



# GEECEE VENTURES LIMITED

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25<sup>th</sup> September, 2018

To  
The Listing Department  
Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001  
Fax No. 91-22-22722039/41/61  
Email: [corp.relations@bseindia.com](mailto:corp.relations@bseindia.com)

To  
The Listing Department  
The National Stock Exchange of India Ltd  
"Exchange Plaza"  
Bandra Kurla Complex,  
Bandra (E), Mumbai - 400 051  
Fax No. 91-22-26598237/38  
[cmllist@nse.co.in](mailto:cmllist@nse.co.in) [cmtrade@nse.co.in](mailto:cmtrade@nse.co.in)

Scrip Code: 532764

Symbol: GEECEE

Dear Sir/Madam,

**Sub: Amendment to Articles of Association of the Company –Article 116 (c)**

Pursuant to Reg. 30 - Part A of schedule III of the Sebi Listing Obligations and Disclosure Requirements Regulations, 2015 (Listing Regulations) and in continuation to our letter dated 8<sup>th</sup> August, 2018 with subject – Outcome of Board Meeting, please be informed that the shareholders at the 34<sup>th</sup> Annual General Meeting (AGM) of the Company held on **Monday, 24<sup>th</sup> September, 2018** has approved amendment made to the article of association of the Company by inserting Article 116 (c) after the existing article 116 (b) relating to **Chairman Emeritus and Vice Chairman Emeritus**.

**The Extract of the new inserted article 116 (c) is as follows:**

- i) The Board shall be entitled to appoint suitable person who has rendered significant or distinguished services to the Company or to the industry to which the Company's business relates or in the public field, or in recognition of their status in the Company, as the Chairman Emeritus, Vice- Chairman Emeritus of the Company or at such other honorary position, on such terms and conditions including payment related terms, as it may deem fit, for providing guidance to the Board.
- ii) The Chairman Emeritus and Vice-Chairman Emeritus shall be entitled to receive notice of and to attend meeting of the Board or the Committees thereof but shall not be entitled to vote thereat and shall not be deemed to be a party to any decision of the Board or any Committee thereof.
- iii) The Chairman Emeritus and Vice-Chairman Emeritus shall hold office until he resigns his office or until such time as may be decided by the Board.





iv) The Chairman Emeritus and Vice-Chairman Emeritus shall not be deemed to be a director for any purpose of the Act or any other statute or rules made there under or these Articles including for the purpose of determining the maximum number of Directors which the Company can appoint.

The Copy of the Amended Article of Association is enclosed along with this letter for your ready reference.

We request you to take the aforesaid notification on your record.

Yours faithfully,

For **GeeCee Ventures Limited**

  
\_\_\_\_\_  
**Dipyanti Kanojia**

**Company Secretary & Compliance Officer**  
**Encl: As above.**



**THE COMPANIES ACT, 1956**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**GEECEE VENTURES LIMITED**

**PRELIMINARY**

1. The marginal notes hereto shall not affect the construction hereof in these presents, unless there be something in the subject or context inconsistent therewith: **Interpretation**

“AK Group” means group of shareholders of the Company represented by Mr.Ashwin Kothari and his/their Associates;

“Articles” means the Articles of Association of the Company as may be amended from time to time;

"Associate" means, (i) in relation to a company, a subsidiary or holding company of such company, and any subsidiary of such holding company; (ii) in relation to an individual, such individual's parents, spouse, children, spouses and children of such children and their respective successors; (iii) companies in which any of the foregoing are majority shareholders or have Controlling Interest whether separately or acting together; (iv) partnership firms or proprietary concerns in which any of the foregoing are partners or proprietors or have Controlling Interest, whether separately or acting together; and (v) trusts of which any of the foregoing are the beneficiaries;

“Beneficial Owner” shall have the meaning assigned thereto in Section 2 of the Depositories Act, 1996;

“Board Nominee” means each person proposed by AK

Group or HS Group, as the case may be, as a Director and shall include his alternate duly appointed in accordance with the Articles;

"Business" means the business of manufacturing, marketing and distributing of the Chemical products, development of R&D facilities for product development, and development of new products;

"Business Day" means a day on which banks are open for business in India (excluding Saturdays, Sundays and public holidays);

"Business Plan" means the business plan of the Company as agreed between the parties from time to time;

"Business Records" means such books and records, data, statistics, reports and information as may be necessary or appropriate or required in compliance with applicable laws and regulations in India to be kept in the conduct of the Business of the Company to reflect properly all transactions, the financial and trading condition and the tax position of the Company;

**"Controlling Interest" means**

- (a) the ownership or control (directly or indirectly) of more than twenty-six per cent (26%)<sup>1</sup> of the voting share capital of the relevant undertaking or more than twenty-six per cent (26%) of ownership or right to share profits of the relevant undertaking,
- (b) the ability to direct the casting of more than twenty six per cent (26%) of the votes exercisable at general meetings of the relevant undertaking on all, or substantially all, matters; or the ability to take decisions on all, or substantially all, matters of the relevant undertaking,
- (c) the right to appoint or remove the majority of the directors of the relevant company;

"The Company" means the abovenamed Company;

"The Companies Act" means the Companies Act I of 1956 and hereinafter referred as Act or Companies Act in the Articles;

"COO" means the Chief Operating Officer to be appointed in terms of these Articles;

"HS Group" means group of shareholders of the Company represented by Mr.Harisingh Shyamsukha and his/their

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Associates;

“The Office” means the Registered Office for the time being of the Company;

“The Register” means the register of members to be kept pursuant to the provisions of the Companies Act;

“Month” means calendar month;

“In writing” or “written” means and includes words printed, lithographed, represented or reproduced in any mode in a visible form;

“Depositories Act” means the Depositories Act, 1996 and shall include any statutory modification(s) or re-enactment thereof for the time being in force;

“Depository” shall mean a Depository as defined in Section 2 of the Depositories Act, 1996;

“Shareholder(s)” or Member(s)” means the duly registered holder(s) from time to time of the Share(s) of the Company and includes the subscriber(s) to the Memorandum of the Company and also every person holding Equity Share(s) and/or Preference Share(s) of the Company as also one whose name is entered as the beneficial owner in the records of the Depository.

“Debentureholder(s)” or “Securityholder(s)” means the duly registered holders from time to time of the debenture(s) or securities of the Company;

“The Directors” means the Directors for the time being of the Company or their respective alternates duly appointed in accordance with Articles;

“The Board of Director” or “the Board” means a body of the Directors constituted under the provisions of the Companies Act, 1956

“Dividend” includes interim dividend and bonus;

“Special Resolution” and “Ordinary Resolution” have the meanings assigned thereto respectively by the Companies Act, 1956;

“Financial Year” means the period in respect of which any profit and loss account of the Company laid before the annual general meeting is made up whether that period is a year or not;

“SEBI” means the Securities and Exchange Board of India

as constituted by the Securities and Exchange Board of India Act, 1992;

“Stock Exchange” means where the shares or securities of the Company are listed;

“Shares” shall mean the shares of the Company issued to any shareholder;

" Promoter Groups" shall mean when used collectively AK Group and HS Group jointly and severally and when used singly each of AK Group and HS Group and their respective permitted assigns;

"Subsidiary" or "Holding Company" shall be construed in accordance with Section 4 of the Companies Act;

Words importing the singular number only include the plural number and vice versa;

Words importing the masculine gender only include the feminine gender;

**Words importing persons include corporations.**

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| 2. | The regulations contained in Table “A” in the First Schedule to the Companies Act shall not apply to the Company. The clauses hereinafter contained shall constitute the regulations and the Articles for the management of the Company and for observance of the members and their representatives. | <b>Table “A” not to apply.</b>           |
| 3. | The Company shall have power to issue preference shares carrying a right of redemption or liable to be redeemed at the option of the Company and the Directors may subject to the provisions of the Companies Act in that behalf exercise such powers in any manner as they may think fit.           | <b>Power to issue Preference Shares.</b> |

**CAPITAL**

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|-------|--|----------------|
| * *4. | The Authorised Share Capital of the Company is Rs. 50,50,00,000/-(Rupees Fifty Crores Fifty Lakhs only) divided into 5,05,00,000 (Five Crores Five Lakhs) Equity Shares of Rs.10/- each (Rupees Ten Only) with the rights, privileges and conditions attaching thereto as per the relevant provisions contained in that behalf in these presents and with power to the Company to increase or reduce the capital and to divide the shares in the capital for the time being into several classes (being those specified in the Companies Act, 1956) and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in Accordance | <b>Capital</b> |
|-------|--|----------------|

with the Articles of Association of the Company and to vary, modify, enlarge or abrogate any such rights, privileges or conditions in such manner as may be permitted by the said Act or provided by these Articles of Association of the Company.

**\* altered vide Special Resolution passed at the Extra Ordinary General Meeting of The Company held on 28<sup>th</sup> Day of January, 2008.**

**\*\*altered vide Hon'ble Bombay High Court's order dated 16<sup>th</sup> July, 2016 sanctioning the Scheme of Amalgamation between GeeCee Logistics and Distributions Private Limited with GeeCee Ventures Limited. (The Order is annexed in the Memorandum.)**

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|----|---|---|-----------|
| 5. | Notwithstanding the provisions contained in the Article-4, the Company shall have the power, subject to and in accordance with all the provisions of sections 77A, 77AA, 77B and other applicable provisions of the Companies Act and the provisions of the SEBI Guidelines for buyback of shares/securities and any other law, and subject to such approvals, permissions and sanctions, if any, as may be necessary, to purchase, acquire or hold its own shares whether or not they are redeemable, on such terms and conditions and upto such limits as may be prescribed by law from time to time, provided that nothing herein contained shall be deemed to affect the provisions of Sections 100 to 104 and Section 402 of the Act in so far as and to the extent they are applicable. | <b>Buyback Shares</b>                       | <b>of</b> |
| 6  | Except as provided in these Articles and as permitted by the Companies 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, except as permitted by Section 77 of the Act, give any financial assistance for the purpose of or in connection with any purchase of shares in the Company.  | <b>Company's shares not to be purchased</b> |           |
| 7. | If the Company shall offer any of its shares to the public for subscription, the Directors shall not make any allotment thereof unless the conditions specified in the provisions of the Companies Act and the SEBI Guidelines have been complied with.   | <b>Restriction allotment</b>                | <b>on</b> |
| 8  | Subject to the provisions of the Companies Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Board of Directors or Committee thereof who may allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at premium or at par, or (subject to compliance with the provisions of the Companies Act, 1956 and the SEBI Guidelines as may be applicable from time to time) at a discount as they may from time to time think fit and proper, and with the sanction of the Company in general  | <b>Allotment Shares</b>                     | <b>of</b> |

meeting to give to any person a call of any shares either at par or at a premium and at such time and for such consideration as the Board of Directors think fit.

Provided However that the Company in general meeting shall be entitled to make any provisions as regards the issue and allotment of such shares before the issue thereof by the Board of Directors.

9. As regards all allotments from time to time made, the Directors shall duly comply with the provisions of the Companies Act. **Return of allotment**
10. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company or procuring or agreeing to procure subscription (whether absolute or conditional) for any shares, debentures or debenture-stock of the Company, but so that if the commission in respect of shares shall be paid or payable out of capital, the statutory conditions and requirements shall be observed and complied with and the amount or the rate of commission shall not exceed five per cent of the price at which the shares are issued or two and half per cent of the price at which the debentures or debenture-stock are issued. The commission may be paid or satisfied in cash or in shares, debentures or debenture-stock of the Company. **Commission for placing shares.**
11. Where any calls of partly paid-up share capital are made such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class. **Calls on shares of same class to be on uniform basis**
12. If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall, when due, be paid to the Company by the person who for the time being shall be registered holder of the share. **Instalment on shares to be duly paid**
13. The joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share. **Liability of joint holders of shares.**
14. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognise any equitable or other claim to or interest in such share on the part of any other person. **Trusts not recognised**



- 14A. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividend or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.

**Beneficial owner  
deemed as  
absolute owner**

### **CERTIFICATES**

15. Delivery by the Company of Share/Debenture Certificate upon allotment or registration of transfer of any Share/Debentures, Debenture Stock or Bond issued by the Company shall be governed and regulated by Section 113 of the Act and the Companies (Issue of Share Certificate) Rules, 1960, SEBI Guidelines and the conditions of the listing agreement with the Stock Exchanges.
16. Every member shall be entitled to one certificate for all the shares registered in his name. Every certificate of shares shall specify the number and denoting number of the shares in respect of which it is issued and the amount paid-up thereon. For any further certificate the Board of Directors Shall provide on request of any member without and charge.
- 16A. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a Register of Members/ Debentureholders/other Securityholders with the details of members/ debentureholders/ other securityholders holding shares, debentures or other securities both in physical form and dematerialized form in any media as permitted by law including any form of electronic media, either in respect of the existing shares, debentures or other securities or any future issues thereof.
- 16B. In the case of transfer of shares, debentures or other securities where the Company has not issued any

**Certificates**

**Member's right to  
Certificate**

**Company entitled  
to dematerialize its  
Shares,  
Debentures and  
other Securities**

**Shares,  
Debentures and**

certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of Depositories Act, 1996 shall apply.

**other security held in Electronic form**

17. If any certificate be worn out or defaced, then, upon production thereof to the Board of Directors, or Committee thereof they may order the same to be cancelled and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Board or Committee and on such indemnity as the Board or Committee deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate.

**As to issue of new Certificate in place of one defaced, lost or destroyed**

Provided That no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out..

18. The certificate of shares registered in the names of two or more persons shall, unless otherwise directed by them, be delivered to the person first named on the register.

**To which of joint holders certificate to be issued.**

- 18A. Notwithstanding anything contained in Articles 15 to 18, certificate, if required, for a dematerialized share, debenture and other security shall be issued in the name of the Depository and all the provisions contained in Articles 15 to 18 in respect of the rights of a member/debentureholder of the Company shall mutatis mutandis apply to the Depository as if it were a member/debentureholder/ securityholder excepting that and notwithstanding that the Depository shall have been registered as the holder of a dematerialized share, debenture and other security, the person who is the beneficial owner of such shares, debentures and other securities shall be entitled to all the rights (other than those set out in Articles 15 to 18) available to the registered holders of the shares, debentures and other securities in the Company as set out in the other provisions of these Articles.

**Issue of certificates, if required, in the case of dematerialised share / debentures/ other securities and rights of beneficial owner of such shares / debentures/ other securities.**

## **CALLS**

19. The Board of Directors may, subject to the terms on which the shares have been issued, from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board of Directors. A call may be made payable by instalments. It is clarified that the option or right to call of shares shall not be given to any other person except with the sanction of the Company in the General Meeting.

**Calls**

20. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed. **When calls deemed to have been made.**
21. Seven days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid. **Notice of call**
22. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made, or the instalment shall be due, shall pay interest for the same at the rate of nine per cent per annum from the day appointed for the payment thereof to the time of the actual payment, or at such other rate as the Board of Directors may determine. The Directors may in their absolute discretion waive the payment of interest under this in the case of any person liable to pay such calls. **When interest on call or instalment payable.**
23. On the trial or hearing of any action for the recovery of any money due for any call, it shall be sufficient to prove (i) that the name of the member sued is entered in the register as the holder, or one of the holders of the shares in respect of which such debt accrued; (ii) that the resolution making the call is duly recorded in the minute book; (iii) that notice of such call is duly recorded in the minute book; and (iv) that notice of such call was duly given to the member sued, in pursuance of these presents; and it shall not be necessary to prove the appointment of Directors who make such call, nor any other matters whatsoever, but the proof of the matters aforesaid, shall be conclusive evidence of the debt. **Evidence in action for call**
24. The Board of Directors may, if they think fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the capital due upon the shares held by him beyond the sums actually called for; and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as the member paying such sum in advance and the Board of Directors agree upon. Any such sum paid up in advance shall not confer a right to dividend or to participate in profits. **Payment of calls in advance**

#### **FOREFEITURE AND LIEN**

25. If any member fails to pay the whole or any part any call or instalment on or before the day appointed for the payment of the same, the Board of Directors may at any time **If call or instalment not paid notice may be given**

thereafter, during such time as the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. It is clarified that the fully paid shares of the Company shall be free from all lien and in case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time.

26. The notice shall name a day and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed the shares in respect of which the call was made or instalment is payable will be liable to be forfeited. **Form of Notice**
27. If the requisitions of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. **If notice not complied with shares may be forfeited**
- 27A. When any shares have been so forfeited, notice of forfeiture shall be given to the concerning members, in whose names stood immediately prior to the forfeiture and an entry of the forfeiture appeared in the, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid. **Notice of forfeiture to a member**
28. Any share so forfeited shall be deemed to be the property of the Company, and the Board of Directors may sell, re-allot and otherwise dispose of the same in such manner as they may think fit. **Forfeited shares to become property of the Company.**
29. The Directors may at any time before any shares so forfeited shall have been sold, re allotted or otherwise disposed of, annul the forfeited thereof upon such conditions as they may think fit. **Power to annul forfeiture**
30. Any member whose shares have been forfeited shall notwithstanding, be liable to pay, and shall forthwith pay to the Company, all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at nine per cent per **Arrears to be paid notwithstanding forfeiture**

annum and the Directors may enforce the payment thereof if they think fit.

31. The Company shall have a first and paramount lien upon all the shares (other than fully paid up 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 share be created except upon the footing and condition that clause 14 hereof if to have full effect. And such lien shall extend to all dividends and bonuses and corporate benefits from time to time declared in respect of such shares. **Company's lien on shares**
32. For the purpose of enforcing such lien , the Board of Directors may sell the shares subject thereto in such manner as they think fit but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators or his committee, curator bonis or other legal representatives as the case may be and default shall have been made by him or them in the payment of the sum payable as aforesaid for seven days after the date of such notice. **Enforcing lien on shares by sale**
33. The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists, as is presently payable and the residue, if any, shall be payable to such member, his executors or administrators or assigns or his committee, curator bonis or other legal representatives as the case may be. **Utilisation of proceeds of sale**
34. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given the Board of Directors may cause the purchaser's name to be entered in the register in respect of the share 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. **Validity of sales under clauses 28 and 32**

## TRANSFER AND TRANSMISSION

35. The Company shall not register a transfer of shares in, or debentures of, the Company, unless a proper instrument of transfer, duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificates relating to the shares or debentures, or if no such certificate is in existence, along with the letter of allotment of the shares or debentures and notwithstanding anything contained in these Articles, the provisions of Section 108 and other applicable provisions, if any, of the Companies Act shall be strictly complied with; Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit;
- Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder or debenture holder any person to whom the right to any shares in, or debentures of, the Company has been transmitted by operation of law.
36. A transfer of shares or other interest in the Company of a deceased member thereof made by his/her legal representatives shall, although the legal representative is not himself/herself a member be as valid as if he had been a member at the time of the execution of the instrument of transfer.
37. (a) An application for registration of a transfer of any share or shares may be made either by the transferor or by the transferee.
- (b) 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.
- (c) For the purpose of sub-clause (b) notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer, and shall be deemed to have been duly delivered at the time at
- Transfer not to be registered except on production of instrument of transfer**
- Transfer by legal representative**
- Application for transfer**

which it would have been delivered in the ordinary course of post.

38. The instrument of transfer of any shares shall be in writing in the usual common form as specified in the Companies Act. **Form of transfer**
- 38A. Nothing contained in Articles 35 to 38 shall apply to the transfer of shares, debentures or other securities effected by the transferor and the transferee, both of whom are entered as beneficial owners in the records of the Depository. **Applicability of Depositories Act**
- Provided that in respect of the shares, debentures and other securities held by the Depository on behalf of a beneficial owner as defined in the Depositories Act, Section 153 of the Companies Act, 1956, shall not apply.
39. Notwithstanding anything contained in Articles 35,36 and 37, the Directors may at any time in their absolute and uncontrolled discretion for just and sufficient case decline to register any proposed transfer of shares whether the transferee is a member of the Company or not. The registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person indebted to the Company on any account whatsoever. **Director may decline to register transfer.**
40. If the Company refuses to register the transfer of any share it shall within two months from the date on which the instrument of transfer was delivered to the Company send notice of refusal to the transferee and transferor. **Notice of refusal to be given to transferor and transferee.**
41. No transfer shall be made to a person of unsound mind. However, transfer of fully paid up shares can be made in the name of a minor, if he/she is represented by his lawful guardian. **No transfer to Infant etc.**
42. All instruments of transfer 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. **When transfers to be retained**
43. The Company shall not charge any fee for transfer or transmission of shares or any security. **Not to charge Fee on transfer**

44. The Company may, after giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is situate, close the Register of Members or the Register of Debentureholders for any period or periods not exceeding in the whole forty-five days in each year, but not exceeding thirty days at any one time. **Powers to close Register of Members or Debenture-holders**
- 44A. (a) Nothing contained in the Articles 35 to 43 shall apply in respect of any dematerialized share, debenture or other security, and the transfer of beneficial ownership of dematerialized shares, debentures and other securities shall be governed by the provisions of the Depositories Act. **Closing of the Register of Members/ Debentureholders / Securityholders in the case of dematerialized shares/ debentures / other securities**
- (b) The provisions of Article 44 regarding closure of Register of Members and Debentureholders for registration of transfer of shares and debentures shall mutatis mutandis apply with respect to the registration of the beneficial ownership of the dematerialized shares, debentures and other securities of the Company maintained by the Depository.
45. The executor or administrator of a deceased shareholder (whether a European, Hindu, Mohammedan, Parsee or otherwise) shall be the only person recognized by the Company as having any title to his share except in case of joint holders, in which case the surviving holder or holders or the executor or administrator of the last surviving holder shall be the only person entitled to be so recognized but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any shares jointly held by him. The Company shall not be bound to recognise such executor or administrator unless he had obtained probate or letters of administration or other legal representation as the case may be, from a duly constituted Court in India or from any or by any order or notification of Central or State Government, Court or authority authorized by any Act of Parliament or of the State legislature to grant such probate or letters of administration or other legal representation provided nevertheless that in special cases, and in such only, it shall be lawful for the Board of Directors or Committee thereof to dispense with the production of probate or letters of administration or such other legal representation **Shares of deceased shareholders.**



upon such terms as to indemnity or otherwise as to the Board of Directors or Committee thereof may deem fit.

46. Any person becoming entitled to shares in consequence of the death, lunacy, insolvency or bankruptcy of any member or by lawful means, other than by the transfer in accordance with these Articles, upon producing such evidence that he sustains the character in respect of which he proposes to act under this clause, 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 in respect of such shares, or may, subject to the regulations as to transfers hereinbefore contained, transfer such shares. This clause is hereinafter referred to as "the transmission clause."
- Transfer of shares of deceased or bankrupt members**
- Transmission clause.**

- 46A. Notwithstanding anything contained in Articles 36, 45 and 46, every holder(s) of debentures of the Company, holding either singly or jointly, may, at any time, nominate a person in the prescribed manner to whom the shares and/or the interest of the member in the capital of the Company or debentures of the Company shall vest in the event of his/her death. Such member may revoke or vary his/her nomination, at any time, by notifying the same to the Company to that effect. Such nomination shall be governed by the provisions of Sections 109A and 109B of the Companies Act, 1956 or such other regulations governing the matter from time to time.
- Nomination for Shares and Debentures.**

#### **INCREASE AND REDUCTION OF CAPITAL**

47. The Company in general meeting may, from time to time by Ordinary Resolution, increase its share capital by the creation of new shares of such amount as may be deemed expedient which may be unclassified and may be classified at the time of issue in one or more classes..
- Power to increase capital**
48. The new shares shall be issued upon such terms and conditions, and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof or any subsequent general meeting before the issue thereof shall direct; and if no such directions be given, as the Board of Directors or Committee thereof shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of the assets of the Company and with a special or without any right of voting at general meeting of the Company in conformity with Section 87 of the Companies Act.
- Conditions new shares may be issued.**
49. (a) Where at any time subsequent to the first **Further issue of**

**capital**

allotment of shares in the Company or at any time after the expiry of two years from the formation of the Company, it is proposed to increase the subscribed capital of the Company by allotment of new shares, whether out of un issued share capital or out of increased share capital of new shares, then, subject to any directions to the contrary which may be given by the Company in general meeting and subject only to those directions :-

- (i) such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date;
  - (ii) the offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
  - (iii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in sub-clause (ii) shall contain a statement of this right;
  - (iv) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that the declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.
- (b) Nothing in clause (iii) of sub-clause (a) shall be deemed :-
- (i) to extend the time within which the offer should be accepted; or
  - (ii) to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

50. In addition to and without derogating from the powers for the purpose conferred on the Directors under Article 8, the Company in general meeting may determine that any shares (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 of the Company or not) in such proportion and on such terms and conditions and either at a premium or at par, or (subject to compliance with the provisions of the Companies Act) at a discount, as such general meeting shall determine, and with full power to give to any person (whether a member or holder of debentures of the Company or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par, or (subject to compliance with the provisions of the Companies Act) at a discount, and such option being exercisable at such times and for such consideration as may be directed by such general meeting.
51. Except so far as otherwise provided by the conditions of issue, or by these presents, any capital raised by the creation of new shares shall be considered part of the original ordinary capital, and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, voting and otherwise. **How far new shares to rank with shares in original capital.**
52. The Company may, from time to time, by special resolution, reduce its share capital any capital redemption reserve fund or any share premium account in any manner and subject to any incident authorized and consent required by law. **Reduction of Capital etc.**

#### **SUB-DIVISION AND CONSOLIDATION OF SHARES**

53. The Company may in general meeting by Ordinary Resolution alter and conditions of its Memorandum as follows: **Sub-division and consolidation of shares.**
- (a) Consolidate and divide all or any of the Share Capital into shares of larger amounts than its existing shares;
  - (b) Sub-divide its shares or any of them into shares of smaller amounts than originally fixed by the Memorandum, so however, that in the sub-division the proportion between the amounts paid and the amounts, if any, unpaid on each reduced share shall be same as it was in the case of the share from which the reduced share derived;
  - (c) Cancel shares which at the date of such Ordinary Resolution have not been taken or agreed to be

taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this sub class shall not be deemed to be reduction of share capital within the meaning of the Companies Act.

- (d) Convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid shares of any denomination.

- 54. The resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital, voting or otherwise over or as compared with the others or other.

**Sub-division into preferred and ordinary.**

#### **MODIFICATION OF RIGHTS**

- 55. (a) Whenever the capital by reason of the issue of preference shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to each class may be varied, modified, commuted, affected, abrogated or dealt with subject to :-

the consent of the holders not being less than three fourth of the issued share of the class; or  
the sanction by a resolution passed at separate meeting of the holders of those shares and supported by the votes of the holders of not less than three-fourth of those shares.

- (b) This Article is not to derogate from any power the Company would have had if this Article were omitted and the rights of dissentient shareholders being holders of not less in the aggregate than ten per cent of the issued shares of that class to apply to the Court to have the variation or modification cancelled.

#### **BORROWING POWERS**

- 56. The Board of Directors may, from time to time, at their discretion, raise or borrow, or secure the payment of, any sum or sums of money for the purposes of the Company; Provided that the money to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not at any time except with the consent of the Company in general meeting exceed the aggregate of the paid-up capital of the Company

**Power to borrow.**

and its free reserves, that is to say, reserves not set part for any specific purpose.

57. The Board of Directors may raise or secure the payment or repayment of such sum or sums in such manner and respects as they think fit and in particular by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being. **Conditions on which money may be borrowed.**
58. Debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. **Securities may be assignable free from equities.**
59. Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privilege as to redemption, surrender, drawing, allotment of shares attending at general meeting of the Company, appointment of Directors and otherwise. Provided that debentures with the right to allotment of/ or conversion into shares shall not be issued except with the sanction of the Company in general meeting. **Issue at discount, etc. or with special privileges.**
60. The Directors shall cause a proper register to be kept in accordance with the provisions of the Companies Act of all mortgages and charges and shall duly comply with the requirements of the said Act in regard to registration of mortgages and charges and in regard to inspection to be given to creditors or members of the register of charges and of copies of instruments creating charges. The sum of rupee one shall be the sum payable by any person other than a creditor or member of the Company for each inspection of the register of mortgages and charges. **Register of mortgages to be kept.**

#### MEETINGS

61. The statutory meeting of the Company shall be held within a period of not less than one month and more than six months from the date at which the Company is entitled to commence business, and at such place as the Directors may determine and the Directors shall comply with the other requirements of the Companies Act as to the report to be submitted and otherwise. **Statutory Meeting.**
62. (a) The Company shall, in addition to any other meetings, hold a general meeting which shall be styled its "annual general meeting" at the intervals and in **Annual General Meeting.**

accordance with the provisions,  
specified below:

The first annual general meeting shall be held by the Company within eighteen months of its incorporation and may be held on the same day as the statutory meeting ;

The next annual general meeting of the Company shall be held by the Company within nine months after the expiry of the financial year in which the first annual general meeting was held; and thereafter an annual general meeting shall be held by the Company within six months after the expiry of each financial year;

Not more than fifteen months shall elapse between the date of one annual general meeting and that of the next.

- (b) Every annual general meeting shall be called for a time during business hours, on a day that is not a public holiday, and shall be held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situate; and the notices calling the meeting shall specify it as the annual general meeting.

63. All other meetings of the Company shall be called  
Extraordinary Meetings.

**Extra-ordinary meetings.**

64. (a) The Board of Directors whenever they think fit and shall on the requisition of such number of members of the Company as is hereinafter specified forthwith proceed to call an extra-ordinary general meeting of the Company and in case of such requisition the following provisions shall apply.

**Calling for Extra-ordinary General Meetings.**

(b) The requisition shall set out the matters for the consideration of which the meeting shall be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.

(c) The requisition may consist of several

documents in like form, each signed by one or more requisitionists.

- (d) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter.
- (e) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (d) shall apply separately in regard to each such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that sub-clause is fulfilled.
- (f) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in sub-clause(d) whichever is less.

**EXPLANATION:** For the purposes of this Article the Directors shall, in the case of a meeting at which a resolution is to be proposed as a special resolution, give such notice thereof as is required by the Companies Act.

- (g) A meeting called under sub-clause (f) by the requisitionists or any of them:
  - (i) Shall be called in the same manner, as nearly as possible as that in which meeting are to be called by the Board; but
  - (ii) Shall not be held under the expiration of three months from the date of the deposit of the requisition;

Provided that nothing contained in this

sub-clause (ii) shall be deemed to prevent a meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some day after the expiry of that period.

- (h) Where two or more persons hold any shares or interest in the Company jointly, a requisition, or a notice calling a meeting signed by one or some only of them shall, for the purposes of this Article have the same force and effect as if it had been signed by all of them.
- (i) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

65. (a) A general meeting of the Company may be called by giving not less than twenty-one days' notice in writing. **Notice of Meeting**
- (b) A general meeting may be called after giving shorter notice than that specified in sub-clause (a) if consent is accorded thereto :
- (i) in the case of an annual general meeting, by all the persons entitled to vote thereat; and
  - (ii) in the case of any other meeting by members of the Company holding not less than ninety-five per cent of such part of the paid-up capital of the Company as gives a right to vote at the meeting;

Provided that where any members of the Company are entitled to vote only some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purposes of this sub-clause in respect of the former resolution or resolutions and not in respect of the latter.

66. (a) Every notice of a meeting of the Company shall **Contents and**



specify the place and the day and hour of the meeting, and shall contain a statement of a business to be transacted thereat.

**manner of service of notice and persons on whom it is to be served**

- (b) Notice of every meeting of the Company shall be given:
    - (i) to every member of the Company, in any manner authorized by the Companies Act;
    - (ii) to the persons entitled to a share in consequence of the death or insolvency of a member, by sending it through the post in a pre-paid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address if any in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and
    - (iii) to the auditor or auditors for the time being of the Company in any manner authorized by the Companies Act in the case of any member or members of the Company.
  - (c) The accidental omission to give notice to, or the non-receipt of notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
67. (a) In the case of annual general meeting, all business to be transacted at the meeting shall be deemed special, with the exception of business relating to:
- (i) the consideration of the accounts, balance sheet and the reports of the Board of Directors and Auditors;
  - (ii) the declaration of a dividend;
  - (iii) the appointment of directors in the place of those retiring; and
  - (iv) the appointment of, and the fixing of a remuneration of the auditors.

**Explanatory statement to be annexed to notice**

- (b) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature and extent of the interest, if any, therein of every Directors, the Managing Agent, if any, the Secretary & Treasurer, if any, and the Manager, if any.
- (c) Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
68. Five members personally present shall be quorum for a general meeting. **Quorum**
69. No business shall be transacted at any general meeting unless the quorum requisite shall be present at the commencement of the business. **Quorum to be present when business commenced.**
70. The Chairman of the Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding such meeting, the members present shall choose another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the members present shall choose one of their member to be the Chairman of the Meeting. **Chairman of General Meeting**
71. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon such requisition as aforesaid shall be dissolved; but in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at such adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, those members who are present shall be a quorum and may transact the business for which the meeting was called. **When the quorum not present meeting to be dissolved and when to be adjourned.**
72. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands or unless a poll is (before or on the declaration of the result on the show of hands) demanded in the manner hereinafter mentioned, 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
- When is to be evidence of the passing of resolution where poll not demanded.**

majority or lost and an entry to that effect in the book of the proceedings 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 such resolution.

73. (a) Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and fulfilling the requirements as laid down in Section 179 of the Companies Act, 1956, for the time being in force. **Demand for poll**
- (b) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
74. (a) If a poll is demanded on the election of a chairman or on a question of adjournment, it shall be taken forthwith; **Time of taking poll**
- (b) A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made, as the Chairman may direct.
75. On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote of his behalf as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. **Right of members to use his votes differently.**
76. (a) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him; **Scrutineers at poll**
- (b) The Chairman shall have power, at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause;
- (c) Of the two scrutineers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed.
77. (a) Subject to the provisions of the Companies Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken; **Manner of taking poll and result thereof.**
- (b) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

78. The Chairman of a general meeting, may, with the consent of the meeting adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. **Power to adjourn general meeting.**
79. In case of an equality of votes, whether on a show of hands, or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote in addition to the vote or votes, to which he may be entitled as a member. **Casting vote**
80. The demand of a poll shall not prevent the continuance of meeting for the transaction of any business other than the question on which a poll has been demanded. **Business may proceed notwithstanding demand of poll.**
81. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

#### **VOTES OF MEMBERS**

82. (a) On a show of hands every member present shall have one vote and upon a poll every member present in person or by proxy shall have one vote for every share held by him. Provided that the holders of Preference Shares shall have no right to vote either in person or by proxy at any general meeting by virtue or in respect of their holdings of preference shares, unless the preferential dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of commencement of the meeting or unless a resolution is proposed directly affecting the rights or privileges attached to such preference shares; **Votes of members.**
- (b) Any resolution for winding up the Company or for the repayment or reduction of its share capital shall be deemed directly to affect the rights attached to Preference Shares within the meaning of this Article;
- (c) For the purpose of this Article, dividend shall be deemed to be due on preference shares in respect of any period whether a dividend has been declared by the Company on such shares for such period or not: On the last day specified for the payment of such dividend for such period in the Articles or other instrument executed by the Company in that behalf; or In case no day is so specified, on the day immediately following

- such period;
- (d) Where a corporation being a member is present by proxy, who is not a member, such proxy shall be entitled to vote for such corporation on a show of hands.
83. Any person, entitled under the transmission clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting as the case may be, at which the he proposes to vote, he shall satisfy the Directors of his right to transfer such shares, or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. **Vote in respect of shares of deceased and bankrupt members.**
84. In 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 other joint holders. **Joint holders**  
 For this purpose, seniority shall be determined in the order in which the names stand in the register of members.
85. 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 committee or other legal guardian, and any such committee or guardian may, on a poll vote by proxy. **Vote of members of unsound mind**
86. 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.
87. (a) No objection shall be raised to the qualification of any votes 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;  
 (b) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
88. Votes may be given either personally or by proxy. **Proxies permitted**
89. (a) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself; but a proxy so appointed shall not have any right to speak at the meeting; **Proxies**  
 (b) A proxy shall not be entitled to vote except on a poll;  
 (c) In every notice calling a meeting of the Company there shall appear with reasonable

prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a member.

90. The instrument appointing a proxy and the power of attorney (if any) under which it is signed or a notarially certified copy of the power or authority shall be deposited at the Registered Office of the Company not less than forty-eight 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 twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. **Proxy to be deposited at office**
91. The instrument appointing a proxy shall:- **Instrument of proxy**  
(a) be in writing; and  
(b) be signed by the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.
92. An instrument appointing a proxy shall be in any of the forms set out in the Companies Act or a form as near thereto as circumstances admit. **Form of proxy**
93. Every member entitled to vote at a meeting of the Company or on any resolution to be moved thereat shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company provided not less than three days' notice in writing of the intention so to inspect is given to the Company.
94. 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 the transfer of shares in respect of which the proxy is given; **When vote by proxy valid though authority revoked.**  
Provided that 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.  
Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit at the time of execution of an instrument of proxy and of the same not have been revoked.

- 94A Notwithstanding anything contained in the Act and subject to the provisions of Section 192A of the Act and the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, a Company may, and in the case of resolutions relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot, shall, get any resolution passed by means of a postal ballot, instead of transacting the business in general meeting of the Company.
- DIRECTORS**
95. Unless otherwise determined by a general meeting, the number of Directors shall not be less than three and not more than twelve. **Number of Directors**
96. The persons hereinafter named shall be the First Directors, that is to say **First Directors**
- (1) **SHRI HARISINGH SHYAMSUKHA**  
(2) **SHRI GAVINI BALAGANGADHARA RAO**  
(3) **SHRI MEENA KOTHARI**
- Ex-officio Directors**
- 97 Notwithstanding any thing to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI) and Life Insurance Corporation of India (LIC) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC, and Unit Trust of India (UTI) or any other Financing Company or Body (each of which IDBI, IFCI, ICICI, LIC and UTI or any other Finance Corporation or Credit Corporation or any other Financing Company or Body is hereinafter in this Article referred to as "Corporation") continue to hold debentures in the Company by private placement, or so long as the Corporation holds shares in the Company as a result of underwriting or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding that Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors (who is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person/s so appointed and to appoint any person or persons in his or their place/s.
- The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by

rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to that Corporation or so long as the Corporation holds Debentures of the Company as a result of private placement or so long as that Corporation holds shares in the Company as a result of underwriting or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to that Corporation is paid off or on that Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by that Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notice of and attend all General Meetings, Board Meetings, and of the meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled, but if any other fees, commissions, moneys or remuneration in any form is payable to all the Directors of the Company the fees, commissions, moneys and remunerations in relation to such Nominee Director/s shall accrue to that Corporation and the same shall accordingly be paid by the Company directly to that Corporation. Any expenses that may be incurred by the Corporation on such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to that Corporation or as the case may be to such Nominee Director/s.

Provided that if any such Nominee Director/s is an Officer of that Corporation, the sitting fees, in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the company directly to that Corporation.

Provided also that in the event of the Nominee Director/s being appointed as wholetime Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a wholetime



Director, in the management of the affairs of the Company. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by that Corporation.

97A

Till the time AK Group and HS Group jointly or severally hold 26% or more of the entire share capital of the Company, they shall be entitled to jointly appoint two directors on the Board of the Company, one to be appointed by AK Group and the other by HS Group. Such directors shall be permanent directors not liable to retire by rotation. The present Nominee Directors of each of the Parties are as follows:

I. AK Group : Mr.Ashwin Kothari

II: HS Group : Mr.Harisingh  
Shyamsukha

The Promoter Groups agree that Mr.Ashwin Kothari and Mr.Harisingh Shyamsukha shall be the directors for life and shall not be liable to retire by rotation. The Promoter Groups further agree that they shall cause their nominees on the Board to vote in favour of the resolution appointing such directors as the directors for life.

97B

The right to nominate Directors as contained in Article 97A shall include the right to remove them and appoint alternate (s) in their place.

98.

- (a) The Board of Directors may appoint an Alternate Director to act for a Director (hereinafter called "the original Director") during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held.
- (b) An Alternate Director appointed under Sub-Article (a) shall vacate office if and when the original Director returns to the State in which meetings of the Board are ordinarily held.
- (c) If the term of office of the original Director is determined before he so returns to the State aforesaid, any provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the original, and not to the alternate Director.

**Alternate Director**

98A	Subject to the provision of Section 252 of the Companies Act, a Company may have a director elected by small shareholders as provided in the Act read with the Companies (Appointment of the Small Shareholders' Director) Rules, 2001.	<b>Directors appointed by Small Shareholders</b>
98B	Notwithstanding anything contained in the Companies Act, the Company may appoint not less than two-thirds of the total number of the directors, according to the principle of proportional representation, whether by single transferable vote or by a system of cumulative voting or otherwise, the appointments being made once in every three years and interim casual vacancies being filled in accordance with the provisions of Section 262 of the Act and Article 99.	<b>Appointment of Directors on proportional representation</b>
99	Any casual vacancy occurring among the Directors may be filled up by the Directors, but any person so chosen shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Directors shall not fill casual vacancy by appointing any person who has been removed from the office of a Director of the Company under Article 110.	<b>Casual Vacancy</b>
99A	The Directors shall have power at any time and from time to time to appoint any person other than a person who has been removed from office of a Director of the Company under Article 110 to be a Director of the Company as an addition to the Board so that the total member of the Directors shall not at any time exceed the maximum number fixed. Any Director so appointed shall hold office only until the conclusion of the next Annual General Meeting of the Company, and shall then be eligible for re-election.	
100	The Directors of the Company are not required to hold any share qualification.	<b>Qualification of Directors</b>
102	<p>(a) The fees payable to the Director for attending the meeting of the Board or Committee thereof or a general meeting shall be decided by the Board of Directors from time to time within the limits prescribed under the Companies Act;</p> <p>(b) In addition to the remuneration payable as above, the Directors may be paid all travelling, hotel and other expenses properly incurred by them:- In attending and returning from meetings of the Board of Directors or any Committee thereof or general meetings of the Company; or in connection with the business of the Company</p>	<b>Remuneration of Directors.</b>

103. The Continuing Directors may act, notwithstanding any vacancy in its body; but, if and so long as their number is reduced below the quorum fixed by the Companies Act or by these Articles 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, of summoning a general meeting of the Company, but for no other purpose. **Directors may act notwithstanding vacancy.**
104. (1) The office of a Director shall be vacated if:-he is found to be of unsound mind by a Court of competent jurisdiction; or he applies to be adjudicated an insolvent; or he is adjudicated an insolvent; or he has been convicted by a Court in India of any offence and sentenced in respect thereof to imprisonment for not less than six months; or he fails to pay any calls in respect of shares held by him whether alone or jointly with other within six months from last date fixed for the payment of the calls; or he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board for a continuous period of three months whichever is longer without leave of absence from the Board; or he or any firm of which he is a partner or any private company of which he is a director accepts a loan or guarantee from the Company in contravention of the provisions of the Companies Act; or he being whether directly or indirectly concerned or interested in any contract or arrangement or proposed contract or arrangement entered into, or to be entered into, by or on behalf of the Company, fails to disclose the nature of his concern or interest at a meeting of the Board of Directors; or he becomes disqualified by an order of the Court; or he is removed by an Ordinary Resolution of the Company before the expiry of his period of office; or he by notice in writing to the Company resigns his office; or he is disqualified under section 274(1)(g) of the Act. **When office of Director to be vacated.**
- (2) Notwithstanding anything in clause (d), (e) and (j) of sub-clause (1) the disqualification referred to in those clauses shall not take effect:- for thirty days from the date of adjudication or sentence; where any appeal or petition is preferred within the thirty days aforesaid against the adjudication sentence or conviction resulting in the sentence, until the expiry of seven days from the date on which such appeal or petition is disposed of; or where within the seven days aforesaid any further appeal or petition is preferred in respect of the adjudication, sentence or conviction and the appeal or

- petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.
105. (a) Every Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors. **Disclosure interests of Directors.** **of by**
- (b) In the case of a proposed contract or arrangement the disclosure required to be made by a Director under sub-clause (a) shall be made at the meeting of the Board at which the question of entering into the contract of arrangements is first taken into consideration, or if the Directors was not at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested; In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Directors becomes concerned or interested in the contract or arrangement.
- (c) For the purpose of sub-clauses (a) and (b) a general notice given to the Board by a Director, to the effect that he is a Director or a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made; Any such general notice shall expire at the end of the financial year in which it is given, but may be renewed for further period of one financial year at a time, by a fresh notice given in the last month of the financial year in which it would otherwise have expired; No such general notice, and no renewal thereof, shall be of effect unless either it is given at a meeting of the Board, or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given. The Directors shall disclose their shareholdings at the time of appointment and further from time to time as required under the Companies Act and SEBI Act.
- (d) Nothing in this Article shall be taken to prejudice

the operation of any rule of law restricting a Director of the Company from having any concern or interest in any contracts or arrangements with the Company.

106 No Director of the Company shall take any part in the discussion of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is any way, whether directly or indirectly, concerned or interested in the contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; Provided that a Director may vote on any contract of indemnity against any loss which the Directors or any one or some of them may suffer by reason of becoming or being sureties or surety for the Company.

#### **ROTATION OF DIRECTORS**

107. (a) At the first annual general meeting of the Company and at every subsequent annual general meeting, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then, the number nearest to one-third shall retire from office. **Rotation and retirement of Directors.**
- (b) The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.
- (c) At the annual general meeting at which a Director retires as aforesaid, the Company may fill up the vacancy appointing the retiring Director or some other person thereto.
- (d) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is public holiday, till the next succeeding day which is not public holiday, at the same time and place, and if at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be

deemed to have been re-appointed at the adjourned meeting, unless:

At the meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;

The retiring Director has, by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed;

He is not qualified or is disqualified for appointment;

A resolution, whether special or ordinary, is required for his appointment or re-appointment, in virtue of any provisions of the Companies Act;

The proviso to sub-clause (b) of Article 108 or sub-clause (c) of Article 108 is applicable to the case.

- 108 (a) At every annual general meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution, unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.
- (b) A resolution moved in contravention of sub-clause (a) of this Article shall be void whether or not objection was taken at the time to its being so moved; Provided that where a resolution so moved is passed; no provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply.
- (c) For the purpose of this Article, a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.
- 109 A person who is not retiring Director shall, subject to the provisions of the Section 257 of the Companies Act be eligible for appointment to the office of Director at any general meeting, if 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 Director or the
- Appointment of Director to be voted on individually**
- Right of person other than retiring Directors to stand for Directorship**

intention of such member to propose him a candidate for that office as the case may be alongwith a deposit of five hundred rupees or such sum as may for the time being be prescribed by the act, which 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.

110. (a) The Company may by ordinary resolution remove a Director before the expiry of his period of office. **Removal of Directors**
- (b) Special notice shall be required of any resolution to remove a Director under this Article or to appoint somebody instead of a Director so removed at the meeting at which he is removed.
- (c) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned, and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- (d) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall, unless the representations are received by it too late for it to do so, in any notice of the resolution given to members of the Company, state the fact of the representations having been made; and send a copy of the representations to every member of the Company to whom notice of the meeting is sent (whether before or after receipt of the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting; Provided that copies of the representations need not be sent out and the representations need not be read out at the meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the court is satisfied that the rights conferred by this sub-clause are being abused to

secure needless publicity for defamatory matter.

- (e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in general meeting or by the Board, be filled by the appointment of another Director in his stead by the meeting at which he is removed, provided special notice of the intended appointment was given under sub-clause (b) of this Article. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.
- (f) If the vacancy is not filled under sub-clause (e) of this Article it may be filled as a casual vacancy in accordance with the provisions so far as they may be applicable of Article 99 and all the provisions of that Article shall apply accordingly; provided that the Director who is removed from office shall not be re-appointed as a Director by the Board of Director.

#### **PROCEEDINGS OF DIRECTORS**

- 111. (a) The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings and proceedings as they think fit. **Proceedings of Directors**
- (b) A meeting of the Board of Directors shall be held at least once in every three calendar months. The maximum gap between the Board meetings shall not be exceeding three months.
- (c) A Director and the Manager or Secretary on the requisition of a Director shall at any time summon a meeting of the Board.
- 111A Meetings of the Board shall be held in India at the registered office of the Company or such other place within India as the Board shall determine to be reasonably convenient to the Directors and by such means as are permitted by law. Regular meetings of the Board will be held quarterly.
- 112. Notice of every meeting of the Board of Director of the Company shall be given in writing or by e-mail, fax, to every Director for the time being in India, and at his usual address in India to every other Director. **Notice of Meetings**
- 113A The Company may if permitted by law hold Board meetings by way of physical presence of the Directors or by video conferencing or by tele- **Meeting by tele-conferencing**



conferencing in accordance with the provisions of Companies Act and the rules prescribed or may be prescribed by the Central Government from time to time

113. (a) The quorum for a meeting of the Board of Directors of the Company shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one), or three Directors, whichever is higher. Provided that where at any meeting the number of interested Directors exceeds or is equal to two-third of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, shall be the quorum during such time. **Quorum meetings for**
- (b) For the purpose of sub-clause (a):-  
“total strength” means the total strength of the Board of Directors of the Company as determined in pursuance of the Companies Act, after deducting therefrom the number of Directors, if any, whose places may be vacant at the time;  
  
“interested Director” means any Director whose presence cannot, by reason of Article 106 or any other provisions of the Companies Act, count for the purpose of forming a quorum at a meeting of the Board, at the time of any discussion or vote on any matter.
114. Save as otherwise expressly provided in the Companies Act, questions arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes, the Chairman of the Board, if any, shall have a second or casting vote
115. If no quorum is present at any meeting of the Board the meeting shall be adjourned to a date [seven] days later at the same time and venue or, if that date shall be a Saturday, Sunday or public holiday, to the next succeeding business day and if at such adjourned meeting a quorum is not present within fifteen minutes from the time of that meeting, the Directors or present thereat shall constitute a quorum. Written notice of such adjournment specifying the business to be dealt with at the adjourned meeting shall be given forthwith to all Directors or Shareholders (as the case may be). No business may be transacted at any adjourned **Procedure where meeting adjourned for want of quorum**

meeting except such business as may lawfully have been transacted at the meeting, which was adjourned.

115A

A written resolution circulated and signed by all directors shall be as valid and effective as if it had been adopted by a duly convened meeting of directors. Unless the contrary is stated therein, any such resolution shall be deemed to have been passed on the date on which it was signed by the director last signing it. A facsimile transmission of a directors' signed resolution shall be acceptable evidence that such resolution has been signed by the director whose signature appears on the facsimile transmission.

115B

Board agendas will be discussed between representatives of each of the Promoter Groups; for the avoidance of doubt, items will be included as requested by any of the parties. Draft Minutes will be circulated to all Directors not later than seven days after the meeting in question and submitted to the next Board meeting for formal approval.

116.

(a)

Mr. Ashwin Kumar Kothari shall be the Chairman of the Company. In the absence of Mr. Ashwin Kumar Kothari, the Promoter Groups shall have the right, from time to time, to elect a Chairman and a Vice-Chairman to preside at their meetings and to exercise the powers and perform the duties ordinarily vested in a Chairman.

**Chairman and Vice Chairman of the Board of Directors**

(b)

All meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of the Directors, the Chairman be not present at the time appointed for holding the same, the Vice Chairman, if present, shall preside and if he be not present at such time, then in that case, the Directors shall choose one of the Directors then present to preside at the meeting.

**Who to preside over at meetings of the Board of Directors.**

\*\*\*\*

(c)

i) The Board shall be entitled to appoint suitable person who has rendered significant or distinguished services to the Company or to the industry to which the Company's business relates or in the public field, or in recognition of their status in the Company, as the Chairman Emeritus, Vice-Chairman Emeritus of the Company or at such other honorary position, on such terms and conditions including payment related terms, as it may deem fit, for providing guidance to the Board.

**Chairman and Vice-Chairman Emeritus**

- ii) The Chairman Emeritus and Vice-Chairman Emeritus shall be entitled to receive notice of and to attend meeting of the Board or the Committees thereof but shall not be entitled to vote thereat and shall not be deemed to be a party to any decision of the Board or any Committee thereof.
- iii) The Chairman Emeritus and Vice-Chairman Emeritus shall hold office until he resigns his office or until such time as may be decided by the Board
- iv) The Chairman Emeritus and Vice-Chairman Emeritus shall not be deemed to be a director for any purpose of the Act or any other statute or rules made there under or these Articles including for the purpose of determining the maximum number of Directors which the Company can appoint.

- 117.
- (a) The Board may, subject to the provisions of the Companies Act and these Articles delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
  - (b) Any committee so formed shall, in the exercise of the powers so delegated, confirm to any regulations that may be imposed on it by the Board.

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**\*\*\*\*Article altered and inserted vide Special Resolution passed at the 34<sup>th</sup> Annual General Meeting of the Company held on 24<sup>th</sup> Day of September, 2018.**

118. (a) A committee may elect a Chairman of its meetings. **Chairman** **of**  
**Committee**
- (b) If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their member to be chairman of the meeting.
119. (a) A committee may meet and adjourn as it thinks proper.
- (b) 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 chairman shall have a second or casting vote.
120. The Board may subject to the provisions of the Companies Act and rules as may notified by the Central Government from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Board in terms of these Articles and may pay the same.
121. All acts done by any meeting of the Board or of a committee thereof or by any person acting as a Director, 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. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.
122. No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the committee, then in India (not being less in number than the **Passing** **of**  
**resolution** **by**  
**circulation**

quorum fixed for a meeting of the Board of committee, as the case may be) and to all other Directors or members, at their usual address in India by e-mail, fax or otherwise and has been approved by such of the Directors as are then in India or by a majority of such of them, as are entitled to vote on the resolution.

123. (a) Subject to the provisions of the Companies 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 authorised 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 Companies Act or by the Memorandum and Articles of Association of the Company or otherwise, to be exercised or done by the Company in general meeting; Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Companies Act, or in the Memorandum & Articles of Association of the Company, or in any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in General Meeting.
- (b) No regulations made by the Company in general meeting shall invalid any prior act of the Board which would have been valid if that regulation had not been made.
124. (a) The Directors shall cause to be kept and maintained the following:-  
Register of Members;  
Index of Members;  
Register and index of Debentureholders;  
Copies of all Annual Returns together with the certificates and documents required to be annexed thereto;  
Instrument creating charges;
- (b) The registers, indexes, returns, and copies of certificates and other documents referred to in sub-clause (a) shall except when the register of members or debenture holders is closed under the provisions of the Companies Act, be open during
- General Powers of the Board**
- Registered and returns**

business hours to the inspection of:-

Any member or debenture holder without fee; and

Any other person on payment of a fee or one rupee for each inspection.

- (c) Any such member, debenture holder or other person may:-  
Make extracts from any register, index or copy referred to in sub-clause (a) without fee or additional fee, as the case may be; or  
Require a copy of any such register, index or copy or of any part thereof, on payment of such fee as prescribed under the Companies Act and rules made thereon.

#### **MINUTES**

125. (a) The Company shall cause minutes of all **Minutes**  
proceedings of general meetings, and of all proceedings at meetings of the Board of Directors or of committees of the Board, to be entered in books kept for that purpose either hand written or in Computer or electronic printout.
- (b) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (c) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (d) In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain: - the names of the Directors present at the meeting; and in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from, or not concurring in, the resolution.
- (e) Nothing contained in sub-clause (a) to (d) shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting is, or could reasonably be regarded as defamatory of any person; is irrelevant or immaterial to the proceedings; or is detrimental to the interests of the Company.

126. Any such minute, if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting, shall be evidence of the proceedings. **Minutes to be evidence.**
127. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or of a committee of the Board have been made and signed in accordance with the provisions of Articles 125 and 126, then until the contrary is proved, the meeting shall be deemed to have duly taken place, and particular, all appointments of Directors or liquidators made at the meeting shall be deemed to be valid. **Presumptions to be drawn where minutes duly drawn and signed.**
128. (a) The books containing the minutes of the proceedings of any general meeting of the Company shall: be kept at the Registered Office of the company; and be open, during business hours, to the inspection of any member without charge, subject to such reasonable restrictions as the Company may impose, so however that not less than two hours in each day are allowed for inspection. **Inspection of minute book of general meetings.**
- (b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf to the Company, with a copy of any minutes referred to in sub-clause (a), on payment of fee as prescribed in the Companies Act and rules made thereon.

### **POWERS OF DIRECTORS**

129. Without prejudice to the general powers conferred by Article 123 and the other powers conferred by these Articles, but subject however to the provisions of the Companies Act, it is hereby expressly declared that the Directors shall have the following powers:- **Power of Directors.**
- (a) To have an official seal for use abroad.
- (b) To keep a foreign register in accordance with the provisions of the Companies Act.
- (c) To pay and charge to the Capital Account of the Company any commission or interest, lawfully payable thereout under the **To pay and charge any commission or interest paid.**

provisions of Sections 76 and 208 of the Companies Act.

- (d) To purchase or otherwise acquire for the Company any property, rights or privileges, which the Company is authorized to acquire at such price, and generally on such terms and conditions, as they may think fit. **To acquire property.**
- (e) At their discretion to pay for any property, rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company including its uncalled capital or not so charged. **To pay for property in debentures etc.**
- (f) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they may think fit. **To secure contracts by mortgage.**
- (g) To appoint and at their discretion remove or suspend such managers, secretaries, officers, clerks, agents and servants for permanent, temporary or special services, as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments and to require security in such instances and for such amounts as they may think fit. **To appoint servants.**
- (h) To accept from any member, on such terms and conditions as shall be agreed a surrender of his shares or any part thereof. **To accept surrenders of shares.**
- (i) To appoint any person or person (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 and things as may be requisite in relation to any such trust, and to provide for the **To appoint trustees.**



remuneration of such trustee or trustees.

- (j) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company, or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company. **To bring and defend actions etc.**
- (k) To refer any claims or demands by or against the Company to arbitration, and observe and perform the awards. **To refer to arbitration.**
- (l) To make and give receipts, releases and other discharges for money payable to the Company, and for the claims and demands of the Company. **To give receipts.**
- (m) To determine who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and documents. **To authorise acceptances.**
- (n) From time to time to provide for the management of the affairs of the Company outside Bombay in such manner as they may think fit, and in particular to appoint any persons to be the attorneys or agents of the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit. **To appoint attorneys.**
- (o) Subject to the provisions of section 292 of the Companies Act to invest and deal with any of the monies of the Company not immediately required for the purposes thereof upon such securities (not being shares in this Company) and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Companies act, all investments, shall be made and held in the Company's own name. **To invest moneys.**
- (p) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale **To give security by way of indemnity.**

and such other powers, covenants and provisions as shall be agreed on.

- (q) To give any person employed by the Company 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 or profits, shall be treated as part of the working expenses of the Company. **To give percentages.**
- (r) Before recommending any divided, to set aside out of the profits of the Company, such sums as they think proper as a reserve fund to meet contingencies or for equalising dividends, or for special dividends or for repairing, improving and maintaining any of the property of the Company, and for such other purposes as the Directors shall in their absolute discretion think conducive to the interest of the Company and subject to Section 292 of the Companies Act to invest the several sums so set aside upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and to dispose of all or any part thereof for the benefit of the Company and to divide the reserve fund into special funds as they think fit with full power to employ the assets constituting to reserve fund in the business of the Company, and that without being bound to keep the same separate from the other assets. **To establish reserve fund.**
- (s) From time to time to make, vary & repeal by-laws for the regulation of the business of the Company, its officers and servants. **May make by-laws.**
- (t) To enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company. **May make contracts.**
- (u) Without limitation on the matters which the Board may discuss, the following items will also be matters for the Board:
  - (a) Approval of quarterly management

reports, including financial statements, compliance with financial covenants and compliance with applicable law and regulations in each case in a format to be agreed between the Parties;

- (b) Remuneration of Chief Operating Officer (“COO”) and general remuneration policy;

130. (a) When the Company has issued shares the **Forged Transfer.**  
Directors shall have the power to make compensation, by a cash payment out of the Company’s funds for any loss arising from a transfer of any such shares in pursuance of a forged transfer or of a transfer under a forged power of attorney, whether the person receiving such compensation, or any person through whom he claims, has or has not paid any fee, or otherwise contributed to any fund out of which the compensation is to be paid.
- (b) The Directors, by fees or otherwise, are hereby empowered to provide a fund to meet claims for compensation, and to raise the amount by mortgages and to impose such reasonable restrictions on the transfer of shares or with respect to powers of attorney for the transfer thereof, as they may consider requisite for guarding against losses arising from forgery.
- (c) This clause will not be deemed as imposing upon the Company or the Directors any obligation to pay.

#### **MANAGING AND WHOLE\_TIME DIRECTOR**

131. (a) Subject to the provisions of the Companies Act and pursuant to the provisions of Section 269 read with Schedule XIII of the Companies Act, the Board of Directors may from time to time appoint one or more of the Directors to be the Managing Director(s) or Whole-time Directors of the Company and may also appoint a COO subject to the provisions of Article 132(b). **Chief Operating Officer and Whole-time Director.**
- (b) A COO and Whole-time Director so appointed shall exercise the powers and authorities

conferred upon them by agreement entered into between them and the Company and/or by a Resolution of the Board or the Committee of the Board and be subject to the obligations and restrictions upon him thereby or by the Companies Act.

- 132 (a) Subject to the applicable provisions of the **Manager**  
Companies Act, including Section 197A and Section 269 read with the Schedule XIII of the Companies Act or with the approval of the Central government, as the case may be, the Directors may from time to time after obtaining such sanctions and approvals as may be necessary appoint any individual or individuals as Manager or Managers for the Company.
- (b) Till the time AK Group and HS Group jointly or severally hold 26% or above of the entire share capital of the Company, they shall be entitled to jointly appoint the COO. It is clarified that in case any of the Promoter Group ceases to hold any shares of the Company then in that event, the other Promoter Group holding 26% or above of the entire share capital of the Company shall alone be entitled to appoint the COO. Such power to appoint shall include power to remove and substitute the COO. The COO shall have all the powers and responsibilities as may be decided by the Board.
- (c) A COO so appointed shall exercise the powers and authorities conferred upon him by an Agreement entered into between him and the Company and/or by a resolution of the Board or Committee of the Board or General Meeting and shall be subject to the obligations and restrictions imposed in that behalf by the Companies Act.

#### SEAL

133. (a) The Board shall provide for the safe custody of the Seal. **The Seal, its custody and use.**
- \*(b) The seal of the Company shall not be affixed to any instrument except by the authority of a Resolution of the Board or a Committee of the Board authorised by it in that behalf

and except in the present of :

(i) atleast one Director and the Secretary or such other persons as the Board may appoint for the purpose who shall sign every instrument to which the Seal of the Company is so affixed in their presence.

OR

(ii) atleast two Authorized Officers of the Company authorised in that behalf and such Authorised Officers shall sign every instrument to which the Seal of the Company is so affixed in their presence.

#### **DIVIDENDS**

134. (a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends including interim 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 to the shares. **Dividends**
- (b) No amount paid or credited as paid on a share in advance of call shall be treated for the purposes of this clause as paid on the share.
- (c) 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 *pari passu* for dividend as from a particular date, such share shall rank for dividend accordingly.
135. The Company in general meeting may declare a final dividend paid or to be paid to the members according to their rights and interests in the profits, and may fix the time for payment. The dividends so declared by remaining unclaimed shall not be forfeited unless the claim becomes barred by law. **Declaration of dividends.**
136. No larger dividend shall be declared than is recommended by the Board of Directors but the **Restriction amount on of**

- Company in general meeting may declare a smaller dividend. **dividend.**
137. No dividend shall be payable except out of the profits of the Company and no dividend shall carry interest as against the Company. **Dividend out of profits only, and not to carry interest.**
138. The declaration of the Board of Directors as to the amount of the net profits of the Company shall be conclusive. **What is to be deemed net profits.**
139. The Board of Directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies. **Interim dividend.**
140. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which lien exists. **Debts may be deducted.**
141. A general meeting declaring a dividend may 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 dividend may, if so arranged between the Company and the member, be set off against the call. The making of a call under this clause shall be deemed ordinary business of an ordinary general meeting which declares a dividend. **Dividend and call together**  
**Set off allowed.**
142. A general meeting declaring a dividend may resolve that such dividend be paid wholly or in part by the distribution of specific assets and in particular of paid-up shares, debentures or debenture stock of the Company, or paid-up shares, debentures or debenture stock of any other company, or in any one or more of such ways. **Dividend in specie**
143. A general meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the reserve fund, or any capital redemption reserve fund, or in the hands of the Company and available for dividend or representing premium 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 by way of bonus shares as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on **Capitalisation and reserves.**

behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture stock, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interests in the said capitalised sum.

144. 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 to charge for income tax, be distributed among the members on the footing that they receive the same as capital.

145. If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may be resolution of the Company be applied in paying up in full or in part any new shares, or any shares then remaining unissued, to be issued to such members of the Company or other persons as the Directors may resolve upto an amount equal to the nominal amount of the shares so issued.

146. For the purpose of giving effect to any resolution under the four last proceeding Articles the Board of Directors may settle any difficulty which may arise in regard to the distribution as they think expedient, and in particular may issue fractional certificates, and may fix the value or distribution of any specific assets, and may determine that cash payment shall be made to any members upon the footing of the value so fixed or that fractions of less value than Re.1/- may be disregarded in order to adjust the right of all parties and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalised fund as may seem expedient to the Board of Directors. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with the provisions of the Companies Act, and the Board of Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund and such appointment shall be effective.

**Fractional  
Certificates.**

147. Where an instrument of transfer of shares of the company has been delivered to the company for registration in accordance with the provisions of the Act. and the transfer of such shares has not been registered by the Company, it shall comply with the provisions of Section 206A of the Act. in respect of the dividend, rights shares other corporate benefits and bonus shares in relation to such shares. **Effect to transfer.**
148. The Board of Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Clause (Clause 46) entitled to become a member, or which any person under that clause is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same. **Retention in certain cases.**
149. Any one of several persons, who are registered as joint holders of any share, may give effectual receipts for all dividends and payments on account of dividends in respect of such share. **Dividend to joint holders.**
150. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address in case if the amount of dividend exceed Rs.1,500/- of the member or persons entitled or in the case of joint holders, to the registered address of that one whose name stands first on the register in respect of the joint holding; and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. The Company shall not be responsible or liable for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means. **Payment by post.**
- The Dividend may also be credited to the Account of the shareholders by electronic transfer as per the guidelines of the SEBI, Stock Exchange(s) as may be applicable.
151. Notice of the declaration of any dividend, whether interim or otherwise, shall be given to the holder of registered shares in manner hereinafter provided. **Notice of dividend.**
152. Any dividend which has been declared by the Company but has not been paid or claimed in accordance with the provisions of Section 205A of the Act, within 30 days from the date of declaration to or by a member entitled to the payment of such dividend, shall be dealt with by the Company in accordance with the said Section 205A, 205B **Unclaimed dividend.**



and 205C of the Companies Act.

### ACCOUNTS

153. (a) The Board of Directors shall cause to be kept proper books of accounts at the registered office of the Company or at such other place in India as they fit with respect to:- all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place; all sales and purchases of goods by the Company; the assets and liabilities of the Company. **Books to be kept by Company.**
- (b) Where the Company, has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (a) if proper books of account relating to the transaction effected at the branch office are kept at that office and proper summarised returns made up to dates at intervals of not more than three months, are sent by the branch office to the Company at its registered office or the other place referred to in clause (a).
- (c) The books of accounts shall be open to inspection by any Director during business hours.
154. (a) The Board of Directors 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 of any of them shall be open to the inspection of members not being Directors. **Inspection by members.**
- (b) 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.
155. (a) At every annual general meeting of the Company, the Board of Directors of the Company shall lay before the Company:- a Balance Sheet as at the end of the period specified in sub-clause (b) of this Article; a Profit and Loss Account for that period; a Cash Flow Statement; a Directors' Report; a Corporate Governance Report. **Annual accounts and balance sheet.**
- (b) The profit and loss account shall relate:- in the case of the first annual general meeting of the Company, to the period beginning with the incorporation of the Company and ending with a day which shall not precede the day of the meeting by more than nine months; and in the case of any subsequent annual general meeting of the Company, to the period beginning with the day immediately after the period for which the account was last submitted and ending

with a day which shall not precede the day of the meeting by more than six months, or in cases where an extension of time has been granted for holding the meeting under the provisions of the Companies Act by more than six months and the extension so granted.

- (c) The period to which the account aforesaid relates is referred to in the Company's Act as a 'financial year' and it may be less or more than a calendar year, but it shall not exceed fifteen months:

Provided that it may extend to eighteen months where special permission has been granted in that behalf by the Registrar of Companies.

- 156. (a) Every Balance Sheet of the Company shall give a true and fair view of the state of affairs of the Company as at the end of the financial year. **Form and contents of Balance Sheet and profit and loss account.**
- (b) Every Profit and Loss Account of the Company shall give a true and fair view of the Profit or Loss of the Company for the financial year. Provided that the above said shall comply with the Accounting standards as may be applicable from time to time.
- 157. (a) Every balance sheet and every profit and loss account of the Company shall be signed on behalf of the Board of Directors by its Manager or Secretary, if any, and by not less than two Directors of the Company one of whom shall be a Managing Director where there is one. **Authentication of balance sheet and profit and loss account.**
- (b) The balance sheet and the profit and loss account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the auditors for their report thereon.
- (c) The profit and loss account shall be annexed to the Balance Sheet and the auditor's report shall be attached thereto.
- 158. (a) There shall be attached to every balance sheet laid before the Company in general meeting, a report by its Board of Directors, with respect to:- the state of the Company's affairs; the amounts, if any, which it proposes to carry to any reserves either in such balance sheet or in a subsequent balance sheet; the amount, if any, which it recommends should be paid by way of dividend; **Board's Report.**
- (b) The Board's report shall, so far as is material

for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, if any, deal with any changes which have occurred during the financial year :- in the nature of the Company's business; in the Company's subsidiaries, if any, or in the nature of the business carried on by them; and generally in the classes of business in which the Company has an interest.

- (c) The Board's report and any addendum thereto shall be signed by its chairman if he is authorized in that behalf by the Board; and where he is not so authorized, shall be signed by such number of Directors as are required to sign the balance sheet and the profit and loss account of the Company by virtue of Article 157.

159. A copy of every balance sheet including the profit and loss account, the auditors' report, directors' report and every other document required by law to be annexed or attached, as the case may be, to the balance sheet, which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during working hours for a period of twenty one days before the date of the meeting.

**Right of member to copies of balance sheet and auditors report.**

A statement containing the salient features of such documents in the prescribed form or the copies of the documents aforesaid, as the company may deem fit, will be sent to every member of the Company and to every trustee for the holders of any debentures issued by the company, not less than twenty one days before the date of the meeting as laid down in Section 219 of the Act, and all the rest of the provisions of this Section shall apply in respect of the matters referred to in this Article.

160. (a) After the balance sheet and the profit and loss account have been laid before the Company at the annual general meeting as aforesaid, there shall be filed with the Registrar of Companies within the time prescribed by the Companies Act three copies of the balance sheet and the profit and loss account, signed by the Managing Director, , manager or secretary of the Company, or if there be none of these, by a Director of the Company, together with three copies of all documents which are required by the Companies Act to be annexed or attached to such balance sheet or profit and loss

**Three copies of balance sheet, etc. to be filed with Registrar.**

account.

- (b) If at any annual general meeting of the Company before which a balance sheet is laid as aforesaid does not adopt the balance sheet, a statement of the fact and of the reason therefore shall be annexed to the balance sheet and to the copies thereof required to be filed with Registrar of Companies.

#### AUDIT

161. Auditors shall be appointed and their rights, obligations and duties regulated in accordance with the provisions of the Companies Act or any statutory modification thereof for the time being in force. **Auditors**

#### NOTICES

162. (a) A document or notice may be served by the Company on any member thereof either personally, or by sending it by post to him to his registered address or if he has no registered address in India, to the address, if any, within India supplied by him to the Company for the giving of notices to him; **Service documents members Company.** **of on by**

- (b) Where a document of notice is sent by post: Service thereof shall be deemed to be effected by properly addressing repaying and posting a letter containing the document or the notice, provided that where a member has intimated to the Company in advance the documents should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member; and

Unless the contrary is provided such service shall be deemed to have been effected:-

In the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the same is posted, and

In any other case, at the time at which the letter would be delivered in the ordinary course of post.

- (c) A document or notice advertised in a

newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on the day in which the advertisement appears to every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.

- (d) A document or notice may be served by the Company on the joint holders of a share by serving it on the joint holder named first in the register in respect of the share.
- (e) A document or notice may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased or assignees of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the person claiming to be so entitled or until such an address has been so supplied, by serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.
- (f) The signature to any document or notice to be given by the Company may be written or printed.

#### **WINDING UP**

163. (a) 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.
- (b) 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.
- (c) 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 as the liquidator, with the like sanction shall think fit, but so that no member
- Distribution of assets in specie.**

shall be compelled to accept any shares or other securities whereon there is any liability.

#### **INDEMNITY**

164. Subject to the provisions of the Companies Act, every Director, Manager, Managing Director, Auditor, Secretary and other officer or servants of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all cost, losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into, or act or thing done by him as such officer or servant, or in any way in the discharge of his duties, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company, and have priority as between the members over all other claims. **Indemnity**
165. Subject to the provisions of the Companies Act, no Director, auditor or other officer of the Company shall be liable for the acts, receipts, neglects or defaults or 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 the insufficiency or deficiency of title to any property acquired by order of the Directors 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 tortuous act of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of judgement, omission, default or oversight on his part or for any other loss, damage or misfortune whatever, which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same happen through his own dishonesty. **Individual responsibility of Directors.**

#### **SECRECY CLAUSE**

- 166 Subject to the provisions of the Companies Act, no member shall be entitled to require discovery of any information respecting any detail of the Company's trading or any matter in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board of Directors it may be inexpedient in the interest of the Company to communicate to the public. **Secrecy clause.**

We, the several persons, whose names, addresses and descriptions are hereunder subscribed, below are desirous of being formed into a Company in pursuance of this Articles of Associations and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names:

Name, address, description and occupation of each Subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Signature of witness and his name, address, description & occupation
<p><b>Harisingh Shyamsukha,</b> S/o. Shri Hukumchand Shyamsukha, 11/6, Chemical Staff Colony, Birlagram, Nagda, (M.P.) Pin – 456 331.</p> <p>Business.</p>	20 (Twenty) Equity Shares	Sd/-	<p>Sd/- Mr. K. Murdia, C/o. V. L. Jain Hostel, Carna Lane, Kiroli Road, Ghakoar (West), Bombay – 400 086.</p>
<p><b>Smt. Meena Kothari,</b> Shri Dalpat K. Parikh, Gold Gornet, 11, Nawrojee Gamadia Road, Bombay – 400 026.</p> <p>Business.</p>	20 (Twenty) Equity Shares	Sd/-	
<p><b>Gavini Balagangadhara Rao,</b> S/o. Shri Gavini Venkateswara Rao, 2/5, Chemical Staff Colony, Birlagram, Nagda, (M.P.) Pin – 456 331.</p> <p>Service.</p>	20 (Twenty) Equity Shares	Sd/-	
<b>TOTAL</b>	60 (Sixty) Equity Shares		

Bombay, Dated this 27<sup>th</sup> day of December, 1983.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**

**ORDINARY ORIGINAL CIVIL JURISDICTION**

**COMPANY PETITION NO. 682 OF 1992**

**(Connection with Company Application No. 474 of 1992)**

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

And

In the matter of **Shubham Aromatics  
Limited;**

And

In the matter of Amalgamation  
of Gwalior Chemicals Pvt. Ltd with  
**Shubham Aromatics Limited.**

Shubham Aromatics Limited	)	
A Company incorporated under	)	
The Companies Act, 1956 and	)	
Having its registered office	)	
At 29, Bank Street, Fort,	)	
Bombay – 400 023.	)	... Petitioner

Coram : N.D. Vyas J.  
Dated :27<sup>th</sup> January, 1993

UPON the Petition of the Shubham Aromatics Limited, the Petitioner Company abovenamed presented to this Court on 23<sup>rd</sup> day of November, 1992 for the sanction of an



Arrangement Embodied in the Scheme of Amalgamation (Exhibit 'C' to the Petition and also Schedule hereto) whereby with effect from 1<sup>st</sup> day of October, 1992 (being the Appointed Day) the business in India of the Gwalior Chemicals Pvt Ltd (hereinafter referred to as 'the Transferor Company') and the movable and immovable properties of the Transferor Company herein be vested in the Transferee Company and for other consequential reliefs as in the Petition mentioned AND the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Shri. Vallabh Prasad Biyani solemnly affirmed on the 23<sup>rd</sup> day of November, 1992 verifying the said petition AND UPON READING the Affidavit of Vallabh Prasad Biyani solemnly Affirmed on the 23<sup>rd</sup> day of November, 1992 of the Notice of Hearing of the said Petition and proving service of the Notice of Hearing of the said Petition AND UPON PERUSING the issues of "Free Press Journal" dated 28<sup>th</sup> November, 1992, and "Navshakti dated 28<sup>th</sup> November, 1992 AND UPON READING the order dated 21<sup>st</sup> day of October, 1992 passed by this Hon'ble Court in Company Application No. 474 of 1992 whereby the Transferee Company was ordered to convene a meeting of its members holding Equity Shares, secured and unsecured creditors for the purpose of considering and, if thought fit, approving, with or without modification, the Arrangement embodied in the scheme of Amalgamation of the Transferor company with the Transferee Company AND UPON PERUSING the issues of the "Free Press Journal" dated 24<sup>th</sup> day of October, 1992 and the "Navshakti" dated 24<sup>th</sup> day of October, 1992 each containing the advertisements of the said Notice convening the said meetings directed to be held by the said Order dated 21<sup>st</sup> day of October, 1992 AND UPON READING the Affidavit of Shri. Vallabh Prasad Biyani solemnly affirmed on the 23<sup>rd</sup> day of November, 1992 proving the publication and dispatch of the Notice convening the said meetings AND UPON READING the Reports all dated 20<sup>th</sup> day of November, 1992 of Shri Vallabh Prasad Biyani, the Chairman of the Meetings of the members holding Equity Shares, Secured and Unsecured Creditors of the Transferor Company as to the result of the said Meetings held on 19<sup>th</sup> day of November, 1992 AND UPON READING the Affidavit of the said Shri. Vallabh Prasad Biyani solemnly affirmed on the 20<sup>th</sup> day of Nov. 1992 verifying the said Reports AND it appearing from the Reports of the Chairman of the said Meetings that the said Arrangement embodied in the scheme of Amalgamation has been approved unanimously by the members of the Transferee Company holding Equity Shares secured and unsecured creditors present and voting in person or by proxy AND UPON HEARING Shri. Gopal R. Hegde Advocate for the Transferee Company in support of the

said Petition and Shri R.K. Ashokan, penal Counsel for the Regional Director, Department of Company Affairs, Bombay, who appears in pursuance of the Notice herein dated the 26<sup>th</sup> day of November, 1992 under section 394-A of the Companies Act, 1956 and who submits to the Order of the Court subject to the deletion of the prayer (g) of this Petition and to which the Ld. Advocate for Petitioner conceded for the same THIS COURT DOTH HEREBY SANCTION the Arrangement embodied in the Scheme of Amalgamation of the Transferor Company with the Transferee as set forth in Ex. 'C' to the Petition and also schedule hereto AND THIS COURT DOTH HEREBY DECLARE that the same to be binding on the Petitioner abovenamed, the Shubham Aromatics Ltd and all the members secured and unsecured creditors of the petitioner and the Transferor company AND THIS COURT DOTH FURTHER ORDER that pursuant to Section 394 of the Companies Act, 1956 with effect from the 1<sup>st</sup> day of October, 1992 (hereinafter referred to as the Appointed Day) the entire business and the whole of the undertaking of Gwalior Chemicals Pvt. Ltd including all the properties movable and immovable, real, corporeal and incorporeal, present, and contingent, assets, investments, rights, powers, authorities, allotments, approvals, consents, letters of intent, licences and registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of any nature of whatsoever and wheresoever situate at, or vested in or granted in favour of or enjoyed by Gwalior Chemicals Pvt. Ltd., including but without being limited to all patents, trade marks, trade names, and other industrial property rights of any nature whatsoever and licences in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, goodwill, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and all other services and all other rights, interests, claims and powers of every kind, nature and description of Gwalior Chemicals Pvt. Ltd., (hereinafter referred to as "the said assets") shall, without any further act or deed be and shall stand transferred to and vested in and/or deemed to be transferred to and vested in Shubham Aromatics Ltd. Pursuant to the provisions of sections 391 & 394 of the Act, the transfer/vesting as aforesaid shall be subject to the existing charges/hypothecation Mortgages over or in respect of the said assets or any part thereof of Gwalior Chemicals Pvt. Ltd. of the said assets of any part thereof of Gwalior Chemicals Pvt. Ltd. AND THIS COURT DOTH FURTHER ORDER that pursuant to Section 394 of the Companies Act, 1956 with effect from the appointed day of such of the said assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be

so transferred by Gwalior Chemicals Pvt. Ltd. And shall become the property of Shubham Aromatics Ltd. In pursuance of the provisions of section 394 of the Act as an integral part of the undertaking; AND THIS COURT DOTH FURTHER ORDER that pursuant to section 394 of the Companies Act, 1956 with effect from the Appointed Day the assets other than those referred to in prayer b (ii) of the petition, the same shall, as more particularly provided in prayer b (i) of the petition, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in Shubham Aromatics Ltd, on the appointed date pursuant to the provisions of Section 394 of the Act, 1956 with effect from the Appointed Day, all debts, liabilities, duties, and obligations of every kind, nature and description of Gwalior Chemicals Pvt. Ltd. (hereinafter referred to as “the said liabilities”) shall also, without any further act, instrument or deed be and stand transferred to and vested in and/or deemed to be transferred to and vested in Shubham Aromatics Ltd. Pursuant to the provisions of sections 391 / 394 of the Act so as to become the debts, liabilities, duties, and obligations of Shubham Aromatics Ltd. PROVIDED always that the scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to Gwalior chemicals Pvt. Ltd. Which shall vest in Shubham Aromatics Ltd. By virtue of the amalgamation and Shubham aromatics Ltd. Shall not be obliged to create any further or additional security therefore after the amalgamation has become effective or otherwise; AND THIS COURT DOTH FURTHER ORDER that pursuant to section 394 of the Companies Act, 1956 all proceedings by or against the transferor company pending on the effective date and relating to the undertaking of Gwalior Chemicals Pvt. Ltd. And its liabilities, obligations and duties be continued and enforced by as against Shubham Aromatics Ltd as the case may be AND THIS COURT DOTH FURTHER ORDER the pursuant to Section 394 of the Companies Act, 1956 all contracts, deeds, bonds agreements and other instruments of whatsoever nature to which the Transferor company was party, subsisting or having effect immediately before the effective date to continue to be in full force and effect against or in favour of Gwalior Chemicals Pvt. Ltd. as the case may be and be enforced as fully and effectually as if instead of the Transferor Company Shubham Aromatics Ltd. Being a party thereto; AND THIS COURT DOTH FURTHER ORDER that on and from the date of the scheme of Amalgamation sanctioned herein finally taking effect as provided in Clause 17 of the said scheme, the Registrar of Companies, Maharashtra State, Bombay shall place all documents relating to the petitioner and registered in his office in the file maintained by him in relation to Gwalior Chemicals

Pvt. Ltd so as to consolidate the file relating to the said companies AND THIS COURT DOTH FURTHER ORDER that pursuant to Section 394 of the Companies Act, 1956 the Petitioner do within 30 days after the receipt of the certified copy of this order cause the certified copy of this order to be delivered to the Registrar of companies, Maharashtra State, Bombay for Registration AND THIS COURT DOTH FURTHER ORDER that the parties to the arrangements embodied in the said scheme of Amalgamation being Exhibit 'C' or any other person or persons interested shall be at livery to apply to this Hon'ble Court for any direction that may be necessary for the purpose of carrying out the arrangement embodied therein AND THIS COURT DOTH LASTLY ORDER that the Petitioner abovenamed do pay a sum of Rs.500/- ( Rupees Five hundred only) to the Regional director, Department of Company Affairs, Bombay towards the costs of the said petition -----

WITNESS MRS. SUJATA MANOHAR Acting Chief Justice at Bombay, aforesaid this 27<sup>th</sup> day of January,1993.

By the Court

For Prothonotary & Senior

For sanctioning scheme )  
of Amalgamation drawn on )  
the Application of Mr. Gopal )  
R. Hegde, Advocate for the )  
Petitioner, having Registered )  
Office at C/o. T.K. Rau, Medows )  
House, 3<sup>rd</sup> Floor, Medows Street, )  
Fort, Bombay- 400 023. )

**SCHEDULE**  
**SCHEME OF AMALGAMATION**  
**OF**  
**GWALIOR CHEMICALS PRIVATE LIMITED**  
**WITH**  
**SHUBHAM AROMATICS LIMITED**

1. This scheme of Amalgamation is presented for the amalgamation of Gwalior Chemicals Private Limited, having its Registered Office at 29, Bank Street, First Floor, Fort, Bombay 400 023, Maharashtra (hereinafter referred to as “GCPL”) with Shubham Aromatics Limited, having its Registered Office at 29, Bank Street, First Floor, Fort, Bombay 400 023, Maharashtra (hereinafter referred to as “SAL”) pursuant to the relevant provisions of the Companies Act, 1956 (hereinafter referred to as “the Act”).
  
2. (a) The Authorised Share Capital of GCPL is Rs.35,00,000/- (Rupees Thirty Five lakhs only) divided into 3,00,000 Equity Shares of Rs.10/- each and 50,000 12% Redeemable Preference Shares of Rs.10 each. The issued and subscribed and paid-up Capital of GCPL as at 30<sup>th</sup> September 1992 is Rs.13,00,000/- (Rupees Thirteen lakhs only) divided into 1,00,000 Equity Shares of Rs.10/- each fully paid up and 30,000 12% Redeemable Preference Shares of Rs.10 each fully paid up.  
  
(b) The Authorised Share Capital of SAL is Rs.1,00,00,000/- (Rupees One Crore only) divided into 10,00,000 Equity Shares of Rs.10/- each. The issued, Subscribed and paid-up Share Capital of SAL as on 30<sup>th</sup> September 1992 is Rs.12,50,000/- (Rs. Twelve lakhs fifty thousand only) divided into 1,25,000 Equity Shares of Rs.10/- each fully paid up.
  
3. (a) With effect from the 1<sup>st</sup> day of October, 1992 (hereinafter called “the Appointed Date”) and subject to the provisions of this scheme in relation to the mode of transfer and vesting, the entire business and the whole of the undertaking of GCPL including all the properties moveable and immovable, real, corporeal and incorporeal, present and contingent, assets, investments, rights, powers,

authorities, allotments, approvals, consents, letters of intent, licences and registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of any nature whatsoever and wheresoever situate of, or vested in or granted in favour of or enjoyed by GCPL including but without being limited to all patents, trade marks, trade names and other industrial property rights of any nature whatsoever and licences in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, goodwill, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and all other services and all other rights, interests, claims and powers of every kind, nature and description of GCPL (hereinafter referred to as “the said assets”) shall, without any further act or deed be and the same shall stand transferred to and vested in and/or deemed to be transferred to and vested in SAL pursuant to the provisions of Section 391/394 of the Act. The transfer/vesting as aforesaid shall be subject to the existing charges/hypothecation/mortgages over or in respect of the said assets or any part thereof of GCPL.

(b) It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by GCPL, and shall become the property of SAL in pursuance of the provisions of Section 394 of the Act as an integral part of the undertaking.

(c) In respect of such of the assets other than those referred to in sub-para (b) above, the same shall, as more particularly provided in sub-clause (a) above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in SAL on the Appointed Date pursuant to the provisions of Section 394 of the Act.

4. Subject to the other provisions of this scheme, with effect from the Appointed Date, all debts, liabilities, duties and obligations of every kind, nature and description of GCPL (hereinafter referred to as “the said liabilities”) shall also, without any further act, instrument or deed be and stand transferred to and vested in and/or deemed to be transferred to and vested in SAL pursuant to the provisions

of Sections 391/394 of the Act so as to become the debts, liabilities, duties and obligations of SAL PROVIDED ALWAYS that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to GCPL which shall vest in SAL by virtue of the amalgamation and SAL shall not be obliged to create any further additional security therefore after the amalgamation has become effective or otherwise.

5. With effect from the Appointed Date and upto and including the Effective Date (as defined in para 6 hereof);

- (a) GCPL shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the said assets for and on account of and in trust for SAL. GCPL hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

- (b) All the profits or income accruing or arising to do GCPL or expenditure or losses arising or incurred by GCPL shall for all purposes be treated and be deemed to be and accrue as the income or profits or losses or expenditure as the case may be of SAL.

- (c) GCPL shall carry on its business and activities with reasonable diligence, business prudence and shall not alienate, charge, mortgage, encumber or otherwise deal with the said assets or any part thereof or vary the terms and conditions of employment of any of its employees except in the ordinary course of business or without the prior consent of SAL or pursuant to any pre-existing obligation undertaken by GCPL prior to the Appointed Date.

6. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which GCPL is a party, or to the benefit of which GCPL may be eligible, and which are subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of SAL as the case may be and may be

enforced as fully and effectively as if instead of GCPL, SAL had been a party or beneficiary thereto.

7. All legal actions and/or other proceedings by or against GCPL pending on or before the Effective Date relating to the undertaking, assets and liabilities of GCPL referred to in Clauses 3 and 4 thereof shall not abate or be discontinued but the same shall be continued and enforced by or against SAL, as the case may be.
8. The transfer of the said assets and the said liabilities and the whole of the undertaking of GCPL to SAL and the continuance of all contracts or proceedings by or against GCPL shall not affect any contracts or proceedings relating to the said assets or said liabilities already concluded by GCPL on or after the appointed Date to the intent that SAL accepts and adopts all acts, deeds, matters and things done and/or executed by GCPL in regard thereto as having been done or executed on behalf of SAL.
9. (a) Upon the Scheme of Amalgamation becoming finally effective in terms of this Scheme, the consideration in respect of such transfer and vesting of the said assets and the said liabilities of GCPL in SAL shall, subject to the provisions of this Scheme, be paid and satisfied by SAL by issuing equity shares at par and allotting to every shareholder of GCPL, whose names shall appear in the Register of Members of GCPL on a date (Record Date) to be fixed by the Board of Directors of SAL, subject to the approval of the Government Authority, if any, and to the extent required, the shares in SAL credited as fully paid up in the proportion of Eight (8) Equity Share of Rs.10/- each fully paid up in SAL for every one (1) Equity Share of Rs.10/- each fully paid up in GCIL. All the 12% Redeemable Preference Shares issued by GCPL and held by SAL will stand cancelled and extinguished.

For the purpose of such allotment, fractional entitlements, if any, shall be ignored and no fractional certificate or coupon shall be issued in favour of any shareholder of GCPL but such shares representing all such fractional entitlements shall be consolidated and allotted to any two nominees of SAL upon trust to sell the shares so allotted and to distribute the net sale proceeds (less expenses) to those



shareholders of GCPL who are entitled to such fractions in the proportion to which they are so entitled.

(b) The said Equity shares in SAL to be issued to the shareholders of GCPL shall rank pari passu in all respects with the existing Equity Shares in SAL and they shall be eligible, subject to clause 11 hereof, for any dividend that may be payable or declared for the financial year during which such shares are issued and allotted.

(c) All members whose names shall appear in the Register of Members of GCPL on the Record Date as aforesaid, shall surrender their share Certificates for cancellation thereof to SAL. In default, upon the new shares in SAL being issued and allotted by it to the members/shareholders of GCPL whose names shall appear on the Register of Members of GCPL on the Record Date as aforesaid, the Share Certificates in relation to the shares held by them in GCPL shall be deemed to have been cancelled.

(d) The investment in 12% Redeemable Preference Shares of GCPL by SAL stand cancelled against the reduction of paid up share capital amount being the paid up 12% Redeemable Preference Share Capital of GCPL held by SAL, as consequence of merger/amalgamation of GCPL with SAL.

(e) The provision of cancellation of the investment of SAL against the paid up share capital of GCPL as a consequence of the merger/amalgamation is in accordance with law and that with effect from the Effective Date, the Share Certificates for the amount of investment of SAL in 12% Redeemable Preference Share Capital of GCPL be cancelled and consequently 12% Redeemable Preference Share Capital of GCPL shall be deemed to be reduced, cancelled and extinguished.

(f) The restrictions, if any in respect of the Transfer/Hypothecation/Sale, as may be applicable to the existing shares or to the holders of shares in GCPL, and as may be existing on the Record Date as aforesaid or the date on which shares are actually allotted by SAL pursuant to the foregoing provisions shall be deemed to be abrogated and cease to apply or be attached to the Equity Shares of SAL to be

issued and allotted in exchange or in lieu thereof as provided in this Scheme, unless specifically provided by the Government Authorities or any other Authority, if any, to the contrary.

(g) SAL has inspected and examined Audited Balance Sheet and Profit and Loss Account of GCPL for the period ended 30<sup>th</sup> September 1992 and also for the previous years and has satisfied itself about the correctness thereof, SAL shall accept the correctness of the Accounts of GCPL upto the Effective Date.

10. On this Scheme finally taking effect as hereinafter provided:

(a) all the employees of GCPL on the Effective Date shall become the employees of SAL without any break or interruption in service and on the terms and conditions not less favourable than those applicable to them prior to the Effective Date.

(b) the services of such employees shall not be treated as having been broken or interrupted for the purpose of providend fund or gratuity or superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments by GCPL.

(c) all agreements entered into by GCPL with the bankers, trade unions, distributors, stockists, agents, etc. if any, shall continue to be in full force and effect and may be enforced by or against SAL.

(d) all subsisting agreements of GCPL relating to the use of trade marks (including logos) and/or technology shall accrue to and for the benefit of SAL.

(e) The Reserves and surplus, if any, of GCPL shall become and form part of the corresponding Reserves and surplus of SAL, to the end and intent that the book value of the assets of GCPL on the Appointed Date shall be the values at which the said assets shall be transferred and vested in SAL subject to the provisions of and in accordance with this Scheme.

(f) The aggregate value of the Equity Shares of GCPL cancelled or deemed to be cancelled pursuant to clause 9(c) hereof and the aggregate face value of the Equity Shares of SAL allotted pursuant to Clause 9(a) hereof shall be capitalized accordingly.

(g) Subject to the necessary approval of the government, under the Companies Act, 1956 the name of SAL (that is the Transferee Company) shall be changed to and become Gwalior Chemical Industries Limited.

11. GCPL and SAL shall be entitled to declare and pay dividends, if any, to their respective shareholders for any Financial Year or any period prior to the Effective Date.
12. Until the Effective Date, neither GCPL nor SAL shall issue or allot any shares either rights or bonus or otherwise within the respective Authorised Share Capital for the time being save and except the shares to be issued and allotted as provided in Clause 9 of this Scheme.
13. GCPL shall, with all reasonable dispatch, make applications/petitions under sections 391 and 394 and other applicable provisions of the Act, to the High Court of Judicature at Bombay for seeking sanction of this Scheme of amalgamation and for dissolution of GCPL without winding up. SAL shall also make applications to the High Court of Judicature at Bombay for seeking sanction of this Scheme of Amalgamation of GCPL with SAL under the applicable provisions of the Act.
14. GCPL and SAL by their respective Boards of Directors may consent to any modifications or amendments of this Scheme which may be in the best interests of the companies concerned or to any conditions or limitations that the Court or any other authority may deem fit to impose as may be considered necessary, desirable or appropriate by them (i.e. the Board of Directors) in the best interests of the shareholders. After dissolution of GCPL, SAL (by its Board of Directors) shall be authorized to give such directions or take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by reason of any Order of the High Court or of any directive or order of any other authorities or

otherwise howsoever, arising out of or under or by virtue of this Scheme and/or any matter concerned or connected therewith.

15. This Scheme is conditional on and subject –
  - (a) approval of and agreement to this Scheme by the requisite majority of the respective members of and such classes of persons of GCPL and SAL as may be directed by the High Court of Judicature at Bombay.
  - (b) sanctions and orders under the provisions of Section 391 read with Section 394 of the Act being obtained from the High Court of Judicature at Bombay.
  - (c) all other sanctions and approvals as may be required by law in respect of this Scheme being obtained, including approvals, if any, required, of the financial institutions/banks under the loan agreements/security documents executed by GCPL and SAL.
16. This Scheme of Amalgamation shall not in any manner affect the rights and interest of the creditors of GCPL which may be deemed to be prejudicial to their interest and in particular secured and statutory creditors of GCPL shall continue to enjoy and hold charge upon their respective securities and properties.
17. This Scheme, although operative from the Appointed Date shall take effect finally upon and from the date on which any of the aforesaid sanctions or approvals or Orders shall be last obtained which shall be the Effective Date for the purpose of this Scheme.
18. In case this 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 15 above is not being obtained or complied, or for any other reason, this Scheme cannot be implemented, this scheme shall become null and void, and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme of Amalgamation.

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**HIGH COURT**  
**O.O.C.J.**  
**COMPANY PETITION NO. 682 OF 1992**

(Connected with Company  
Application No. 474 of 1992)

Coram: N.D. Vyas  
Dated : 27.01.1993

In the matter of Sections  
391 & 394 of the Companies  
Act, 1956

And

In the matter of Shubham  
Aromatics Limited

And

In the matter of Amalgamation  
of Gwalior Chemicals Ltd  
with Shubham Aromatics Ltd

**Shubham Aromatics Ltd.. Petitioner**

ORDER SANCTIONING THE  
SCHEME OF AMALGAMATION

DATE THIS 27<sup>TH</sup> DAY OF JAN.1993

FILED THIS 4<sup>TH</sup> DAY OF FEB. 1993

**GOPAL R. HEGDE**  
Advocate for the Petitioner  
C/o. T.K. RAU, Meadows House,  
3<sup>rd</sup> Floor, Meadows Street,  
Fort, Bombay 400 023.

# HIGH COURT, BOMBAY

624223

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 116 OF 2016.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 829 OF 2015.

GEECEE LOGISTICS & DISTRIBUTIONS PRIVATE LIMITED

.... the Petitioner Company

AND

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 117 OF 2016.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 830 OF 2015.

GEECEE VENTURES LIMITED

the Petitioner Company



In the matter of the Companies Act, 1 of  
1956 and other relevant provisions of the  
Companies Act, 2013;

AND

In the matter of Sections 391 to 394 of the

Page 1 of 7

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Companies Act, 1956 and other relevant provisions of the Companies Act, 2013;

AND

In the matter of Scheme of Amalgamation of GEECEE LOGISTICS & DISTRIBUTIONS PRIVATE LIMITED, the Transferor Company with GEECEE VENTURES LIMITED, the Transferee Company

Called for hearing

Mr. Rajesh Shah i/b Rajesh Shah & Co., Advocate for the Petitioners.

Mr. Ashwini Singh i/b Mr. Pankaj Kapoor for Regional Director.

CORAM: B. P. Colabawalla, J.

DATE: 1<sup>st</sup> July, 2016

PC:

1. Heard Learned Counsel for the parties. No objector has come before the court to oppose the Scheme and nor any party has controverted any averments made in the Petitions.
2. The sanction of the Court is sought to a Scheme of Amalgamation of GEECEE LOGISTICS & DISTRIBUTIONS PRIVATE LIMITED, the Transferor Company with GEECEE VENTURES LIMITED, the Transferee

Company, under Sections 391 to 394 and other relevant provision of the Companies Act, 2013.

3. The Learned Counsel for the Petitioner states that the Transferor Company has been carrying business on the business of and to act as merchants, agents, traders, indenters, distributors, importers, importers, exporters, dealers or in any other capacity in any part of the world and to import and the Transferee Company has been caring on the business of manufacturers, producers, importers, buyers, sellers, dealers, agents, of all kinds of aromatics, aromatics and chemicals, organic inorganic, chemicals including Benzyl chloride. The management of the Companies are of the opinion that the amalgamation will enable the Transferee Company to consolidate the businesses and lead to synergies in operation and create a stronger financial base and it would be advantageous to combine the activities and operations of both companies into a single Company for synergistic linkages and the benefit of combined resources and thus this Scheme of amalgamation would result in merger and thus consolidation of business of the Transferor Company and the Transferee Company in one entity and all the shareholders of the merged entity will be benefited by result of the amalgamation of Business and availability of a common operating platform and the amalgamation of the Transferor Company with the Transferee Company will also provide an opportunity to leverage combined assets and build a stronger sustainable business which specifically, the

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merger will enable optimal utilization of existing resources and provide an opportunity to fully leverage strong assets, capabilities, experience, expertise and infrastructure of both the companies and the merged entity will also have sufficient funds required for meeting its long term capital needs as provided for in the scheme and that the Scheme of amalgamation will result in cost saving for both the companies as they are capitalizing on each other's core competency and resources which is expected to result in stability of operations, cost savings and higher profitability levels for the Amalgamated Company

4. The Learned Counsel for the Petitioner further states that the Board of Directors of the Petitioner Company have approved the said Scheme of Amalgamation and by passing Board Resolutions which are annexed to the respective Company Scheme Petitions.
5. The Learned Counsel for the Petitioner further states that, Petitioner Company have complied with all the directions passed in the respective Company Summons for Directions and that the respective Company Scheme Petitions have been filed in consonance with the orders passed in respective Company Summons for Directions.
6. The Learned Counsel appearing on behalf of the Petitioner have stated that the Petitioner Company have complied with all requirements as per directions of this Court and they have filed necessary affidavit of compliance in the Court. Moreover, the Petitioner Company undertake

to comply with all statutory requirements if any, as required under the Companies Act, 1956 / 2013 and rules made there under whichever is applicable. The said undertaking is accepted.

7. The Official Liquidator has filed his report on 21<sup>st</sup> day of June, 2016 in Company Scheme Petition No. 116 of 2016 stating that the affairs of the Transferor Company has been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved.
8. The Regional Director has filed an Affidavit on 13<sup>th</sup> day of June, 2016 stating therein, save and except as stated in paragraph 6, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said Affidavit, the Regional Director has stated that-

*"6. That the Deponent further submits that, the Tax issue if any arising out of this scheme shall be subject to final decision of Income Tax Authority and approval of the scheme by Hon'ble High Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the Petitioner company after giving effect to the amalgamation. The decision of the Income Tax Authority is binding on the Petitioner Company.*

9. So far as the observation in paragraph 6 of the Affidavit of Regional Director is concerned, the Learned Counsel for the Petitioner Companies submit that the Petitioner Companies are bound to comply with all applicable provisions of Income Tax Act and all tax issues

arising out of the Scheme will be met and answered in accordance with law.

10. The Learned Counsel for Regional Director on instructions of Mr. M. Chandana Muthu, Joint Director Legal in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the undertakings given by the Petitioner. The above undertakings are accepted.
11. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
12. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 116 of 2015 are made absolute in terms of prayer's clause (a) to (d) and Company Scheme Petition No. 117 of 2015 is made absolute in terms of prayer clauses (a) to (c).
13. The Petitioner Companies to file a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, 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 the Order.
14. The Petitioner Companies are directed to file a copy of order along with a copy of the Scheme of Amalgamation with the concerned Registrar of

# HIGH COURT, BOMBAY

624229

Companies, electronically, along with E Form INC- 28 in addition to physical copy as per the relevant provisions of the Companies Act, 1956/2013 whichever is applicable.

15. The Petitioner Companies to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and the Petitioner in the Company Scheme Petition No. 142 of 2016 to pay costs of Rs.10,000/- to the Official Liquidator, High Court, Bombay. Cost to be paid within four weeks from the date of the Order.
16. Filing and issuance of the drawn up order is dispensed with.
17. All concerned regulatory authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

(B. P. Colabawalla, J.)

## CERTIFICATE

I certify that this Order uploaded is a true and correct copy of original signed order.

Uploaded by : Shankar Gawde, Stenographer.

TRUE-COPY  
*R. C. Kale* 15-7-16  
(R. C. KALE)  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY  
Page 7 of 7

TRUE COPY  
*J. Jesu* 11-7-16  
Section Officer  
High Court, Appellate Side  
Bombay

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**SCHEME OF AMALGAMATION**

**OF**

**GEECEE LOGISTICS & DISTRIBUTIONS PRIVATE LIMITED**

**(The Transferor Company)**

**WITH**

**GEECEE VENTURES LIMITED**

**(The Transferee Company)**

**1. PREAMBLE**

This Scheme of Amalgamation is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 for the amalgamation of GEECEE LOGISTICS & DISTRIBUTIONS PRIVATE LIMITED, (hereinafter referred to as "The Transferor Company") with GEECEE VENTURES LIMITED, (hereinafter referred to as "The Transferee Company"), pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and other relevant provisions of Companies Act, 2013 as notified therein and the same is divided into the following Parts:



**Part A - deals with Definitions and Share Capital;**

**Part B - deals with Amalgamation of GEECEE LOGISTICS & DISTRIBUTIONS PRIVATE LIMITED with GEECEE VENTURES LIMITED.**

**Part C - deals with General Clauses, Terms and Conditions.**

**2. RATIONALE FOR THE SCHEME OF AMALGAMATION**

- 2.1 The amalgamation will enable the Transferee Company to consolidate the businesses and lead to synergies in operation and create a stronger financial base.
- 2.2 It would be advantageous to combine the activities and operations of both companies into a single Company for synergistic linkages and the benefit of combined resources.
- 2.3 This Scheme of amalgamation would result in merger and thus consolidation of business of the Transferor Company and the Transferee Company in one entity, all the shareholders of the merged entity will be benefited by result of the amalgamation of Business and availability of a common operating platform.
- 2.4 Amalgamation of the Transferor Company with the Transferee Company will also provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, the merger will enable optimal utilization of existing resources and provide an opportunity to fully leverage strong assets, capabilities, experience, expertise and infrastructure of both the companies. The merged entity will also have sufficient funds required for meeting its long term capital needs as provided for in the scheme.
- 2.5 The Scheme of amalgamation will result in cost saving for both the companies as they are capitalizing on each other's core competency and resources which is expected to result in stability of operations, cost savings and higher profitability levels for the Amalgamated Company

#### **PART A – DEFINITIONS AND SHARE CAPITAL**

### **3. DEFINITIONS**

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

- 3.1 GEECEE LOGISTICS & DISTRIBUTIONS PRIVATE LIMITED, (hereinafter referred to as "The Transferor Company") means a company incorporated under the Companies Act, 1956, and having its Registered Office situated at 209-210, Arcadia, 195, Nariman Point, Mumbai 400 021.
- 3.2 GEECEE VENTURES LIMITED, (hereinafter referred to as "The Transferee Company") means a company incorporated under the Companies Act, 1956, and having its Registered Office situated at 209-210, Arcadia, 195, Nariman Point, Mumbai 400 021.
- 3.3 "The Act" or "the said Act" means the Companies Act, 1956 and The Companies Act, 2013 to the extent the sections as notified and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.
- 3.4 "The Appointed Date" means 1<sup>st</sup> April, 2014 or such other date as the High Court of Judicature at Mumbai or other competent authority may otherwise direct/ fix.
- 3.5 "The Effective Date" means the date on which certified copies of the Order(s) of the High Court at Mumbai vesting the assets, properties, liabilities, rights, duties, obligations and the like of all the Transferor Company in the Transferee Company are filed with the Registrar of Companies, Maharashtra, after obtaining the necessary consents, approvals, permissions, resolutions, agreements, sanctions and orders in this regard.
- 3.6 "The High Court" shall for the purpose of this Scheme, mean the High Court of Judicature at Mumbai and the expression shall include, all the



powers of the High Court under the Chapter V of the Act being vested on the National Company Law Tribunal constituted under Section 10 FB of the Act, the National Company Law Tribunal and the provisions of the Act as applicable to the Scheme shall be construed accordingly.

3.7 "Record Date" means the date to be fixed by the Board of the Directors of the GeeCee Ventures Limited, for the purposes of issue and allotment of shares of the GeeCee Ventures Limited as may be applicable and relevant in accordance with this Scheme of Amalgamation.

3.8 "Undertaking" shall mean and include:

- (a) All the assets and properties and the entire business of the Transferor Company as on the Appointed Date, (hereinafter referred to as "the said assets")
- (b) All the debts, liabilities, contingent liabilities, duties, obligations and guarantees of the Transferor Company as on the Appointed Date (hereinafter referred to as "the said liabilities")
- (c) Without prejudice to the generality of sub-clause (a) above, the Undertaking of the Transferor Company shall include the Transferor Company reserves, movable and the immovable properties, all other assets including investments in shares, debentures, bonds and other securities, claims, loans and advances, deposits, Trade- Receivable, ownership rights, lease-hold rights, tenancy rights, occupancy rights, hire purchase contracts, leased assets, lending contracts, revisions, powers, permits, authorities, licenses, consents, approvals, municipal permissions, industrial and other licenses, permits, authorizations, quota rights, registrations, import/ export licenses, bids, tenders, letter of intent, connections for water, electricity and drainage, sanctions, consents, product registrations, ~~supplies~~, allotments, approvals, freehold land, buildings, factory buildings, plant & machinery, electrical



installations and equipments, furniture and fittings, laboratory equipments, office equipments, effluent treatment plants, tube wells, software packages, vehicles and contracts, engagements, titles, interest, benefits, allocations, exemptions, concessions, remissions, subsidies, tax deferrals, tenancy rights, trademarks, brand names, patents and other industrial and intellectual properties, import quotas, telephones, telex, facsimile, websites, e-mail connections, networking facilities and other communication facilities and equipments, investments, rights and benefits of all agreements and all other interests, rights and power of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals and all necessary records, files, papers, process information, data catalogues and all books of accounts, documents and records relating thereof.



9 "The Scheme" means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the High Court at Mumbai.

#### 4. SHARE CAPITAL

4.1 The Share Capital of the Transferor Company as at 31<sup>st</sup> March, 2014 is as under.

Particulars	Amount in (Rs.)
<b>Authorised Capital</b>	
5,00,000 Equity Shares of Rs.10/-each	50,00,000
<b>Total</b>	<b>50,00,000</b>
<b>Issued, Subscribed and Paid-up</b>	
10,000 Equity Shares of Rs.10/- each fully Paid-up	1,00,000
<b>Total</b>	<b>1,00,000</b>

4.2 The Share Capital of the Transferee Company as at 31<sup>st</sup> March, 2014 is as under.

Particulars	Amount in (Rs.)
<b>Authorised Capital</b>	
5,00,00,000 Equity Shares of Rs.10/-each.	50,00,00,000
<b>Total</b>	<b>50,00,00,000</b>
<b>Issued, Subscribed and Paid-up</b>	
1,90,26,543 Equity Shares of Rs. 10/- each fully paid-up.	19,02,65,430
<b>Total</b>	<b>19,02,65,430</b>

**PART-B - AMALGAMATION OF THE TRANSFEROR COMPANY  
WITH THE TRANSFEREE COMPANY**

**5. TRANSFER AND VESTING OF UNDERTAKING**

5.1 With effect from the opening of the business as on the Appointed Date (i.e:1<sup>st</sup> April, 2014) and subject to the provisions of this Scheme, the entire Undertaking of the Transferor Company including the assets and liabilities as on the Appointed Date, shall pursuant to Section 394 and other applicable provisions of the Act, without any further act, instrument or deed, be and shall stand transferred to and vested in and/or deemed to have been transferred to and vested in the Transferee Company as a going concern subject, however, to all charges, liens, mortgages, if any, then affecting the same or any part thereof.

PROVIDED ALWAYS that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company and which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be

obliged to create any further or additional security after the amalgamation has become effective or otherwise unless specifically provided hereinafter.

5.2 The entire business of the Transferor Company as going concerns and all the properties whether movable or immovable, real or personal, corporeal or incorporeal, present or contingent including but without being limited to all assets, authorized capital, fixed assets, capital work-in-progress, current assets and debtors, investments, rights, claims and powers, authorities, allotments, approvals and consents, reserves, provisions, permits, ownerships rights, lease, tenancy rights, occupancy rights, incentives, claims, rehabilitation schemes, funds, quota rights, import quotas, licenses, registrations, contracts, engagements, arrangements, brands, logos, patents, trade names, trade marks, copy rights, all other intellectual property rights, other intangibles of the Transferor Company whether registered or unregistered or any variation thereof as a part of its name or in a style of business otherwise, other industrial rights and licenses in respect thereof, lease, tenancy rights, flats, telephones, telexes, facsimile connections, e-mail connections, internet connections, websites, installations and utilities, benefits of agreements and arrangements, powers, authorities, permits, allotments, approvals, permissions, sanctions, consents, privileges, liberties, easements, other assets, special status and other benefits that have accrued or which may accrue to the Transferor Company on and from the Appointed Date and prior to the Effective Date in connection with or in relation to the operation of the undertaking and all the rights, titles, interests, benefits, facilities and advantages of whatsoever nature and where ever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company as on the Appointed Date and prior to the Effective Date shall, pursuant to the provision of Section 394(2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company.



- a. With effect from the Appointed Date, all the equity shares, debentures, bonds, notes or other securities held by the Transferor Company, whether convertible into equity or not and whether quoted or not shall, without any further act or deed, be and stand transferred to the Transferee Company as also 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, as the case may be, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or by endorsement and delivery.
- b. In respect of movable properties of the Transferor Company other than specified in Clause 5.2 (a) 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, local and other authorities and bodies, 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, give notice in such form as it may deem fit and proper to each person, debtor or depositor, as the case may be, that pursuant to the High Court having sanctioned the Scheme, the said debts, loans, advances or deposits be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Company to recover or realize all such debts, deposits and advances (including the debts payable by such persons, debtor or deposit to the Transferor Company) stands transferred and assigned to the Transferee Company and that

appropriate entries should be passed in their respective books to record the aforesaid changes.

5.3 With effect from the Appointed Date, all the debts, unsecured debts, liabilities, duties and obligations of every kind, nature and description of the Transferor Company shall also under the provision of Sections 391 to 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 and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to the contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause.



5.4 It is clarified that all debts, loans and liabilities, duties and obligations of the Transferor Company as on the Appointed Date and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or upto the day of the Appointed Date shall be the debts, loans and liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.

5.5 It is further specifically clarified, admitted, assured and declared by the Transferee Company that on this Scheme becoming effective, it will take over, absorb and pay and discharge on due dates all the liabilities including liabilities for income tax, wealth tax, central sales tax, value-added tax, service tax, excise duty, custom duty, fringe benefit tax, dividend distribution tax, if any, of the Transferor Company.

5.6 With effect from the Appointed Date all debts, liabilities, dues, duties and obligations including all income tax, wealth tax, central sales tax, value added tax, service tax, excise duty, custom duty, fringe benefit tax, dividend distribution tax and other Government and Semi-Government and Statutory liabilities of the Transferor Company shall pursuant to the applicable provisions of the Act and without any further act or deed be also transferred or be deemed to be transferred to and vest in and be assumed by the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

#### 6. CONTRACTS, BONDS AND OTHER INSTRUMENTS

Subject to other provisions contained in the Scheme, all contracts, bonds, debentures, indentures and other instruments to which the Transferor Company are parties subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and as effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

#### 7. LEGAL PROCEEDINGS

If any, suit, writ petition, appeal, revision or other proceedings (hereinafter called "the Proceedings") by or against the Transferor Company are pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Company or of anything contained in the Scheme, but all such 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 be or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made. On and from the Effective Date, the Transferee Company shall and may initiate any

legal proceedings including criminal proceedings for and on behalf of the Transferor Company.

**8. OPERATIVE DATE OF THE SCHEME**

The Scheme set out herein in its present form with or without any modifications(s) approved or imposed or directed by the High Court or made as per Clause 19 of the Scheme, shall be effective from the Appointed Date but shall become operative from the Effective Date.

**9. TRANSFEROR COMPANY STAFF, WORKMEN AND EMPLOYEES**

All the staff, workmen and other employees in the service of the Transferor Company immediately before the transfer of the Undertaking under the Scheme shall become the staff, workmen and employees of the Transferee Company on the basis that :



- 9.1 Their respective services shall have been continuous and shall not have been interrupted by reason of the transfer of the Undertaking of the Transferor Company;
- 9.2 The terms and conditions of service applicable to the said staff, workmen or employees after such transfer shall not in any way be less favorable to them than those applicable to them immediately before the transfer; and
- 9.3 It is provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or other special fund, if any, created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions of such Funds as per the terms provided in the respective trust deeds. It is the aim and intent of the Scheme herein

that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees employed in different units of the Transferor Company under such Funds and Trusts shall remain fully protected.

**10. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANY TILL EFFECTIVE DATE**

With effect from the Appointed Date and upto the Effective Date, the Transferor Company:

10.1 shall carry on and shall be deemed to be carrying on all their respective business activities and shall stand possessed of their respective properties and assets for and on account of and in trust for the Transferee Company and all the profits or income accruing or arising to the Transferor Company and/or any cost, charges, expenditure or losses arising or incurred by them shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or cost, charges, expenditure or losses of the Transferee Company;

10.2 shall in the ordinary course of their respective business activities, assign, transfer or sell or exchange or dispose of or deal with all or any part of the rights vested with or title and interest in the property, assets, immovable or movable properties including assignment, alienation, charge, mortgage, encumbrance or otherwise deal with the rights, title and interest in the actionable claims, debtors and other assets etc., with the consent of the Transferee Company and such acts or actions would be deemed to have been carried on by the Transferor Company for and behalf of the Transferee Company and such acts or actions would be enforceable against or in favour of the Transferee Company and all the profits or incomes or losses or expenditure accruing or arising or incurred by the



Transferor Company shall, for all purposes, be treated as the profits or incomes or expenditure or losses of the Transferee Company;

- 10.3 hereby undertake to carry on their respective businesses until the Effective Date with reasonable diligence, utmost prudence and shall not, without the written consent of the Transferee Company, alienate, charge or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of the Transferor Company business;
- 10.4 shall not vary the terms and conditions of the employment of their employees except in the ordinary course of business.
- 10.5 pay all statutory dues relating to their respective Undertakings for and on account of the Transferee Company.



#### ISSUE OF SHARES BY THE TRANSFEREE COMPANY

- 11.1 Since the entire equity share capital of the Transferor Company is held by The Transferee Company, upon amalgamation, the Transferee Company would not be required to issue and allot any shares to the shareholders of the Transferor Company. The Shares so held by the Transferee Company shall stand cancelled and extinguished pursuant to the implementation of the Scheme of Amalgamation.

#### 12. PROFITS, DIVIDENDS, BONUS / RIGHTS SHARES

- 12.1 With effect from the Appointed Date, the Transferor Company shall not without the prior written consent of the Transferee Company, utilize the profits, if any, for declaring or paying of any dividend to its shareholders and shall also not utilize, adjust or claim adjustment of profits/ reserves, as the case may be earned/ incurred or suffered after the Appointed Date.
- 12.2 The Transferor Company shall not after the Appointed Date, issue or allot any further securities, by way of rights or bonus or otherwise without the

prior written consent of the Board of Directors of the Transferee Company.

### 13. ACCOUNTING TREATMENT

Subject to clauses 13.1 to 13.3 below, the amalgamation would be accounted for by applying the "Pooling of Interest Method" of accounting as contained in the "Accounting Standard 14: Accounting for Amalgamations" issued by the Institute of Chartered Accountants of India.

- 13.1 The Transferee Company shall record all assets and liabilities, including reserves, recorded in the Books of Account of the Transferor Company, pursuant to the Scheme at their book values as on the Appointed Date.
- 13.2 The excess of assets over liabilities and reserves of the Transferor Company transferred to the Transferee Company shall be credited to the Capital Reserve Account of the Transferee Company.
- 13.3 Investments of the Transferee Company in the Transferor Company appearing in the books of accounts of the Transferee Company will stand cancelled and be adjusted against capital reserve arising under Clause 13.2.
- 13.4 Inter-company balances and transactions if any, will stand cancelled.
- 13.5 In case of any differences in the accounting policies between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date of amalgamation will be quantified and adjusted in the Free/ General Reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflects the financial position on the basis of consistent accounting policies.

### 14. COMBINATION OF AUTHORISED CAPITAL

14.1 Upon sanction of this Scheme, the authorised share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including therein the payment of stamp duty and fees payable to Registrar of Companies, by the authorised share capital of the Transferor Company aggregating to Rs. 50,00,000/- (Rupees Fifty Lakhs Only) comprising of 5,00,000 (Five Lakhs) Equity Shares of Rs.10/- each and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 391 to 395 and 13, 14 and 61 of the Companies Act, 2013 and applicable provisions of the Act, as the case may be and for this purpose the stamp duties and the fees paid on the authorised capital of the Transferor Company shall be utilized and applied to the above referred increased authorized share capital of the Transferee Company and no payment of any extra stamp duty and/or fee shall be payable by the Transferee Company for increase in its authorised share capital to that extent.



14.2 Consequent upon the amalgamation, the authorised share capital of the Transferee Company will be as under:

Authorised Capital	Amount in Rs.
5,05,00,000 Equity Shares of Rs. 10/- each	50,50,00,000/-
Total	50,50,00,000/-

It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

14.3 Clause V of the Memorandum of Association of the Transferee Company stands amended as follows:

The Authorised Share Capital of the Transferee Company is Rs. 50,50,00,000/- (Rupees Fifty Crore Fifty Lakhs Only) comprising of 5,05,00,000 (Five Crore Five Lakhs) Equity Shares of Rs.10/- each.

#### 15. DISSOLUTION OF THE TRANSFEROR COMPANY

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

#### PART-C - GENERAL

#### 16. APPLICATIONS TO HIGH COURT

The Transferor Company and the Transferee Company herein shall, with a reasonable dispatch, make applications under Sections 391 to 394 of the said Act to the High Court of Judicature at Mumbai for sanctioning the Scheme and for dissolution of the Transferor Company without being wound up.



#### 17. MODIFICATIONS/AMENDMENTS TO THE SCHEME

17.1 The Transferor Company (by their respective Directors) and the Transferee Company (by its Directors) may assent to any modifications or amendments to the Scheme or agree to any terms and/or conditions which the Courts and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme

into effect. All amendments/modifications to the Scheme shall be subject to approval of High Court.

17.2 The approval to the Scheme by the requisite majorities of such classes of persons of the Transferor as may be directed by the Hon'ble High Court on the applications made for the directions under Section 391 of the Act for calling meetings or for dispensing with their holding.

17.3 The Transferor Company obtained Shareholder's approval through Special Resolution passed through postal Ballot and e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution and further the Special Resolution shall be acted upon only if the votes cast by public shareholders in favor of the proposal are more than the number of votes cast by public shareholders against it.



17.4 For the purpose of giving effect to the Scheme or to any modification thereof, the Directors of the Transferee Company are hereby authorised to give such directions and/or to be take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

#### **18. NO CHANGE IN MANAGEMENT OF THE TRANSFEEE COMPANY**

18.1 There shall be no change in the Control and management of the Transferee Company pursuant to the Scheme.

#### **19. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS**

The Scheme is conditional on and subject to:

19.1 The approval to the Scheme by the requisite majorities of the members and creditors of the Transferor Company and of the members and creditors of the Transferee Company.

- 19.2 The requisite resolution(s) under the applicable provisions of the said Act being passed by the Shareholders of the Transferee Company for any of the matters provided for or relating to the Scheme, as may be necessary or desirable, including approval to the issue and allotment of Equity Shares in the Transferee Company to the members of the Transferor Company.
- 19.3 The sanction of the High Court of Judicature at Mumbai under Sections 391 to 394 of the said Act, in favour of the Transferor Company and the Transferee Company and to the necessary Order or Orders under Section 394 of the said Act, being obtained.
- 19.4 Any other sanction or approval of the Appropriate Authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Transferor Company and the Transferee Company being obtained and granted in respect of any of the matters for which such sanction or approval is required.
- 19.5 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.



## 20. EFFECT OF NON RECEIPT OF APPROVALS/ SANCTIONS

In the event of any approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors of the Transferee Company and the Transferor 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, or in case the Scheme not being sanctioned by the Hon'ble High Court, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

**21. EXPENSES CONNECTED WITH THE SCHEME**

All costs, charges, taxes including duties, levies and all other expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and implementing/ completing the terms and provisions of the Scheme and/or incidental to the completion of Amalgamation of the said Undertakings of the Transferor Company in pursuance of the Scheme shall be borne and paid solely by the Transferee Company.

TRUE-COPY

*Rajesh Shah*  
(R. C. KALE)  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY

Certified to be TRUE COPY  
For RAJESH SHAH & CO.

*Rajesh Shah*  
Advocate for the Petitioner/Applicant



IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 117 OF 2016.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 830 OF 2015.

In the matter of the Companies Act, 1 of 1956 and other relevant provision of the Companies Act, 2013;

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956 and other relevant provision of the Companies Act, 2013

AND

In the matter of Scheme of Amalgamation of GEECEE LOGISTICS & DISTRIBUTIONS PRIVATE LIMITED, the Transferor Company with GEECEE VENTURES LIMITED, the Transferee Company.

GEECEE VENTURES LIMITED,

... Petitioner Company.



Authenticated copy of the Minutes of the Order dated

1<sup>st</sup> July, 2016 alongwith Scheme

M/S. RAJESH SHAH & CO

Advocates for the Petitioner

16, Oriental Building,

30, Nagindas Master Road,

Flora Fountain,

Mumbai-400 001.

Applied for authenticated copies on 01/07/2016  
Authenticated copies submitted on 12/07/2016  
Engrossed on 14/07/2016  
Examined by [Signature]  
Compared with [Signature] m ket  
Ready on 15 JUL 2016  
Delivered on 16 JUL 2016