent authority, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.

17. COSTS

All costs, charges and expenses of the Transferor Companies 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 the Scheme and of and incidental to the completion of amalgamation of the Transferor Companies in pursuance of the Scheme shall be borne and paid by the Transferee Company.

The above Scheme of Amalgamation was approved at the Board Meeting of DIL Limited held on February 21, 2007.

DIL Limited

TRUE COPY

Master and Assistant Prothonotary (Judl)
For Registrar Original Side/
Prothonotary and Senior Master,
High Court, Bombay.

TRUE COPY

Partner
Crawford Bayley & Co.
Advocates for Plaintiff /
Petitioners

HIGH COURT
O.O.C.J.
COMPANY PETITION NO.171 OF 2007
CONNECTED WITH
COMPANY APPLN.NO. 193 OF 2007

In the matter of Section 391 to 394 of the
Companies Act, 1956;

AND

In the matter of White Stripes Entertainment
Limited;

AND

IN THE MATTER of Scheme of Amalgamation
between White Stripes Entertainment Limited,
its Shareholders and DIL Limited.

White Stripes Entertainment Limited

..... Petitioner

**Authenticated Copy of order dated 21st
April, 2007 along with the Scheme.**

Dated this 24th day of May, 2007

M/s. Crawford Bayley & Co.
Advocates for the Applicant
State Bank Building,
NGN Vaidya Narg,
Fort, Mumbai.

IN THE NATIONAL COMPANY LAW TRIBUNAL BENCH AT MUMBAI

C.P. (CAA)/2819/MB/C-IV/2019

IN C. A. (CAA)/1393/MB/C-IV/2018

AND C.P. (CAA)/2820/MB/C-IV/2019

IN C. A. (CAA)/1394/MB/C-IV/2018

IN THE MATTER OF the Companies Act,
2013;

AND

IN THE MATTER OF Sections 230 to 232 of
the Companies Act, 2013;

AND

IN THE MATTER OF Scheme of
Amalgamation of Fermenta Biotech Limited
(Transferor Company) with DIL Limited
(Transferee Company) and their respective
shareholders.

Fermenta Biotech Limited ... Petitioner / Transferor Company

AND

DIL Limited ... Petitioner / Transferee Company

Order dated: 19.09.2019

Coram:

Hon'ble Member (Judicial) : Mr. Rajasekhar V.K.

Hon'ble Member (Technical) : Mr. Ravikumar Duraisamy

IN THE NATIONAL COMPANY LAW TRIBUNAL, BENCH AT MUMBAI

CSP NO. 2819 OF 2019,
CSP NO. 2820 OF 2019

Appearances:-

For the Petitioners: Mrs. Alpana Ghone, Advocate

Mr. Arvind Talgaonkar, Advocate, i/b AAT Legal & Co.

For the Regional Director: Mrs. R. N. Sutar, Dy. Director

ORDER

Per: Ravikumar Duraisamy, Member

1. Heard learned Counsel for parties. No objector has come forward before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in both Petitions.
2. The sanction of this Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013, to the Scheme of Amalgamation of Fermenta Biotech Limited (Transferor Company) with DIL Limited (Transferee Company) and their respective shareholders.
3. The Transferor Company and the Transferee Company have approved the said Scheme of Amalgamation by passing the Board Resolutions which are annexed to the respective Company Scheme Petitions.
4. The Learned Counsel appearing on behalf of the Petitioners has stated that the Petitioner Companies have complied with all requirements as per directions of this Tribunal and they have filed necessary Affidavits of compliance in this Tribunal.

Moreover, the Petitioner Companies undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and the Rules made there under whichever is applicable. The said undertaking is accepted.

5. The Amalgamation of the Transferor Company with the Transferee Company would have the benefits that, the value accretive to the shareholders of the Transferee Company as the shareholders would have direct access to the core business of the Transferor Company; and the greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value and the greater efficiency in cash management of the group and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth

opportunities, to maximize shareholder value and improved organizational capability and leadership, arising from the pooling of human capital having diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry and cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses and reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by the Transferor Company and the Transferee Company and to optimally leverage the larger assets base and cash flow of the amalgamated entity and will result in the Transferee Company directly controlling and managing the business of the Transferor Company which would lead to simplification of the shareholding structure and reduction of shareholding tiers and to meet the covenants for taking loan facility and to avail the incentivised reduction in the interest rates from lenders in respect of the borrowings.

6. The “Appointed Date” for the said Scheme of Amalgamation is April, 1, 2018.
7. The Regional Director has filed his Report, inter alia, stating in paragraph IV of the said Report, the Regional Director has stated that:
 - (a) The Petitioners under provisions of section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Amalgamation. Further, the approval of the scheme by this Hon’ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such Authorities is binding on the Petitioner Company(s).
 - (b) It is observed that the Petitioner companies have not submitted a Chairman’s Report, admitted copy of the Petition, and Minutes of Order for admission of the Petition. In this regard, the Petitioner has to submit the same for the record of Regional Director.
 - (c) The Hon’ble NCLT may kindly direct to the Petitioners to file an undertaking to the extent that the Scheme enclosed to the Company Application and the scheme enclosed to the Company Petition are one & same and there is no discrepancy or deviation.
 - (d) In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5(IND AS-8) etc.

- (e) As per Definition of the Scheme, Appointed Date means the 1st day of April 2018 or such other date as may be approved by the NCLT or such other competent authority as may be applicable, it is submitted that Section 232 (6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.
- (f) Petitioner Company have to undertake to comply with section 232(3)(i) of Companies Act, 2013, where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorised capital shall be set-off against any fees payable by the transferee company on its authorised capital subsequent to the amalgamation and therefore, petitioners to affirm that they comply the provisions of the section.
- (g) Petitioner in the clause 9 inter alia has mentioned that, Upon the Scheme coming into effect, the authorised share capital of the Transferor Company (i.e. INR 20,00,00,000/- (Rupees Twenty Crores) shall be added to that of the Transferee Company. The Deponent prays that the Hon'ble Court may pass orders to comply with the sec 61, r/w sec 13, sec. 64 and other applicable sections of the Companies Act, 2013.
- (h) Petitioner in the clause 10 inter alia has mentioned that With effect from the Effective Date, the name of the Transferee Company shall be Fermenta Biotech Limited or changed to such other name as may be approved by the Registrar of Companies, in this regards, Deponent prays that the Hon'ble Tribunal may pass orders directing the Petitioner to comply with the provisions of the Companies Act and the rules thereof enabling the change of name.
- (i) Petitioner in the clause 11 inter alia has mentioned that, upon coming into effect of the Scheme, the following Clause No. I shall be inserted in the Name Clause of the Memorandum of Association of the Transferee Company: Clause I of the Memorandum of Association: "The name of the Company is Fermenta Biotech Limited". It shall be deemed that the members of Transferee Company have also resolved and accorded all relevant consents as required under the Act, in this regards, Deponent prays that the Hon'ble Tribunal may pass orders directing the Petitioner to comply with the provisions of the Companies Act and the rules thereof enabling the amendment to the memorandum and articles of association of transferee company.

- (j) Petitioner in the clause 11 inter alia has mentioned that, Upon the effectiveness of the Scheme, the Transferee Company shall issue stock options (“Transferee Options”) to employees of the Transferee Company holding the Transferor Options, if any, which shall entitle the Eligible Employees to purchase equity shares of the Transferee Company, in this regards, Deponent prays that the Hon’ble Tribunal may pass orders directing the Petitioner to comply with the provisions of the Companies Act and the rules thereof enabling issue stock options (“Transferee Options”) to employees of the Transferor Company.
8. As far as the observation of the Regional Director stated in paragraph IV (a) of his report are concerned, the Petitioner Companies state that the Petitioner Companies have already served copy of the notice along with Scheme, application and petition upon all concerned Statutory Authorities under provisions of section 230(5) of the Companies Act, 2013. Further, the Petitioner Companies undertake that the approval of the scheme by this Tribunal may not deter all concerned Statutory Authorities to whom notice has been served to deal with any of the issues arising after giving effect to the scheme.
- The decision of such Authorities would be binding on the Petitioner Companies.
9. As far as the observation of the Regional Director stated in paragraph IV (b) of his report are concerned, the Petitioner Companies state that a Chairman’s Report, admitted copy of the Petition, and Order for admission of the Petition were served on the Regional Director on 8th August, 2019.
10. As far as the observation of the Regional Director stated in paragraph IV (c) of his report are concerned, the Petitioner Companies undertake that the Scheme enclosed to the Company Applications and the scheme enclosed to the Company Petitions are submitted to all concerned Statutory Authorities is one & same and there is no discrepancy or deviation.
11. As far as the observation of the Regional Director stated in paragraph IV (d) of his report are concerned, the Petitioner Companies undertake that in addition to compliance of AS-14 (IND AS-103) the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable accounting standards such as AS-5 (IND AS-8) etc.
12. As far as the observation of the Regional Director stated in paragraph IV (e) of his report are concerned, the Petitioner Companies undertake that

the effective date of this Scheme will not be subsequent to the Appointed Date as per section 232(6) of the Companies Act, 2013.

13. As far as the observation of the Regional Director stated in paragraph IV (f) of his report are concerned, the Petitioner Companies undertake to comply with the statutory provisions relating to the consolidation of the Authorized Share Capital, subsequent to the Amalgamation for setting-off of fees paid by the Transferor Company on its Authorized Share Capital in accordance with the provisions of Section 232(3)(i) of the Companies Act, 2013.
14. As far as the observation of the Regional Director stated in paragraph IV (g) of his report are concerned, the Transferee Company undertakes to comply with the Section 61, read with Section 13, Section 64 and other applicable sections of the Companies Act, 2013 and as may be directed by this Hon'ble Tribunal.
15. As far as the observation of the Regional Director stated in paragraph IV (h) of his report are concerned, the Transferee Company undertakes to comply with the provisions of the Companies Act, 2013 and the rules thereof enabling the change of name of the Transferee Company and as may be directed by this Hon'ble Tribunal. The Tribunal at present has no objection to change the Transferee company's name to "Fermenta Biotech Ltd." However, if any new name is approved by RoC the same will be with consent of this Tribunal. Petitioner Companies to act accordingly.
16. As far as the observation of the Regional Director stated in paragraph IV (i) of his report are concerned, the Transferee Company undertakes to comply with the provisions of the Companies Act, 2013 and the rules thereof enabling the amendment to the Memorandum and Articles of Association of transferee company and as may be directed by this Hon'ble Tribunal.
17. As far as the observation of the Regional Director stated in paragraph IV (j) of his report are concerned, the Transferee Company undertakes to comply with the provisions of the Companies Act, 2013 and the rules thereof enabling issue of stock options ("Transferee Options") to employees of the Transferor Company and as may be directed by this Hon'ble Tribunal. The Bench also directs the Petitioner Companies to comply with applicable provision of SEBI (Share Based Employee Benefits) Regulations, 2014.
18. The Official Liquidator has filed his report in the Company Scheme Petition No. 2819 of 2019 inter alia, stating therein that the affairs of the

IN THE NATIONAL COMPANY LAW TRIBUNAL, BENCH AT MUMBAI

CSP NO. 2819 OF 2019,
CSP NO. 2820 OF 2019

Transferor Company have been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved without winding up.

19. From the material on record, the Scheme of Amalgamation appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
20. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 2819 of 2019 is made absolute in terms of prayer clauses (a), (b) and (c), and Company Scheme Petition No. 2820 of 2019 is made absolute in terms of prayer clauses (a) and (b), of the respective Petitions and appointed date is fixed as 01.04.2018.
21. Petitioner Companies are directed to file a copy of this Order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, along with E- Form INC-28, in addition to the physical copy within 30 days from the date of issuance of the Order by the Registry.
22. The Petitioner Companies to lodge a copy of this Order duly authenticated/ certified by the Assistant Registrar, National Company Law Tribunal, Bench at Mumbai and the Scheme of Amalgamation with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the authenticated / certified Order copy.
23. The Petitioners in both the Company Scheme Petitions to pay costs of INR. 25,000/- each to the Regional Director, Western Region, Mumbai. The Petitioner in the Scheme Petition No. 2819 of 2019 to pay costs of INR. 25,000/- to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from today.
24. All authorities concerned to act on a copy of this Order duly authenticated/ certified by the Assistant Registrar, National Company Law Tribunal, Bench at Mumbai along with Scheme.

Sd/-

RAVIKUMAR DURAISAMY
MEMBER (TECHNICAL)

Pratiksha Shukla

19.09.2019

Certified True Copy

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Assistant Registrar

National Company Law Tribunal, Mumbai Bench

Sd/-

RAJASEKHAR V.K.
MEMBER (JUDICIAL)

**SCHEME OF AMALGAMATION
UNDER SECTIONS 230 TO 232
AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT, 2013
OF
FERMENTA BIOTECH LIMITED
(THE “TRANSFEROR COMPANY”)
AND
DIL LIMITED
(THE “TRANSFeree COMPANY”)
AND
THEIR RESPECTIVE SHAREHOLDERS**

GENERAL

A. Description of Companies and Background:

- I. Fermenta Biotech Limited**, Transferor Company (CIN: U99999MH1986PLC134021) is an unlisted public limited company incorporated under the Companies Act, 1956 having its registered office at A-1501, Thane One, ‘DIL’ Complex, Ghodbunder Road, Majiwade, Thane (W) – 400 610, Maharashtra, India (hereinafter referred to as the “**Transferor Company**”). The Transferor Company is engaged in the business of manufacturing and marketing of chemicals, active pharmaceutical ingredients (‘API’), enzymes, pharmaceutical formulations and environmental solution products. The Transferor Company is a subsidiary of the Transferee Company.
- II. DIL Limited**, Transferee Company (CIN: L99999MH1951PLC008485) is a listed public limited company incorporated under the Companies Act, 1913 having its registered office at A-1601, Thane One, ‘DIL’ Complex, Ghodbunder Road, Majiwade, Thane (W) – 400 610, Maharashtra, India (hereinafter referred to as the “**Transferee Company**”). The Transferee Company was originally incorporated to engage in the business of manufacturing and marketing of drugs and pharmaceuticals, chemicals, cosmetics and toiletries products under the name International Franchise Private Limited. In 1971, its name was changed to Crookes Interfran Limited which was further changed to Duphar-Interfran Limited and post demerger of its formulation business to Solvay Pharma India Limited in 2001 to DIL

Limited. The Transferee Company is majorly into the business of manufacturing and marketing of chemicals, API, enzymes, pharmaceutical formulations and environmental solution products, through its subsidiary and is also engaged in the business of renting of properties.

- III. The Transferor Company is a majority owned subsidiary of the Transferee Company as the 91.20% of issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company as on the date of this Scheme.
- IV. The Transferee Company's equity shares are listed on the BSE Limited.
- V. This Scheme of Amalgamation provides for the amalgamation of the Transferor Company with the Transferee Company and other consequential matters pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013.

B. Rationale for the Scheme

The Transferee Company is holding 91.20% equity stake in the Transferor Company. In order to consolidate and effectively manage the Transferor Company and the Transferee Company in a single entity and to achieve *inter-alia* economies of scale and efficiency, the merger is being undertaken. The amalgamation of the Transferor Company with the Transferee Company would *inter alia* have the following benefits:

- (a) Amalgamation to be value accretive to the shareholders of the Transferee Company as the shareholders would have direct access to the core business of the Transferor Company;
- (b) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value;
- (c) Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value;
- (d) Improved organizational capability and leadership, arising from the pooling of human capital having diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry;
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses;

- (f) Reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by the Transferor Company and the Transferee Company;
- (g) To optimally leverage the larger assets base and cash flow of the amalgamated entity;
- (h) Amalgamation will result in the Transferee Company directly controlling and managing the business of the Transferor Company which would lead to simplification of the shareholding structure and reduction of shareholding tiers; and
- (i) To meet the covenants for taking loan facility and to avail the incentivised reduction in the interest rates from lenders in respect of the borrowings.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Companies Act, 2013.

- C.** Under the Scheme, there is no arrangement with the creditors, either secured or unsecured of the Transferor and/or the Transferee Company. No compromise is offered under the Scheme to any of the creditors of the Transferor and/or the Transferee Company. The liability of the creditors of the Transferor and/or the Transferee Company, under the Scheme, is neither being reduced nor being extinguished.

D. Parts of the Scheme:

This Scheme of Amalgamation is divided into the following parts:

- (i) **Part I** deals with definitions of the terms used in this Scheme of Amalgamation and sets out the share capital of the Transferor Company and the Transferee Company;
- (ii) **Part II** deals with the transfer and vesting of the Undertaking (as hereinafter defined) of the Transferor Company to and in the Transferee Company;
- (iii) **Part III** deals with the issue of new equity shares by the Transferee Company to the eligible shareholders of the Transferor Company, as applicable;

- (iv) **Part IV** deals with the accounting treatment for the amalgamation in the books of the Transferee Company and dividends;
- (v) **Part V** deals with the dissolution of the Transferor Company and the general terms and conditions applicable to this Scheme of Amalgamation and other matters consequential and integrally connected thereto.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

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

- 1.1. **“The Act”** means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory re-enactment or amendment(s) thereto, from time to time;
- 1.2. **“Appointed Date”** for the purpose of this Scheme and for the IT Act, means the opening of business hours on 1st April 2018;
- 1.3. **“Board of Directors”** or **“Board”** means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof or any person authorised by the Board or such committee;
- 1.4. **“BSE”** means BSE Limited;
- 1.5. **“Effective Date”** means the last of the dates on which the certified or authenticated copies of the orders of the National Company Law Tribunal sanctioning the Scheme are filed with the respective Registrar of Companies by the Transferor Company and by the Transferee Company.

Any references in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“Scheme taking effect”** shall mean the Effective Date;
- 1.6. **“Eligible Employees”** means the employees who are eligible for the Stock Option Scheme of the Transferor Company;
- 1.7. **“ESOP”** means the Employees Stock Option Scheme of the Transferor Company pursuant to which eligible employees of the Transferor Company are entitled to be issued shares in the Transferor Company upon exercise of a stock option;
- 1.8. **“Governmental Authority”** means any applicable central, state or local government, legislative body, regulatory or administrative

authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India including but not limited to Securities and Exchange Board of India, Stock Exchange, Registrar of Companies, NCLT;

- 1.9. **“ISO”** means International Organisation for Standardisation;
- 1.10. **“IT Act”** means the Income Tax Act, 1961, of India, including any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.11. **“MAT Credit”** means Minimum Alternate Tax credit;
- 1.12. **“MEIS”** means Merchandise Exports from India Scheme;
- 1.13. **“NCLT”** means the National Company Law Tribunal, Bench at Mumbai, having jurisdiction in relation to the Transferee Company and the Transferor Company;
- 1.14. **“Registrar of Companies”** means the Registrar of Companies, Maharashtra at Mumbai;
- 1.15. **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company in consultation with the Board of Directors of the Transferor Company which shall either be the Effective Date, or a date after the Effective Date, for the issue and allotment of fully paid up equity shares of the Transferee Company to the shareholders of the Transferor Company pursuant to the Scheme upon amalgamation of the Transferor Company into the Transferee Company;
- 1.16. **“Scheme”** means this Scheme of Amalgamation between the Transferor Company and the Transferee Company and their respective shareholders, pursuant to Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 in its present form, and/or as submitted to the NCLT together with any modification(s) approved or directed by the NCLT;
- 1.17. **“SEBI”** means Securities and Exchange Board of India established through the SEBI Act, 1992;
- 1.18. **“SGST, CGST and IGST”** means the State Goods and Services Tax, the Central Goods and Services Tax and Integrated Goods and Services Tax;
- 1.19. **“Share Exchange Ratio”** means the ratio in which equity shares of the Transferee Company are to be issued and allotted to the shareholders of the Transferor Company under Clause 12;
- 1.20. **“Stock Exchange”** means BSE Limited where the shares of the Transferee Company are listed;

- 1.21. **“Transferor Company”** means **Fermenta Biotech Limited** (CIN: U99999MH1986PLC134021), a company incorporated under the Companies Act, 1956 having its registered office at A-1501, Thane One, ‘DIL’ Complex, Ghodbunder Road, Majiwade, Thane (W) – 400 610, Maharashtra, India;
- 1.22. **“Transferor ESOP Scheme”** means the Employees Stock Option Scheme of the Transferor Company pursuant to which eligible employees of the Transferor Company are entitled to be issued shares in the Transferor Company upon exercise of a stock option;
- 1.23. **“Transferor Option”** means a stock option granted under an ESOP Scheme of the Transferor Company;
- 1.24. **“Tax(s)”** means the advance tax, the tax deducted at source, deferred tax payment, the income tax under IT Act and any such direct or indirect taxes as may be applicable to the Transferor and Transferee Companies;
- 1.25. **“Transferee Company”** means **DIL Limited** (CIN: L99999MH1951PLC008485) a company incorporated under the Companies Act, 1913 having its registered office at A-1601, Thane One, ‘DIL’ Complex, Ghodbunder Road, Majiwade, Thane (W) – 400 610, Maharashtra, India;
- 1.26. **“Undertaking”** means the whole of the undertaking and entire business of the Transferor Company as a going concern, including (without limitation):
- I. All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including but not limited to land (freehold/leasehold), plant and machinery, equipment, buildings and structures, offices, residential and other premises, furniture, fixtures, office equipment, appliances, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), and interests, cash balances or deposits with banks, loans, advances, disbursements, contingent rights or benefits, book debts, receivables, actionable claims, insurance claims, insurance policies, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service

names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, goodwill, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, subsidiaries, joint ventures, associates, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits), easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the Transferor Company and advantages of whatsoever nature and wheresoever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

- II. All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Company, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised;
- III. All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company;
- IV. All records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Company;
- V. All permanent employees engaged by the Transferor Company as on the Effective Date.
- VI. All quotas, rights, entitlements, export/import incentives and benefits including advance licenses, MEIS, all kinds of duty drawbacks, bids, tenders (at any stage as it may be), letters of intent, expressions of interest, development rights (whatever

vested or potential and whether under agreements or otherwise), subsidies, tenancies in relation to office, benefit of any deposits / privileges, all other rights, receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements, including technological licensing agreements, and benefits including but not limiting to all other interests in connection with or relating thereto;

- VII. All brand names, trademarks, trade names, patents and domain names, the intellectual property in relation to ANDAs (Abbreviated New Drug Application), Certificate of Pharmaceutical Products (CoPPs), Certificate of Suitability (CoS) registrations; applications and authorizations of pharmaceutical products with governmental authorities in any jurisdiction (in so far as such pharmaceutical products pertain to the Undertaking), filings, dossiers copyrights, industrial designs, trade secrets, know-how; ongoing research projects, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, product registrations, applications and authorizations, Star Export House recognition and other intellectual property (in India or outside India) and all other interests exclusively relating to the goods or services being dealt with by the Transferor Company;
- VIII. All intellectual property rights created, developed or invented by employees concentrated on the research, development or marketing of products (including process development or enhancement) in connection with the Transferor Company;
- IX. All benefits and privileges under letters of permission and letters, of approvals in respect of Special Economic Zones and Export Oriented Units and the benefits related thereto, all tax credits, including SGST, CGST and IGST credits, refunds, reimbursements, claims, exemptions, benefits under service tax laws, value added tax, purchase tax, sales tax, MEIS, entry tax in Himachal Pradesh or any other duty or tax or cess or imposts under central or state law including sales tax deferrals, advance taxes, tax deducted at source, right to carry forward and set-off unabsorbed losses, if any and depreciation, MAT Credit, deductions and benefits under the IT Act, as well as any recognition of the In-house Research and Development unit with the Department of Scientific & Industrial Research or any Government Authority;

1.27. “US FDA” means United States Food and Drug Administration;

1.2. All capitalized terms not defined but used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations and byelaws, as the case may be, or any statutory amendment(s) or re-enactment thereof, for the time being in force.

2. SHARE CAPITAL

2.1. Transferor Company:

The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company as on March 31, 2018 was as under:

Particulars	Amount (INR)
<i>Authorised Share Capital</i>	
19,010,000 Equity Shares of INR 10/- each	19,01,00,000
9,90,000 Preference Shares of INR 10/- each	99,00,000
Total	20,00,00,000
<i>Issued, Subscribed and Paid Up Share Capital</i>	
18,192,844 Equity Shares of INR. 10/- each	18,19.28,440
Total	18,19,28,440

Subsequent to March 31, 2018 there is no change in the capital structure of the Transferor Company. Transferor Company is majority owned subsidiary of the Transferee Company as 91.20% issued, subscribed and paid up share capital of the Transferor Company is held by the Transferee Company as on the date.

2.2. Transferee Company:

The Authorised, Issued, Subscribed and Paid-up share capital of the Transferee Company as on March 31, 2018 was as under:

Particulars	Amount (INR)
<i>Authorised Share Capital</i>	
49,20,000 Equity Shares of INR 10/- each	4,92,00,000
80,000 unclassified shares of INR 10/- each	8,00,000
Total	5,00,00,000
<i>Issued, Subscribed and Paid Up Share Capital</i>	
22,93,198 Equity Shares of INR. 10/- each	2,29.32,000
Total	2,29,32,000

Subsequent to March 31, 2018, there was a change in the capital structure of the Transferee Company pursuant to the meeting of the Board of Directors of the Transferee Company, held on June 18, 2018, recommending and approving (a) Split/sub-division of shares from face value of INR. 10/- each to face value of INR. 5/- each; (b) Post split, bonus shares of 1:1. The Shareholders of the Transferee Company vide their approval by way of postal ballot including e-voting dated July 25, 2018, have approved the revised capital structure of the Transferee Company.

The Authorised, Issued, Subscribed and Paid-up share capital of the Transferee Company as on July 31, 2018 was as under:

Particulars	Amount (INR)
<i>Authorised Share Capital</i>	
98,40,000 Equity Shares of INR 5/- each	4,92,00,000
1,60,000 unclassified shares of INR 5/- each	8,00,000
Total	5,00,00,000
<i>Issued, Subscribed and Paid Up Share Capital</i>	
91,72,792 Equity Shares of INR. 5/- each	4,58.63,960
Total	4,58,63,960

The equity shares of Transferee Company are, at present, listed on the BSE Limited.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modifications approved or imposed or directed by NCLT shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART II

TRANSFER AND VESTING OF UNDERTAKING

4. TRANSFER OF UNDERTAKING

- 4.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Undertaking, pursuant to the sanction of this Scheme by NCLT under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, shall stand transferred to and be vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

4.2. Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire Undertaking of the Transferor Company, including all the debts, liabilities, losses, duties and obligations, including those arising on account of taxation laws and other allied laws of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets, Tangible or Intangible assets (whether or not recorded in the books of account of the Transferor Company) of the Transferor Company comprising, amongst others, all freehold land including a freehold land at Kullu, Himachal Pradesh, all leasehold land including a leasehold land at Dahej, Gujarat, buildings, plants and machineries, motor vehicles, manufacturing facilities, laboratories, furniture and fixtures, computers, computer software and its licenses, office equipments, electrical installations, generators, containers, telephones, telex, facsimile and other communication facilities, receivables, actionable claims, insurance claims, business licenses, licenses under Factories Act, manufacturing licenses, permits, deposits, authorisations, approvals (including under MEIS), recognitions including Star Export House, Certificate of Suitability for cholecalciferol, WHO-GMP (World Health Organisation – Goods Manufacturing Practices), ISO 9001:2008, ISO 14001:2004, FAMI-QS (Feed Additive and Premixture Quality System), BS OHSAS 18001:2007 (Occupational Health and Safety Assessment Series), HACCP (Hazard Analysis and Critical Control Points), Halal, Kosher, Vegetarian Society Certificate, United Kingdom, American Vegetarian Association Certificate, US FDA EIR (Establishment Inspection Report), Certificate of Suitability ((European Pharmacopoeia)) for cholecalciferol, NSF Certification, Written Confirmation Both manufacturing facilities are registered with the FFRM (Food Facility Registration Module), which operates under the aegis of the USFDA, BRC Certificate (British Retail Consortium), FSSC 22000 Certificate (Food Safety System Certification), Medsafe New Zealand Certification and any other certificates relating to the product, factory facilities and registrations granted by the Department of Scientific & Industrial Research to the in-house research and development units established, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, licenses including Export Oriented Unit licences/advance licences, Special Economic Zones registrations, marketing authorisations and other intellectual property rights, proprietary rights, title, interest, contracts, no objection certificates, deeds, bonds, consents, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages and benefits, approvals, filings, dossiers, copyrights, industrial designs, trade secrets, know-how, ongoing research projects, data, formulations, technology,

methodology, manufacturing procedures and techniques, test procedures, brand names, trade names and domain names, and all other interests in connection with or relating to and product registrations, applications and authorisations for product registrations and all other interests exclusively relating to the SGST, CGST and IGST, Good Manufacturing Practice Certificates, Abbreviated New Drug Applications approved by the U.S. Food and Drug Administration and others including Certificate of Suitability for cholecalciferol, WHO-GMP, ISO 9001:2008, ISO 14001:2004, FAMI-QS, BS OHSAS 18001:2007, HACCP, Halal, Kosher, Vegetarian Society Certificate, United Kingdom, American Vegetarian Association Certificate, US FDA EIR, Certificate of Suitability (CEP) for cholecalciferol, NSF Certification, Both manufacturing facilities are registered with the FFRM (Food Facility Registration Module), which operates under the aegis of the USFDA, BRC Certificate, FSSC 22000 Certificate, Medsafe New Zealand Certification shall, under the provisions of Sections 230 to 232 of the Act, and pursuant to the order of the NCLT, sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business, certificates and Undertaking of the Transferee Company.

4.3. Transfer of Assets:

4.3.1. Without prejudice to the generality of Clause 4.1 and 4.2 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

4.3.1.1. All the assets and properties comprised in the Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company. The Transferor Company shall transfer without any further act or deed immoveable properties in the state of Himachal Pradesh, and it is hereby clarified that in view of clarification no B.E. (10)-154/2009 from the Department of Revenue, Government of Himachal Pradesh, that there shall be no stamp duty payable on such transfer.

4.3.1.2. Without prejudice to the provisions of Clause 4.3.1.1. above, in respect of such of the assets and properties of

the Undertaking as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertaking, without requiring any separate deed or instrument or conveyance for the same.

4.3.1.3. In respect of movables other than those dealt with in Clause 4.3.1.2 above including sundry debts, receivables, insurance claims, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.

4.3.1.4. All interests of the Transferor Company in their respective subsidiaries as on the Appointed Date will become the interests and subsidiaries of the Transferee Company.

4.3.1.5. All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

4.3.2. The Transferor Company shall, if so required, also give notice in such form as it may deem fit and proper to the debtors/

vendors, that pursuant to the sanction of this Scheme by NCLT, under and in accordance with Sections 230 and 232 and all other applicable provisions, if any, of the Act, the said debtors/ vendors should pay to the Transferee Company the debt, loan or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover or realize the same stands extinguished.

4.3.3. All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme.

Provided however that no onerous assets shall have been acquired by the Transferor Company after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

4.4. Transfer of Liabilities:

4.4.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the “Liabilities”), shall, pursuant to the sanction of this Scheme by the NCLT under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee

Company shall meet, discharge and satisfy the same and, further, 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 Liabilities have arisen in order to give effect to the provisions of this Clause.

4.4.2. All debts, liabilities, duties and obligations of the Undertaking as on the Appointed Date, whether or not provided in the books of the Transferor Company, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.

4.4.3. Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.

4.4.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

4.5. Encumbrances

4.5.1. The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under Clauses 4.1, 4.2 and 4.3 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.

4.5.2. All the existing securities, mortgages, charges, encumbrances or liens (the “Encumbrances”), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the

Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company, provided however that no Encumbrances shall have been created by the Transferor Company over its assets after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

4.5.3. The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Undertaking transferred to and vested in the Transferee Company by virtue of this Scheme.

4.5.4. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required.

4.5.5. Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.

4.5.6. It is expressly provided that, no other term or condition of the Liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

4.5.7. The provisions of this Clause 4.5 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

4.6. Inter - se Transactions:

Without prejudice to the provisions of Clauses 4.1 to 4.5, with effect from the Appointed Date, all inter-se transactions between the Transferor Company and the Transferee Company shall be

considered as intra-se transactions for all purposes. Further, it is clarified that any taxes in the form of income-tax, goods and service tax, service tax, works contract tax, value added tax etc paid on account of such transactions, shall be deemed to have been paid by or on behalf of the Transferee Company and on its own account and therefore, the Transferee Company will be eligible to claim the credit / refund of the same and is also entitled to revise its return to give effect to the same.

5. CONTRACTS, DEEDS, ETC.

- 5.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.
- 5.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company from the Appointed Date and up to the Effective Date and, thereafter, for such period as may be decided by the Board of the Transferee Company to give effect to the Scheme.
- 5.3. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall without any further act or deed, stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in

favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

6. LEGAL PROCEEDINGS

On and from the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and / or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. On and from the Effective Date, the Transferee Company shall have the right to initiate, defend, compromise or otherwise deal with any legal proceedings relating to the Undertaking, in the same manner and to the same extent as would or might have been initiated by the Transferor Company as the case may be, had the Scheme not been made; If any suit, appeal or other proceedings relating to the Undertaking, of whatever nature by or against the Transferor Company be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Undertaking or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

7. CONDUCT OF BUSINESS

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

7.1.1. The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for, the Transferee Company.

7.1.2. All the profits or income accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company.

- 7.1.3. Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.
- 7.2. With effect from the date of approval of this Scheme by the Board of the respective companies and up to and including the Effective Date:
- 7.2.1. The Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group Company or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances:
- 7.2.1.1. if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or
- 7.2.1.2. if the same is permitted by this Scheme; or
- 7.2.1.3. if consent of the Board of Directors of the Transferee Company has been obtained.
- 7.2.2. The Transferor Company shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations other than decisions already taken prior to approval of the Scheme by the Board of Directors of the Transferor Company (ii) any agreement or transaction; and (iii) any new business, or discontinue any existing business or change the capacity of facilities; (iv) such other matters as the Transferee Company may notify from time to time save and except in each case in the following circumstances:
- 7.2.2.1. if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or
- 7.2.2.2. if the same is permitted by this Scheme; or

7.2.2.3.if consent of the Board of Directors of the Transferee Company has been obtained.

8. STAFF WORKMEN AND EMPLOYEES

Upon the coming into effect of this Scheme:

- 8.1. All the permanent employees of the Transferor Company who are in its employment as on the Effective Date shall become the permanent employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Company. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the employees of the Transferee Company), unless otherwise determined by the Board of Directors of the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company (as may be recognized by the Transferor Company).
- 8.2. The existing provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits created by the Transferor Company or any other special funds created or existing for the benefit of the concerned permanent employees of the Transferor Company (collectively referred to as the “Funds”) and the investments made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing Funds separately and contribute thereto, until such time as the Transferee Company creates its own funds at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to such funds of the Transferee Company.

PART III

9. INCREASE IN AUTHORIZED SHARE CAPITAL OF TRANSFeree COMPANY

- 9.1. Upon the Scheme coming into effect, the authorised share capital of the Transferor Company (i.e. INR 20,00,00,000/- (Rupees Twenty Crores) shall be added to that of the Transferee Company and in the Memorandum of Association and Articles of Association, it shall be automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under sections 13, 14, 61, 64 of the Companies Act, 2013 or any other applicable provisions of the Companies Act 2013, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on the authorised share capital shall be utilized and applied to the increased share capital of the Transferee Company and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the authorised share capital so increased.
- 9.2. The capital clause being Clause V of the Memorandum of Association of the Transferee Company shall on the Effective Date stand substituted to read as follows: “The Authorised Share Capital of the Company is INR 25,00,00,000 (Rupees Twenty Five Crores) divided into 4,98,40,000 equity shares of INR. 5/- each, and 1,60,000 Unclassified shares of INR. 5/- each with such rights, privileges and conditions as to security, redemption, conversion into equity shares, rate of dividend, right of accumulation of dividend etc., attaching thereto as are provided by the Articles of Association of the Company. The Company shall have power to increase or reduce, consolidate or sub-divide the Share Capital of the Company for the time being and from time to time divide the shares of the new Capital into several classes and denomination and to issue any shares of the original or further Share Capital of the Company for the time being with such preferential, qualified or special rights, privileges or conditions attached thereto respectively including rights to dividend in distribution of assets of the Company from time to time in accordance with the Articles of Association of the Company and subject to the provisions of the Companies Act, 2013, for the time being in force.”

10. CHANGE OF NAME OF THE TRANSFEREE COMPANY

With effect from the Effective Date, the name of the Transferee Company shall be Fermenta Biotech Limited or changed to such other name as may be approved by the Registrar of Companies. The change in the name of the Transferee Company shall be effected without any further act or deed and as an integral part of the Scheme itself and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under provisions of the Act, confirming the change of name of the Transferee Company and dissolution of the Transferor Company without winding-up as provided under the Clause 18 herein below.

11. AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF TRANSFEREE COMPANY

11.1. Upon coming into effect of the Scheme, the following Clause No. I shall be inserted in the Name Clause of the Memorandum of Association of the Transferee Company:

Clause I of the Memorandum of Association: “The name of the Company is Fermenta Biotech Limited”.

11.2. It shall be deemed that the members of Transferee Company have also resolved and accorded all relevant consents as required under the Act.

12. ISSUE OF SHARES BY THE TRANSFEREE COMPANY:

12.1. Upon the coming into effect of this Scheme and its consideration thereof, the Transferee Company shall without any further application, act or deed, issue and allot (‘Share Exchange Ratio’) as follows:

“100 (Hundred) equity shares of INR. 5/- (Rupees Five only) each credited as fully paid-up of the Transferee Company for every 251 (Two Fifty One) equity shares of INR. 10/- (Rupees Ten only) held in the Transferor Company and whose names are recorded in the register of members on the Record Date.”

12.2. If necessary the Transferee Company shall before allotment of the equity shares in term of the Scheme, increase its authorised share capital by such amount as it stands to the credit of the Transferor Company by creation of at least such number of equity shares as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provision of the Act by paying the requisite fee with the statutory authority.

12.3. The equity shares so allotted by the Transferee Company to the shareholders of the Transferor Company will in all respect rank pari passu with the existing equity shares of the Transferee Company

for dividend and voting rights, save and except that the holders of such equity shares shall not be entitled to dividend declared by the Transferee Company before the Effective Date.

12.4. Upon the coming into effect of the Scheme, the shareholders of the Transferor Company shall surrender their share certificates for cancellation thereof to the Transferee Company. Notwithstanding anything to the contrary, upon the new shares in the Transferee Company being issued and allotted by it to the equity shareholders of the Transferor Company whose names shall appear on the registers of members of the Transferor Company on the Record Date, the share certificates in relation to the shares held by them in the Transferor Company shall be deemed to have been cancelled and shall be of no effect from such issue and allotment.

12.5. For the purpose of this clause (a) no fractional certificates shall be issued by the Transferee Company in respect of the fractional entitlements, if any, and all such fractional entitlements shall be allotted to any of the director or officer of the Transferee Company as a trustee(s) for sale at the prevailing market price and the entire net proceeds subject to taxes shall be distributed to the persons entitled thereto in proportion to their respective fractional entitlements and (b) joint shareholders shall be treated as a single shareholder.

The new equity shares of the Transferee Company issued in terms of Clause 12.1 of this Scheme will be listed and/or admitted to trading on the Stock Exchange where the shares of the Transferee Company are listed and/or admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchange.

12.6. The issue and allotment of the equity shares as provided under this Scheme, is an integral part and therefore, shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under section 62 of the Act any other applicable provisions of the Act, as may be applicable, and such other statutes and regulations as may be applicable were duly complied with except for making necessary filings under the Act to effectuate such issuance.

13. CANCELLATION OF SHARES:

Upon the Scheme being effective, and in consideration of the transfer of and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of the Scheme, all the equity shares issued by the Transferor Company and held by the Transferee Company i.e.

91.20 % of the total equity shares of the Transferor Company, shall stand cancelled and extinguished and in lieu thereof, no allotment of any shares in the Transferee Company shall be made against those 91.20% of the total equity shares of the Transferor Company.

14. ESOPs:

14.1. Upon the effectiveness of the Scheme, the Transferee Company shall issue stock options ("Transferee Options") to employees of the Transferor Company holding the Transferor Options, if any, which shall entitle the Eligible Employees to purchase equity shares of the Transferee Company. The number of Transferee Options issued shall equal to the number of the Transferor Options (unvested) outstanding at the time of the effectiveness of the Scheme multiplied by the Share Exchange Ratio, with any fractional shares rounded down to the next higher whole number of shares. The terms and conditions applicable to the Transferee Options shall be no less favourable than those provided under the ESOP scheme. Such Transferee Options will be issued under a new employee stock option scheme created by the Transferee Company inter alia for the purpose of granting stock options to the Eligible Employees pursuant to the Scheme ("Transferee ESOP Scheme").

14.2 Each Transferee Options shall have an exercise price per equity share of the Transferee Company equal to the quotient of the Transferor Options exercise price per equity share of the Transferor Company divided by the Share Exchange Ratio (rounded up to the nearest higher whole cent).

14.3. The grant of stock options to the Eligible Employees pursuant to the provisions of this Scheme, including this Clause 14, shall be effected as an integral part of the Scheme and the consent of the shareholders of the Transferor Company and the Transferee Company to the Scheme shall be deemed to be their consent in relation to all matters pertaining to the ESOP.

14.4. Schemes and the Transferee ESOP Scheme, including without limitation, for the purposes of creating the Transferee ESOP Scheme, modifying the ESOP Scheme and/or the Transferee ESOP Scheme, modifying the exercise price of the stock options under the ESOP Scheme and all related matters. No further approval of the shareholders of the Transferor Company or the Transferee Company would be required in this connection under any applicable law.

14.5. In relation to the Transferee Options granted by the Transferee Company to the Eligible Employees pursuant to this Scheme, in lieu of the Transferor Options granted to them under the ESOP Scheme, the period during which the stock options of the Transferor Company were held by or deemed to have been held by the Eligible Employees

shall be taken into account for determining the minimum vesting period required under applicable law, the ESOP Scheme and the Transferee ESOP Scheme.

14.6. Subject to applicable laws, the adjustments to the exercise price per option and option entitlement of the Eligible Employees proposed under this Clause 14 shall be appropriately reflected in the financial statements of the Transferee Company.

14.7. The Boards of Directors of the Transferor Company and the Transferee Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Section 14 of this Scheme in the best interests of the employees of the Transferor Company.

PART IV

ACCOUNTING TREATMENT

15. ACCOUNTING TREATMENT IN THE BOOKS OF ACCOUNT OF TRANSFEE COMPANY

The Transferee Company shall account for amalgamation in accordance with Indian Accounting Standard (“IND AS”) 103 – “Business Combinations” prescribed under Section 133 of the Act and other generally accepted accounting principles in India.

The Transferee Company shall account for the transfer and vesting of the Assets and Liabilities of the Undertaking in its books of accounts as per the “Pooling of Interest” method prescribed under Appendix C to Indian Accounting Standard - 103 - “Business Combinations” prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other generally accepted accounting principles in India as under:

- The Transferee Company shall, record all the assets and liabilities of the Undertaking vested in it pursuant to this Scheme at the respective carrying amounts. The financial information in the financial statements of the Transferee Company, to be prepared after the amalgamation, in respect of prior periods will be restated to include the financial information of the Transferor Company as if the business combination had occurred from the beginning of the preceding period in the financial statements.
- The identity of the reserves standing in the books of account of the Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form, as they appeared in the financial statements of the Transferor Company. As a result of preserving the identity, reserves which are available for distribution as dividend before the amalgamation would also be available for distribution as dividend after amalgamation.

- The balance of the retained earnings in the books of account of the Transferor Company shall be aggregated with the corresponding balance of retained earnings of the Transferee Company.
- As stated in Clause 13 above, no new shares will be issued or allotted by the Transferee Company, pursuant to this scheme, to the extent of paid up equity share of the Transferor Company held by the Transferee Company, and the investments in the shares of the Transferor Company appearing, inter alia, in the books of account of the Transferee Company shall stand cancelled. Further, the equity shares to be issued or allotted pursuant to Clause 12 above as a Consideration to the other shareholders of the Transferor Company shall be recognised in the books of account of the Transferee Company at nominal value. The difference between the amount share capital issued to other shareholders plus any additional consideration and the amount of share capital of the Transferor Company shall be transferred to the capital reserve in the books of account of the Transferee Company and such capital reserve shall be presented separately from other capital reserves
- The inter-company deposits, loans & advances and other balances if any, in the books of the account of the Transferee Company and the Transferor Company shall stand discharged and come to an end and the same shall be eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.
- In case there is any difference in the accounting policies adopted by the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference will be quantified and adjusted in the Other Equity to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with this Scheme to comply with any of the applicable Indian Accounting Standards and other generally accepted accounting principles in India.

16. TAX BENEFITS AND OBLIGATIONS

- 16.1. The amalgamation of the Transferor Company with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Sections 2(1B), 47, 72A and 79 and any other application provisions of the IT Act.
- 16.2. Upon the Scheme becoming effective, all Taxes payable by, or refundable to, the Transferor Company, including any refunds, claims

or credits (including credits for income Tax, withholding Tax, advance Tax, self-assessment Tax, minimum alternate Tax, CENVAT credit, goods and services Tax credits, other indirect Tax credits and other Tax receivables) shall be treated as the Tax liability, refunds, claims, or credits, as the case may be, of the Transferee Company, and any Tax incentives, benefits (including claims for unabsorbed Tax losses and unabsorbed Tax depreciation), advantages, privileges, exemptions, credits, Tax holidays, remissions or reductions, which would have been available to the Transferor Company, shall be available to the Transferee Company, and following the Effective Date, the Transferee Company shall be entitled to initiate, raise, add or modify any claims in relation to such Taxes on behalf of the Transferor Company.

- 16.3. The provisions of this Scheme as they relate to the amalgamation of the Transferor Company into and with the Transferee Company have been drawn up to comply with the conditions relating to “amalgamation” as defined under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the IT Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the IT Act, shall prevail and the provisions of this Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act. Such modification will, however, not affect the other parts of the Scheme.
- 16.4. Any tax liabilities under the IT Act, Wealth Tax Act, 1957, Customs Act, 1962, Goods and Services Tax Act, 2017, any other Tax laws, service tax, luxury tax, entry tax in Himachal Pradesh stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as “Tax Laws”) dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.
- 16.5. All taxes (including income tax, wealth tax, sales tax, customs duty, SGST, CGST and IGST, entry tax in Himachal Pradesh, luxury tax etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, customs duty, SGST, CGST and IGST, entry tax in Himachal Pradesh, luxury tax etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed

Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

16.6. Any refund under the Tax Laws due to the Transferor Company consequent to the assessments made on Transferor Company 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 the Transferee Company.

16.7. Without prejudice to the generality of the above, all benefits including under the income tax (including benefits available to SEZ units u/s 10AA of the IT Act, MAT credit and TDS credit), sales tax, excise duty, entry tax law in Himachal Pradesh, customs duty, service tax, luxury tax, VAT, SGST, CGST and IGST, etc., to which the Transferor Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

17. DECLARATION OF DIVIDEND

17.1. During the period between the Appointed Date and up to and including the Effective Date, the Transferor Company shall not declare any dividend without the prior written consent of the Board of Directors of the Transferee Company.

17.2. The Transferor Company and Transferee Company shall be entitled to declare and pay dividends only out of distributable profits or any other manner as permitted under the Act, earned by respective companies during the relevant financial year and shall not transfer any amount from the reserves for the purposes of payment of dividend. The dividend shall be declared by the companies only by mutual agreement between the Board of Directors of both the Companies.

17.3. The holders of shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective article of association including the right to receive dividends from the respective companies, of which they are members till the date, this Scheme finally takes effect i.e. the Effective Date.

17.4. It is clarified, however that the aforesaid provisions in respect of declarations of dividend are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company or Transferee Company to demand or claim or be entitled to any dividend which subject to the provisions of the said Act, shall be entirely on the discretion of the Board of Directors and the approval of the shareholders of the respective companies.

18. POWER TO GIVE EFFECT TO THIS PART

- 18.1. The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, 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 Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.
- 18.2. Upon coming into effect of the Scheme, the Transferee Company and/or the Transferor Company shall, with reasonable dispatch / time lines apply for transition of all licenses and statutory registrations of the Transferee Company including but not limited to product registrations (including applications and authorizations for product registrations), manufacturing licenses, insurance policies, product permissions, certificates, market authorizations, filings, dossiers (including experience and prequalification submissions), industrial licences, municipal permissions, approvals, consent, permits, quotas, registration with Food and Drug Administrations of various states, incentives, subsidies and recognitions. The period between the Effective Date and the last date on which the transfer of all such aforementioned licenses and statutory registrations have occurred is hereinafter referred to as “Transitory Period”. During the Transition Period the Transferee Company, may procure or use or manufacture or sale, all materials and products under the respective country registrations including the packing material, art work, label goods, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, closures, publicity materials in the name and form/format of the Transferor Company under any license and/or statutory registration, if any, while conducting the business of the Undertaking, with a view to avoid any disruption of business, to ensure continuity of operations and uninterrupted supply of the registered products for export purposes.
- 18.3. Even after the Scheme becomes operative, the Transferee Company shall be entitled to operate all Bank Accounts and use all bank guarantees and letter of credit of the Transferor Company, relating to the Undertaking and release all monies and complete and enforce all subsisting contracts and transactions in respect of the Transferor Company in the name of Transferor Company in so far as may be necessary, till the transfer of rights and obligations of the Transferor Company to the Transferee Company until this Scheme is formally accepted by the all the parties concerned.

PART V
DISSOLUTION OF TRANSFEROR COMPANY
AND
GENERAL TERMS AND CONDITIONS

19. DISSOLUTION OF TRANSFEROR COMPANY

On the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up, and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

20. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of this Scheme the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

21. MODIFICATION OF SCHEME

21.1. Subject to approval of NCLT, the Transferor Company and the Transferee Company by their respective Board of Directors or any director/executives or any committee authorised in that behalf (hereinafter referred to as the “Delegate”) may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which NCLT or any authorities under law may deem fit to approve of or may impose and which the Board of Directors of the Transferor Company and the Transferee Company may in their discretion accept, or such modification(s) or addition(s) as the Board of Directors of the Transferor Company and the Transferee Company or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme.

21.2. The Transferor Company and the Transferee Company by their respective Boards of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect, and/or give such consents as may

be required in terms of this Scheme. In the event that any conditions are imposed by NCLT or any Governmental Authorities, which the Board of Directors of the Transferor Company or the Transferee Company find unacceptable for any reason, then the Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme.

21.3. For the purpose of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates (acting jointly) of the Transferor Company and Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders or depositors, if any of the Transferor Company) or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme. For the avoidance of doubt, it is clarified that where this Scheme requires the approval of the Board of Directors of the Transferor Company or the Transferee Company to be obtained for any matter, the same may be given through their Delegates.

22. FILING OF APPLICATIONS

The Transferor Company and the Transferee Company shall use their best efforts to make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act, before the respective NCLT having jurisdiction for sanction of this Scheme under the provisions of law and shall apply for such approvals as may be required under law.

23. APPROVALS

The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

24. SCHEME CONDITIONAL UPON SANCTIONS, ETC.

This Scheme is conditional upon and subject to:

24.1. The Scheme being approved by the requisite majority of the respective classes of shareholders and/or creditors, as applicable, of

the Transferor Company and of the Transferee Company as required under the Act, as applicable, and the requisite order of the NCLT being obtained, or dispensation having been received from the NCLT in relation to obtaining such consent from the shareholders and/or creditors, as applicable;

- 24.2. The Stock Exchange issuing their observation /no-objection letters and SEBI issuing its comments on the Scheme, as required under applicable laws;
- 24.3. Such other approvals and sanctions including sanction of any statutory authority, as may be required by law or contract in respect of the Scheme;
- 24.4. The Scheme being approved by the “public” shareholders of the Transferee Company by way of e-voting in terms of Para (I)(A)(9)(a) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017; provided that the same shall be acted upon only if the votes cast by the “public” shareholders in favour of the proposal are more than the number of votes cast by the “public” shareholders against it;
- 24.5. The NCLT having accorded sanction to the Scheme and if any modifications have been prescribed the same being acceptable to the Transferor Company and the Transferee Company; and
- 24.6. Such certified / authenticated copy of the order of the NCLT being filed with the Registrar of Companies.

25. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

- 25.1. In case the Scheme is not approved by the NCLT or any of the approvals or conditions enumerated in the Scheme have not been obtained or complied with, or for any other reason, if this Scheme cannot be implemented, then the Board of directors of the Transferor Company and the Transferee Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and each party shall bear their respective costs, charges and expenses in connection with this Scheme.
- 25.2. If any part of this Scheme hereof is invalid, held illegal by any court and/or tribunal and/or statutory authority of competent jurisdiction, or unenforceable under any present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will

best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.

26. PROCEDURAL FORMALITIES POST SANCTION OF THE SCHEME –BUSINESS CONTINUITY

- 26.1. The amalgamated/Transferee Company shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the amalgamating/Transferor Company has been a party, in order to give formal effect to the above provisions. The amalgamated/Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized as a constituted attorney to execute any such deeds, writings, documents, receipts and discharges on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to in this Scheme on the part of and for and behalf of the Transferor Company as if the Transferor Company has not been dissolved without being wound-up.
- 26.2. Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Transferor Company and/or the amalgamated/Transferee Company shall, if required, simultaneously with the amendment in the register of charges and file particulars of the modified charge with the concerned Registrar of Companies. Any documentation subsequently entered into with the term lenders or the working capital lenders of the Transferor Company and the amalgamated/Transferee Company, shall be for the sake of convenience and record only and to reflect the changes in the security pursuant to the Scheme and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Transferor Company.
- 26.3. Upon the Scheme becoming effective, all statutory permissions, licenses, approvals, consents, privileges, benefits and benefits of filings and all other incorporeal rights emanating from such licenses (together the “Licenses”, for the purpose of this Clause 28.3) relating to the Transferor Company, shall stand transferred to and vested in the amalgamated /Transferee Company without any further act, instrument or deed, as more particularly provided hereinabove. Notwithstanding such transfer /vesting of the Licenses, if any application is required for the statistical record of the statutory authorities to implement the transfer and vesting of the Licenses, as provided hereinabove, the amalgamated /Transferee Company shall facilitate the statutory authorities by filing such applications, which shall be granted /approved in favour of the amalgamated/Transferee Company based on the sanction order of the Scheme by the NCLT.

- 26.4. Upon the Scheme becoming effective, the Transferee Company is expressly entitled and authorized under the Scheme by the Transferor Company to revise its direct or indirect tax returns and related withholding certificates and shall be entitled to claim refund, advance tax credits including MAT credit, CENVAT credit, pertaining to the Transferor Company, if any.
- 26.5. From the Effective Date, all bank accounts of the Transferor Company shall be permitted to be continued with the same balances as of the Effective Date in the name of the amalgamated /Transferee Company and for statistical record the amalgamated/Transferee Company shall be permitted to file names and particulars of the new authorised signatories for withdrawals and/ or deposits/ credits in such bank accounts and the relevant bank accounts shall be reconstituted accordingly.
- 26.6. The powers and authorization granted to and to be exercised by the amalgamated /Transferee Company in terms of Clauses 28.1 to 28.5 herein are with the aim and intent that the business and operations relating to the Undertaking transferred herein of the Transferor Company even after the Effective Date are transitioned and continue on a “Going Concern Basis” without any interruption or break in continuity.

27. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded 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 made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

28. COSTS, CHARGES AND EXPENSES

All costs, charges and expenses of or payable by each of the Transferor Company and the Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company and the Transferee Company in pursuance of this on the Order of the NCLT, if any, shall be

28.1. borne and paid by the Transferor Company till the Effective Date; and

28.2. borne and paid by the Transferee Company after the Effective Date.

*Certified True Copy
Issued On: October 03, 2019
Assistant Registrar
National Company Law Tribunal, Mumbai Bench*
