Memorandum

&

Articles of Association

of

S Chand And Company Limited

JAGDEEP SINGH

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Certificate of Incorporation Consequent upon conversion to Public Limited Company

सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Delhi

4th Floor, IFCI Tower 61, New Delhi, Delhi, India, 110019

Corporate Identity Number: U22219DL1970PLC005400

Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company

IN THE MATTER OF S CHAND AND COMPANY PRIVATE LIMITED

I hereby certify that S CHAND AND COMPANY PRIVATE LIMITED which was originally incorporated on Ninth day of September One thousand nine hundred seventy under the Companies Act, 1956 as S CHAND AND CO LTD and upon an intimation made for conversion into Public Limited Company under Section 18 of the Companies Act, 2013; and approval of Central Government signified in writing having been accorded thereto by the RoC - Delhi vide SRN G10810414 dated 08.09.2016 the name of the said company is this day changed to S CHAND AND COMPANY LIMITED.

Given under my hand at New Delhi this Eighth day of September Two thousand sixteen.

DS Ministry of Corporate Affairs - (Govt of India) 14

ANJALI POKHRIYAL

Assistant Registrar of Companies

Registrar of Companies

RoC - Delhi

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

S CHAND AND COMPANY LIMITED

RAVINDRA MANSION RAM NAGAR, NEW DELHI, Delhi, India, 110055

JAGDEEP SINGH

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भारत सरकार–कॉर्पोरेट कार्य मंत्रालय

कम्पनी रजिस्ट्रार कार्यालय, राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा

प्राइवेट लिमिटेड कम्पनी के रुप में परिवर्तित होने के परिणामस्वरुप, कम्पनी के नाम में परिवर्तन का नया निगमन प्रमाण–पत्र

कॉर्पोरेट पहचान संख्या : U22219DL1970PTC005400

मैसर्स S CHAND AND COMPANY LIMITED

के मामले मे, मैं एतदद्वारा सत्यापित करता हूँ कि मैसर्स

S CHAND AND COMPANY LIMITED

जो मूल रुप में दिनांक नौ सितम्बर उन्नीस सौ सत्तर को कम्पनी अधिनियम, 1956 (1956 का 1) के अतंर्गत मैसर्स

S. CHAND & CO. PRIVATE LIMITED

के रुप में निगमित की गई थी, और उसके द्वारा कम्पनी अधिनियम, 1956 की धारा 31(1) के अधीन प्राइवेट कम्पनी के रुप में परिवर्तित करने के लिए प्रार्थना–पत्र देने तथा भारत सरकार द्वारा उसका अनुमोदन कम्पनी रजिस्ट्रार कार्यालय आर.ओ.सी.– दिल्ली के एस आर.एन B44576718 दिनांक 08/08/2012 द्वारा प्राप्त होने की लिखित सूचना प्राप्त होने पर उक्त कम्पनी का नाम आज से परिवर्तित रुप में मैसर्स S CHAND AND COMPANY Private Limited

हो गया है।

यह प्रमाण–पत्र, आज दिनांक आठ अगस्त दो हजार बारह को दिल्ली में जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS

Registrar of Companies, National Capital Territory of Delhi and Haryana

Fresh Certificate of Incorporation Consequent upon Change of Name on Conversion to Private Limited Company

Corporate Identity Number : U22219DL1970PTC005400

In the matter of M/s S CHAND AND COMPANY LIMITED

I hereby certify that S CHAND AND COMPANY LIMITED which was originally incorporated on Nineth day of September Nineteen Hundred Seventy under the Companies Act, 1956 (No. 1 of 1956) as S. CHAND & CO. PRIVATE LIMITED and upon an application made for conversion into a Private Company under Section 31(1) of the Companies Act, 1956; and approval of Central Government signified in writing having been accorded thereto by the RoC-Delhi vide SRN B44576718 dated 08/08/2012 the name of the said company is this day changed to S CHAND AND COMPANY Private Limited.

Given at Delhi this Eighth day of August Two Thousand Twelve.

Validity unknown

Registrar of Companies, National Capital Territory of Delhi and Haryana
कम्पनी रजिस्ट्रार, राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा

*Note: The corresponding form has been approved by MANMOHAN JUNEJA, Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.

The digitally signed certificate can be verified at the Ministry website (www.mca.gov.in).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता

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

S CHAND AND COMPANY Private Limited
RAVINDRA MANSION RAM NAGAR, NEW DELHI - 110055,
Delhi, INDIA

JAGDEEP SINGH

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सत्यमेव जयते

Company No. 55-5400

FRESH CERTIFICATE OF INCORPORATION CONSEQUENT UPON CHANGE OF NAME ON CONVERSION TO PUBLIC LIMITED COMPANY

In the Office of the Registrar of Companies, N.C.T. of Delhi & Haryana
[under the Companies Act, 1956 (1 of 1956)]

IN THE MATTER OF M/s. S. CHAND AND COMPANY LIMITED (A DEEMED PUBLIC COMPANY U/S 43A)

I hereby certify that S. CHAND AND COMPANY LIMITED (A DEEMED PUBLIC COMPANY U/S 43A) which was originally incorporated on NINTH day of SEPTEMBER Nineteen Hundred and SEVENTY under the Companies Act, 1956 (Act 1 of 1956) under the name S. CHAND & CO. PRIVATE LIMITED having duly passed the necessary Special Resolution on 28-2-2001 in terms of section 31/21 read with section 44 of the Companies Act, 1956, the name of the said Company is this day changed to S. CHAND AND COMPANY LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at NEW DELHI this SEVENTH day of NOVEMBER Two Thousand ONE.

(T. P. SHAMI)

DY. REGISTRAR OF COMPANIES,
N.C.T. OF DELHI AND HARYANA

JAGDEEP SINGH
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Date: 2025.03.25 16:15:43 +05'30'

COMPANY NO. 5400

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT OF CHANGE OF NAME

IN THE OFFICE OF THE REGISTRAR OF COMPANIES DELHI & HARYANA
(Under the Companies Act, 1956 (1 of 1956)

IN THE MATTER OF S. CHAND AND COMPANY LIMITED.

I hereby certify that S. CHAND AND COMPANY LIMITED. which was originally incorporated on NINTH day of SEPTEMBER One Thousand Nine Hundred and SEVENTY under the ~~Indian Companies Act~~/Companies Act, 1956 and under the Name S. CHAND AND COMPANY PRIVATE LIMITED. having duly passed the necessary resolution in terms of section 43A(4) ~~xxxxxx~~ of Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto in the Ministry of Industry & Company Affairs, Department of Company Affairs, office of the Registrar of Companies Delhi & Haryana, New Delhi vide their letter No. ROC/ Approval/TC/43A(4)/5400/1378 dated 30.4.1986 the name of the said Company is this day changed to S. CHAND AND COMPANY ~~PRIVATE~~ LIMITED. and this Certificate is issue pursuant to Section 23(1) of the said Act.

Given under my hand at NEW DELHI this TWENTY FIRST day of MAY One Thousand Nine Hundred EIGHTY SIX.

21/5/86

(SOORAJ KAPOOR)
XXXXL. REGISTRAR OF COMPANIES
DELHI & HARYANA

Received Certificate Dated 22/5/86.

The word "Private" deleted U/S 43A(4) of the Company Act 1956.

सहायक कम्पनी रजिस्ट्रार
दिल्ली एवं हरियाणा

Form I. R.

CERTIFICATE OF INCORPORATION

No. 5400 of 1970-71

I hereby certify that S. CHAND & CO., [redacted] LIMITED

6/5/76

Asstt. Registrar of Companies
Delhi & Haryana

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.

Given under my hand at NEW DELHI

this NINTH (18TH) day of SEPTEMBER (BHADRA)

One thousand nine hundred and SEVENTY (SAKA-1892).

(P. B. SAHARYA)
Registrar of Companies.
DELHI.

REGISTRAR OF COMPANIES
DELHI

12/4/86

MGIPTC—(C-92)—15-9-66—6,000.

JAGDEEP SINGH
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THE COMPANIES ACT, 2013

(COMPANY LIMITED BY SHARES)

MEMORANDUM OF ASSOCIATION

OF

S CHAND AND COMPANY LIMITED

(THE COMPANY INCORPORATED UNDER COMPANIES ACT, 1956)

I. The name of the Company is **S CHAND AND COMPANY LIMITED**.

II. The Registered Office of the Company will be situated in the **Union Territory of Delhi.**

III. The objects for which the Company is established are:

(A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ARE:

1. To purchase, acquire, takeover, the entire running business of M/s S. Chand & Co., publishers and Booksellers along with its branches and together with its rights, liabilities ,properties, debtors, cash in hand, goodwill, tenancies, loans, assets, stock in trade, advances, etc, for consideration either by way of allotment of shares in the company or in cash, or partly in one way and partly in the other; to make necessary amendments, modifications, requirements necessary and expedient for carrying on the pending agreements, tenancies, orders, etc, and to take steps to defend the rights of the business in pending laws suits, plaints, by or against the business acquired, purchased or taken over.

2. To carry on business of proprietors and publishers of books and other literary works.

3. To carry on all or any of the business of printers, publishers, stationers tin ,metal, cloth, rubber, parchment, celluloid, glass, bottles, tubes printers, type founders, stereotypes, electrotypers, photographic printers, photo lithographers, chromo- lithographers, engravers, die- sinkers, book-binders, designers, draftsmen, name plates printers, toys printers, tin box printers, tin and metal sheet folders, block makers, rubber stamps manufacturers, Vandyke, collotype, photographer workers and printers, calendars, pictures and advertising novelties printers, transfer and labels manufacturers, account book manufacturers, machine rules, numerical printers, paper bag and account book makers, box makers, card board printers, ticket manufacturers, book- sellers, publishers.

4. To subscribe for, purchase, or otherwise acquire, hold, dispose of and deal in shares, stocks, securities, and evidences of indebtedness or of the right to participate in profit or assets or other similar documents and any option or right in respect thereof, and to buy and sell foreign exchange and generally to invest and deal with the monies of the company not immediately required in or upon such securities and in such manner as may from time to time be determined.

5. To erect upon the said land to be acquired as aforesaid and upon any other land and property which may hereafter be purchased or leased or acquired by the company such halls, buildings, houses and erections as may be required for carrying on the said business or businesses and to purchase and put into working orders such machinery and other accessories as may from time to time be required on the said business or businesses or any of them and to lease, hire, manage, or otherwise deal with all kinds of immovable property whether belonging to the Company or not.

6. To acquire the running business of hotels, motels and restaurants and/or to purchase land and erect hotel, motel and restaurant buildings with all the modern amenities and facilities including diesel filling pumps, camping grounds for tourists, garages for motorists, amusement halls, swimming pools and all other conveniences to the general public, tourists, delegates and study groups and missions visiting the country.

7. To carry on the business of leasing and hire-purchase financing and to provide on lease or on hire-purchase all types of industrial and office plants, equipment, machinery, vehicles and buildings.

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(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE:

1. To acquire by purchase, lease, exchange or otherwise any movable or immovable property and any rights or privileges which the Company may deem necessary or convenient for the purpose of its main business.

2. To enter into partnership or into any arrangement for sharing profits, union of interest, joint venture reciprocal concession or co-operation with persons or companies carrying on or engaged in the main business or transaction of this Company.

3. To import, buy, exchange, alter, improve and manipulate in all kinds of plants, machinery, apparatus, tools and things necessary or convenient for carrying on the main business of the Company.

4. To vest any movable or immovable property, rights or interests required by or received or belonging to the Company in any person or company on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.

5. To purchase or otherwise acquire, build, carry out, equip, maintain, alter, improve, develop, manage, work, control and superintend any plants, warehouse, sheds, offices, shops, stores, buildings, machinery, apparatus, labour lines and houses, warehouses, and such other works and conveniences necessary for carrying on the main business of the Company.

6. To undertake or promote scientific research relating to the main business or class of business of the Company.

7. To acquire and take over the whole or any part of the business, goodwill, trademarks properties and liabilities of any person or persons, firm, companies or undertakings either existing or new, engaged in or carrying on or proposing to carry on business, this Company is authorized to carryon, possession of any property or rights suitable for the purpose of the Company and to pay for the same either in case or in shares or partly in cash and partly in shares or otherwise.

8. To negotiate and enter into agreements and contracts with Indian and foreign individuals, companies, corporations and such other organizations for technical, financial or any other such assistance for carrying out all or any of the main objects of the Company or for the purpose of activity research and development of manufacturing projects on the basis of know-how, financial participation or technical collaboration and acquire necessary formulas and patent rights for furthering the main objects of the Company.

9. Subject to Section 230 to 234 of the Companies Act, 2013,, amalgamate with any other company of which all or any of their objects companies having similar to the objects of the Company in any manner whether with or without the liquidation.

10. Subject to any law for the time being in force, to undertake or take part in the formation supervision or control of the business or operations of any person, firm, body corporate, association undertaking carrying on the main business of the Company.

11. To apply for, obtain, purchase or otherwise acquire and prolong and renew any patents, patent-rights, brevets, inventions, processes scientific technical or other assistance manufacturing processes know-how and other information, designs, patterns, copyrights, trade-mark, licenses concessions and the like rights or benefits, conferring an exclusive or non-exclusive or limited or unlimited right of use thereof, which may seem capable of being used for or in connection with the main objects of the Company or the acquisition or use of which may seem calculated directly or indirectly to benefit the Company on payment of any fee royalty or other consideration and to use, exercise of develop the same under or grant licenses in respect thereof of otherwise deal with same and to spend money in experimenting upon testing or improving any such patents, inventions, right or concessions.

12. To apply for and obtain any order under any Act or Legislature, charter, privilege concession, license or authorization of any Government, State or other Authority for enabling the Company

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to carry on any of its main objects into effect or for extending any of the powers of the Company or for effecting and modification of the constitution of the Company or for any other such purpose which may seem expedient and to oppose any proceeding or applications which may seem expedient or calculated directly or indirectly to prejudice the interest of the Company.

13. To enter into any arrangements with any Government or Authorities or any Company or any of them and to obtain from any such Government, authority, person or company any rights, charters, contracts, licenses and concessions which the Company may think desirable to obtain and to carry out exercise and comply therewith.

14. To procure the company to be registered or recognised in or under the laws of any place outside India and to do all act necessary for carrying on in any foreign country for the business or profession of the Company.

15. To draw, make, accept, discount, execute, and issue bills of exchanges, promissory notes, bills of lading, warrants, debentures and such other negotiable or transferable instruments, of all types of securities and to open Bank Accounts of any type and to operate the same in the ordinary course of the Company.

16. To advance money either with or without security, and to such persons and upon such terms and conditions as the Company may deem fit and also to invest and deal with the money of the Company not immediately required in or upon such investments and in such manner as, from time to time, may be determined, provided that the Company shall not carryon the business of banking as provided in the Banking Regulations Act, 1949.

17. Subject to section 73, 74, 179, 180, 185 and 186 of the Companies Act, 2013 and the rules made there under and the directions issued by the Reserve Bank of India, to receive money on deposit or loan and borrow or raise money in such manner and at such time or times as the Company thinks fit and in particular by the issue of debentures, debentures stock, perpetual or otherwise and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the properties or assets or revenues and profits of the Company both present and future, including its uncalled capital and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or such other person or company to give the lenders the power to sale and such other powers as may seem expedient and purchase, redeem or payoff any such securities.

18 To undertake and execute any trusts, the undertaking of which seem to the Company desirable, either gratuitously otherwise.

19. To establish, or promote or concur in establishing or promote any company for the purpose of acquiring all or any of the properties, rights and liabilities of the Company.

20. To sell, lease, mortgage, exchange, grant licenses and other rights improve, manage, develop and dispose of undertakings, investments, properties, assets and effects of the Company or any part thereof for such consideration as may be expedient and in particular for any shares, stocks, debentures, or other securities of any other such company having main objects altogether or in part similar to those of the Company.

21. Subject to the provisions of Section 66 of the Companies Act, 2013, to distribute among the members in money or otherwise any property of the Company or any proceeds of sale or disposal of any property of the Company in the event of winding up.

22. To distribute as dividend or bonus among the member or to place to reserve or otherwise to apply, as the Company may, from time to time, determine any money received by way of premium on debentures issued at a premium by the Company and any money received in respect of forfeited shares, money arising from the sale by the Company of forfeited shares, subject to provisions of Section 52 of the Companies Act, 2013.

23. To employ agents or experts to investigate and examine into the condition, prospects, value, character and circumstances of any business concerns and undertakings and generally of any assets, properties or rights which the Company propose to acquire.

24. To accept gifts, bequests, devisers or donations of any movable or immovable property of any right or interest therein from members or others.

25. To create any reserve fund, sinking fund, insurance fund or any other such special funds whether for depreciation, repairing, improving, and research, extending or maintaining any of the properties of the Company or for any other such purpose conducive to the interest of the Company.

26. Subject to the provisions of Section 179 to 183 of the Companies Act, 2013 to subscribe contribute, gift or donate any money, rights or assets for any national educational, religious, charitable, scientific, public, general or usual objects or to make gifts or donations of money or such other assets to any institutions, clubs, societies, associations, trusts, scientific research associations, funds, universities, college or any individual, body of individuals or bodies corporate.

27. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation, provident or gratuity funds for the benefit of and give or procure the giving of the donations, gratuities, pensions, allowances, bonuses or emoluments of any persons who are or were at any time in the employment or service of the Company or any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company or who are or were at any time Directors or officers of the Company or any other company as aforesaid and the wives, widows, families and dependants of any such persons and also to establish and subsidies and subscribe to any institutions, associations, club or funds calculated to be for the benefit of or advance aforesaid and make payments to or towards the insurance of any such persons as aforesaid and to do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

28. To establish, for any of the main objects of the Company, branches or to establish any firm or firms at places in or outside India as the Company may deem expedient.

29. To pay for any property or rights acquired by or for any services rendered to the Company and in particular to remunerate any person, firm or company introducing business to the Company either in cash or fully or partly-paid up shares with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise or by any securities which the Company has power to issue or by the grant of any rights or options or partly in one mode and partly in another and generally on such terms as the Company may determine, subject to the provisions of section 188 of the Companies Act, 2013.

30. To payout of the funds of the Company all costs, charges and expenses of and incidental to the formation and registration of the Company and any company promoted by the Company and also costs, charges, duties, impositions and expenses of and incidental to the acquisition by the Company of any property or assets.

31. To send out to foreign countries, its directors, employees or any other person or persons for investigation possibilities of main business or trade procuring and buying any machinery or establishing trade and business connections or for promoting the interests of the Company and to pay all expenses incurred in this connection.

32. To compensate for loss of office of any Managing Director or Directors or other officers of the Company within the limitations prescribed under the Companies Act, 2013or such other status or rule having the force of law and to make payments to any persons whose office of employment or duties may be determined virtue of any transaction in which the Company is engaged.

33. To agree to refer to arbitration any dispute, present or future between the Company and any other company, firm, individual or any other body and to submit the same to arbitration in India or abroad either in accordance with Indian or any foreign system of law.

34. To appoint agents, sub-agents, dealers, managers canvassers, sale representatives or salesmen for transacting all or any kind of the main business of which this Company is authorized to carryon and to constitute agencies of the Company in India or in any other country and establish depots and agencies in different parts of the work.

IV. The liability of the members is limited.

V. The Authorized Share Capital of the Company is Rs. 20,15,00,000 (Rupees Twenty Crores Fifteen Lakhs) divided into 4,03,00,000 (Four Crores Three Lakhs) equity shares of Rs. 5/- each.

JAGDEEP SINGH Digitally signed by JAGDEEP SINGH Date: 2025.03.25 16:17:43 +05'30'

End Notes:

Since incorporation, the following changes have been made to the Memorandum of Association:

Date of Change/ Shareholders' Resolution	Particulars
May 6, 1976	Amendment of the Memorandum of Association upon deemed conversion of our Company from a private limited company to a public company.
December 30, 1980	The following Clause III(C)47 (Other Objects) was inserted in the Memorandum of Association: *"To acquire the running business of Hotels, Motels and Restaurants and/or to purchase land and erect hotel, motel and restaurant buildings with all the modern amenities and facilities including diesel filling pumps, camping grounds for tourists, garages for motorists, amusement halls, swimming pools and all other conveniences to the general public, tourists, delegates and study groups and missions visiting the country."*
September 28, 1984	The following Clauses III(C)48(a) and III(C)48 (b) (Other Objects) was inserted in the Memorandum of Association: *"To set up a carpet manufacturing unit and/or to acquire any running/ sick carpet manufacturing unit and to carry on the business of manufacturing, shearing, exporting and importing, distributing, dyeing, carpets of all types and descriptions including other flooring materials made of jute, wood, silk and any other natural, synthetic and man-made fibres.* *To manufacture, sell or purchase, store, import and export, all types of natural and man-made fibres/rugs, blankets, bathmats, cushion covers, bed-covers, flooring materials and all types of furnishing fabrics of all and any natural, synthetic and man-made fibres and synthetic and chemical foam underlays on back of carpets."*
May 21, 1986	Amendment of the Memorandum of Association upon conversion of our Company from a public limited company to a private limited company.
October 3, 1988	Amendment of the Memorandum of Association upon deemed conversion of our Company from a private limited company to a public limited company.
September 1, 1989	The following Clause III(C)49 (Other Objects) was inserted in the Memorandum of Association: *"To acquire by purchase new or second hand printing plants or machineries of all types with or without accessories, equipment or devices within the country or import the same from outside for the purpose of leasing or hiring the same to the companies, individuals or firms."*

Date of Change/ Shareholders' Resolution	**Particulars**
July 12, 1995	The following Clause III(C)50 (Other Objects) was inserted in the Memorandum of Association: *"To establish, own, buy, sell, construct, improve, takeover, manage, operate and maintain Diagnostic Centres, Clinical and Pathological Laboratories, Computerized Tempography (CT) Scanning Centre, Cancer Centres, Hospitals, Nursing Homes, Clinics, Poly Clinics, Dispensaries, Research Centres, X-Ray Centres, Medical and/or Paramedical Test Centres, Pathology Centres, various advanced electro medical testing centres for the general public for commercial use and charitable relief to poor, sick and physically handicapped in India and abroad. To establish Diagnostic Centres, Computerized Tempography (CT) Scanning Centres, MRI in association with existing hospitals and Nursing Home or contract basis."*
November 7, 2001	Amendment of the Memorandum of Association upon conversion of our Company from a public limited company under Section 43A(1) of the Companies Act, 1956 to a public limited company under Section 31 and Section 21 read with Section 44 of the Companies Act, 1956.
August 8, 2012	Amendment of the Memorandum of Association upon conversion of our Company from a public limited company to a private limited company.
August 28, 2012	Clause III(A)2 (Main Objects) of the Memorandum of Association was substituted by the following Clause: *"To carry on business of proprietors and publishers of books and other literary works."*
September 24, 2012	Clause V of the Memorandum of Association was substituted by the following Clause: *"The Authorised Capital of the Company is Rs. 50,00,000/- (Rupees Fifty Lacs only) divided into 500,000 Equity Shares of Rs. 10 (Rupees Ten) Each."*
October 16, 2012	Pursuant to the order of the High Court of Judicature at Madras, pursuant to which Atlantic Hotels Private Limited was amalgamated into our Company, the authorized share capital of our Company was increased as follows: "*The Authorised Capital of the Company is* Rs. *22,100,000/- (Rupees Two crores and Twenty One Lakhs) divided into 2,210,000 Equity Shares of Rs. 10 (Rupees Ten) each."*
September 9, 2015	Clause III(C) of the Memorandum of Association pertaining to 'Other Objects' was deleted.
April 20, 2016	Subdivision of Share Capital Clause V of the Memorandum of Association was substituted by the following Clause: *"The Authorised Share Capital of the Company is Rs. 2,21,00,000/- (Rupees Two crores and Twenty One Lakhs) divided into 44,20,000 (Forty Four Lakhs Twenty Thousand) equity shares of Rs. 5/- each."* Increase in authorised share capital

Date of Change/ Shareholders' Resolution	Particulars
	Clause V of the Memorandum of Association was substituted by the following Clause: *"The Authorised Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores) divided into 4,00,00,000 (Four Crores) equity shares of Rs. 5/- each."*
August 31, 2016	Amendment of the Memorandum of Association upon conversion of our Company from a private limited company to a public limited company.

S.No.	Name, address, description and occupation of subscriber	Signature of the subscriber	Name & address, description & occupation of witness
1	Shyam Lal Gupta S/o Niranjan Lal Gupta 16-B/4, Asaf Ali Road, New Delhi Businessman	(Sd)	O.R raghavan S/o O.U.Rajagopala Iyer 4, Jain Mandir Road New Delhi Chartered Accountant Services
2	Rajendra Kumar Gupta S/o Shyam Lal Gupta 16-B/4, Asaf Ali Road, New Delhi Businessman	(Sd)	
3	Ravindra Kumar Gupta S/o Shyam Lal Gupta 16-B/4, Asaf Ali Road, New Delhi Businessman	(Sd)	
29th day of August, 1970			

JAGDEEP SINGH Digitally signed by JAGDEEP SINGH Date: 2025.03.25 16:18:12 +05'30'

Note: By a Special Resolution passed at the Extraordinary General Meeting of the Company held on August 31, 2016 these Articles were adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of the Company.

(THE COMPANIES ACT, 2013)

(COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION

OF

S CHAND AND COMPANY LIMITED

[1] The Regulations contained in table "F" of Schedule I to the Companies Act, 2013 shall apply to the Company only in so far as the same are not provided for or are not inconsistent with these Articles. The regulations contained in these Articles are for the management of the Company and for the observance of the members thereof and their representatives subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

INTERPRETATION

1. *In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.*

(a) "Act" means the (i) Companies Act, 2013 and the Rules (including any amendments, modification(s) or re-enactment thereof, for the time being in force) and clarifications issued thereunder to the extent in force pursuant to the notification of the Notified Sections; and (ii) Companies Act, 1956, and the rules thereunder, to the extent that such provisions have not been superseded by the Companies Act, 2013 or de-notified, as the case may be.

(b) "Annual General Meeting" shall mean an annual general meeting of the holders of Equity Shares held in accordance with the applicable provisions of the Act.

(c) "Articles" shall mean these Articles of Association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.

(d) "Auditors" shall mean and include those persons appointed as such for the time being by the company.

(e) "Board" shall mean the board of directors of the company, as constituted from time to time, in accordance with law and the provisions of these Articles.

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[1] Part B and references of Part A & B has been deleted and the preamble has been modified vide special resolution passed by the members at the 46th Annual General Meeting held on September 25, 2017.

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(f) "Board Meeting" shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.

(g) "Beneficial Owner" shall mean beneficial owner as defined in Clause (a) of subsection (1) of section 2 of the Depositories Act.

(h) "Business Day" means a day (excluding Saturdays and Sundays) on which banks are generally open for business in New Delhi and Mumbai, India for a transaction of ordinary banking business.

(i) "Capital" or "Share Capital" shall mean the share capital for the time being, raised or authorised to be raised for the purpose of the Company.

(j) "Chairman" shall mean such person as is nominated or appointed in accordance with Article 38(e) herein below.

(k) "Companies Act, 1956" shall mean the Companies Act, 1956 (Act I of 1956), as may be in force for the time being.

(l) "Company" or "this company" shall mean S CHAND AND COMPANY LIMITED.

(m) "Committees" shall have the meaning ascribed to such term in Article 74.

(n) "Depositories Act" shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.

(o) "Depository" shall mean a Depository as defined in Clause (e) of sub-section (1) of section 2 of the Depositories Act.

(p) "Director" shall mean any director of the company, including alternate directors, independent directors and nominee directors appointed in accordance with law and the provisions of these Articles.

(q) "Dividend" shall include interim dividends.

(r) "Equity Share Capital" shall mean the total issued and Paid up equity share capital of the Company, calculated on a Fully Diluted Basis.

(s) "Equity Shares" shall mean fully Paid up equity shares of the Company having a par value of INR 5 (Rupees Five only) per equity share, and one vote per equity share or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares.

(t) "Executor" or "Administrator" shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Equity Share or Equity Shares of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.

(u) "Extraordinary General Meeting" shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act.

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(v) "Financial Year" shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.

(w) "Fully Diluted Basis" shall mean, in reference to any calculation, that the calculation should be made in relation to the Equity Share Capital, assuming that all outstanding convertible preference shares or debentures, options, warrants and other equity securities convertible into or exercisable or exchangeable for Equity Shares (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged to the maximum number of Equity Shares possible under the terms thereof.

(x) "General Meeting" shall mean a meeting of holders of Equity Shares and any adjournment thereof.

(y) "Independent Director" means a non-executive Director (other than a nominee Director) who has no direct or indirect material relationship with the Company other than membership on the Board and who:

(i) in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

(ii) is or was not a promoter of the Company or its Affiliates;

(iii) is not related to Promoters or Directors in the Company or its Affiliates;

(iv) is not, and has not been in the past 5 (five) years, employed by the Company or its Affiliates;

(v) apart from receiving director's remuneration, does not have, or has not had during the 5 (five) immediately preceding Financial Years and during the current Financial Year, a pecuniary relationship with the Company or its Affiliates (either directly or as a partner, shareholder (other than to the extent to which shares are held by such Director pursuant to a requirement of applicable Law), or their Promoters, or Directors and is not a director, officer or senior employee of a Person that has or had such a relationship;

(vi) whose relatives do not have, or have not had, a pecuniary relationship or transaction with the Company, its Affiliates, or their Promoters, or Directors, amounting to 2% (two per cent) or more of its gross turnover or total income or Rs. 5,000,000 (Rupees Five Million) or such higher amount as may be prescribed under the Act from time to time, whichever is lower, during the two immediately preceding Financial Years or during the current Financial Year;

(vii) neither himself nor any of his relatives holds or has held the position of a key managerial personnel or is or has been an employee of the Company or its Affiliates in any of the 3 (three) Financial Years immediately preceding the Financial Year in which he is proposed to be appointed;

(viii) neither himself nor any of his relatives is or has been an employee or proprietor or a partner, in any of the 3 (three) Financial Years immediately preceding the Financial Year in which he is proposed to be appointed, of (i) a firm of auditors or company secretaries in practice or cost auditors of the Company or its Affiliates; or (ii) any legal or a consulting firm that has or had any transaction with the Company or its Affiliates amounting to 10% (ten percent) or more of the gross turnover of such firm;

(ix) neither himself nor any of his relatives is a chief executive or director, by whatever name called, of any non-profit organization that receives 25% (twenty five percent) or more of its receipts from the Company, any of its promoters, Directors or its Affiliates or that holds a material interest in the Company;

(x) neither himself nor any of his relatives is a material supplier, service provider or customer or a lessor or lessee of the Company;

(xi) is not controlling any non-profit organization that receives significant funding from the Company or its Affiliates;

(xii) does not receive and has not received in the past 5 (five) years, any additional remuneration from the Company or its Affiliates other than his or her director's fee;

(xiii) does not participate in any share option scheme/plan or pension scheme/plan of the Company or any of its Affiliates;

(xiv) is not, nor has been at any time during the past 5 (five) years, affiliated with or employed by a present or former auditor of the Company or any of its Affiliates;

(xv) does not hold a material interest in the Company or its Affiliates (either directly or as a partner, shareholder, director, officer or senior employee of a Person that holds such an interest);

(xvi) does not hold together with his relatives a material interest in the Company;

(xvii) is not a member of the immediate family (and is not the executor, administrator or personal representative of any such Person who is deceased or legally incompetent) of any individual who would not meet any of the tests set out in articles (i) to (xvi) (where he or she a director of the Company);

(xviii) is identified in the annual report of the Company distributed to the shareholders of the Company as an independent director;

(xix) has not served on the Board for more than 10 (ten) years; and

(xx) is not less than 21 years of age;

For purposes of this definition, "material interest" shall mean a direct or indirect ownership of voting shares representing at least 2% (two percent) of the outstanding voting power or equity of the Company or any of its Affiliates;

(z) “India” shall mean the Republic of India.

(aa) “Law” shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules, regulations, or requirements of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or any other generally accepted accounting principles.

(bb) "Listing Agreement" means the agreement(s) entered into with the stock exchange(s) in India, on which a company's shares are listed.

(cc) "Listing Regulations" shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

(dd) "Managing Director" shall have the meaning assigned to it under the Act.

[5] (dd-1) Definition of "Material Subsidiaries" ***[Deleted]***

(ee) "MCA" shall mean the Ministry of Corporate Affairs, Government of India.

(ff) "Memorandum" shall mean the memorandum of association of the Company, as amended from time to time.

(gg) "Minority Joint Ventures" means a company set up as a joint venture between the Company and other Persons, in which the Company holds, directly or indirectly, not more than 50% (fifty percent) of its equity share capital, and shall include Edutor Technologies India Private Limited, a company incorporated in India and having its registered office at H.No.8-2-293/82/564-A-26-III Sri Incubation Centre, 2nd Floor, Rd No. 92, Opp. Lotus Pond, Jubilee Hills, Hyderabad - 500033, India;

(hh) "Notified Sections" shall mean the sections of the Companies Act, 2013 that have been notified by the Ministry of Corporate Affairs, Government of India, and are currently in effect.

(ii) "Office" shall mean the registered office for the time being of the Company.

(jj) "Officer" shall have the meaning assigned thereto by Section 2(59) of the Act.

(kk) "Ordinary Resolution" shall have the meaning assigned thereto by Section 114 of the Act.

(ll) "Paid up" shall include the amount credited as paid up.

(mm) "Person" shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).

(nn) "Promoters" shall mean Mr. Dinesh Kumar Jhunjhnuwala, Mr. Himanshu Gupta, and Ms. Neerja Jhunjhnuwala.

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[5] *The definition of material subsidiaries has been deleted vide special resolution passed by the members at the 50th Annual General Meeting held on September 28, 2021.*

(oo) “Register of Members” shall mean the register of shareholders, along with the index of beneficial owners maintained by the Depository, to be kept pursuant to Section 88 of the Act.

(pp) “Registrar” shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.

(qq) “Rules” shall mean the rules made under the Act and notified from time to time.

(rr) “Seal” shall mean the common seal(s) for the time being of the Company.

(ss) “SEBI” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

(tt) “Secretary” shall mean a company secretary within the meaning of clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 and includes any other individual possessing the prescribed qualifications and appointed to perform the duties which may be performed by a secretary under the Act and any other administrative duties.

(uu) “Securities” shall mean the securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956.

(vv) “Shareholder”/ “Member” shall mean any shareholder of shares of the Company, from time to time.

(ww) “Shareholders’ Meeting” shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings of the Shareholders of the Company, convened from time to time in accordance with Law and the provisions of these Articles.

(xx) “Special Resolution” shall have the meaning assigned to it under Section 114 of the Act.

(yy) “Subsidiary (ies)” means all subsidiaries of the Company as determined under the Act and such other companies which may become Subsidiaries in future in accordance with applicable Law.

2 (zz) “Transfer” shall mean (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title

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[2] *Article 1(zz), definition of Subsidiaries and Joint Ventures Governance Committee has been deleted and the existing Articles has been renumbered vide special resolution passed by the members at the 48th Annual General Meeting held on September 19, 2019.*

to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) the granting of any security interest or encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word "Transferred" shall be construed accordingly.

(aaa) "Tribunal" shall mean the National Company Law Tribunal constitutes under Section 408 of the Act.

Unless the context otherwise requires, words or expressions contained in these Articles and not otherwise defined or used herein, shall bear the same meaning as in the Act or any statutory modification thereof in force, unless the context of the same as used in these Articles is to the contrary.

CONSTRUCTION

2. In these Articles (unless the context requires otherwise):

(a) References to a party shall, where the context permits, include such party's respective successors, legal heirs and permitted assigns.

(b) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.

(c) References to Articles and sub-Articles are references to Articles and Sub-Articles of and to these Articles unless otherwise stated and references to these Articles include references to the Articles and Sub-Articles herein.

(d) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.

(e) Wherever the words "include," "includes," or "including" is used in these Articles, such words shall be deemed to be followed by the words "without limitation".

(f) The terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.

(g) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.

(h) A reference to a Party being liable to another Party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).

(i) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

(j) References to any particular number or percentage of securities of a Person (whether on a Fully Diluted Basis or otherwise) shall be adjusted for any form of restructuring of the share capital of that Person, including without limitation, consolidation or subdivision or splitting of its shares, issue of bonus shares, issue of shares in a scheme of arrangement (including amalgamation or de-merger) and reclassification of equity shares or variation of rights into other kinds of securities.

(k) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Act have been notified.

(l) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

EXPRESSIONS IN THE ACT AND THESE ARTICLES

3. Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

PUBLIC COMPANY

4. The Company is a public company within the meaning of Section 2(71) of the Act and accordingly:

(a) Is not a private company;

(b) Has a minimum paid-up share capital as per Law;

(c) Has minimum of seven (7) members. Also, where two (2) or more persons hold one (1) or more shares in the Company jointly, they shall, for purposes of this provision, be treated as a single Member; and

SHARE CAPITAL

5. The authorized share capital of the Company is as mentioned in Clause V of memorandum of association of the Company with power of the Board, to sub-divide, consolidate and increase and with power from time to time, issue any shares of the original capital with and subject to any preferential, qualified or special rights, privileges or conditions as may be, thought fit, and upon the sub-division of shares apportion the rights to participate in profits in any manner as between the shares resulting from sub-division and the minimum paid up capital of the Company as prescribed as per Law.

6. The Share Capital of the Company may be classified into Equity Shares with differential rights as to Dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.

7. All Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to Dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.

8. The Board may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in relation to the formation of the Company, or for any acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully/partly Paid up shares and if so issued shall be deemed as fully/partly Paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.

9. The amount payable on application on each share shall not be less than 5% (five percent) of the nominal value of the share or, as may be specified by SEBI.

10. Nothing herein contained shall prevent the Directors from issuing fully Paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company, subject to Law.

11. Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new Equity Shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

12. All of the provisions of these Articles shall apply to the Shareholders.

13. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any Equity Shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles be a Shareholder.

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

15. Subject to the terms of these Articles, the Company in a general meeting upon the recommendation of the Board may consider offering shares of the Company to its employees including whole-time functional Directors under employees stock option plan or directly or through a committee, appointed by the Board. The allotment of such shares

under this plan shall be in terms of the extant provisions in the Act, rules, regulations and guidelines of all the applicable statutes, from time to time.

16. The issue of certificates of shares or of duplicate or renewal of certificates of shares shall be governed in accordance with Article 24 of these Articles. The directors may also comply with the provisions of such rules or regulations of any depository with which shares of the Company are being dematerialized and with any of such stock exchange with which the Company gets listed at any point of time.

17. The Board may, in accordance of Article 31 of these Articles, from time to time, with the sanction of the Company in General Meeting by Ordinary Resolution increase the share capital of the Company by such sum to be Divided into shares of such amount and of such classes with such rights and privileges attached thereto as the General Meeting shall direct by specifying the same in the resolution and if no directions be given, as the Board may determine.

18. The Company may by Ordinary Resolution:

(a) Consolidate and divide all or any of its share capital into shares on larger amount than its existing shares:

Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

(b) Subdivide its existing shares or any of them into shares of similar amount than is fixed by the Memorandum so however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced shares shall be the same as it was in the case of the share from which the reduced share is derived subject nevertheless to the provisions of Section 61 of the Act; and

(c) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of share capital within the meaning of the Act.

19. The Company may, in accordance of Article 31 of these Articles, reduce in any manner, from time to time, by special resolution:

(a) Its share capital; and

(b) Any capital redemption reserve fund or any share premium account.

SECURITIES

20. The Company shall, subject to the applicable provisions of the Act, compliance with Law and the consent of the Board, have the power to issue Securities on such terms and in such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

DEMATERIALIZATION OF SECURITIES

21. (a) **Dematerialization:**

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

(b) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, dematerialize, hold the Securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

(c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles.

(d) If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

(e) **Securities in Depositories to be in fungible form:**

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88 and 89 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

(f) **Rights of Depositories & Beneficial Owners:**

(i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in (i) above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(iii) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

(iv) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

(g) Except as ordered by a court of competent jurisdiction or as may be required by Law and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them.

(h) **Register and Index of Beneficial Owners:**

The Company shall cause to be kept a register and index of Shareholders with details of shares held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of Shareholders for the purposes of the Act. The Company shall have the power to keep in any state or country outside India a part of the register for the members resident in that state or country.

(i) **Cancellation of Certificates upon surrender by Person:**

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

(j) **Service of Documents:**

Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(k) **Transfer of Securities:**

(i) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(ii) In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

(l) **Allotment of Securities dealt with by a Depository:**

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

(m) **Certificate Number and other details of Securities in Depository:**

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

(n) **Provisions of Articles to apply to Shares held in Depository:**

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

(o) **Depository to furnish information:**

Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

(p) **Option to opt out in respect of any such Security:**

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the Depositories Act, 1996 and Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, issue the certificate of Securities to the Beneficial Owner or the transferee as the case may be.

(q) **Overriding effect of this Article:**

Provisions of this Article 21 will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Article.

COMMISSION AND BROKERAGE

22. (a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or procuring subscription, (whether absolutely or conditionally), for any shares in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

(b) The Company may also, on any issue of shares, pay such brokerage as may be lawful.

SHARES AT THE DISPOSAL OF THE DIRECTORS

23. (a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium, at par or at a discount (subject to compliance with Section 53 and Section 54 of the Act) at

such time as they may, from time to time, think fit and with the sanction of the Company in the General Meeting to give to any Person or Persons the option or right to call for any shares of the Company either at par or premium during such time and for such consideration as the Board thinks fit and may issue and allot shares of the Company in the capital of the Company on payment in full or part of any property sold and transferred or for any, services rendered to the Company in the conduct of its business and any shares of the Company which may be so allotted may be issued as fully Paid up shares of the Company and if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call of shares of the Company shall not be given to any Person or Persons without the sanction of the Company in the General Meeting.

(b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.

(c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

(d) In accordance with the applicable provisions of the Act and the Rules:

(i) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount Paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive director(s). Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding Rupees twenty (20).

(ii) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 23(d)(i) above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holder shall be sufficient delivery to all such holders.

(iii) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.

(iv) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

SHARES AND SHARE CERTIFICATES

24. (a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

(b) A duplicate certificate of shares may be issued, if such certificate:

(i) is proved to have been lost or destroyed; or

(ii) has been defaced, mutilated or torn and is surrendered to the Company.

(c) A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be prima facie evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of depository shall be the prima facie evidence of the interest of the Beneficial Owner.

(d) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees twenty (20) for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law including rules made under the Securities Contracts (Regulation) Act, 1956, as amended or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to the debentures of the Company.

(e) The provisions of this Article shall mutatis mutandis apply any other Securities of the Company.

(f) When a new share certificate has been issued in pursuance of sub-article (d) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

(g) Where a new share certificate has been issued in pursuance of sub-articles (d) or (f) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.

(h) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a Resolution of the Board. The blank forms shall be consecutively machine–numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

(i) The Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (h) of this Article.

(j) All books referred to in sub-article (i) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

(k) If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares, and for all incidents thereof according to these Articles.

SHARE WARRANTS

25. The Company may issue share warrants subject to, and in accordance with, the provisions of Sections 114 and 115 of the Companies Act, 1956; and accordingly the Board may in its discretion, with respect to any Share which is fully Paid up, on application in writing signed by the Persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the Person signing the application, and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

(a) (i) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the

Company, and of attending, and voting and exercising the other privileges of a Shareholder at any meeting held after the expiry of 2 (two) clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposited share warrant.

(ii) Not more than one person shall be recognized as depositor of the share warrant.

(iii) The Company may, on 2 (two) days' written notice, return the deposited share warrant to the depositor.

(b) (i) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a Shareholder at a meeting of the Company, or be entitled to receive any notices from the Company.

(ii) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the Shareholder included in the warrant, and he shall be a Shareholder of the Company.

(c) The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

(d) The provisions contained under this Article shall cease to have effect post the notification of section 465 of the Act which shall repeal the provisions of Companies Act, 1956.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

26. (a) The Company in a General Meeting may, by Ordinary Resolution, convert any Paid up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal amount from which the stock arose.

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

CALLS

27. (a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the

conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call of such shares as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

(b) 30 (thirty) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.

(c) The joint holders of a share shall be jointly and severally liable to pay all installments and calls due in respect thereof.

(d) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

(e) **Restriction on Power to make calls and notice**:

No call shall exceed one-half of the nominal amount of share, or be made payable within 30 days' after the last preceding call was payable. Not less than 30 days', notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

(i) If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof, the holder for the time being in respect of the share for which the call shall-have been made or the installment shall be due, shall pay interest for the same at the rate of 12 percent interest per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate (if any) as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest either wholly or in part.

(f) **Amount payable at fixed times or payable by installments as calls**:

If by the terms of issue of any share or otherwise any amount is made payable upon allotment or at any fixed time, or by investments at fixed time or whether on account of the amount of the share or by way of premium, every such amount or installment, shall be payable as if it were a call duly made by the Board end of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to amount or installment accordingly.

(g) **Evidence in action by Company against shareholders**:

On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder and that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

(h) **Payment of call in advance**:

The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

(a) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable

(b) The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

(c) **Revocation of calls**:

A call may be revoked or postponed at the discretion of the Board.

FORFEITURE

28. (a) **If call or Installment not paid notice may be given**

(i) If any Shareholder fails to pay any call or installment of a call on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or installment remains unpaid serve a notice on such Shareholder 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 for the reason of such nonpayment.

(ii) The notice shall name a day (not being less than 14 days from the date of notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of nonpayment at or before the time and at the place appointed the shares in respect of which such call was made or installments is payable will be liable to be forfeited. If notice is not complied with shares in respect of which such notice was given may be forfeited.

(iii) If the requirements of any such notice as aforesaid, be 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 installments, interest and expenses due in respect thereof be forfeited by a resolution of the Board to that effect.

(b) **Notice after forfeiture**:

When any share shall have been so forfeited, notice of the resolution shall be given to the Shareholder in whose name it stood immediately prior to the forfeiture and any entry of the forfeiture, 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 notice or to make such entry as aforesaid.

(c) **Forfeited share to become property of the Company**:

Any share so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit and the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to any person or persons entitled thereto.

(d) **Power of annul forfeiture**:

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

(e) **Liability on forfeiture**:

A person whose share has been forfeited shall cease to be a Shareholder in respect of the share forfeited but shall, notwithstanding remain liable to pay and shall forthwith pay to the Company all calls, or installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon, from the date of forfeiture, until payment at 12 percent interest per annum and the Board may enforce the payment thereof, or any part thereof without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

(f) **Evidence of forfeiture**:

(i) A duly verified declaration in writing that the declarant is a Director, the manager or the Secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

(g) **Forfeiture provisions to apply to non-payment in terms of Issue**:

The provisions of Article 28 hereof shall apply in the case of non- payment of any sum which by the terms of issue of a share, becomes payable at a fixed time whether on account of the nominal value of a share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

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

Lien

29. (a) The Company shall have a first and paramount lien upon every share/debenture not being a fully Paid up share/debenture registered in the name of each member (whether solely or jointly with others), and upon the proceeds of sale thereof for moneys called on payable at a fixed time in respect of such share/debenture whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share/debenture shall be created except upon the footing and condition that Article 29 hereof is to have fully effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures subject to Section 205A of the Act. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause. Fully paid up shares/debentures shall be free from all lien.

(b) **As to enforcing lien by sale**:

For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it think fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell has been served on such Shareholder, his executor or administrators or his payment of the moneys called or payable at a fixed time in respect such shares for thirty days after the date of such notice.

(c) **Application of proceeds of sale:**

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 (subject to a like lien for sums not presently payable as existed, upon the shares before the sale) be paid to the person entitled to the share at the date of this sale.

(d) **Board may issue new certificate**:

Where any share under the power in that behalf herein contained is sold by the Board and the certificate in respect thereof has not been delivered upto the Company by the former holder of such share the Board may issue a new certificate for such share distinguishing in such manner as it may think fit from the certificate not so delivered up.

TRANSFER AND TRANSMISSION OF SHARES

30. (a) The Company shall maintain a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, or other Security held in a material form.

(b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. All provisions of Section 56 of the Act and statutory modifications thereof shall be complied with in respect to all transfers of shares of the Company and registration thereof. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

(i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act

(ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

(c) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

(d) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated, and publishing the notice on the website as may be notified by the Central Government and on the website of the Company, to close the transfer books, the Register of Members at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.

(e) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. Further, subject to the provisions of Section 56 of the Act and section 22A and other relevant provisions of the Securities Contracts (Regulation) Act, 1956, as amended, the Board may, at its absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a Shareholder of the Company. The Board shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares/ debentures in whatever lot shall not be refused.

(f) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

(g) Subject to the provisions of these Articles, the Company shall not refuse the transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

(h) In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.

(i) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 34(a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

(j) The Board shall not knowingly register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.

(k) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

(l) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(m) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor and his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

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

(n) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

(o) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.

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

(q) There shall be a common form of transfer in accordance with the Act and Rules.

The provision of these Articles shall subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

INCREASE AND REDUCTION OF CAPITAL

31. (a) **Increase of Capital**

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may increase its Share Capital by such amount as it thinks expedient.

(b) **Reduction of capital**:

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

(c) **Further issue of capital**

(i) Where at any time, the Company proposes to increase its subscribed capital by the allotment of further shares either out of the unissued capital or out of the increased Share Capital, such shares shall be offered—

A. to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-

a. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

b. 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 clause a. above shall contain a statement of this right. Provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him;

c. 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 he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company; and

d. Nothing in sub-clause b of clause A of sub-article (i) above 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 favor the renunciation was first made has declined to take the shares comprised in the renunciation.

e. Nothing in this article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:

(i) to convert such debentures or loans into shares in the Company; or
(ii) to subscribe for shares in the Company (whether such option is conferred in these articles or otherwise).

Provided that the terms of the issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that Government in this behalf; and

(b) in the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

B. to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause A above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.

(ii) The notice referred to in sub-clause a. of clause A of sub-article (i) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

(iii) The provisions contained in this Article shall be subject to the provisions of the Section 42 and Section 62 of the Act, the Rules and other applicable provisions of the Act.

SURRENDER OF SHARES

32. Subject to the provisions of Section 66 of the Act, the Board may accept from any Shareholder the surrender on such terms and conditions as shall be agreed to, all or any of his shares.

POWER TO MODIFY RIGHTS

33. Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Companies Act, 2013 and Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is affected with consent in writing or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to Section 48 of the Act and Law, all provisions hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

NOMINATION BY SECURITIES HOLDERS

34. a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share

Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.

c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of Section 71 of the Act and the Companies (Share Capital and Debentures) Rules, 2014.

NOMINATION IN CERTAIN OTHER CASES

35. Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

BORROWING POWERS

36. (a) **Power to borrow**

Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board, raise or borrow either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company provided that the Board shall not, without the sanction of the Company pursuant to a Special Resolution passed in a General Meeting borrow any sum of money which together with money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate for the time being of the Paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

(b) **Conditions on which money may be borrowed**:

The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage, or other tangible security on the undertaking of the whole or any part of the Company (both present and future) but shall not create a charge on its capital for the time being without the sanction of the Company in the General Meeting.

(c) **Issue at discount or with special privileges**:

Subject to the provisions of Section 53 of the Act, any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges to redemption, surrender, drawings, allotment of shares, appointment of Directors or otherwise.

(d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.

(e) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.

(f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

GENERAL MEETING

37. (a) In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next Annual General Meeting. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

(b) **When Annual General Meeting to be held**

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

(c) **Venue, Day and Time for holding Annual General Meeting**

(i) Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

(ii) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

(d) **When extraordinary general meeting to be called**

(i) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.

(ii) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

(iii) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number 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 Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

(iv) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.

(v) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

(vi) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

(vii) The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

(e) **Circulation of Shareholders' resolution**:

The Company shall comply with the provisions of Section 111 of the Act as to giving notice of resolutions and circulating statements on the requisition of Shareholders.

(f) **Notice of meetings**

(i) Number of days' notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

a. every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent Shareholder of the Company,

b. Auditor or Auditors of the Company, and

c. all Directors.

(ii) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

(iii) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

(iv) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the Paid up share capital of that other company. All business transacted at any General Meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.

(v) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

(vi) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

(vii) Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

(viii) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

PROCEEDINGS AT GENERAL MEETINGS

38. (a) **Business of Meetings**

The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and declare dividends. All other business transacted at an Annual General Meeting and all businesses transacted at any other General Meeting shall be deemed special business.

(b) **Quorum to be present when business commenced:**

No business shall be transacted at any General Meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business. The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act.

(c) **When, if quorum not present, meeting to be dissolved and when to be adjourned:**

If within half-an-hour from the time appointed for the meeting a quorum be not present, the meeting, if convened 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 time and place as the Board may by notice appoint and if at such adjourned meeting a quorum be not present within half-an-hour from the time appointed for holding the meeting those Shareholders, who are present and not being less than two shall be a quorum and may transact the business for which the meeting was called.

(d) **Resolution to be passed by company in general meeting**

Any act or resolution which under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed if elected by an Ordinary Resolution as defined in Section 114 of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 114 of the Act.

(e) **Chairman of General Meeting**

The Chairman of the Board shall be entitled to take the Chair at every General Meeting. If there is no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or is unwilling to act, the Shareholders 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 Shareholders present shall, on a show of hands or on a poll if properly demanded, elect one of their number being a Shareholder entitled to vote, to be the Chairman.

(f) **Chairman can adjourn the General Meeting**

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate 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. When the meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, and except as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment of the business to be transacted at the adjourned meeting.

(g) **How questions to be decided at meetings**

Every question submitted to a meeting shall be decided, in the first instance by a show of hands and in the case of equality of votes, both on a show of hands and on a poll, the Chairman of the meeting shall have a casting vote in addition to votes to which he may be entitled to as a member.

(h) **Poll**

If a poll be demanded as aforesaid it shall be taken forthwith on a question of adjournment or election of a Chairman and in any other case in such manner and such time, not being later than forty-eight hours from the time when the demand was made and at such place as the Chairman of the meeting directs, and subject as aforesaid, either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the decision of the resolution on which the poll was demanded.

(i) The demand of a poll may be withdrawn at any time.

(ii) Where a poll is taken the Chairman of the meeting shall appoint two scrutineers, one at least of whom shall be Shareholder (not being an Officer or employee of the Company) present at the meeting provided such a Shareholder is available and is willing to be appointed to scrutinize the vote given on the poll and to report to him thereon.

(iii) On a poll a Shareholder entitled to more than one vote or his proxy or other person entitled to vote for him, 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.

(iv) The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

(i) **Passing Resolutions by Postal Ballot**

Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law be required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

(j) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time and applicable Law. Further, as per sub-clause (xxi) the Company shall also provide e-voting to the Shareholders of the Company.

(k) **Votes of Shareholder:**

Save as hereinafter provided, on a show of hands every Shareholder present in person and being a holder of an equity share shall have one vote and every Shareholder present either as a General proxy on behalf of a holder of equity shares if he is not entitled to vote in his own right or as a duly authorized representative of a body corporate, being a holder of equity shares, share have one vote.

(i) Save as hereinafter provided on a poll the voting rights of a holder of Equity Shares shall be as specified in Section 47 of the Act.

(ii) Any Person entitled to transfer any shares of the Company 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 he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

(iii) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.

(iv) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

(v) 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 in the sole judge of the validity of every vote tendered at such poll.

(vi) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

(vii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.

(viii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(ix) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(x) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.

(xi) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.

(xii) Any such Minutes shall be evidence of the proceedings recorded therein.

(xiii) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.

(xiv) The Company shall cause minutes to be duly entered in books provided for the purpose of:

a. the names of the Directors and Alternate Directors present at each General Meeting;

b. all Resolutions and proceedings of General Meeting.

(xv) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Sections 152 and 164(1) of the Act in accordance with these Articles.

(xvi) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

(xvii) All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.

(xviii) The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.

(xix) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

(xx) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the Listing Regulations or any other Law, if applicable to the Company.

(xxi) Procedure where a Company or body corporate is a Shareholder of the Company

Where a body corporate (hereinafter called "Shareholder Company") is a Shareholder of the Company a person duly appointed by resolution in accordance with the provisions of Section 113 of the Act to represent such Shareholder Company at a meeting of the Company shall not, by reason of such appointment, be deemed to be a proxy and the lodging with the Company at the office or production at the meeting of a copy of such resolution duly signed by one Director or such Shareholder Company and certified by him as being a true copy of the resolution shall on production at the meeting, be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers including the right to vote by proxy on behalf of the Shareholder Company which he represents, as that Shareholder Company could exercise if it were an individual member.

Where the President of India or the Governor of a State is a Shareholder of the Company than his representative at meeting shall be in accordance with Section 112 of the Act.

(xxii) Votes in respect of deceased, Insane and Insolvent Shareholders

Any person entitled under Article 30 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 48 (forty eight) hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Board of his right to transfer such shares, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof, if any Shareholder be a lunatic, idiot, or non-composisment, he may vote whether on a show of hands or at a poll by his Committee, curator bonis or other legal curator and such last mentioned persons may give their votes by proxy.

(xxiii) Joint holders:

Where there are joint registered holders of any share anyone of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting either personally or by proxy that one of the said persons so present whose name stands first on the Register of Members in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased Shareholder in whose name any share is registered shall, for the purposes of this Article be deemed joint-holders thereof.

(xxiv) Proxies permitted:

Votes may be given either personally, or in the case of a body corporate, by a representative duly authorized as aforesaid or by proxy.

(xxv) Instrument appointing proxy to be in writing, Proxies may be general or special:

The instrument appointing a proxy shall be in writing under the hands of the appointer or of his Attorney duly authorized in writing or if such appointer is a body corporate be under its common seal or the hand of its Office or Attorney duly authorized. A proxy who is appointed for a specified meeting shall be called a Special Proxy. Any other proxy shall be called a general Proxy.

(xxvi) Instrument appointing a proxy to be deposited at the Office:

The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Office not less than 48 (forty-eight) hours before the time for holding the meeting at which the person named in the instrument purports to vote in respect thereof and in default the instrument of proxy shall not be treated as valid.

(xxvii) Whether vote by proxy valid through authority revoked:

A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received by the Company at the Office before the vote is given. Provided nevertheless that the vote of Chairman is given. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

(xxviii) Form of instrument appointing a special proxy:

Every instrument appointing a special proxy shall be retained by the Company and shall as nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act or as near thereto as possible or in any other form which the Board may accept.

(xxix) Restriction on voting:

No Shareholder shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien, but the Board of Directors may by a resolution passed at the meeting of the Board waive the operation of this Article.

(xxx) Admission or rejection of votes:
Any objection as to the admission or rejection of a vote either, on a show of hands or, on a poll made in due time, shall be referred to the Chairman who shall forthwith determine the same, and such determination made in good faith shall be final and conclusive.

No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or rendered and every vote not disallowed at such meeting shall be valid for all purposes.

DIRECTORS

[3]**39**. The business of the Company shall be managed by the directors who may exercise all such powers of the Company as are not restricted by the Act or any statutory modification thereof for the time being in force or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless, to any regulations of these Articles, to the provisions of the Act, and to such regulations not being inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in general meeting. Nothing shall invalidate any prior act of the Directors which would have been valid if that regulation had been made.

[4] **40.** The number of Directors shall not be less than three (3) nor more than fifteen (15). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

Notwithstanding anything to the contrary contained in these Articles, any Shareholder whose shareholding in the Company is seven and a half per cent (7.5%) or more of the total outstanding Equity Shares on a fully diluted basis, shall have the right to nominate one Director on the Board.

41. The Directors need not hold any qualification shares in the Company.

42. Subject to the provisions of the Act and the rules framed thereunder and as may be determined by the Board, each non-executive Director shall receive out of the Company by way of sitting fees for his services a sum not exceeding the sum prescribed under the Act or the central government from time to time for every meeting of the Board or Committee thereof attended by him.

43. The Director shall also be paid travelling and other expenses for attending and returning from meeting of the Board (including hotel expenses) and any other expenses properly incurred by them in connection with the business of the Company.

44. The Directors may also be remunerated for any extra services done by them outside their ordinary duties as directors, subject to the provisions of Section 188 of the Act.

[3,4] *The reference of Subsidiaries and Joint Ventures Governance Committee in Articles 39 and 40 has been be deleted vide special resolution passed by the members at the 48th Annual General Meeting held on September 19, 2019.*

45. Subject to the provisions of the Act if any Director, being willing, shall be called upon to perform extra services for the purposes of the Company then, subject to Section 197 of the Act the Company shall remunerate such Director by such fixed sum or percentage of profits or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration provided above.

46. Subject to the provisions of Section 188 of the Act, the remuneration of Directors may be a fixed or a particular sum or a percentage sum or a percentage of the net profits or otherwise as may be fixed by the Board, from time to time.

47. Subject to the provisions of Sections 188 and 184 of the Act, no Directors shall be disqualified by his office from contracting with the Company in which any Director shall be in any way interested be avoided, nor shall any Director contracting or being so interested be liable to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established but it is declared that the nature of his/her interest must be disclosed by him/her at the meeting of the Directors at which the contract is determined if his/her interest then exists or in any other case, at the first meeting of the directors after he/she acquires such interest.

48. Subject to Section 161 of the Act, any Director (hereinafter called the "Original Director") shall be entitled to nominate an alternate director (subject to such person being acceptable to the Chairman) (the "**Alternate Director**") to act for him during his absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a Director during the Original Director's absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State. If the term of the office of the Original Director is determined before he so returns to the State, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

49. The Directors shall have the power, at any time and from time to time, to appoint any person as additional directors in addition to the existing Directors so that the total number of Directors shall not at any time exceed the number fixed for Directors in these Articles. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

50. The Company may, by Ordinary Resolution, of which special notice has been given in accordance with the provisions of Section 115 of the Act, remove any Director, if any, before the expiration of the period of his office, notwithstanding anything contained in these regulations or in any agreement between the Company and such Director. Such removal shall be without prejudice to any contract of service between him and the Company.

51. If a Director appointed by a Company in a General Meeting, vacates office as a Director before his term of office would expire in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board but any person so appointed shall retain his office so long only as the vacating director would have retained the same if vacancy had not occurred, provided that the Board may not fill such a casual vacancy by appointing thereto any person who has been removed from the office of director under Article 50.

52. Section 167 of the Act shall apply, regarding vacation of office by director. A director shall also be entitled to resign from the office of directors from such date as he may specify while so resigning.

53. (a) **Company in general meeting increase or reduce number of Directors**:

Subject to Article 40 and Sections 149, 152 and 164 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

(b) **Chairman of the Board of Directors**

The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

If for any reason the Chairman is not present within 15 (fifteen) minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

(c) **Independent Directors**

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the Listing Regulations.

(d) **Equal Power to Director**

Except as otherwise provided in these Articles, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

(e) **Nominee Directors**

(i) Whenever the Board enters into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatsoever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

(ii) The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

(iii) Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

(iv) Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

(v) The nominee director shall be entitled to receive all notices, agenda, minutes, etc., and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member.

(vi) If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

(f) **Director's fees, remuneration and expenses**:

(i) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.

(ii) All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a General meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees with approval of Central Government. Notwithstanding anything contained in this article, the Independent Directors shall not be eligible to receive any stock options.

(g) **Vacation of Office of Director**:

Subject to relevant provisions of Sections 167 and 188 of the Act, the office of a Director, shall ipso facto be vacated if:

(i) he is found to be of unsound mind by a court of competent jurisdiction; or

(ii) he applies to be adjudicated an insolvent; or

(iii) he is adjudged an insolvent; or

(iv) he is convicted by a court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than 6 (six) months; or

(v) he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call, unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or

(vi) he absents himself from 3 (three) consecutive meetings of the Board or from all Meetings of the Board for a continuous period of 3 (three) months, whichever is longer, without obtaining leave of absence from the Board; or

(vii) he, (whether by himself or by any Person for his benefit or on his account), or any firm in which he is a partner, or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company, in contravention of Section 185 of the Act; or

(viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or

(ix) he acts in contravention of Section 184 of the Act; or

(x) he becomes disqualified by an order of the court under Section 203 of the Companies Act, 1956; or

(xi) he is removed in pursuance of Section 169 of the Act; or

(xii) he is disqualified under Section 164(2) of the Act.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

CONTINUING DIRECTORS

54. The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 40 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose

PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP

55. (a) 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 a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

(b) 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 reappointed at the adjourned meeting, unless:-

(i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

(ii) retiring Director has, by a notice in writing addressed to the Company or its Board , expressed his unwillingness to be so reappointed;

(iii) he is not qualified or is disqualified for appointment; or

(iv) a resolution whether special or ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act.

POWERS OF THE BOARD

56. Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

(a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of the Company.

(b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

(c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

i. Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term ‘undertaking’ and the expression ‘substantially the whole of the undertaking’ shall have the meaning ascribed to them under the provisions of Section 180 of the Act;

ii. Remit, or give time for repayment of, any debt due by a Director;

iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the Paid up capital of the Company and its free reserves.

RELATED PARTY TRANSACTIONS

57. (a) Except with the consent of the Audit Committee, Board or the Shareholders, as may be required in terms of the provisions of section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014, the Company shall not enter into any contract or arrangement with a 'related party' with respect to:

(i) sale, purchase or supply of any goods or materials;

(ii) selling or otherwise disposing of, or buying, property of any kind;

(iii) leasing of property of any kind;

(iv) availing or rendering of any services;

(v) appointment of any agent for purchase or sale of goods, materials, services or property;

(vi) such Director's or its relative's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

(vii) underwriting the subscription of any securities or derivatives thereof, of the company:

(b) no Shareholder of the Company shall vote on such Ordinary Resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a related party.

(c) nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis

(d) The Director, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.

(e) The terms "office of profit" and "arm's length basis" shall have the meaning ascribed to them under Section 188 of the Act.

(f) The term 'related party' shall have the same meaning as ascribed to it under the Act

(g) The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 shall be made for the aforesaid contracts and arrangements.

APPOINTMENT OF DIRECTOR OF A COMPANY IN WHICH THE COMPANY IS INTERESTED:

58. A Director may be or become a Director of any Company promoted by the Company, or on which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such Company except in so far as Section 188 or Section 197 of the Act as may be applicable.

DISCLOSURE OF A DIRECTOR'S INTEREST

59. Every Director shall in accordance with the provisions of Section 184 of the Act and of the Companies (Meeting of Board and its Powers) Rules, 2014 shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in accordance with such rules.

60. A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed 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 in the manner provided in Section 184 of the Act;

Provided that it shall not be necessary for a Director to disclose his concern or interest in any such contract or arrangement entered into or to be entered into with any other company where any of the Directors of the company or two or more of them together holds or hold not more than 2% (two per cent) of the Paid up Share Capital in the other company or the Company as the case may be.

A general notice given to the Board by the Director, to the effect that he is a director or shareholder of a specified body corporate or is a partner 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 a further period of one Financial Year at a time by a fresh notice given in the first meeting of the Board in the Financial Year in which it would have otherwise expired.

DISCUSSION AND VOTING BY INTERESTED DIRECTOR:

61. No Director shall, as a Director, take any part in the discussion of, or vote on any contract or arrangement in which he is in any way, whether directly or indirectly concerned or interested, nor shall his presence count for the purpose of forming a quorum at the time of such discussion or vote. This prohibition shall not apply to:

(a) Any contract of indemnity against any loss which the Director's or any of them may suffer by reason of becoming or being sureties or surety for the company: or

(b) Any contractor arrangement entered into or to be entered into by the Company with a public company, or with a private company, which is a subsidiary of a public company, in which the interest of the Director consists solely in his being a Director of such Company and the holder of shares not exceeding a number of value the amount requisite to qualify him for appointment as a director thereof, he having been nominated as such Director by the Company or in his being a Shareholder of the Company holding not more than two per cent of the Paid up share capital of the Company.

Subject to the provisions of Section 188 of the Act and other applicable provisions, if any, of the Act, any Director of the Company, any partner or relative of such Director, any firm in which such Director or a relative of such Director is a partner, any private company of which such Director is a director or member, and any director or manager of such private company, may hold any office or place of profit in the Company.

(c) The Company shall keep a Register in accordance with Section 189 of the Act and shall within the time specified therein enter therein such of the particulars as may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 60. The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and extracts may be taken therefrom and copies thereof may be required by any Shareholder of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

ROTATION AND RETIREMENT OF DIRECTOR

62. (a) **Rotation of Directors**

At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election.

(b) **Which Directors to retire**:

(i) 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 become Directors on the same day those to retire shall, in default of or subject to any agreement among themselves, be determined by lot.

(ii) Save as permitted by Section 162 of the Act, every resolution of a General Meeting for the appointment of a Director shall relate to one name individually.

WHEN THE COMPANY AND CANDIDATE FOR OFFICE OF DIRECTOR MUST GIVE NOTICE:

63. The eligibility and appointment of a person other than a retiring Director to the office of the Director shall be governed by the provisions of Section 160 of the Act.

REGISTER OF DIRECTORS ETC.

64. (a) The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing Directors, Manager, Secretaries and other Persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respects.

(b) The Company shall in respect of each of its Directors also keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

PROCEEDINGS OF DIRECTORS

65. The Quorum necessary for the transaction of the business of directors shall be minimum two or one third of the total numbers of directors whichever is higher, subject to Section 174 of the Act and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.

66. Subject to the provisions of Section 173 of Act, a meeting of the Board shall be held in such a manner that not more than 120 days shall intervene between two consecutive meetings of the Board and at least four such meetings shall be held in each calendar year. The directors may meet together for the discharge of the business, adjourn and otherwise regulate their meetings and proceedings, as they think fit.

67. Notice of every meeting of Board of the Company shall be given in writing to every director at his/her address registered with the Company.

68. A meeting of the director for the time being at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions by law or under Articles and regulations for the time being vested in or exercisable by directors.

69. The Managing Director or a Director or a secretary upon the requisition of Director(s), may at any time convene a meeting of the Board.

70. The questions arising at any meeting of the Board shall be decided by a majority of votes and in case of any equality of vote, the Chairman shall have a second or casting vote.

71. Meetings of Directors:

(i) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.

(ii) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.

(iii) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

72. Chairman:

The Board may elect a chairman of its meeting and determine the period for which he is to hold office.

73. How questions to be decided:

(i) Questions arising at any meeting of the Board or Committees, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote.

(ii) No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

74. Committees and Delegation by the Board

(i) The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

(ii) Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

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

(iv) The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the Listing Regulations, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

75. When acts of a Director valid notwithstanding informal appointments:

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every 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 the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

76. Resolution without Board meeting:

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 form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or Shareholders, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the

Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

MINUTES

77. (a) The Board shall respectively cause minutes of all proceedings of General Meetings and of all proceedings at meetings of Board or of Committee to be duly entered in books to be maintained for that purpose in accordance with Section 118 of the Act, provided that the minutes book may be maintained in loose leafs

(b) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.

(b) The Company shall circulate the draft minutes of the meeting to each Director within 15 (fifteen) days after the Board Meeting.

(c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(d) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(e) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain: -

(i) all appointments of Officers;

(ii) The name of the Directors present at the meeting in case of meeting of Board or Committee of Board;

(iii) all resolutions and proceedings of the meetings of the Board; and

(iv) the name of the Directors, if any, dissenting from or not consenting to the resolution, in the case of each resolution passed at the meeting of Board or Committee of Board.

(f) Nothing contained in sub Articles (a) to (e) above shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: -

(i) is or could reasonably be regarded as defamatory of any person;

(ii) is irrelevant or immaterial to the proceedings; or

(iii) is detrimental to the interests of the Company.

(g) The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in sub Article (f) above.

(h) Any such minutes, purporting to be signed in accordance with the provisions of Sections 118 of the Act, shall be evidence of the proceedings.

(i) The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 3 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

78. The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

(a) to make calls on Shareholders in respect of money unpaid on their shares;

(b) to authorise buy-back of securities under Section 68 of the Act;

(c) to issue securities, including debentures, whether in or outside India;

(d) to borrow money(ies);

(e) to invest the funds of the Company;

(f) to grant loans or give guarantee or provide security in respect of loans;

(g) to approve financial statements and the Board's report;

(h) to diversify the business of the Company;

(i) to approve amalgamation, merger or reconstruction;

(j) to take over a company or acquire a controlling or substantial stake in another company;

(k) fees/ compensation payable to non-executive directors including independent directors of the Company; and

(l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the Listing Regulations.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act.

In terms of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

(i) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company;

(ii) to borrow money; and

(iii) any such other matter as may be prescribed under the Act, the Listing Regulations and other applicable provisions of Law.

MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

79. The Board may, from time to time, subject to the provisions of Sections 196 and 203 of the Act and of these Articles, appoint from time to time, a Managing Director or whole time director or executive director or manager of the Company for such period and on such remuneration and other terms, as they think fit and subject to the terms of any agreement entered into in any particular case, may revoke such appointment. His appointment will be automatically terminated if he ceases to be a director.

80. The Board, subject to Section 179 of the Act, may entrust to and confer upon a managing director or a whole time director any of the powers exercisable by them, upon such terms and conditions and with such restrictions, as they may think fit and either collaterally with or to their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.

81. The person so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s) or manager or executive director(s), as the case may be, all the powers vested in the Board generally.

PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S)/ EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT

82. Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall *ipso facto* and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager.

POWER OF ATTORNEY:

83. The Board may, at any time and from time to time, by Power-of-Attorney under Seal appoint any persons to be the Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those which may be delegated by the Board under the Act) and for such period and subject to such conditions as the Board may, from time to time, think fit; and any such appointments, may, if the Board thinks fit, be made in favour of the Shareholders, or in favour of the Company or of the Shareholders, directors, nominees, or officers of any Company or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board; and any such Power-of-Attorney may contain such provisions for the protection or convenience of persons dealing with such Attorney as the Board think fit.

SECRETARY

84. Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may confer upon the Secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

85. The Secretary shall be an individual responsible to ensure that there shall be no default, non-compliance, failure, refusal or contravention of any of the applicable provisions of the Act, or any rules, regulations or directions which the Company is required to conform to or which the Board of the Company are required to conform to and shall be designated as such and be the officer in default.

POWER TO AUTHENTICATE DOCUMENTS:

86. Any Director or the Secretary or any officer appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any books, records documents and account relating to the business of the Company and to certify copies thereof extracts therefrom, as true copies or extracts and where any books, records documents or accounts are elsewhere than at the office the local manager or other officer of the Company having the custody thereof shall deemed to be a person appointed by the Board as aforesaid.

CERTIFIED COPIES OF THE BOARD:

87. A document purporting to be a copy of a resolution of the Board or an extract from the minutes of meeting of the Board which is certified as such in accordance with the provisions of the last preceding Articles shall be conclusive evidence in favour of all persons dealing with the Company upto the faith thereof that such resolution has been duly passed or, as the case may be that such extract is true and accurate record of a duly constitute meeting of the Directors.

RESERVES

88. The Board may from time to time before recommending any Dividend set apart any such portion of the profit of the Company as it thinks fit as reserves to meet contingencies or for the liquidations of the debentures, debts or other liabilities of the Company, for equalization of Dividends for repairing, improving or maintaining any of the property of the Company and such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company and may subject to the provisions of Section 186 of the Act, invest the several sums so set aside upto such investments (other than shares of the Company) as it may think fit, and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and may divide the Reserve into such special funds as the Board thinks fit, with full power to employ the Reserve or any part thereof in the business of the Company and that without being bound to keep the same separate from other assets.

INVESTMENT OF MONEY

89. All money carried to the Reserves shall nevertheless remain and be profits of the Company available, subject to due provision being made for actual loss or depreciation, for the payment of Dividends and such moneys and all the other moneys of the Company not immediately required for the purpose of the Company may, subject to the provision of Section 186 of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or may be kept at any Bank on deposit or otherwise as the Board may, from time to time think proper.

ISSUE OF BONUS SHARES

90. The Company in its General Meeting may resolve to issue the bonus shares to its shareholders subject to the applicable provisions of the Act and other laws as may be applicable in this behalf from time to time.

FRACTIONAL CERTIFICATE

91. For the purpose of giving effect to any resolution under the two last preceding Articles the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and, in particular, may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that cash payments shall be made to any Shareholders upon the footing of value so fixed in order to adjust the rights of all parties may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the dividends or capitalized fund as may seem expedient to the Board. Where requisite a proper contract shall be filed in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividends or capitalized fund and such appointment shall be effective.

DECLARATION OF DIVIDENDS

92. (a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid up or credited as Paid up and to the period during the year for which the Capital is Paid up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

(b) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying a Dividend for any Financial Year provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Year or years,

(c) No Dividend shall be declared unless carried over previous losses and depreciation not provided in previous year are set off against profit of the company of the current year, the loss or depreciation, whichever is less, in previous years is set off against the profit of the company for the year for which dividend is declared or paid.

(d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.

(e) (i) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is Paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.

(ii) No amount paid or credited as paid on shares in advance of calls shall be treated as Paid up for the purpose of this Article.

(iii) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.

(f) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.

(g) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.

(h) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

(i) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.

(j) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.

(k) No unpaid Dividend shall bear interest as against the Company.

(l) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

(m) The Company may pay dividends on shares in proportion to the amount Paid up on each Share in accordance with Section 51 of the Act.

UNPAID OR UNCLAIMED DIVIDEND

93. (a) If the Company has declared a Dividend which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration to any Shareholder entitled to payment of the Dividend, the Company shall transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "Unpaid Dividend of S Chand And Company Limited".

(b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".

BOOKS OF ACCOUNT TO BE KEPT

94. The Board shall cause proper books of account to be maintained under Section 128 of the Act.

95. Subject to the provisions of Section 207 of the Act the Board shall also, from time to time, determine whether and to what extent, and at what times and places, and at what conditions or regulations account books of the Company or any of them, are to be kept or shall be open to the inspection of Shareholders not being Directors.

96. Subject to the provisions of Section 207 of the Act no Shareholder (not being the director) or other person shall have any right of in inspecting any account book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

97. The Books of accounts shall be kept at the Office or at such other place in India as the Board may decide and when the Board so decides, the Company shall within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.

98. The Books of Account shall be open to inspection by any Director during business hours.

ACCOUNTS

99. (a) Balance sheet and profit and loss account of the Company will be audited once in a year by a qualified auditor for certification of correctness as per provisions of the Act.

(b) **Balance Sheet and Profit and Loss Account:**

At every Annual General Meeting the Board shall lay before the Company a Balance Sheet and Profit and Loss Account made up in accordance with the provision of the Act and such Balance Sheet and Profit and Loss Account shall comply with the requirements of sections 134 of the Act so far as they are applicable to the Company but, save as aforesaid the Board shall not be found to disclose greater details of the result or extent of the trading and transactions of the Company than it may deem expedient.

(c) **Annual Report of Directors**:

There shall be attached to every Balance Sheet laid before the Company a report by the Board complying with Section 134 of the Act.

(d) **Copies to be sent to Shareholders and others**:

A copy of every Balance Sheet (including the Profit and Loss Account, the Auditors Report and every document required by law to be annexed or attached to the Balance Sheet) shall, as provided by section 136 of the Act not less than twenty-one days before the meeting be sent to every such Shareholders, trustee and other person to whom the same is required to be sent by the said section.

(e) **Copies of Balance Sheet to be filed**:

The Company shall comply with Section 137 of the Act as to filing copies of the Balance Sheet and Profit and Loss Account and documents required to be annexed or attached thereto with the Registrar of Companies.

SERVICE OF NOTICE AND DOCUMENTS

100. (a) **How notices to be served on Shareholders:**

A notice or other document may be given by the Company to its Shareholders in accordance with Sections 20 and 101 of the Act.

Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a Shareholder has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each Shareholder an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfill all conditions required by Law, in this regard.

(b) **Transferee, bound by prior notice**:

Every person who by operation of law or transfer or other means whatsoever, shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such share.

(c) **Notice valid though Shareholder deceased**:

Any notice or document delivered or sent by post to or left at the registered address of any Shareholder in pursuance of these Articles shall notwithstanding such Shareholder be then deceased and whether or not the Company have notice of his decease be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such Shareholder until some other person be registered in his stead as the holder or joint holders thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his heirs, executors or administrators and all persons, if any, jointly, interested with him in any such share.

(d) **Service of process in winding-up**:

Subject to the provisions of the Act, in the event of winding-up of the Company every Shareholder of the Company who is not for the time being in the place where the office of the Company is situated shall be bound, within eight weeks after the passing of an effective resolution to wind up the Company voluntarily or the making of any order for the winding up of the Company to service notice in writing on the Company appointing some householder residing in the neighbourhood of the office upon them all summons, notices, processes, orders and judgments in relation to or under the winding up of the Company may be served and in default to such nomination, the liquidator of the Company shall be at liberty on behalf of such member, to appoint some such person and service upon any such appointee by the Shareholder on the liquidator shall be deemed to be good personal service on such Shareholder for all purposes and where the liquidator makes any such appointment he shall, with all convenient speed, given notice thereof to such Shareholder by advertisement in some daily newspaper circulating in the neighbourhood of the office or by a registered letter sent by post and addressed to such Shareholder at his address as registered in the register and such notice shall be deemed to be served on the day on which the advertisement appears or the letter would be delivered in the ordinary course of the post. The provision of this Article does not prejudice the right of the liquidator of the Company to serve any notice or other document in any other manner prescribed by these Articles.

(e) **Shareholders to notify address in India**

Each registered Shareholder from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

(f) **Service on Shareholders having no Registered Address**

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

(g) **Service on Persons Acquiring Shares on Death or Insolvency of Shareholders**

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent 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 serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

(h) **Persons Entitled to Notice of General Meetings**

Subject to the applicable provisions of the Act and these Articles, notice of General Meeting shall be given:

(i) To the Shareholders of the Company as provided by these Articles.

(ii) To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.

(iii) To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company.

(i) **Notice by advertisement**

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the Office is situated.

KEEPING OF REGISTERS AND INSPECTION

101. (a) **Registers, etc. to be maintained by the Company:**

The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act:

A Register of Member indicating separately for each class of Equity Shares held by each Shareholder residing in or outside India and a Register of any other security holders.

The Company shall also be entitled to keep in any country outside India, a part of the registers referred above, called “foreign register” containing names and particulars of the Shareholders or beneficial owners residing outside India.

The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

(b) **Supply of copies of Registers**:

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

(c) **Inspection of Registers**:

The register of charges, register of investments, register of shareholders, books of accounts and the minutes of the meeting of the Board and Shareholders shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines for inspection of any Shareholder without charge. In the event such Shareholder conducting inspection of the abovementioned documents requires extracts of the same, the company may charge a fee which shall not exceed Rupees ten (10) per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

(d) **When Registers of Shareholders may be closed**:

The Company, after giving not less than seven days, previous notice by the advertisement in some newspapers circulating in the district in which the office is situated close the Register of Members for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at anyone time.

(e) **Reconstruction:**

On any sale of the undertaking of the Company the Board or the liquidators on a winding- up may, if authorized by a Special Resolution, accept fully paid or partly Paid up shares of any other Company, whether incorporated in India or not, either than existing or to be formed for the purchase in whole or in part of the property of the Company and the Board (if the profits of the Company permit) or the liquidators (in winding-up) may distribute such shares or securities or any other property of the Company amongst the Shareholders without realisation, or vest the same in trustees for them and Special Resolution may provide for the distribution or appropriation of the cash shares or other securities benefit or property otherwise then in accordance with the strict legal right, of the contributories of the Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights (if any) under Section 319 of the Act as are incapable of being varied or excluded by these Articles.

REGISTER OF CHARGES

102. The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

CHARGE OF UNCALLED CAPITAL

103. Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed.

DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP

104. (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 shareholders, 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 Shareholders or different classes of Shareholders.

DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS

105. Subject to the provision of section 197 of the Act, no Director, Manager, Officer or employee of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager, Officer or employee or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies 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 monies, securities or effects shall be deposited or for any loss occasioned by an error of judgment or oversight on his part , or for any other loss ,damage or misfortune whatsoever which shall happen in the execution thereof unless the same shall happen through negligence, default, misfeasance, breach of duty or breach of trust. Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with the registrar of the companies in respect of any act done or required to be done by any Director or other officer by reason of his holding the said office shall be paid and borne by the company.

AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

106. (a) The Shareholders shall vote for all the Equity Shares owned or held on record by such Shareholders at any Annual or extraordinary General Meeting of the Company in accordance with these Articles.

(b) The Shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.

(c) The Articles of the Company shall be amended only by way of a Special Resolution.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO SHAREHOLDERS

107. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

POWER OF THE DIRECTORS

108. Subject to the Section 179 of the Act hereof, the directors shall have the right to delegate any of their powers to such managers, agents or other persons as they may deem fit and may at their own discretion revoke such powers.

109. The directors shall have powers for the engagement and dismissal of managers, engineers, clerks, workers and assistants and shall have power of general direction, management and superintendence of the business of the Company with full powers to do all such acts, matters and things deemed necessary, proper or expedient for carrying on the business of the Company, and to make and sign all such contracts and to draw and accept on behalf of the Company all such bills of exchanges, hundies, cheques, drafts and other government papers and instruments that shall be necessary, proper or expedient, except only such of them as by the Act or by these presents are expressly directed to be exercised by shareholders in the general meeting.

SECRECY

110. Without prejudice to the rights of the Investors and the Investor directors, every manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all bonafide transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when require to do so by the Directors or by any General Meeting or by the law of the country and except so far as may be necessary in order to comply with any of the provision in these presents and the provisions of the Act. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the government to require or to hold an investigation into the Company's affair.

OPERATION OF BANK ACCOUNTS

111. The Board shall have the power to open bank accounts, to sign cheques on behalf of the Company and operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorize any other person to exercise such powers.

INDEMNITY

112. Subject to provisions of Section 197 of the Act, the Chairman, Directors, Auditors, Managing Directors and other officer for the time being of the Company and any trustees for the time being acting in relation to any of the affairs of the Company and their heirs and executors, shall be indemnified out of the assets and funds of the Company from or against all bonafide suits, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done or about the execution of their duties in their respective offices except those done through their wilful neglects or defaults of any other officer or trustee.

THE SEAL

113. (i) The Board shall provide for the safe custody of the seal of the Company.

(ii) The seal of the Company shall not be affixed to any instrument except by the authority of resolution of the Board or a Committee of the Board authorised by it in that behalf and except in the presence of at least two Directors and of the Secretary or such other person as the Board may appoint for the purpose; and those two Directors and the Secretary or other aforesaid person shall sign every instrument to which the Seal of the Company is so affixed in his presence. The share certificate will, however, be signed and sealed in accordance with the Act and the Companies (Share Capital and Debenture) Rules, 2014. Provided nevertheless that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any regularity touching the authority of the Board to issue the same.

BUYBACK OF SHARES

114. Subject to the provisions of Sections 68, 69 and 70 of the Act and subject to requirement of applicable buy-back regulations/rules made by central government/SEBI in this regard as may be modified from time to time, the Company may purchase its own Equity Shares or other Securities.

CANCELLATION OF FORFEITED SHARES

115. The Company may, by a resolution of the Board, decide not to reissue any forfeited shares in the Company. In such a case, the Board may cancel the forfeited shares, with or without canceling them from the authorised share capital, and transfer the amount received on such shares to appropriate account head. In case the Company decides to diminish the amount of Company's share capital by the nominal value of forfeited shares cancelled, it shall be done in accordance with the provisions of the Act as applicable.

CAPITALISATION OF PROFITS

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

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in Article 116 (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 116 (iii), either in or towards—

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-Article (a) and partly in that specified in sub-Article (b);

(iii) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(iv) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

117. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.

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

JAGDEEP SINGH Digitally signed by JAGDEEP SINGH Date: 2025.03.25 16:22:24 +05'30'

S.No.	Name, address, description and occupation of subscriber	Signature of the subscriber	Name & address, description & occupation of witness
1	Shyam Lal Gupta S/o Niranjan Lal Gupta 16-B/4, Asaf Ali Road, New Delhi Businessman	(Sd)	O.R raghavan S/o O.U.Rajagopala Iyer 4, Jain Mandir Road New Delhi Chartered Accountant Services
2	Rajendra Kumar Gupta S/o Shyam Lal Gupta 16-B/4, Asaf Ali Road, New Delhi Businessman	(Sd)	
3	Ravindra Kumar Gupta S/o Shyam Lal Gupta 16-B/4, Asaf Ali Road, New Delhi Businessman	(Sd)	
29th day of August, 1970			

JAGDEEP SINGH Digitally signed by JAGDEEP SINGH Date: 2025.03.25 16:22:51 +05'30'

IN THE NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI
COURT-III

Item No.105
New IA(Com.A)- 247/2023
In
CAA-60(ND)/2020

IN THE MATTER OF:
Blackie & Son (Culcutta) Pvt Ltd. & Nirja Publishers & Printers Pvt Ltd.
.... APPLICANT/PETITIONER

SECTION
U/s 230-232 **Order delivered on 24.07.2023**

CORAM:
SHRI BACHU VENKAT BALARAM DAS, HON'BLE MEMBER (JUDICIAL)
SHRI ATUL CHATURVEDI HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant	: Mr. Lokesh Dyani, Ms. Ashima Jain, Advocates in IA-247/2023
For the IT Department	: Mr. Sanjay Kumar, Ms. Easha and Ms. Hemlata Rawat, Standing Counsels for Income Tax Department
For the OL	: Ms. Hemlata Rawat Counsel for OL

ORDER

IA(Com.A)- 247/2023:-

The Ld. Counsel appearing for the Applicant has submitted that various typographical errors are there in the order dated 16.06.2023 and details of which has been mentioned in the present application.

Keeping in view, the fact that there are lot of mistakes in the said order, we deem it appropriate to issue modified order carrying out the corrections.

Accordingly, modified order is issued separately.

IA **disposed of.**

Sd/-
(ATUL CHATURVEDI)
MEMBER (TECHNICAL)

Sd/-
(BACHU VENKAT BALARAM DAS)
MEMBER (JUDICIAL)

Mamta
24.07.2023

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DD/DR/AR/Court Officer
National Company Law Tribunal
New Delhi

11/08/2023
सहायक पंजीयक
ASSISTANT REGISTRAR
राष्ट्रीय कंपनी विधि अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
C.G.O. COMPLEX, NEW DELHI-110003

NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH (COURT- III)

C.P.(CAA)-60/ND/2020
In
CA(CAA) 12/ND/2020

Section 230 to Section 232 of the Companies Act, 2013

IN THE MATTER OF SCHEME OF ARRANGEMENT:

AMONGST

M/S BLACKIE & SON (CALCUTTA) PVT LTD

... Petitioner No.1 /Transferor Company No.1

AND

M/S NIRJA PUBLISHERS & PRINTERS PVT LTD

... Petitioner No.2 /Transferor Company No. 2

AND

M/S DS DIGITAL PVT LTD

...Petitioner No.3/ Demerged Company No.1

AND

M/S SAFARI DIGITAL EDUCATION INITIATIVES PVT LTD

...Petitioner No.4/ Demerged Company No.2

WITH

M/S S CHAND AND COMPANY LTD

... Petitioner No.5/ Transferee Company No. 1

Order Delivered on: 24.07.2023

CORAM:

SH. BACHU VENKAT BALARAM DAS, HON'BLE MEMBER (JUDICIAL)
SH. ATUL CHATURVEDI, HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant	: Mr. Satwinder Singh, Adv.
For the RD	: Ms. Priyadarshini Dewan, Ms. Swechcha Mishra, Advs.
For the OL	: Ms. Hemlata Rawat Adv.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. This is a 2nd Motion Petition filed under Sections 230, 232 & 66 of the Companies Act, 2013, in connection with the proposed scheme of Arrangement amongst Blackie & Son (Calcutta) Pvt Ltd, Nirja Publishers & Printers Pvt Ltd, DS Digital Pvt Ltd, Safari Digital Education Initiatives Pvt Ltd and S Chand and Company Ltd.

2. M/s. Blackie & Son (Calcutta) Pvt Ltd, (hereinafter referred to as "Transferor Company-1") was incorporated on 09.10.1979 under the provisions of the Companies Act, 1956 having its registered office at 7361, Ravindra Mansion, Ram Nagar, Qutab Road, New Delhi-110055.

3. M/s. Nirja Publishers & Printers Pvt Ltd, (hereinafter referred to as "Transferor Company- 2") was incorporated on 31.08.1971 under the provisions of the Companies Act, 1956 having its registered office at 7361, Ravindra Mansion, Ram Nagar, Qutab Road, New Delhi-110055.

4. M/s. DS Digital Pvt Ltd, (hereinafter referred to as "Demerged Company1") was incorporated on 28.01.2008 under the provisions of the Companies Act, 1956 having its registered office at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044.

5. M/s. Safari Digital Education Pvt Ltd, (hereinafter referred to as "Demerged Company-2") was incorporated on 23.06.2010 under the provisions of the Companies Act, 1956 having its registered office at A27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi110044.

6. M/s. S Chand and Company Ltd, (hereinafter referred to as "Transferee Company - 1") was incorporated on 09.09.1970 under the provisions of the Companies Act, 1956 having its registered office at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044.

7. The present Petition has been filed by all the Companies jointly. Since the Registered offices of all the Petitioner Companies is situated in Delhi, the jurisdiction lies with this Adjudicating Authority. The Transferor Companies No. 1 & 2, the Demerged Companies No.1 & 2 and the Transferee Company had filed a 1st Motion Joint Application under Sections 230, 232 & 66 of the Companies Act, 2013, and other applicable provisions, if any, being CA(CAA)12(ND) OF 2020, with this Tribunal. To obtain appropriate orders to dispense/convene meetings of Shareholders, Secured Creditors and Un-Secured Creditors, of these companies for the purpose of considering and approving, with or without, the aforesaid Scheme of Arrangement.

8. This Tribunal was pleased to direct for the convening of separate meetings of Equity Shareholders of the Transferee Company No.1, Secured Creditors of the Transferor Company No.2, the Demerged Company No.1 and the Transferee Company No.1 and Un-Secured Creditors of the Transferor Company No.2, the Demerged Company No.1 and the Transferee Company No.1 on 25th March, 2020 and 26th March 2020. In view of complete nationwide Lockdown to contain the COVID19 pandemic, these meetings were forced to be cancelled and this Tribunal further directed to hold the aforesaid, meetings through video

conferencing with facility to remote e-voting on 17.07.2020 and 18.07.2020. The composite scheme of Arrangement was considered and approved unanimously with overwhelming majority in each of the meetings, the details of which have been filed.

9. Subsequent to the order of dispensation of meetings in relation to the Transferor Companies, the Second Motion petition was moved by the Petitioner Companies in connection with the Scheme of Arrangement for issuance of notices to the Central Government, Registrar of Companies NCT of Delhi & Haryana, Regional Director (Northern Region) MCA, Income Tax Authorities, Official Liquidator, Reserve Bank of India and other sectoral regulators who shall be affected by the proposed Scheme and to such other Objector(s), if any, and also for publication of notice in respect of the said Scheme. The said petition was admitted and directions were issued, by this Tribunal requiring the Petitioner Companies to serve notices to the Central Government, Registrar of Companies NCT of Delhi & Haryana, Regional Director (Northern Region) MCA, Income Tax Authorities, Official Liquidator and other sectoral regulators likely to be affected by the said proposed Scheme and also to carry out necessary publication in English and Hindi newspapers with respect to the said Scheme.

10. It is submitted by the Petitioners that in compliance of the above stated directions, the Petitioners duly filed an Affidavit of Service by confirming that the aforesaid Notices of the present Company Petition were published in Business Standard (English) and Business Standard (Hindi) newspaper Delhi edition. It is further submitted that the Petitioner Companies also served the Notices of the present Company Petition to all the statutory authorities.

11. The Regional Director vide its report dated 19.01.2021 has raised the following observations: -

(a) Refer to clause 14 & 37 of the scheme, the Transferee Company shall comply with Section 232(3)(i) of the Companies Act, 2013 and pay the difference fee on the consolidated authorized share capital of the transferee company, after setting off the fee already paid by the Transferor Companies on their respective capital.

(b) The Auditor has stated in the Financial Statement of Transferee Company filed for the Financial Year 2019-2020 that they are unable to verify the existence/condition of inventories of INR 103.55 Million, raw material of INR 556.40 Million, finished goods of INR 3.18 Million traded goods to determine adjustment that may be required to be made in the value of inventory. Therefore, the valuation shown under inventory may change and also the valuation report which is based on Financial Statement as at 31.03.2020.

(c) As per Note 53 of in Financial Statement of Transferee Company filed for the Financial Year 2019-2020, there are uncertainty in receivables, inventory, raw material to use assets and investment in subsidiaries and debt repayment.

(d) As per para (i) of the Auditor report of Transferee company, the remuneration of the director for the year ended 31.03.2020 is in excess of the limit applicable u/s 197 of the Act by Rs. 5 million.

12. The Petitioner Companies had field their reply dated 29.01.2021 in response to the Regional Director's Report dated 19.01.2021. The Reply of the Petitioner Companies is summarized below: -

a. As provided in the Scheme of Arrangement, we wish to reiterate, confirm and undertake that the Transferee Company No. 1 and the Demerged

Company No. 2 will comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 and other applicable provisions, if any, and make the requisite payment to the Registrar of Companies and other Authorities, if any, on increase of their respective authorized capital subsequent to the sanction of the Scheme of Arrangement.

b. With regard to the remarks made by the Statutory Auditors of the Transferee Company No.1 in its report on the Audited Financial Statements for the year ended 31st March, 2020, with regard to the verifications of inventories; it is most respectfully submitted that these observations/disclosures are made in the Auditors' Report/Financial Statements and are not necessarily a negative statement. As observed by the Statutory Auditors themselves, complete explanations are given in note 54 to the Audited Financial Statements for the year ended 31st March, 2020, which is reproduced below for the ready reference of this Hon'ble Tribunal:

Note 54: *The Company, as part its policy, performs physical verification of inventory bi-annually in September and March every year. Accordingly, the management had carried out physical verification of inventory as at September 30,2019. However, as at March 31, 2020, due to travel restrictions on account of COVID-19 and due to significant business activities subsequent to year-end in the post lock down period, the management could not perform physical count of inventory as at March 31, 2020 through to the date of approval of these Financial Statements. The management has, therefore, relied upon the inventory count reflected in its books of accounts, which is the balancing figure for the opening, purchases and the inventory consumed/sold during the financial year. The management intends to complete the physical verification process in the subsequent quarter and does not expect any significant impact which arise on completion of this process.*

As mentioned by the Learned Regional Director in para 7 at page 6 of the RD Affidavit, the valuation Report for the Scheme of Arrangement is dated

November 14, 2017, after which the Scheme was filed with the Stock Exchanges and SEBI for approval, before filing the same with this Hon'ble Tribunal. Hence, the aforesaid observations made by the Auditors with regard to the inventories do not have any bearing either on the Share Valuation Report or on the proposed Scheme of Amalgamation.

c. With regard to Note 53 on uncertainty in receivables, inventory, raw material, right to use assets and investment in subsidiaries and debt repayment in the Transferee Company No.1, it is submitted that a lot of uncertainty prevailed in the economy on account of COVID-19 pandemic and the resultant nationwide lockdown. It may be noted that the Transferee Company No.1 is engaged in publishing of educational books and other related activities. Schools and educational institutions are one of the worst hit industries due to COVID-19 pandemic. Necessary disclosure was made on the aforesaid aspects in Note 53 to the Financial Statements of the Transferee Company for the year ended 31st March, 2020, in compliance with the Companies Act, 2013 and other applicable provisions.

   However, the situation is gradually improving. The Transferee Company No.1 has started realizing receivables. The realization of receivables has been slow since most of the Educational Institutions remained closed and academic sessions/semesters/admissions were delayed due to delay in examination results. The inventories of the Transferee Company No.1 have been sold during the subsequent periods and the raw material has also been put to use for production and services to customers. With regard to debt repayment, it is submitted that it has been made regularly after obtaining moratorium as approved by the Banks of the Transferee Company No.1 and there are no overdues payable by the Transferee Company No.1. The management of the Transferee Company No.1 is of the view that uncertainty on the Investment in Subsidiaries is realizable except where provision has been made in books of accounts.

The proposed scheme of Arrangement will enable the Petitioner Companies to consolidate similar businesses. The Scheme will lead to simplification of group structure by eliminating multiple companies in similar business, thus enabling focus on core competencies which has become all the more critical in the present challenging times.

d. With regard to excess remuneration paid to the Director of the Transferee Company No.1 for the year ended 31st March, 2020, it is submitted that in terms of the provisions of the Companies Act, 2013, the Transferee Company No.1 had already taken approval of the Shareholders at the Annual General Meeting convened on 29th September, 2020 for the remuneration paid to the Directors during the Financial Year 2019-20. As on the date of this Affidavit, all the compliances have been made with regard to the remuneration paid to the Directors during the Financial Year 2019-20.

13. The Income Tax Department vide its report dated 14.01.2021 submitted to this tribunal stating therein that they have no objection with respect to the present Scheme of arrangement, subject to the condition that provisions of section 72 A of the IT Act to be complied. The Petitioner company have stated that none of the Petitioner companies has any outstanding Income Tax due. Be that as it may, the Income Tax Department can initiate appropriate proceedings for recovery of Income Tax dues if any.

14. The Official Liquidator vide its report dated 03.12.2020 submitted to this Tribunal stating therein that they have no objection with respect to the present Scheme of arrangement.

15. We have gone through the observations made by the Regional Director in its report dated 19.01.2021 and the reply of the petitioner companies. On

perusal of the observation and reply by Petitioner Companies, we find no impediment for the approval of the scheme.

16. In view of the foregoing facts and discussion and upon considering the approval accorded by the Members and Creditors of all the Companies to the proposed Scheme and also in the view of the fact that no sustainable objections have been raised by the Office of the Regional Director, Income Tax Department or any other interested party, there does not appear to be any impediment in granting sanction to the Scheme proposed of Arrangement.

17. Accordingly, in the sequel to the above facts and circumstances, the sanction is hereby granted to the Scheme of Arrangement proposed by the Applicant Company under Section 230 to 232 of the Companies Act, 2013.

18. Consequently, the sanction is hereby granted to the Scheme under Section 230 to 232 of the Companies Act, 2013. Upon the sanction becoming effective from the appointed date of amalgamation and arrangement i.e., 1st April, 2017, the Transferor Companies shall stand dissolved without undergoing the process of winding up.

19. This Tribunal with respect to De-merger of Educational Business of the Demerged Company-1 and Demerged Company-2 into the Transferee Company to Order:

   a) That all properties, rights and powers of Demerged Undertaking be transferred without further act or deed to the Resulting Company and accordingly, the same shall pursuant to Section 230-232 of the Companies Act, 2013 be transferred to and vested in the Resulting Company for all intents, purposes and interest of the Demerged Undertaking subject nevertheless to all changes now affecting the same; and

b) That all the liabilities, (if any) and powers, engagements, obligations and duties of the Demerged Undertaking shall pursuant to Section 232(3) of the Companies Act, 2013 without further act or deed be transferred to the Resulting Company and accordingly the same become the liabilities and duties of the Resulting Company; and

c) That all proceedings now pending by or against the Demerged Undertaking shall be continued by or against the Resulting Company; and

d) That the Petitioner Company, shall within thirty days of the date of the receipt of this order cause a certified copy of this Order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Demerged Undertaking shall be deemed to be transferred; and

20. This Tribunal further directs amalgamation with respect to Transferor Companies No. 1 and 2 with Transferee Company No.1.

21. This Tribunal further directs Amalgamation of Demerged Company No.1 (With the residual business remaining in the company after the demerger of its educational business) with Demerged Company No. 2 that:

i. All contracts of the Transferor Companies, which are subsisting or having effect immediately before the Effective Date, shall stand transferred to and vested in the Transferee Company and be in full force and effect in favor of the Transferee Company and may be enforced by or against it as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obliged thereto;

ii. All the employees of the Transferor Company shall be deemed to have become the employees and the staff of the Transferee Company with effect from the Appointed Date, and shall stand transferred to the Transferee Company without any interruption of service and on the terms and conditions no less favorable than those on which they are engaged by the Transferor Company, as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans and any other retirement benefits;

iii. All liabilities of the Transferor Companies, shall, pursuant to the provisions of section 232(4) and other applicable provisions of the Companies Act, 2013, to the extent they are outstanding as on the Effective Date, without any further act, instrument or deed stand transferred to and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations etc. as the case may be, of the Transferee Company and shall be exercised by or against the Transferee Company, as if it had incurred such liabilities.

iv. All proceedings now pending by or against the Transferor Companies be continued by or against the Transferee Company.

22. The sanctioned Scheme of Arrangement shall be binding on all the Petitioner Companies and their Shareholders and Creditors. The Petitioner Companies shall remain bound to comply with the statutory requirements in accordance with law. Notwithstanding the above, if at any stage any deficiency is found or violation committed qua any enactment, statutory rule or regulation is found to be committed, the sanction granted by this Tribunal to the Scheme will not come in the way of action to be

taken, albeit, in accordance with the law, against the concerned persons, Directors and Officials of the Applicant Company.

23. While approving the Scheme as above, it is clarified that this Order should not be construed as an order in any way granting exemption from payment of Stamp Duty, Taxes or other statutory dues, if any, and payment in accordance with law or in respect to any permission/compliance with any other requirement, which may be specifically required under any law will be made. Further, the approval of the Scheme would in no manner affect the tax treatment of the transactions under the Income Tax Act, 1961 or serve as any exemption or defense for the Applicant Companies against tax treatment in accordance with the provisions of Income Tax Act, 1961.

24. This Tribunal further directs with respect to Transferor companies and Transferee company, that:

   a. All benefits, entitlements, incentives and concessions under incentive schemes and policies that the Transferor Companies are entitled to include under Customs, Excise, Service Tax, VAT, Sales Tax, GST and Entry Tax and Income Tax laws, subsidy receivables from Government, grant from any governmental authorities, direct tax benefit/exemptions/deductions, shall, to the extent statutorily available and along with associated obligations, stand transferred to and be available to the Transferee Company as if the Transferee Company was originally entitled to all such benefits, entitlements, incentives and concessions;

   b. All contracts of the Transferor Companies, which are subsisting or having effect immediately before the Effective Date, shall stand transferred to and vested in the Transferee Company and be in full force and effect in favour of the Transferee Company and may be enforced by or against it as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obliged thereto;

c. All the employees of the Transferor Companies shall be deemed to have become the employees and the staff of the Transferee Company with effect from the Appointed Date, and shall stand transferred to the Transferee Company without any interruption of service and on the terms and conditions no less favourable than those on which they are engaged by the Transferor Companies, as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans and any other retirement benefits.

25. In compliance with the requirement of Section 230 (1) of the Act, the Petitioner Companies shall, until the full implementation of the Scheme of Arrangement, file statement in Form CAA 8 along with the required fee as prescribed in the Companies (Registration offices and fees) Rules 2014 within 210 days from the end of each financial year.

26. The Company Petition bearing C.P.(CAA)-60/(ND)/2020 is **allowed** in the above terms.

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Total ₹ 400
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DD/DR/AR/Court Officer
National Company Law Tribunal
New Delhi

राष्ट्रीय कम्पनी विधि अधिकरण
National Company Law Tribunal
नई दिल्ली बेंच
New Delhi Bench

Sd/-

ATUL CHATURVEDI
(MEMBER TECHNICAL)

Sd/-

BACHU VENKAT BALARAM DAS
(MEMBER JUDICIAL)

11/08/2023
सहायक पंजीयक
ASSISTANT REGISTRAR
राष्ट्रीय कम्पनी विधि अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
C.G.O. COMPLEX, NEW DELHI-110003

ANNEXURE No. P-1

(119)

COMPOSITE SCHEME OF ARRANGEMENT

AMONGST

BLACKIE & SON (CALCUTTA) PRIVATE LIMITED

AND

NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED

AND

DS DIGITAL PRIVATE LIMITED

AND

SAFARI DIGITAL EDUCATION INITIATIVES PRIVATE LIMITED

AND

S CHAND AND COMPANY LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

INTRODUCTION

A. This composite scheme of arrangement *("**Scheme**", as more particularly defined in Clause 2.22 of this Scheme)* provides for:

a) amalgamation of **Blackie & Son (Calcutta) Private Limited** (*hereinafter referred to as "**Transferor Company-I**"*) and **Nirja Publishers & Printers Private Limited** (*hereinafter referred to as "**Transferor Company-II**"*) with and into **S Chand And Company Limited** (*hereinafter referred to as **Transferee Company-I**"*);

b) de-merger of Education Businesses (*hereinafter referred to as "**Demerged Undertakings**"*) *(defined hereinafter)* of **DS Digital Private Limited** (*hereinafter referred to as the "**Demerged Company-I**"*) and **Safari Digital Education Initiatives Private Limited** (*hereinafter referred to as the "**Demerged Company-II**"*) with and into **S Chand And Company Limited** (*hereinafter also referred to as "**Resulting Company**"*) on a going-concern basis; and

c) amalgamation of **DS Digital Private Limited** (*which for the purposes of Part- I and Part- IV of this Scheme after giving effect to*

Blackie & Son (Calcutta) Private Limited
Director

For NIRJA PUBLISHERS & PRINTERS PVT. LTD.
Authorized Signatory

DS Digital Private Limited
Authorised Signatory

For Safari Digital Education Initiatives Pvt. Ltd.
Company Secretary

For S Chand And Company Limited
Company Secretary

(120)

*Part-III of the Scheme, shall also mean the "**Transferor Company-III**"*) with and into **Safari Digital Education Initiatives Private Limited** (*hereinafter also referred to as "**Transferee Company-II**"*).

This Scheme is made in terms of provisions of section 230 to 232 and other relevant provisions of the Act *(defined hereinafter)* together read with section 2(1B) and 2(19AA) and other relevant provisions of the IT Act *(defined hereinafter)* as applicable. For the sake of brevity, Demerged Company-I and Demerged Company-II are hereinafter collectively referred as "**Demerged Companies**". Further, Transferor Company-I, Transferor Company-II, Demerged Companies and Transferee Company-I are hereinafter collectively referred to as "**Companies**".

B. Transferor Company-I is a private limited company duly incorporated under provisions of the Companies Act, 1956 (*hereinafter referred to as "**1956 Act**"*) on October 9, 1979 bearing corporate identity number U74899DL1979PTC014517 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. Transferor Company-I is, *inter alia*, earning its revenue from royalty on books. Transferor Company-I is a wholly owned subsidiary of Transferee Company-I.

C. Transferor Company-II is a private limited company duly incorporated under provisions of the 1956 Act on August 31, 1971 bearing corporate identity number U74899DL1971PTC005776 and having its registered office situated at 7361, Ram Nagar, Qutab Road, New Delhi-110055. Transferor Company-II is engaged in the business of publishing, printing and reproduction of books for S Chand group. Transferor Company-II is a wholly owned subsidiary of Transferee Company- I.

D. Transferee Company-I or Resulting Company is a public limited company duly incorporated under provisions of the 1956 Act on September 9, 1970 bearing corporate identity number L22219DL1970PLC005400 and having its registered office at Ravindra Mansion, Ram Nagar, New Delhi-110055. The equity shares of Transferee Company-I are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Ltd. ("**NSE**"). Transferee Company-I is engaged in the business of publishing of educational books with products ranging from school books, higher academic books, competition and references books, technical and professional books and children books.

E. Demerged Company-I or Transferor Company-III is a private limited company duly incorporated under provisions of the 1956 Act on January 28, 2008 bearing corporate identity number U72200DL2008PTC173250 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. Demerged Company-I is, *inter alia*, engaged in business

Blackie & Son (Calcutta) Private Limited
Director

For NIRJA PUBLISHERS & PRINTERS PVT. LTD.
Authorized Signatory

DS Digital Private Limited
Authorised Signatory

For Safari Digital Education Initiatives Pvt. Ltd.
Company Secretary

For S Chand And Company Limited
Company Secretary

National Company Law Tribunal
New Delhi Bench

(121)

of providing digital educational services and running pre- schools. The Demerged Company-I is a subsidiary of Transferee Company-I.

F. Demerged Company-II or Transferee Company-II is a private limited company duly incorporated under provisions of the 1956 Act on June 23, 2010 bearing corporate identity number U80904DL2010PTC204512 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. Demerged Company-II or Transferee Company-II is engaged in business of rendering digital and blended education solutions for schools. The Transferor Company-II and Transferee Company-I are holding 40% and 60% of the share capital of the Demerged Company-II, respectively. Therefore, Demerged Company-II is an indirect wholly owned subsidiary of Transferee Company-I.

PARTS OF THIS SCHEME

This Scheme is divided into following parts:
PART I - This Part of the Scheme deals with rationale, definitions and share capital of the Companies;
PART II - This Part of the Scheme deals with transfer and vesting, legal proceedings, employees, consideration, accounting treatment etc. for amalgamation of Transferor Company-I and Transferor Company-II with and into Transferee Company-I;
PART III - This Part of the Scheme deals with transfer and vesting, legal proceedings, employees, consideration, accounting treatment etc. for demerger of Demerged Undertakings of Demerged Company-I and Demerged Company-II with and into the Resulting Company, on a going- concern basis;
PART IV - This Part of the Scheme deals with transfer and vesting, legal proceedings, employees, consideration, accounting treatment etc. for amalgamation of Transferor Company-III with and into Transferee Company-II; and
PART V - This Part of the Scheme deals with other general terms and conditions applicable to this Scheme.

PART I

1. RATIONALE FOR THE SCHEME:

1.1. Amalgamation of Transferor Company-I and Transferor Company-II and demerger of Demerged Undertakings belonging to Demerged Companies with and into the Transferee Company – I would:

a) result in consolidation of similar business activities of printing, publication and reproduction of books and rendering of digital education services into a single entity, i.e., Transferee Company-I/ Resulting Company thereby enabling Transferee Company-I/ Resulting Company to harness and optimize synergies, reducing overheads, better services to existing clientele, operational

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For Safari Digital Education Initiatives Pvt. Ltd.
Company Secretary

For S. Chand and Company Limited
Company Secretary

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efficiencies including efficiency in fund raising, productivity gains, harmonization of sales and services channels, general and administrative cost reduction and productivity gains by pooling of financial, managerial and technical resources, personnel capabilities, skills, expertise, and logistical advantages thereby significantly contributing to economies of scale and future growth, strengthening financial and competitive position of the Transferee Company-I; and

b) enable greater/enhanced focus of the management of the Transferee Company-I/ Resulting Company in its core business thereby facilitating the management of the Transferee Company-I to exploit the anticipated business opportunities more efficiently.

1.2. Amalgamation of Transferor Company-III with and into Transferee Company-II would:

a) result in consolidation of business of rendering education solutions and running of pre-schools in one entity, i.e. Transferee Company-II thereby to harness and optimize synergies, reducing overheads, better services to existing clientele, operational efficiencies including efficiency in fund raising, productivity gains, harmonization of sales and services channels, general and administrative cost reduction and productivity gains by pooling of financial, managerial and technical resources, personnel capabilities, skills, expertise, and logistical advantages thereby significantly contributing to economies of scale and future growth, strengthening financial and competitive position of the Transferee Company-II;

b) enable greater/enhanced focus of the management of the Transferee Company-II in the Remaining Businesses and thereby facilitating the management of the Transferee Company-II to exploit the anticipated business opportunities more efficiently.

1.3. The proposed Scheme is in line with the current global industry practice to achieve size, scalability, integration, greater financial strength and flexibility thereby maximizing shareholder value and to achieve higher long-terms financial returns.

1.4. The rationale for continuing with separate entities in the same business no longer exists. It is considered prudent and more appropriate to consolidate similar businesses in one entity. Such restructuring will lead to simplification of group structure by eliminating multiple companies in similar business, thus enabling focus on core competencies.

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1.5. Accordingly, consolidation of businesses of the said companies would be in the best interests of the Companies as well as their respective shareholders and other stakeholders.

2. (A) DEFINITIONS

In the Scheme, unless repugnant to meaning or context thereof, following expressions shall have meanings as given below:

2.1. **"Act"** means the Companies Act, 2013 and applicable rules made there under and includes any amendments, statutory re-enactments and modifications thereof for the time being in force;

2.2. **"Amalgamation"** means amalgamation of Transferor Company-I and Transferor Company-II with and into Transferee Company-I and amalgamation of Transferor Company-III with and into Transferee Company-II in terms of the Scheme in its present form or with any modification(s) as approved by the Tribunal (*defined hereinafter*);

2.3. **"Applicable Law(s)"** means any relevant statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, schemes, notices, treaties, judgement, decree, approvals, orders or instructions enacted or issued or sanctioned by any Governmental and Registration Authority (*defined hereinafter*), having the force of law and as applicable to Companies;

2.4. **"Appointed Date"** for purposes of this Scheme means April 1, 2017;

2.5. **"Board"** or **"Board of Directors"** means board of directors of respective Companies, as the case may be and shall, unless it is repugnant to the context, include committees of directors or any person authorized by board of directors;

2.6. **"Demerged Company-I" or "Transferor Company-III"** shall have a meaning as ascribed to it in Recital E of this Scheme;

2.7. **"Demerged Company-II" or "Transferee Company-II"** shall have a meaning as ascribed to it in Recital F of this Scheme;

2.8. **"Demerged Undertakings"** means the business undertakings of the Demerged Companies representing their Education Businesses, which would be transferred on a going concern basis to the Resulting Company on and from the Appointed Date. Without prejudice to the generality of the above, the Demerged Undertakings shall mean and include:

a) all immovable property(ies), if any, of the Demerged Undertakings including tangible assets, land together with building, plant and equipment/ machinery and structures standing thereon (*whether*

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freehold, leasehold, leave and licensed, tenancies and otherwise) and all documents of title, receipts and easements in relation thereto, all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;

b) all movable assets pertaining to the Demerged Undertakings, whether in present, future or contingent, tangible or intangible, in possession or reversion, including but not limited to digital content , computer softwares, peripherals, hardware, educational kits, plant and equipment, vehicles, employees imprest, bank balances, cash and cash equivalents, loans and advances, whether long-term or short-term, secured or unsecured, recoverable in cash or kind or value to be received including interest accrued thereon, if any, all deposits whether with government or semi government, local authorities or any other institution and bodies, including but not limited to amounts receivables from Central Government/ State Government(s) under any of their scheme(s)/plan(s), service export scrips, balances recoverable from Governmental and Registration Authorities, if any, trade receivables, advance tax(es) paid, deferred tax asset, if any, electrical fittings, office equipments, inventories including but not limited to computer hardware, furniture and fixtures, other current assets, security deposits, trade receivable, if any, benefits arising of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favor of or enjoyed by the Demerged Undertakings;

c) All agreements, rights, contracts, entitlements, permits, licenses, approvals, consents, engagements, arrangements and all other privileges and benefits of every kind, if any, nature and description whatsoever relating to the Demerged Companies businesses, activities and operations pertaining to Demerged Undertaking;

d) all debts (whether secured or unsecured) including but not limited to long-term and short-term borrowings, trade payables, trade creditors, long-term and short-term provisions, deferred tax liabilities, current liabilities (including contingent liabilities), cash credit, duties and obligations of the Demerged Companies of every kind, nature and description whatsoever and howsoever accruing or arising out of, and all loans and borrowings raised or incurred and utilized for its businesses, activities and operations, if any, pertaining to Demerged Undertakings and shall also include all other liabilities of whatsoever nature, amounts of which are categorized as general or multi-purpose borrowings of the Demerged Companies to be transferred to the Resulting Company in the same proportion which the value of the assets transferred

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bear to the total value of the assets of the Demerged Companies immediately before the demerger;

e) all accumulated business and tax losses and unabsorbed depreciation of the Demerged Companies pertaining to the Demerged Undertakings in terms of provisions of Section 72A (4) of the IT Act *(as defined hereinafter)* and shall also comprise of all accumulated business and tax losses and unabsorbed depreciation of the Demerged Companies which do not directly pertain to the Demerged Undertakings, to be apportioned between the Demerged Companies and the Resulting Company in terms of the provisions of Section 72A(4) (b) of the IT Act *(as defined hereinafter)*.

f) all Intellectual Property Rights (whether registered or unregistered), records, files, papers, data and documents, if any, relating to the Demerged Companies business, activities and operations pertaining to Demerged Undertakings;

g) all legal proceedings of whatsoever nature by or against the Demerged Companies, if any, pending as on the Appointed Date and relating to the Demerged Undertakings; and

h) all employees engaged in or relating to the Demerged Companies business, activities and operations pertaining to Demerged Undertakings.

The broad details of the asset and liabilities comprising of the Demerged Undertaking- I and Demerged Undertaking-II of Demerged Company-I and Demerged Company-II, respectively and figures appearing corresponding to the assets and liabilities as appearing in the respective financial statements of Demerged Company-I and Demerged Company-II as at March 31, 2017, are described in Schedule-I and Schedule-II annexed hereto.

2.9. **"Demerger"** means the transfer of the Demerged Undertakings of the Demerged Companies, as a going-concern, by way of demerger to the Resulting Company in terms of this Scheme in its present form or with any modification(s) as approved by the Tribunal (*as defined herein after*);

2.10. **"Effective Date"** shall be last of the dates on which certified copies of the order of the Tribunal, under section 232 of the Act, sanctioning this Scheme, is filed by Companies with Registrar of Companies (*defined hereinafter*).

Provided that references in this Scheme to the date of "upon coming into effect of the Scheme" or "upon the scheme becoming effective" or "effectiveness of the Scheme" shall mean Effective Date;

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2.11. **"Encumbrance"** means (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including any right granted by a transaction which in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Laws; (ii) any proxy, power of attorney, voting trust agreement , interest, option, right of first offer, refusal or transfer restriction in favour of any person; and (iii) any adverse claim as to title, possession or use;

2.12. **"FEMA"** means the Foreign Exchange Management Act, 1999 along with the rules and regulations made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force;

2.13. **"Governmental and Registration Authority"** means any relevant Central, State or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, quasi-judicial body, bureau or instrumentality thereof or arbitral body having jurisdiction over the Companies including but not limited to Stock Exchanges (*defined hereinafter*) and any court, tribunal, board, quasi-judicial body constituted under securities laws;

2.14. **"Intellectual Property Rights"** means, whether registered or not, in the name of or recognized under Applicable Laws as being intellectual property of Transferor Company-I, Transferor Company-II and Demerged Companies, or in the nature of common law rights of Transferor Company-I, Transferor Company-II and Demerged Companies, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web portals, trade names, logos, trade dress and all applications and registration for the foregoing and all goodwill associated with the foregoing and symbolized by the foregoing; (b) confidential and proprietary information and trade secrets; (c) published and unpublished works of authorship and copyrights therein, and registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (d) computer software, programs (including source code, object code, firmware, operating systems and specifications) and processes; (e) designs, drawings, sketches; (f) tools, databases, frameworks, customer data, proprietary information, knowledge, any other technology or know-how, licenses, software licenses and formulas; (g) ideas and all other intellectual property or proprietary rights; and (h) all rights in all of the foregoing provided by Applicable Laws;

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2.15. **"IT Act"** means the Income Tax Act, 1961 and the rules made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force;

2.16. **"Listing Regulations"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other SEBI Regulations as applicable to the Scheme;

2.17. **"Record Date"** means the following dates:

a) **For the purposes of Part III of this Scheme**:

such date following Effective Date as may be fixed by Board of Directors of Resulting Company in respect of allotment/issuance of shares to the shareholders of Demerged Company-I; and

b) **For the purposes of Part IV of this Scheme**:

Such date following Effective Date as may be fixed by Board of Transferee Company-II in respect of allotment/issuance of shares to the shareholders of Transferor Company-III;

2.18. **"Remaining Business-I"** or **"Remaining Undertaking-I"** means all the undertakings, businesses, activities and operations of the Demerged Company-I other than the Demerged Undertaking;

2.19. **"Remaining Business-II"** or **"Remaining Undertaking-II"** means all the undertakings, businesses, activities and operations of the Demerged Company-II other than its Demerged Undertaking;

2.20. **"Remaining Businesses"** means Remaining Business-I of Demerged Company-I and Remaining Business-II of Demerged Company-II referred collectively;

2.21. **"ROC"** or **"Registrar of Companies"** means the Registrar of Companies for the National Capital Territory of Delhi and Haryana;

2.22. **"Scheme"** or **"this Scheme"** or **"the Scheme"** means this composite scheme of arrangement in its present form as submitted to the Tribunal or this Scheme with such modification(s), if any, as may be made by members and/or creditors of respective Companies or such modifications(s) as may be imposed by any competent authority and accepted by Board of Directors of respective Companies and/or directed to be made by the Tribunal while sanctioning the Scheme;

2.23. **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

2.24. **"SEBI Circulars"** means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Circular No. CFD/DIL3/CIR/2017/105 dated

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September 21, 2017 each issued by SEBI, as amended or replaced from time to time;

2.25. **"Stock Exchanges"** means BSE and NSE referred collectively;

2.26. **"Transferor Company-I"** shall have a meaning as ascribed to it in Recital B of this Scheme;

2.27. **"Transferor Company-II"** shall have a meaning as ascribed to it in Recital C of this Scheme; and

2.28. **"Transferee Company-I" or "Resulting Company"** shall have a meaning as ascribed to it in Recital D of this Scheme; and

2.29. **"Tribunal"** means the National Company Law Tribunal, New Delhi or such other court, tribunal, forum or authority having jurisdiction over Companies involved in the Scheme, depending on the context and applicability.

2. (B) INTERPRETATION

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, and if not defined therein then under the relevant Applicable Laws. In this Scheme, unless the context otherwise requires:

a) references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
b) heading, sub-heading and bold typeface are only for convenience and shall not affect the construction or interpretation of this Scheme;
c) the term "Clause" refers to the specified clause of this Scheme;
d) references to one gender includes all genders;
e) Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
f) words denoting singular shall include the plural and vice versa;
g) reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision.
h) unless otherwise defined, the reference to the word "days" shall mean calendar days; and
i) references to dates and times shall be construed to be references to Indian dates and times.

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3. SHARE CAPITAL

3.1. The authorized, issued, subscribed and paid up share capital of Transferor Company-I as on November 17, 2017 is as under:

Authorized Share Capital	**Amount (Rs.)**
500 Equity shares of Rs. 1,000/- each	5,00,000
Total	**5,00,000**
Issued, Subscribed and fully Paid up Share Capital	**Amount (Rs.)**
149 Equity shares of Rs. 1,000/- each fully paid up.	1,49,000
Total	**1,49,000**

3.2. The authorized, issued, subscribed and paid up share capital of Transferor Company-II as on November 17, 2017 is as under:

Authorized Share Capital	**Amount (Rs.)**
1,00,000 Equity shares of Rs. 10/- each	10,00,000
Total	**10,00,000**
Issued, Subscribed and fully Paid up Share Capital	**Amount (Rs.)**
12,000 Equity shares of Rs. 10/- each fully paid up.	1,20,000
Total	**1,20,000**

3.3. The authorized, issued, subscribed and paid up share capital of Demerged Company-I or Transferor Company-III as on November 17, 2017 is as under:

Authorized Share Capital	**Amount (Rs.)**
3,70,00,000 Equity shares of Rs. 10/- each	37,00,00,000
2,30,00,000 Preference shares Rs. 10/- each	23,00,00,000
Total	**60,00,00,000**
Issued, Subscribed and fully Paid up Share Capital	**Amount (Rs.)**
3,47,28,920 Equity shares of Rs. 10/- each fully paid up.	34,72,89,200

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2,21,70,400 Preference shares Rs. 10/- each fully paid up.	22,17,04,000
Total	**56,89,93,200**

3.4. The authorized, issued, subscribed and paid up share capital of Demerged Company-II or Transferee Company-II as on November 17, 2017 is as under:

Authorized Share Capital	**Amount (Rs.)**
4,50,00,000 Equity shares of Rs. 10/- each	45,00,00,000
Total	**45,00,00,000**
Issued, Subscribed and fully Paid up Share Capital	**Amount (Rs.)**
4,43,69,268 Equity shares of Rs. 10/- each fully paid up.	44,36,92,680
Total	**44,36,92,680**

3.5. The authorized, issued, subscribed and paid up share capital of Transferee Company-I or Resulting Company as on November 17, 2017 is as under:

Authorized Share Capital	**Amount (Rs.)**
4,00,00,000 Equity shares of Rs. 5/- each	20,00,00,000
Total	**20,00,00,000**
Issued, Subscribed and fully Paid up Share Capital	**Amount (Rs.)**
3,49,50,061 Equity shares of Rs. 5/- each fully paid up.	17,47,50,305
Total	**17,47,50,305**

3.6. It is expressly clarified that until this Scheme becomes effective, Companies are free to alter their authorized, issued, subscribed or paid up share capital as may be required for their respective business requirements, subject to the necessary approvals obtained from their respective Boards and shareholders, if required.

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PART II

4. TRANSFER AND VESTING

4.1. Upon coming into effect of this Scheme and with effect from Appointed Date and subject to provisions of this Scheme including in relation to mode of transfer or vesting, the entire business and whole of the undertaking(s), all property(*ies*), being movable or immovable, tangible or intangible, belonging to Transferor Company-I and Transferor Company-II including but not limited to property, plant and equipment, furniture and fixtures, land and building, (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), any leasehold properties, all documents of title, rights and easements in relation thereto or improvements, bank balances, bank deposits against bank guarantees, interest accrued but not due on bank deposits, interest accrued on deposits, security deposits, cash and cash equivalents, cash imprest, sundry debtors, outstanding loans and advances *(short-term and long-term)*, if any, recoverable in cash or in kind or for value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, service export scrips, prepaid expenses (*current and non-current*), fixed assets, inventories, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, GST credit and refunds (*current and non-current*), capital advances, trade receivables, any unbilled revenue, accrued interest, other current and non-current assets, deferred tax assets, contribution to gratuity fund, permits, approvals, authorizations, telephone connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the tax laws (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax, Service tax, Goods and Service Tax Act,2016 and all other Applicable Laws*), all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of any body corporate (*whether in India and elsewhere*), mutual funds etc., other assets such as computer software and hardware, tools and dies, fan coolers, air conditioners, vehicles (*whether freehold or encumbered*), office equipment, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of

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or vested in or granted in favor of or enjoyed by Transferor Company-I and Transferor Company-II (hereinafter referred to as "**Said Assets-1**") and all documents of titles, receipts and easements in relation thereto, all rights, covenants, continuing rights, titles and interest in connection with Said Assets-1 shall, unless otherwise agreed between Transferor Company-I, Transferor Company-II and Transferee Company-I specifically, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Transferee Company-I in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of the Act and pursuant to the orders of the Tribunal sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets-1 of Transferee Company- I.

It is expressly clarified that, in so far leasehold, leave and licensed properties belonging to Transferor Company-I and Transferor Company-II are concerned, if any, and subject to terms and conditions of the respective lease agreements, leave and licensed agreements that have already been entered into between Transferor Company-I and Transferor Company-II with any other third party before Effective Date, Transferee Company-I may enter into fresh lease agreements and leave and licensed agreements, novate the existing lease agreements and leave and licensed agreements or terminate any lease agreements and leave and licensed agreements that are already in existence with any third party or enter into any kind of agreement with the lessor or licensor for transfer of leasehold, leave and licensed properties.

4.2. Without prejudice to Clause 4.1 of this Scheme, in respect of Said Assets-1 of Transferor Company-I and Transferor Company-II as are movable in nature or incorporeal property or are otherwise capable of being transferred by manual delivery or possession or by endorsement and/or delivery, the same shall stand transferred to Transferee Company-I upon coming into effect of this Scheme and shall upon such transfer become Said Assets-1 of Transferee Company-I with effect from Appointed Date. In respect of any such assets, rights, titles and interests other than Said Assets-1 referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Transferee Company-I pursuant to an order being made thereof by the Tribunal under section 232 of the Act.

4.3. Upon the coming into effect of this Scheme and with effect from the Appointed Date all publication rights, statutory licenses including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consolidated consent and authorization order and all other

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business certifications and all other registration certificates issued to Transferor Company-I and Transferor Company-II under Applicable Laws including without limitation, Water (Prevention and Control of Pollution) Act, 1974, Environment (Protection) Act 1986, Air (Prevention and Control of Pollution) Act, 1981, Hazardous Waste (Management Handling and Transboundary Movement) Rules, 2016, Factories Act, 1948, Certificate of Importer- Exporter Code, Contract Labour Act, 1970, Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employees State Insurance Act, 1948 and/or Gratuity Act, 1972 and pension and/or superannuation fund, employees state insurance schemes, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company-I and Transferor Company-II for the Employees, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the IT Act, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (*hereinafter referred to as* ***"Said Rights and Interests-1"***), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Transferor Company-I and Transferor Company-II, shall, pursuant to provisions of section 232(4) of the Act and other applicable provisions of Applicable Laws, for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to Transferee Company- I so as to become on and from Appointed Date, Said Rights and Interests-1, effective and enforceable on the same terms and conditions to the extent permissible under Applicable Laws for the time being in force and shall be duly and appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favor of Transferee Company- I. Without prejudice to the above, Transferee Company- I shall under the provisions of this Scheme and/or subject to necessary approvals required under Applicable Laws be deemed to be authorized to execute any such writings on behalf of Transferor Company-I and Transferor Company-II to carry out or perform all such formalities or compliances as may be required.

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4.4. Upon coming into effect of this Scheme:

a) All vehicles (*whether freehold or of any nature whatsoever*) belonging to Transferor Company-I and Transferor Company-II, shall stand transferred to and vested in and/ or be deemed to be transferred and vested in Transferee Company- I without any further act, instrument or deed or any further payment of fees, charge or securities and upon application being made by Transferee Company- I, the relevant Governmental and Registration Authorities shall mutate and register the said vehicles in the name of Transferee Company- I as if the vehicles had originally been registered in the name of Transferee Company- I; and

b) All Intellectual Property Rights, if any, being used by Transferor Company-I and Transferor Company-II shall stand transferred to and vested and be deemed to be transferred to and vested in the name of Transferee Company- I without any further act, instrument or deed. Transferee Company- I, however, shall after the effectiveness of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Amalgamation, if required, who shall take them on record pursuant to the order of Tribunal.

4.5. Upon coming into effect of this Scheme and with effect from Appointed Date:

a) All secured and unsecured liabilities, borrowings *(long-term and short-term)*, including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees, *(long-term and short term)*, security deposits received, loans, contingent liabilities, deferred tax liabilities, non-trade payables, creditors of fixed assets, letters of credit, etc., if any, statutory liabilities/dues (*whether disputed or undisputed*), any kind of commitment or any other advances received (*whether disclosed or undisclosed*), duties, term loans from banks and financial institutions, bank overdraft, long term loan and advances from customers, statutory dues payable, government dues for taxes, contribution to provident fund, labour welfare funds/ ESI, trade payables due to dues of micro and small enterprises, staff and other creditors, employee benefit payable, long term or short term provisions, advance from customers, short term provisions, expenses payable, taxes and obligations of Transferor Company-I and Transferor Company-II, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature (*hereinafter referred to as* ***"Said Liabilities-1"***) shall also be transferred to and vested in or be

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deemed to be transferred to and stand vested, without any further act, instrument or deed in Transferee Company- I pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Laws so as to become Said Liabilities-1 of Transferee Company-I and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such Said Liabilities-1 may have arisen and are to be transferred to Transferee Company- I.

b) All loans raised and used and Said Liabilities-1 incurred, if any, by Transferor Company-I and Transferor Company-II after Appointed Date, but prior to Effective Date, shall also be deemed to be transferred to and vested with Transferee Company- I without any further act or deed.

c) The borrowing limits of Transferee Company- I shall, without any further act or deed, stand enhanced by an amount being the aggregate of Said Liabilities-1 pertaining to Transferor Company-I and Transferor Company-II which are being transferred to Transferee Company- I pursuant to this Scheme and Transferee Company- I shall not be required to pass any separate resolutions in this regard. Corporate guarantees issued by the Transferee Company-I in favor of banks for the Transferor Company-I and/or Transferor Company-II shall stand cancelled and be of no effect upon coming into effect of the Scheme.

d) It is clarified that insofar Said Assets-1 of Transferor Company-I and Transferor Company-II are concerned with the security or charge, encumbrance, lien over Said Assets-1 or any part thereof, if any, relating to Said Liabilities-1 or any other obligations of Transferor Company-I and Transferor Company-II, shall, without any further act, instrument or deed continue to relate to such Said Assets-1 after Effective Date in Transferee Company- I and shall not extend to any other assets of Transferee Company- I. However, it is expressly clarified that any such security or charge or lien shall not be entered to as security in relation to any assets of the Transferee Company-I, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which Transferor Company-I and Transferor Company-II are party and consistent with the joint obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of Transferee Company- I.

e) Transferee Company- I, at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be

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necessary with the lender, such that Transferee Company- I shall assume sole responsibility for repayment of borrowings.

4.6. With effect from Effective Date and until such time names of the bank accounts of Transferor Company-I and Transferor Company-II are replaced with that of Transferee Company- I, Transferee Company- I shall be entitled to operate the existing bank accounts of Transferor Company-I and Transferor Company-II, in so far, as may be necessary. The banks shall also honor cheques or other bills issued in the name of Transferor Company-I and Transferor Company-II on and from Effective Date.

4.7. All profits or incomes including interest on deposits with banks, interest income etc., accruing or arising to Transferor Company-I and Transferor Company-II or expenditure or losses arising or incurred (*including the effect of taxes, if any*) to Transferor Company-I and Transferor Company-II on and any time after Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of Transferee Company- I, as the case may be.

4.8. Upon the coming into effect of this Scheme and as per the provisions of Section 72A(1) and other applicable provisions of the IT Act, all accumulated business and tax losses and unabsorbed depreciation of the Transferor Company-I and Transferor Company-II shall be transferred to the Transferee Company-I. It is expressly clarified that all the accumulated business and tax losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Transferee Company-I.

4.9. Part II of this Scheme complies with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the IT Act. If any terms and provisions of this Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of Applicable Laws or for any other reason whatsoever, then the provisions of such amended section(s) of the IT Act or any other Applicable Laws shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(1B) of the IT Act or any other Applicable Law, as may be amended from time to time. Such modification shall however not affect other parts of this Scheme.

5. LEGAL PROCEEDINGS

5.1. Upon coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings (*before any statutory or quasi-judicial authority or tribunal or any court*), if any, by or

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against Transferor Company-I and Transferor Company-II pending and/or arising on or before Effective Date shall be continued and/or be enforced by or against Transferee Company- I as effectually and in the same manner and extent as if the same has been instituted and/or pending and/or arising by or against Transferee Company- I.

5.2. It is expressly specified that Transferee Company- I undertakes to have all legal or other proceedings initiated by or against Transferor Company-I and Transferor Company-II referred to in Clause 5.1 above, be transferred to its name and shall have the same continued, prosecuted and enforced in its name.

6. INTER COMPANY TRANSACTIONS

6.1. Without prejudice to the above provisions, upon the Scheme becoming effective and with effect from Appointed Date, all inter-company transactions between Transferor Company-I, Transferor Company-II and Transferee Company-I including but not limited to:

a) any loans, advances, and other obligations (*including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form*), which are due or outstanding or which may at any time in future become due between Transferor Company-I, Transferor Company-II and Transferee Company-I; or

b) any agreement/memorandum of understanding, executed amongst Transferor Company-I and Transferor Company-II and Transferee Company- I;

shall stand cancelled and be of no effect as on Effective Date and Transferor Company-I, Transferor Company-II and Transferee Company-I shall have no further obligation outstanding in that behalf.

7. TREATMENT OF TAXES

7.1. Upon this Scheme becoming effective and with effect from Appointed Date, all taxes, duties, cess payable by Transferor Company-I and Transferor Company-II (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax Act, Service Tax Act, Goods and Service Tax Act and all other Applicable Laws*), accruing and relating to Transferor Company-I and Transferor Company-II from Appointed Date onwards, including but not limited to advance tax payments, tax deducted at source ("**TDS**"), minimum alternate tax ("**MAT**"), any refund and interest due thereon on any credits, claims and exemptions shall, for all purposes shall be treated as advance tax payments, TDS, MAT, refund and interest due on any such credits, claims and exemptions or refunds, as the case may be, of Transferee Company-I.

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7.2. Upon this Scheme becoming effective, all unavailed credits, claims and exemptions, any refunds, interest due there on, benefit of carried forward losses and other statutory benefits, in respect of income tax (*including but not limited to TDS, tax collected at source, advance tax, MAT credit, book and tax losses etc.*), CENVAT credit, customs, value added tax, sales tax, service tax etc. to which Transferor Company-I and Transferor Company-II is entitled to, prior to the period of Appointed Date, shall be available to and vest in Transferee Company-I, without any further act or deed.

7.3. TDS, service tax, goods and service tax ("**GST**"), if any, deducted by and/or charged to Transferee Company-I under the IT Act or any other statute for the time being in force, in respect of the payments made by Transferee Company-I to Transferor Company-I and Transferor Company-II on account of inter-company transactions, assessable for the period commencing from Appointed Date shall be deemed to be the advance tax/ service tax/ GST etc. paid by Transferee Company- I and credit for such advance tax/ service tax/ GST etc. shall be allowed to Transferee Company-I notwithstanding that certificates or challans for advance tax/ service tax/ GST etc. being in the name of Transferor Company-I and Transferor Company-II and not in the name of Transferee Company-I. Similarly, TDS, service tax, GST, if any, deducted by and/or charged to Transferor Company-I and Transferor Company-II under the IT Act or any other statute for the time being in force, in respect of the payments made by Transferor Company-I and Transferor Company-II to Transferee Company-I on account of inter-company transactions, assessable for the period commencing from Appointed Date shall be deemed to be the TDS/service tax/GST etc. paid by Transferee Company-I and credit for such TDS/service tax/GST etc. shall be allowed to Transferee Company-I. Upon this Scheme becoming effective, the Transferee Company-I is permitted to file and/ or revise respective tax returns of Transferor Company-I, Transferor Company-II and its returns as well (*including but not limited to income tax returns, withholding tax returns, TDS certificates, sales tax returns, value added tax returns, service tax returns, GST returns and other tax returns*) for the period commencing on and from Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.

7.4. Without prejudice to generality of aforesaid, any concessional or statutory forms under applicable tax laws, or local levies issued or received by Transferor Company-I and Transferor Company-II if any, in respect of period commencing from Appointed Date shall be deemed to be issued or received in the name of Transferee Company-I and benefit

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of such forms shall be allowed to Transferee Company- I in the same manner and to the same extent as would have been available to Transferor Company-I and Transferor Company-II.

7.5. The expenses incurred by Transferor Company-I and Transferor Company-II and Transferee Company- I in relation to Amalgamation as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Transferee Company-I in accordance with section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

7.6. Any refund under tax laws due to Transferor Company-I and Transferor Company-II consequent to the assessments made on Transferor Company-I and Transferor Company-II and for which no credit is taken in the accounts as on the date immediately preceding Appointed Date shall belong to and be received by Transferee Company-I. The concerned Governmental and Registration Authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company-I upon the passing of the orders on this Scheme by the Tribunal upon relevant proof and documents being provided to the said authorities.

7.7. The income tax, if any, paid by the Transferor Company-I and Transferor Company-II on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of the Transferee Company-I. The Transferee Company-I shall, after the Effective Date, be entitled to file the relevant returns with the Governmental and Registration Authorities concerned for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further, Transferee Company-I shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company-I and Transferor Company-II for any year, if so necessitated or consequent to this Scheme, notwithstanding that the time prescribed for such revision may have elapsed.

8. TREATMENT OF EMPLOYEES

8.1. Upon coming into effect of this Scheme:

a) All staff, workmen and employees who are in employment of Transferor Company-I and Transferor Company-II on Effective Date shall become staff, workmen and employees of Transferee Company-I with effect from Appointed Date on the basis that:

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(i) their employment shall be deemed to have been continuous and not interrupted by reasons of the said transfer; and

(ii) terms and conditions of their employment after such transfer shall not in any way be less favorable to them than those applicable to them immediately preceding the said transfer.

b) It is expressly provided that as far as provident fund, employee state insurance plan scheme, gratuity scheme/trusts, leave encashment, superannuation scheme, compensated absences, unavailed leave scheme or any other special scheme(s) or fund(s) or trust(s), provisions for benefits created or existing, if any, for the benefit of staff/workmen/employees of Transferor Company-I and Transferor Company-II are concerned, upon coming into effect of the Scheme, Transferee Company-I shall stand substituted for Transferor Company-I and Transferor Company-II for all purposes whatsoever, related to administration or operation of such scheme(s) or fund(s) or trust(s) to the end and intent that all rights, duties, powers and obligation(s) of Transferor Company-I and Transferor Company-II in relation to such scheme(s) or fund(s) or trust(s) shall become those of Transferee Company-I. It is clarified that employment of employees of Transferor Company-I and Transferor Company-II will be treated as having been continuous for the purpose of the aforesaid scheme(s) or fund(s) or trust(s) including for the purposes of payment of any retrenchment compensation and other terminal benefits. Transferee Company-I shall file relevant intimations with the concerned Governmental and Registration Authorities who shall take the same on record and endorse the name of Transferee Company-I for Transferor Company-I and Transferor Company-II. Upon this Scheme becoming effective, all contributions to such scheme(s) or fund(s) or trust(s) created or existing for the benefit of such employees of Transferor Company-I and Transferor Company-II shall be made by Transferee Company-I in accordance with the provisions of such scheme(s) or fund(s) or trust(s) and Applicable Laws.

9. CONTRACTS, DEEDS, RESOLUTIONS, ETC.

9.1. Subject to other provisions contained in this Scheme, all contracts, deeds, understandings, bonds, guarantees, agreements, instruments, writings and benefits of whatsoever nature, if any, to which any of Transferor Company-I and Transferor Company-II are a party and are subsisting or having effect on Effective Date shall upon coming into effect of the Scheme and with effect from the Appointed Date, the same shall remain in full force and effect against or in favor of Transferee Company-I and may be enforced by or against Transferee Company-I as fully and effectually as if, instead of Transferor Company-I and Transferor Company-II, Transferee Company-I had been a party thereto or beneficiary or obligee thereto or thereunder.

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9.2. Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favor of Transferor Company-I and Transferor Company-II or any instrument of whatsoever nature including various incentives, subsidies, schemes, special status and other benefits or privileges granted by any Governmental or Registration Authorities or by any other person and enjoyed or availed by Transferor Company-I and Transferor Company-II shall stand transferred to Transferee Company-I as if the same were originally given by, issued to or executed in favor of Transferee Company-I and Transferee Company-I shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to Transferee Company-I. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any Governmental or Registration Authorities or by any other person, or availed by Transferor Company-I and Transferor Company-II are concerned, the same shall vest with and be available to Transferee Company-I on the same terms and conditions as applicable to Transferor Company-I and Transferor Company-II, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to Transferee Company-I.

9.3. All resolutions of Transferor Company-I and Transferor Company-II which are valid and subsisting on Effective Date, shall continue to be valid and subsisting and be considered as resolutions of Transferee Company-I and if any such resolutions have any upper monetary or any other limits imposed under provisions of the Act, then the said limits shall apply mutatis mutandis to such resolutions and shall constitute the aggregate of the said limits in Transferee Company-I.

10. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

10.1. With effect from Appointed Date and up to and including Effective Date, Transferor Company-I and Transferor Company-II shall be deemed to carry on all their businesses and other incidental matters for and on account of and in trust for Transferee Company-I with reasonable diligence and due business prudence in the same manner as carried before and shall not without the prior written consent of Transferee Company-I alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of such Said Assets-1 or such Said Rights and Interests-1 and their business undertaking(s) or any part thereof, save and except in each case:

a) If it is in the ordinary course of business of Transferor Company-I and Transferor Company-II as on the date of filing this Scheme with the Tribunal; or

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b) If the same is expressly permitted by this Scheme.

10.2. All Said Assets-1 and Said Rights and Interests-1 pertaining to the business of Transferor Company-I and Transferor Company-II accrued to and/or acquired by Transferor Company-I and Transferor Company-II after Appointed Date and prior to Effective Date shall have been or deemed to have been accrued to and/or acquired for and on behalf of Transferee Company-I and shall upon coming into effect of this Scheme and pursuant to provisions of section 232(4) of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in Transferee Company-I to that extent and shall become Said Assets-1 and Said Rights and Interests-1 of Transferee Company-I.

11. SAVING OF CONCLUDED TRANSACTION

11.1. Where any of Said Liabilities-1 of Transferor Company-I and Transferor Company-II, as on Appointed Date, transferred to Transferee Company-I have been discharged by Transferor Company-I and Transferor Company-II after Appointed Date and prior to Effective Date, such discharge of Said Liabilities -1 shall be deemed to have been for and on account of Transferee Company-I.

11.2. Without prejudice to anything mentioned above or anything contained in this Scheme, transfer and vesting of all business undertakings of Transferor Company-I and Transferor Company-II as per this Scheme shall not affect any transactions or proceedings already concluded by Transferor Company-I and Transferor Company-II on or before Appointed Date or after Appointed Date till Effective Date, to the end and intent that Transferee Company-I accepts and adopts all acts, deeds, matters and things made, done and executed by Transferor Company-I and Transferor Company-II as acts, deeds, matters and things made, done and executed by or on behalf of Transferee Company-I.

11.3. All Said Liabilities-1, incurred or undertaken by Transferor Company-I and Transferor Company-II after Appointed Date and prior to Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of Transferee Company-I to the extent they are outstanding on Effective Date, shall, upon the coming into effect of this Scheme and pursuant to provisions of section 232 and any other applicable provisions of the Act, shall without any further act, instrument or deed be and stand transferred to and/or vested in and/ or be deemed to have been transferred to and vested in Transferee Company-I and shall become Said Liabilities-1 of Transferee Company-I.

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12. CONSIDERATION

12.1. Upon coming into effect of this Scheme, shares of the Transferor Company-I and Transferor Company-II held by Transferee Company-I shall, without any further application, act, instrument or deed, be automatically cancelled and be of no effect on and from Effective Date. Further, since Transferee Company- I is the only shareholder of the Transferor Company- I and Transferor Company-II, therefore no shares will be allotted by the Transferee Company – I to itself.

13. ACCOUNTING TREATMENT

13.1. Upon the Scheme becoming effective and with effect from Appointed Date, Amalgamation shall be accounted as per 'The Pooling Interest Method' prescribed under Indian Accounting Standard 103- Business Combinations specified under section 133 of the Act read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

13.2. The Transferee Company-I shall restate its financial statements of the prior period to show the effect of the Scheme in accordance with Indian Accounting Standard (Ind AS) 103.

13.3. Inter-company balances and investments amongst Transferor Company-I, Transferor Company-II and Transferee Company-I, if any, shall stand cancelled.

13.4. Transferee Company-I shall record in its books of accounts, all transactions of Transferor Company-I and Transferor Company-II in respect of Said Assets-1 and Said Liabilities-1, income and expenses, from Appointed Date to Effective Date.

13.5. If, at the time of the Amalgamation, the Transferor Company-I and Transferor Company-II and Transferee Company-I have conflicting accounting policies, the accounting policies of Transferee Company-I should be adopted following the Amalgamation. The effects on the financial statements of any changes in accounting policies should be reported in accordance with the applicable accounting standards.

13.6. Notwithstanding the above, the Board of Directors of the Transferee Company is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India ,including the Indian Accounting Standard (Ind AS) specified under section 133 of the Act read with Companies (Accounting Standards) Amendment Rules, 2016.

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14. CLUBBING OF AUTHORIZED SHARE CAPITAL

14.1. Upon the Scheme coming into effect and with effect from Appointed Date, the authorized share capital of Transferor Company-I and Transferor Company-II as on Effective Date shall stand transferred to and be added with the authorized share capital of Transferee Company-I, without any liability for payment of any additional fees (*including fee payable to ROC*, except as may be required as per the applicable provisions of the Act) or stamp duty or any other charges under any Applicable Laws for time being in force.

14.2. Consequent to transfer of the existing authorized share capital of Transferor Company-I and Transferor Company-II on Effective Date in accordance with clause 14.1 above, Clause V of the memorandum of association of Transferee Company-I shall be substituted to read as follows:

> *"The Authorized Share Capital of the Company is Rs. 20,15,00,000/- (Rupees Twenty Crores and Fifteen Lakh only) divided into 4,03,00,000 (Four Crore and Three Lakh) Equity Shares of Rs. 5/- (Rupees Five) each."*

14.3. It is hereby clarified that the consent of shareholders of Transferee Company-I to the Scheme shall be sufficient for purposes of effecting amendment in the memorandum of association of Transferee Company-I and that no further resolution under sections 13, 14 and 61 of the Act and any other applicable provisions of the Act would be required to be separately passed nor any additional registration fee etc. be payable by Transferee Company-I. However, Transferee Company-I shall file the amended copy of its memorandum of association with the Registrar of Companies within a period of 30 (*Thirty*) days from Effective Date and the Registrar of Companies shall take the same on record.

PART III

15. TRANSFER AND VESTING OF DEMERGED UNDERTAKINGS

15.1. Upon coming into effect of this Scheme and with effect from Appointed Date and subject to provisions of this Scheme including in relation to mode of transfer or vesting, the entire businesses, all property(*ies*), being movable or immovable, tangible or intangible (*whether under development or otherwise*), pertaining to Demerged Undertakings of Demerged Companies including but not limited to property, plant and equipment, furniture and fixtures, land and building, (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), any leasehold properties, all documents of title, rights and easements in relation thereto or improvements, educational kits , employees imprest, bank balances, bank deposits against bank guarantees, interest accrued

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but not due on bank deposits, interest accrued on deposits, security deposits, cash and cash equivalents, cash imprest, sundry debtors, inter-branch balances, outstanding loans and advances *(short-term and long-term),* if any, recoverable in cash or in kind or for value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, service export scrips, prepaid expenses *(current and non-current)*, fixed assets, inventories, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, GST credit and refunds *(current and non-current)*, capital advances, trade receivables, any unbilled revenue, accrued interest, other current and non-current assets, deferred tax assets, contribution to gratuity fund, permits, approvals, authorizations, telephone connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the tax laws (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax, Service tax, Goods and Service Tax Act,2016 and all other Applicable Laws*), all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of anybody corporate (whether in India and elsewhere), mutual funds etc. belonging to Demerged Undertaking of Demerged Company-I and excluding all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of anybody corporate (whether in India and elsewhere), mutual funds etc. held by Demerged Company-II, other assets such as computer software and hardware, peripherals, tools and dies, fan coolers, air conditioners, vehicles (*whether freehold or encumbered*), office equipment, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favor of or enjoyed by Demerged Companies and are pertaining to the Demerged Undertakings (hereinafter referred to as "**Said Assets-2**") and all documents of titles, receipts and easements in relation thereto, all rights, covenants, continuing rights, titles and interest in connection with Said Assets-2 shall, unless otherwise agreed amongst Demerged Companies and Resulting Company specifically, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Resulting Company in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of section 230 to 232 of the Act and

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all other applicable provisions of the Act and pursuant to the orders of the Tribunal sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets-2 of Resulting Company.

It is expressly clarified that, in so far leasehold, leave and licensed properties pertaining to Demerged Undertakings of Demerged Companies are concerned, if any, and subject to terms and conditions of the respective lease agreements and leave and license agreements that have already been entered into between Demerged Companies with any other third party before Effective Date, Resulting Company may enter into fresh lease agreements and/or leave and license agreements, novate the existing lease agreements and/or leave and license agreements or terminate any lease agreements and/or leave and license agreements that are already in existence with any third party or enter into any kind of agreement with the lessor and/or licensor for transfer of leasehold and/or leave and licensed properties.

15.2. Without prejudice to Clause 15.1 of this Scheme, in respect of Said Assets-2 pertaining to Demerged Undertakings of Demerged Companies as are movable in nature or incorporeal property or are otherwise capable of being transferred by manual delivery or possession or by endorsement and/or delivery, the same shall stand transferred to Resulting Company upon coming into effect of this Scheme and shall upon such transfer become Said Assets-2 of Resulting Company with effect from Appointed Date. In respect of any such assets, rights, titles and interests other than Said Assets-2 pertaining to Demerged Undertakings of Demerged Companies referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Resulting Company pursuant to an order being made thereof by the Tribunal under section 232 of the Act.

15.3. Upon the coming into effect of this Scheme and with effect from the Appointed Date all license rights from third parties, publication rights, statutory licenses including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consolidated consent and authorization order and all other business certifications and all other registration certificates issued pertaining to Demerged Undertakings of Demerged Companies under Applicable Laws including without limitation Contract Labour Act, 1970, Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employees State Insurance Act, 1948 and/or Gratuity Act, 1972 and pension and/or superannuation fund, employees state insurance schemes, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Companies for the employees of their respective Demerged Undertakings, any subsidies, concessions, grants, special

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reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the IT Act, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (*hereinafter referred to as "**Said Rights and Interests-2**"*), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Demerged Companies, shall, pursuant to provisions of section 232(4) of the Act and other applicable provisions of Applicable Laws, for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to Resulting Company so as to become on and from Appointed Date, Said Rights and Interests-2, effective and enforceable on the same terms and conditions to the extent permissible under Applicable Laws for the time being in force and shall be duly and appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favor of Resulting Company. Without prejudice to the above, Resulting Company shall under the provisions of this Scheme and/or subject to necessary approvals required under Applicable Laws be deemed to be authorized to execute any such writings on behalf of Demerged Companies to carry out or perform all such formalities or compliances as may be required.

15.4. Upon coming into effect of this Scheme:

(i) All vehicles (*whether freehold or encumbered*), of any nature whatsoever, belonging to Demerged Undertakings of Demerged Companies, shall stand transferred to and vested in and/ or be deemed to be transferred and vested in Resulting Company without any further act, instrument or deed or any further payment of fees, charge or securities and upon application being made by Resulting Company, the relevant Governmental and Registration Authorities shall mutate and register the said vehicles in the name of Resulting Company as if the vehicles had originally been registered in the name of Resulting Company; and

(ii) All Intellectual Property Rights pertaining to the Demerged Undertakings, if any, being used by Demerged Companies shall stand transferred to and vested in and be deemed to be transferred to and vested in the name of Resulting Company without any further act, instrument or deed. Resulting Company, however, shall after the effectiveness of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Demerger, if required, who shall take them on record pursuant to the order of Tribunal.

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15.5. Upon coming into effect of this Scheme and with effect from Appointed Date:

a) All secured and unsecured liabilities, borrowings *(long-term and short-term)*, including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees, *(long-term and short term)*, security deposits received, loans, contingent liabilities, deferred tax liabilities, non-trade payables, creditors of fixed assets, letters of credit, etc., if any, statutory liabilities/dues (*whether disputed or undisputed*), any kind of commitment or any other advances received (*whether disclosed or undisclosed*), duties, term loans from banks and financial institutions, bank overdraft, long term loan and advances from customers, statutory dues payable, government dues for taxes, contribution to provident fund, labour welfare funds, trade payables, trade creditors dues of micro and small enterprises, staff and other creditors, employee benefit payable, long term or short term provisions, advance from customers, sales invoice discounting, short term provisions including but not limited to gratuity, leave encashment and bonus, expenses payable, taxes and obligations of Demerged Companies relating to the Demerged Undertakings, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature (*hereinafter referred to as "**Said Liabilities-2**"*) shall also be transferred to and vested in or be deemed to be transferred to and stand vested, without any further act, instrument or deed in Resulting Company pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Laws so as to become Said Liabilities-2 of Resulting Company and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such Said Liabilities-2 may have arisen and are to be transferred to Resulting Company.

b) If there are any general or multipurpose borrowings in the books of account of the Demerged Companies, so much of the amount of the general or multipurpose borrowings, as standing in the same proportion in which the value of the assets transferred pursuant to the Scheme bears to the total value of the assets of respective Demerged Companies immediately before the Demerger, shall also stand transferred to the Resulting Company pursuant to the Scheme.

c) All loans raised and used and Said Liabilities-2 incurred in respect of the Demerged Undertakings, if any, by the respective Demerged Companies after Appointed Date, but prior to Effective Date, shall

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also be deemed to be transferred to and vested with Resulting Company without any further act or deed.

d) The borrowing limits of Resulting Company shall, without any further act or deed, stand enhanced by an amount being the aggregate of Said Liabilities-2 pertaining to Demerged Undertakings of Demerged Companies which are being transferred to Resulting Company pursuant to this Scheme and Resulting Company shall not be required to pass any separate resolutions in this regard. Corporate guarantees issued by the Resulting Company in favor of banks for the Demerged Undertakings shall stand cancelled and be of no effect upon the effectiveness of this Scheme.

e) It is clarified that insofar Said Assets-2 pertaining to Demerged Undertakings of Demerged Companies are concerned with the security or charge, encumbrance, lien over Said Assets-2 or any part thereof, if any, relating to Said Liabilities-2 or any other obligations of Demerged Companies, shall, without any further act, instrument or deed continue to relate to such Said Assets-2 after Effective Date in Resulting Company and shall not extend to any other assets of Resulting Company. However, it is expressly clarified that any such security or charge or lien shall not be entered to as security in relation to any assets of the Resulting Company, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which Demerged Companies and Resulting Company are party and consistent with the joint obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of Resulting Company.

f) Resulting Company, at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that Resulting Company shall assume sole responsibility for repayment of borrowings.

15.6. It is expressly clarified that in case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the Demerged Undertakings of the respective Demerged Companies, or whether it arises out of the activities or operations of the Demerged Undertakings, the same shall be decided by mutual agreement between Board of Directors of the Demerged Companies and the Resulting Company.

15.7. With effect from Effective Date and until such time names of the bank accounts of Demerged Companies which are pertaining to their respective Demerged Undertakings are replaced with that of Resulting Company,

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Resulting Company shall be entitled to operate the existing bank accounts of Demerged Companies, in so far, as may be necessary. The banks shall also honor cheques or other bills issued in the name of Demerged Companies on and from Effective Date.

15.8. All profits or incomes including interest on deposits with banks, interest income etc., accruing or arising to Demerged Undertakings of the Demerged Companies or expenditure or losses arising or incurred (*including the effect of taxes, if any*) to the Demerged Undertakings of the Demerged Companies on and any time after Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of Resulting Company, as the case may be.

15.9. Upon the coming into effect of this Scheme and as per the provisions of Section 72A(4) and other applicable provisions of the IT Act, all accumulated business and tax losses and unabsorbed depreciation of the Demerged Companies as pertaining to the Demerged Undertakings shall be transferred to the Resulting Company. Further, all accumulated business and tax losses and unabsorbed depreciation of the Demerged Companies which do not directly pertain to the Demerged Undertakings shall also be transferred to the Resulting Company in terms of the provisions of Section 72A(4) (b) of the IT Act. It is expressly clarified that all the accumulated business and tax losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Resulting Company.

15.10. Part III of this this Scheme complies with the conditions relating to "Demerger" as specified under Section 2(19AA) of the IT Act. If any term or provision of this Scheme is found or interpreted to be inconsistent with the said provision at a later date including resulting from any amendment of Applicable Laws or for any other reason, whatsoever, then the provisions of such amended section(s) of the IT Act or any other Applicable Law shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(19AA) of the IT Act or any other Applicable Law, as may be amended from time to time. Such modification shall, however, not affect other parts of this Scheme.

16. LEGAL PROCEEDINGS

16.1 Upon coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings (*before any statutory or quasi-judicial authority or tribunal or any court*), if any, by or against respective Demerged Companies pertaining to the business of Demerged Undertakings pending and/or arising on or before Effective Date shall be continued and/or be enforced by or against Resulting Company as

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effectually and in the same manner and extent as if the same has been instituted and/or pending and/or arising by or against Resulting Company.

16.2 It is expressly specified that Resulting Company undertakes to have all legal or other proceedings pertaining to Demerged Undertakings initiated by or against Demerged Companies referred to in Clause 16.1 above, be transferred to its name and shall have the same continued, prosecuted and enforced in its name.

17. INTER COMPANY TRANSACTIONS

17.1. Without prejudice to the above provisions, upon the Scheme becoming effective and with effect from Appointed Date, all inter-company transactions between Demerged Companies and Resulting Company as pertaining to Demerged Undertakings including but not limited to:

(i) any loans, advances, and other obligations (*including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form*), which are due or outstanding or which may at any time in future become due between Demerged Companies and Resulting Company; or

(ii) any agreement/memorandum of understanding, executed between Demerged Companies and Resulting Company;

shall stand cancelled and be of no effect as on Effective Date and Demerged Companies and Resulting Company shall have no further obligation outstanding in that behalf.

18. TREATMENT OF TAXES

18.1. Upon this Scheme becoming effective and with effect from Appointed Date, all taxes, duties, cess payable by Demerged Companies (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax Act, Service Tax Act, Goods and Service Tax Act and all other Applicable Laws*), accruing and relating to their Demerged Undertakings from Appointed Date onwards, including but not limited to advance tax payments, TDS, any refund and interest due thereon on any credits, claims and exemptions shall, for all purposes shall be treated as advance tax payments, TDS, refund and interest due on any such credits, claims and exemptions or refunds, as the case may be, of Resulting Company.

18.2. Upon this Scheme becoming effective, all unavailed credits, claims and exemptions, any refunds, interest due there on, benefit of carried forward losses and other statutory benefits, in respect of income tax (*including but not limited to TDS, tax collected at source, advance tax, book and tax losses etc.*), CENVAT credit, customs, value added tax, sales tax, service tax etc. to which Demerged Companies is entitled to, prior to the period

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of Appointed Date, shall be available to and vest in Transferee Company-II, without any further act or deed.

18.3. TDS, service tax, GST, if any, deducted by and/or charged to Resulting Company under the IT Act or any other statute for the time being in force, in respect of the payments made by Resulting Company to Demerged Companies on account of inter-company transactions pertaining to Demerged Undertakings, assessable for the period commencing from Appointed Date shall be deemed to be the advance tax/ service tax/ GST etc. paid by Resulting Company and credit for such advance tax/ service tax/ GST etc. shall be allowed to Resulting Company notwithstanding that certificates or challans for TDS, service tax, GST etc. being in the name of Demerged Companies and not in the name of Resulting Company. Similarly, TDS, service tax, GST, if any, deducted by and/or charged in respect of Demerged Undertakings of Demerged Companies under the IT Act or any other statute for the time being in force, in respect of the payments made by Demerged Companies on account of inter-company transactions, assessable for the period commencing from Appointed Date shall be deemed to be the TDS/service tax/GST etc. paid by Resulting Company and credit for such TDS/service tax/GST etc. shall be allowed to Resulting Company. Upon this Scheme becoming effective, the Resulting Company is permitted to file and/ or revise respective tax returns of Demerged Undertakings and its own return (*including but not limited to income tax returns, withholding tax returns, TDS certificates, sales tax returns, value added tax returns, service tax returns, GST returns and other tax returns*) for the period commencing on and from Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.

18.4. Without prejudice to generality of aforesaid, any concessional or statutory forms under applicable tax laws or local levies issued or received by Demerged Companies and pertaining to Demerged Undertakings if any, in respect of period commencing from Appointed Date shall be deemed to be issued or received in the name of Resulting Company and benefit of such forms shall be allowed to Resulting Company in the same manner and to the same extent as would have been available to Demerged Companies.

18.5. The expenses incurred by Demerged Companies and Resulting Company in relation to Amalgamation as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Resulting Company in accordance with section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

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18.6. Any refund under tax laws due to Demerged Companies which is pertaining to their Demerged Undertakings consequent to the assessments made on Demerged Companies and for which no credit is taken in the accounts as on the date immediately preceding Appointed Date shall belong to and be received by Resulting Company. The concerned Governmental and Registration Authorities shall be bound to transfer to the account of and give credit for the same to Resulting Company upon the passing of the orders on this Scheme by the Tribunal upon relevant proof and documents being provided to the said authorities.

18.7. The income tax pertaining to the Demerged Undertakings, if any, paid by the Demerged Companies on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of the Resulting Company. The Resulting Company shall, after the Effective Date, be entitled to file the relevant returns with the Governmental and Registration Authorities concerned for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further, Resulting Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Demerged Companies for any year, if so necessitated or consequent to this Scheme, notwithstanding that the time prescribed for such revision may have elapsed.

19. TREATMENT OF EMPLOYEES

19.1. Upon coming into effect of this Scheme:

a) All staff, workmen and employees who are in employment of Demerged Companies and are pertaining to their respective Demerged Undertakings on Effective Date shall become staff, workmen and employees of Resulting Company with effect from Appointed Date on the basis that:
   (i) their employment shall be deemed to have been continuous and not interrupted by reasons of the said transfer; and
   (ii) terms and conditions of their employment after such transfer shall not in any way be less favorable to them than those applicable to them immediately preceding the said transfer.

b) It is expressly provided that as far as provident fund, employee state insurance plan scheme, gratuity scheme/trusts, leave encashment, superannuation scheme, compensated absences, unavailed leave scheme or any other special scheme(s) or fund(s) or trust(s), provisions for benefits created or existing, if any, for the benefit of staff/workmen/employees of Demerged Undertakings of Demerged Companies are concerned, upon coming into effect of the Scheme, Resulting Company shall stand substituted for Demerged Companies for all purposes whatsoever, related to administration

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or operation of such scheme(s) or fund(s) or trust(s) to the end and intent that all rights, duties, powers and obligation(s) of Demerged Companies in relation to such scheme(s) or fund(s) or trust(s) shall become those of Resulting Company. It is clarified that employment of employees in Demerged Undertakings of Demerged Companies will be treated as having been continuous for the purpose of the aforesaid scheme(s) or fund(s) or trust(s) including for the purposes of payment of any retrenchment compensation and other terminal benefits. Resulting Company shall file relevant intimations with the concerned Governmental and Registration Authorities who shall take the same on record and endorse the name of Resulting Company for Demerged Companies. Upon this Scheme becoming effective, all contributions to such scheme(s) or fund(s) or trust(s) created or existing for the benefit of such employees of Demerged Undertakings of Demerged Companies shall be made by Resulting Company in accordance with the provisions of such scheme(s) or fund(s) or trust(s) and Applicable Laws.

20. CONTRACTS, DEEDS, RESOLUTIONS, ETC.

20.1 Subject to other provisions contained in this Scheme, all contracts, deeds, understandings, bonds, guarantees, agreements, instruments and writings and benefits of whatsoever nature pertaining to Demerged Undertakings to which Demerged Companies are a party and is subsisting or having effect on Effective Date, shall upon coming into effect of this Scheme, shall remain in full force and effect against or in favor of Resulting Company and may be enforced by or against Resulting Company as fully and effectually as if, instead of Demerged Companies, Resulting Company had been a party thereto or beneficiary or obligee thereto or thereunder.

20.2 Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, contractual licenses, certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favour of Demerged Companies and which are pertaining to its Demerged Undertakings or any instrument of whatsoever nature including various incentives, subsidies, schemes, special status and other benefits or privileges pertaining to Demerged Undertakings granted by any Governmental or Registration Authorities or by any other person and enjoyed or availed by Demerged Companies shall stand transferred to Resulting Company as if the same were originally given by, issued to or executed in favor of Resulting Company and Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to Resulting Company. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges pertaining to Demerged

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Undertakings granted by any Governmental or Registration Authorities or by any other person, or availed by Demerged Companies are concerned, the same shall vest with and be available to Resulting Company on the same terms and conditions as applicable to Demerged Companies as if the same had been allotted and/or granted and/or sanctioned and/or allowed to Resulting Company.

20.3 All resolutions pertaining to Demerged Undertakings of Demerged Companies which are valid and subsisting on Effective Date, shall continue to be valid and subsisting and be considered as resolutions of Resulting Company and if any such resolutions have any upper monetary or any other limits imposed under provisions of the Act, then the said limits shall apply mutatis mutandis to such resolutions and shall constitute the aggregate of the said limits in Resulting Company.

21. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

21.1. With effect from Appointed Date and up to and including Effective Date, Demerged Companies shall be deemed to carry on all the businesses and other incidental matters pertaining to Demerged Undertakings for and on account of and in trust for Resulting Company with reasonable diligence and due business prudence in the same manner as carried before and shall not without the prior written consent of Resulting Company alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of such Said Assets-2 or such Said Rights and Interests-2 and business undertaking(s) or any part thereof, save and except in each case:

(i) If it is in the ordinary course of business of Demerged Companies as on the date of filing this Scheme with the Tribunal; or

(ii) If the same is expressly permitted by this Scheme.

21.2. All Said Assets-2 and Said Rights and Interests-2 pertaining to Demerged Undertakings of Demerged Companies accrued to and/or acquired by Demerged Companies after Appointed Date and prior to Effective Date shall have been or deemed to have been accrued to and/or acquired for and on behalf of Resulting Company and shall upon coming into effect of this Scheme and pursuant to provisions of section 232(4) of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in Resulting Company to that extent and shall become Said Assets-2 and Said Rights and Interests-2 of Resulting Company.

22. SAVING OF CONCLUDED TRANSACTION

22.1. Where any of the Said Liabilities-2 pertaining to Demerged Undertakings of Demerged Companies as on Appointed Date transferred to Resulting Company have been discharged by Demerged Companies after Appointed Date and prior to Effective Date, such discharge of Said Liabilities-2 shall be deemed to have been for and on account of Resulting Company.

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22.2. Without prejudice to anything mentioned above or anything contained in this Scheme, transfer and vesting of Demerged Undertakings of Demerged Companies as per this Scheme shall not affect any transactions or proceedings already concluded by Demerged Companies on or before Appointed Date or after Appointed Date till Effective Date, to the end and intent that Resulting Company accepts and adopts all acts, deeds, matters and things made, done and executed by Demerged Companies as acts, deeds, matters and things made, done and executed by or on behalf of Resulting Company.

22.3. All Said Liabilities-2 pertaining to Demerged Undertakings incurred or undertaken by Demerged Companies after Appointed Date and prior to Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of Resulting Company to the extent they are outstanding on Effective Date, shall, upon the coming into effect of this Scheme and pursuant to provisions of section 232 and any other applicable provisions of the Act, shall without any further act, instrument or deed be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in Resulting Company and shall become Said Liabilities-2 of Resulting Company.

23. CONSIDERATION

23.1. Since as a consequence of giving effect to Part- II of this Scheme, the Demerged Company II shall become a direct wholly-owned subsidiary of the Resulting Company and also substantial equity shares and all preference shares of Demerged Company-I are held by Resulting Company and Demerged Company-II, therefore, the Resulting Company shall not issue any shares neither to itself nor to Demerged Company-II.

23.2. Upon coming into effect of the Scheme, without any further application, act, instrument or deed and upon the transfer and vesting of the Demerged Undertaking of the Demerged Company-I to the Resulting Company and subject to the provision of Clause 23.1 of this Scheme, the Board of the Demerged Company-I and Resulting Company after considering the valuation report dated November 14, 2017 issued by M/s B Chhawchharia & Co., Chartered Accountants having Firm Regn. No.305123E, have decided that the Resulting Company shall issue its equity shares to the equity shareholders of the Demerged Company-I (other than the Resulting Company and the Demerged Company II), whose name appear in the Register of Members of the Demerged Company-I, as consideration for the transfer and vesting of the Demerged Undertaking in the Resulting Company in the following manner:

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"1 equity share of Rs. 5/- each fully paid-up of the Resulting Company for 117 equity shares of Rs. 10/- each of the Demerged Company – I."

23.3. In respect of any fractional shares, if any to be issued to equity shareholders of the Demerged Company-I, the same shall be rounded off to the nearest whole integer.

23.4. Equity shares to be allotted by the Resulting Company under Clause 23.2 above, shall hereinafter be referred to as **"New Equity Shares-1"**.

23.5. The New Equity Shares-1 to be issued in terms hereof shall be subject to the Memorandum and Articles of Association of the Resulting Company;

23.6. The New Equity Shares-1 shall rank, for dividend, voting rights and for all other benefits and in all other respects, pari-passu with the existing equity shares of the Resulting Company with effect from the date of allotment of New Equity Shares-1; and

23.7. The issue and allotment of New Equity Shares-1, pursuant to Clause 23.2 above is an integral part of this Scheme. The approval of this Scheme by the members of the Resulting Company shall be deemed to be due compliance with section 42, 62(1)(c) of the Act and other applicable provisions of the Act.

24. ACCOUNTING TREATMENT

24.1 The Demerged Companies and Resulting Company shall account for the Scheme in their respective books/financial statements in accordance with applicable Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time including as provided herein below:

24.1. **Accounting treatment in the books of the Demerged Companies:**

a) Upon the Scheme becoming effective, the value of all assets, liabilities, profits or reserves pertaining to the Demerged Undertakings of the Demerged Companies along with the liabilities which are not directly relatable to the Demerged Undertaking, as appearing in the books of accounts of the Demerged Companies and are to be transferred to the Resulting Company, in terms of the Clause 15.1 and 15.4 of this Scheme, shall be reduced from the book value of assets and liabilities of the Demerged Companies.

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b) Inter-company balances and investments, if any, between Demerged Companies and Resulting Company pertaining to the Demerged Undertakings shall stand cancelled.

c) Any surplus or deficit arising in the books of the Demerged Companies after giving effect to the provisions of sub-clause (a) of this clause above, shall be adjusted against the reserves appearing in the books of the Demerged Companies and if the difference still remains, the same shall be adjusted against the share capital of the Demerged Companies in accordance with the applicable accounting principles and accordingly, the share capital of the Demerged Companies shall stand reduced and cancelled.

d) The reduction of share capital of the Demerged Companies shall be effected as an integral part of the Scheme in accordance with the provisions of section 66 of the Act without having to follow the procedure under section 66 of the Act, separately. The order of the Tribunal sanctioning the Scheme shall also be deemed to be order under Section 66 of the Act.

e) Notwithstanding the above, the Board of Directors of the Demerged Companies is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India, including the Indian Accounting Standard (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

24.2. **Accounting treatment in the books of the Resulting Company:**

Upon the coming into effect of this Scheme and with effect from the Appointed Date:

a) The Resulting Company shall record the assets and liabilities of the Demerged Undertakings vested in it pursuant to this Scheme, at the respective values (ignoring revaluation, if any) thereof, as appearing in the books of the Demerged Companies at the close of the day immediately preceding the Appointed Date.

b) In order to give effect to Demerger, the Resulting Company shall restate the value of any asset, including investments, if any, acquired/ sold as a consequence of any transaction inter-se between the Demerged Companies and the Resulting Company prior to the Scheme becoming effective, at its value as appearing in the books of the respective Company prior to such transaction, irrespective of the consideration paid therefor. For the sake of clarity, the effect of any inter-se transaction of sale/ purchase

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between the Demerged Company I and Demerged Company II and the Resulting Company shall stand nullified and would be given effect to in the books of the respective companies, in order to give full effect to demerger

c) Any receivables or payables, which pertains to the Demerged Undertakings, arising thereon between the Demerged Company I and Demerged Company II and the Resulting Company, inter-corporate loans or balances pertaining to the Demerged Undertakings as arising between the Demerged Company I, Demerged Company II and the Resulting Company or vice-versa shall also stand nullified upon the Scheme becoming effective and the Resulting Company shall pass necessary entries in its books of accounts.

d) The Resulting Company shall credit the aggregate face value of the New Equity Shares-1 issued by it to the members of the Demerged Company-I pursuant to this Scheme to the Share Capital Account in its books of accounts.

e) Any surplus/excess in the value of assets over the value of liabilities of the Demerged Undertakings as transferred to the Resulting Company over the face value of the New Equity Shares-1 allotted by the Resulting Company under Clause 23.2 of this Scheme shall be adjusted in accordance with the applicable accounting principles;

f) In case of any differences in accounting policies between the Resulting Company and Demerged Companies, the impact of such differences shall be quantified and adjusted in accordance with the applicable accounting principles;

g) To the extent that there are any obligations of the Resulting Company towards the Demerged Undertakings, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account of the Resulting Company.

h) Notwithstanding the above, the Board of Directors of the Resulting Company is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India, including the Indian accounting standard (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

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25. REMAINING UNDERTAKINGS OF THE DEMERGED COMPANIES

25.1. The Remaining Undertakings and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the respective Demerged Companies.

25.2. All legal, taxation or other proceedings whether civil or criminal (*including before any Governmental and Registration Authorities*) by or against the Demerged Companies under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter and in each case relating to their respective Remaining Undertakings (*including those relating to any property, right, power, liability, obligation or duties of the Demerged Companies in respect of the Remaining Undertakings)* shall be continued and enforced by or against the Demerged Companies after the Effective Date. The Resulting Company shall not in any event be responsible or liable in relation to any such legal, taxation or other proceeding against the Demerged Companies which relate to the Remaining Undertaking.

25.3. If proceedings are taken against the Resulting Company in respect of the matters referred to in sub-clause 25.2 above, it shall defend the same in accordance with the advice of the Demerged Company-II and at the cost of the Demerged Company-II and the latter shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.

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

a) the Demerged Companies shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Undertakings for and on its own behalf;

b) all profits accruing to the Demerged Companies thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Undertakings shall, for all purposes, be treated as the profits or losses, as the case may be, of the respective Demerged Companies;

c) all taxes, duties, cess, if any, paid/payable by the Demerged Companies pertaining to their respective Remaining Undertakings including all or any refunds/credit/claim, if any, shall be treated as a liability or refunds/credit/claim, as the case may be, of the Demerged Companies; and

d) all assets and properties acquired by the Demerged Companies in relation to their respective Remaining Undertakings on and after the

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Appointed Date shall belong to and continue to remain vested in the Demerged Companies. It is expressly clarified that the Board of the respective Demerged Companies on or after the Appointed Date are free to dispose (*transfer, sale or extinguish*) any of their assets forming part of the Remaining Undertakings to any other person.

26. COMPLIANCES

26.1. The Resulting Company will make an application for approval, if applicable, or filings to Reserve Bank of India/ authorized dealer or other appropriate Governmental and Registration Authorities, wherever required, for their approval under the provisions of FEMA for issue and allotment of shares in the Resulting Company to the non-resident equity shareholders of the Demerged Company-I pertaining to the Demerged Undertaking-I in accordance with the provisions of the Scheme. Further, the Resulting Company shall also file all relevant intimations, if required, with the Reserve Bank of India/authorized dealer or any Governmental and Registration Authority in this regard. Such application for approval, if required, shall be made by the Resulting Company within 30 days of the Record Date.

26.2. The approval to this Scheme under sections 230-232 and other applicable provisions of the Act, by the shareholders and/or creditors of the Demerged Companies pertaining to the Demerged Undertakings and Resulting Company shall be deemed to have the approval of the shareholders and/or creditors, as the case may be, under the applicable provisions of the Act, including but not limited to sections 4, 13, 14, 61 and 64 of the Act and no separate procedure is required to be carried out.

PART IV

27. TRANSFER AND VESTING

27.1 Upon coming into effect of this Scheme and with effect from Appointed Date and subject to provisions of this Scheme including in relation to mode of transfer or vesting, the entire business of the Remaining Undertaking-I, all property(*ies*), being movable or immovable, tangible or intangible, belonging to Transferor Company-III including but not limited to property, plant and equipment, furniture and fixtures, land and building, (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), any leasehold properties, all documents of title, rights and easements in relation thereto or improvements, bank balances, bank deposits against bank guarantees, interest accrued but not due on bank deposits, interest accrued on deposits, security deposits, cash and cash equivalents, cash imprest, sundry debtors, outstanding loans and advances *(short-term and long-term)*, if any, recoverable in cash or in kind or for value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff,

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employees, others, balance with Governmental and Registration Authorities, prepaid expenses *(current and non-current)*, fixed assets, inventories, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, GST credit and refunds *(current and non-current)*, capital advances, trade receivables, any unbilled revenue, accrued interest, other current and non-current assets, deferred tax assets, contribution to gratuity fund, permits, approvals, authorizations, telephone connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the tax laws (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax, Service tax, Goods and Service Tax Act, 2016 and all other Applicable Laws*), all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of any body corporate (whether in India and elsewhere), mutual funds etc., other assets such as computer software and hardware, tools and dies, fan coolers, air conditioners, vehicles (*whether freehold or encumbered*), office equipment, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favor of or enjoyed by Transferor Company-III (*hereinafter referred to as "**Said Assets-3**"*) and all documents of titles, receipts and easements in relation thereto, all rights, covenants, continuing rights, titles and interest in connection with Said Assets-3 shall, unless otherwise agreed between Transferor Company-III and Transferee Company-II specifically, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Transferee Company-II in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of the Act and pursuant to the orders of the Tribunal sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets-3 of Transferee Company-II.

It is expressly clarified that, in so far leasehold, leave and licensed properties belonging to Transferor Company-III are concerned, if any, and subject to terms and conditions of the respective lease agreements and leave and license agreements that have already been entered into between Transferor Company-III and any other third party before Effective Date, Transferee Company-II may enter into fresh lease agreements and/or leave and license agreements, novate the existing lease agreements or terminate any lease

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agreements and leave and license agreements that are already in existence with any third party or enter into any kind of agreement with the lessor for transfer of leasehold and/or leave and licensed properties.

27.2 Without prejudice to Clause 27.1 of this Scheme, in respect of Said Assets-3 of Transferor Company-III as are movable in nature or incorporeal property or are otherwise capable of being transferred by manual delivery or possession or by endorsement and/or delivery, the same shall stand transferred to Transferee Company-II upon coming into effect of this Scheme and shall upon such transfer become Said Assets-3 of Transferee Company-II with effect from Appointed Date. In respect of any such assets, rights, titles and interests other than Said Assets-3 referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Transferee Company-II pursuant to an order being made thereof by the Tribunal under section 232 of the Act.

27.3 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the statutory licenses including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consolidated consent and authorization order and all other business certifications and all other registration certificates issued to Transferor Company-III as pertaining to Remaining Undertaking-I under Applicable Laws including without limitation certificate of importer- exporter code, Water (Prevention and Control of Pollution) Act, 1974, Environment (Protection) Act 1986, Air (Prevention and Control of Pollution) Act, 1981, Hazardous Waste (Management Handling and Transboundary Movement) Rules 2016, Factories Act, 1948, Contract Labour Act, 1970, Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employees State Insurance Act, 1948 and/or Gratuity Act, 1972 and pension and/or superannuation fund, employees state insurance schemes, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company-III for the employees, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the IT Act, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (*hereinafter referred to as* ***"Said Rights and Interests-3"***), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Transferor Company-III, shall pursuant to provisions of section 232(4) of the Act and other applicable provisions of Applicable Laws, for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/ or be deemed to have been transferred to

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and vested in and be available to Transferee Company-II so as to become on and from Appointed Date, Said Rights and Interests-3, effective and enforceable on the same terms and conditions to the extent permissible under Applicable Laws for the time being in force and shall be duly and appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favor of Transferee Company-II. Without prejudice to the above, Transferee Company-II shall under the provisions of this Scheme and/or subject to necessary approvals required under Applicable Laws be deemed to be authorized to execute any such writings on behalf of Transferor Company-III to carry out or perform all such formalities or compliances as may be required.

27.4 Upon coming into effect of this Scheme:

a) All vehicles (*whether freehold or encumbered*), of any nature whatsoever, belonging to Transferor Company-III which are pertaining to Remaining Undertaking-I, shall stand transferred to and vested in and/ or be deemed to be transferred and vested in Transferee Company-II without any further act, instrument or deed or any further payment of fees, charge or securities and upon application being made by Transferee Company-II, the relevant Governmental and Registration Authorities shall mutate and register the said vehicles in the name of Transferee Company-II as if the vehicles had originally been registered in the name of Transferee Company-II; and

b) The Intellectual Property Rights pertaining to Remaining Undertaking-I, if any, being used by Transferor Company-III shall stand transferred to and vested and be deemed to be transferred to and vested in the name of Transferee Company-II without any further act, instrument or deed. Transferee Company-II, however, shall after the effectiveness of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Amalgamation, if required, who shall take them on record pursuant to the order of Tribunal.

27.5 Upon coming into effect of this Scheme and with effect from Appointed Date:

a) All secured and unsecured liabilities, borrowings (*long-term and short-term)*, including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees, (*long-term and short term)*, security deposits received, loans, contingent liabilities, deferred tax liabilities, non-trade payables, creditors of fixed assets, letters of credit, etc., if any, statutory liabilities/dues (*whether disputed or undisputed*), any kind of commitment or any other advances received (*whether disclosed or undisclosed*), duties, term loans from banks and financial institutions, bank overdraft, long term loan and advances from customers, statutory dues payable,

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government dues for taxes, contribution to provident fund, labour welfare funds, trade payables, dues of micro and small enterprises, staff and other creditors, employee benefit payables, long term or short term provisions, advance from customers, short term provisions, expenses payable, taxes and obligations of Transferor Company-III pertaining to Remaining Undertaking-I, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature (*hereinafter referred to as* "***Said Liabilities-3***") shall also be transferred to and vested in or be deemed to be transferred to and stand vested, without any further act, instrument or deed in Transferee Company-II pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Laws so as to become Said Liabilities-3 of Transferee Company-II and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such Said Liabilities-3 may have arisen and are to be transferred to Transferee Company-II.

b) The loans raised and used and Said Liabilities-3 incurred, if any, by Transferor Company-III as pertaining to Remaining Undertaking-I after Appointed Date, but prior to Effective Date, shall also be deemed to be transferred to and vested with Transferee Company-II without any further act or deed.

c) The borrowing limits of Transferee Company-II shall, without any further act or deed, stand enhanced by an amount being the aggregate of Said Liabilities-3 pertaining to Remaining Undertaking-I of Transferor Company-III which are being transferred to Transferee Company-II pursuant to this Scheme and Transferee Company-II shall not be required to pass any separate resolutions in this regard.

d) It is clarified that insofar Said Assets-3 of Transferor Company-III are concerned with the security or charge, encumbrance, lien over Said Assets-3 or any part thereof, if any, relating to Said Liabilities-3 or any other obligations of Transferor Company-III, shall, without any further act, instrument or deed continue to relate to such Said Assets-3 after Effective Date in Transferee Company-II and shall not extend to any other assets of Transferee Company-II. However, it is expressly clarified that any such security or charge or lien shall not be entered to as security in relation to any assets of the Transferee Company-II, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which Transferor Company-III is a party and consistent with the joint

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obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of Transferee Company-II;

e) Transferee Company-II, at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that Transferee Company-II shall assume sole responsibility for repayment of borrowings.

27.6 With effect from Effective Date and until such time names of the bank accounts of Transferor Company-III are replaced with that of Transferee Company-II, Transferee Company-II shall be entitled to operate the existing bank accounts of Transferor Company-III, in so far, as may be necessary. The banks shall also honor cheques or other bills issued in the name of Transferor Company-III on and from Effective Date.

27.7 All existing profits or incomes including interest on deposits with banks, interest income etc., accruing or arising to Transferor Company-III or expenditure or losses arising or incurred (*including the effect of taxes, if any*) to Transferor Company-III on and any time after Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of Transferee Company-II, as the case may be.

27.8 Upon the coming into effect of this Scheme and as per the provisions of Section 72A(1) and other applicable provisions of the IT Act, all accumulated business and tax losses and unabsorbed depreciation pertaining to the Remaining Undertaking-I of the Transferor Company-III shall be transferred to the Transferee Company-II. It is expressly clarified that all the accumulated business and tax losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Transferee Company-II.

27.9 Part IV of this Scheme complies with the conditions relating to "amalgamation" as specified under Section 2(1B) of the IT Act. If any terms and provisions of this Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of Applicable Laws or for any other reason whatsoever, then the provisions of such amended section(s) of the IT Act or any other Applicable Laws shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(1B) of the IT Act or any other Applicable Law, as may be amended from time to time. Such modification shall however not affect other parts of this Scheme.

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28. LEGAL PROCEEDINGS

28.1 Upon coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings (*before any statutory or quasi-judicial authority or tribunal or any court*) pertaining to Remaining Undertaking-I, if any, by or against Transferor Company-III pending and/or arising on or before Effective Date shall be continued and/or be enforced by or against Transferee Company-II as effectually and in the same manner and extent as if the same has been instituted and/or pending and/or arising by or against Transferee Company-II.

28.2 It is expressly specified that Transferee Company-II undertakes to have all legal or other proceedings pertaining to Remaining Undertaking-I initiated by or against Transferor Company-III referred to in Clause 28.1 above, be transferred to its name and shall have the same continued, prosecuted and enforced in its name.

29. INTER COMPANY TRANSACTIONS

29.1 Without prejudice to the above provisions, upon the Scheme becoming effective and with effect from Appointed Date, all inter-company transactions pertaining to Remaining Undertaking-I between Transferor Company-III and Transferee Company-II including but not limited to:

a) any loans, advances, and other obligations (*including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form*), which are due or outstanding or which may at any time in future become due between Transferor Company-III and Transferee Company-II; or

b) any agreement/memorandum of understanding, executed between Transferor Company-III and Transferee Company-II;

shall stand cancelled and be of no effect as on Effective Date and Transferor Company-III and Transferee Company-II shall have no further obligation outstanding in that behalf.

30. TREATMENT OF TAXES

30.1 Upon this Scheme becoming effective and with effect from Appointed Date, all taxes, duties, cess payable by Transferor Company-III (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax Act, Service Tax Act, Goods and Service Tax Act and all other Applicable Laws*), accruing and relating to Transferor Company-III from Appointed Date onwards, including but not limited to advance tax payments, TDS, any refund and interest due thereon on any credits, claims and exemptions shall, for all purposes shall be treated as advance tax

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payments, TDS, refund and interest due on any such credits, claims and exemptions or refunds, as the case may be, of Transferee Company-II.

30.2 Upon this Scheme becoming effective, all unavailed credits, claims and exemptions, any refunds, interest due there on, benefit of carried forward losses and other statutory benefits, in respect of income tax (*including but not limited to TDS, tax collected at source, advance tax, book and tax losses etc.*), CENVAT credit, customs, value added tax, sales tax, service tax etc. to which Transferor Company-III is entitled to, prior to the period of Appointed Date, shall be available to and vest in Transferee Company-II, without any further act or deed.

30.3 TDS, service tax, GST, if any, deducted by and/or charged to Transferee Company-II under the IT Act or any other statute for the time being in force, in respect of the payments made by Transferee Company-II to Transferor Company-III on account of inter-company transactions pertaining to Remaining Undertaking-I, assessable for the period commencing from Appointed Date shall be deemed to be the advance tax/ service tax/ GST etc. paid by Transferee Company-II and credit for such advance tax/ service tax/ GST etc. shall be allowed to Transferee Company-II notwithstanding that certificates or challans for TDS, service tax, GST etc. being in the name of Transferor Company-III and not in the name of Transferee Company-II. Similarly, TDS, service tax, GST, if any, deducted by and/or charged to Transferor Company-III under the IT Act or any other statute for the time being in force, in respect of the payments made by Transferor Company-III to Transferee Company-II on account of inter-company transactions, assessable for the period commencing from Appointed Date shall be deemed to be the TDS/service tax/GST etc. paid by Transferee Company-II and credit for TDS/service tax/GST etc. shall be allowed to Transferee Company-II. Upon this Scheme becoming effective, the Transferee Company-II is permitted to file and/ or revise respective tax returns of Transferor Company-III as well (*including but not limited to income tax returns, withholding tax returns, TDS certificates, sales tax returns, value added tax returns, service tax returns, GST returns and other tax returns*) for the period commencing on and from Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.

30.4 Without prejudice to generality of aforesaid, any concessional or statutory forms under applicable tax laws or local levies issued or received by Transferor Company-III and pertaining to Remaining Undertaking-I if any, in respect of period commencing from Appointed Date shall be deemed to be issued or received in the name of Transferee Company-II and benefit of such forms shall be allowed to Transferee Company-II in the

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same manner and to the same extent as would have been available to Transferor Company-III.

30.5 The expenses incurred by Transferor Company-III and Transferee Company-II in relation to Amalgamation as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Transferee Company-II in accordance with section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

30.6 Any refund under tax laws due to Transferor Company-III which is pertaining to its Remaining Undertaking-I consequent to the assessments made on Transferor Company-III and for which no credit is taken in the accounts as on the date immediately preceding Appointed Date shall belong to and be received by Transferee Company-II. The concerned Governmental and Registration Authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company-II upon the passing of the orders on this Scheme by the Tribunal upon relevant proof and documents being provided to the said authorities.

30.7 The income tax pertaining to the Remaining Undertaking-I, if any, paid by the Transferor Company-III on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of the Transferee Company-II. The Transferee Company-II shall, after the Effective Date, be entitled to file the relevant returns with the Governmental and Registration Authorities concerned for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further, Transferee Company-II shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company-III for any year, if so necessitated or consequent to this Scheme, notwithstanding that the time prescribed for such revision may have elapsed.

31. TREATMENT OF EMPLOYEES

31.1 Upon coming into effect of this Scheme:

a) All staff, workmen and employees who are in employment of Transferor Company-III and are pertaining to its Remaining Undertaking-I on Effective Date shall become staff, workmen and employees of Transferee Company-II with effect from Appointed Date on the basis that:

(i) their employment shall be deemed to have been continuous and not interrupted by reasons of the said transfer; and

(ii) terms and conditions of their employment after such transfer shall not in any way be less favorable to them than those applicable to them immediately preceding the said transfer.

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b) It is expressly provided that as far as provident fund, employee state insurance plan scheme, gratuity scheme/trusts, leave encashment, superannuation scheme, compensated absences, unavailed leave scheme or any other special scheme(s) or fund(s) or trust(s), provisions for benefits created or existing, if any, for the benefit of staff/workmen/employees Remaining Undertaking-I of Transferor Company-III are concerned, upon coming into effect of the Scheme, Transferee Company-II shall stand substituted for Transferor Company-III for all purposes whatsoever, related to administration or operation of such scheme(s) or fund(s) or trust(s) to the end and intent that all rights, duties, powers and obligation(s) of Transferor Company-III in relation to such scheme(s) or fund(s) or trust(s) shall become those of Transferee Company-II. It is clarified that employment of employees in Remaining Undertaking-I of Transferor Company-III will be treated as having been continuous for the purpose of the aforesaid scheme(s) or fund(s) or trust(s) including for the purposes of payment of any retrenchment compensation and other terminal benefits. Transferee Company-II shall file relevant intimations with the concerned Governmental and Registration Authorities who shall take the same on record and endorse the name of Transferee Company-II for Transferor Company-III. Upon this Scheme becoming effective, all contributions to such scheme(s) or fund(s) or trust(s) created or existing for the benefit of such employees of Remaining Undertaking-I of Transferor Company-III shall be made by Transferee Company-II in accordance with the provisions of such scheme(s) or fund(s) or trust(s) and Applicable Laws.

32. CONTRACTS, DEEDS, RESOLUTIONS, ETC.

32.1 Subject to other provisions contained in this Scheme, all contracts, deeds, understandings, bonds, guarantees, agreements, instruments, writings and benefits of whatsoever nature pertaining to Remaining Undertaking-I to which Transferor Company-III is a party and is subsisting or having effect on Effective Date, shall upon coming into effect of this Scheme, the same shall remain in full force and effect against or in favor of Transferee Company-II and may be enforced by or against Transferee Company-II as fully and effectually as if, instead of Transferor Company-III, Transferee Company-II had been a party thereto or beneficiary or obligee thereto or thereunder.

32.2 Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, contractual certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favor of Transferor Company-III and which are pertaining to its Remaining Undertaking-I or any instrument of whatsoever nature including various incentives, subsidies,

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schemes, special status and other benefits or privileges pertaining to Remaining Undertaking-I granted by any Governmental or Registration Authorities or by any other person, enjoyed or availed by Transferor Company-III shall stand transferred to Transferee Company-II as if the same were originally given by, issued to or executed in favour of Transferee Company-II and Transferee Company-II shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to Transferee Company-II. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges pertaining to Remaining Undertaking-I granted by any Governmental or Registration Authorities or by any other person, or availed by Transferor Company-III are concerned, the same shall vest with and be available to Transferee Company-II on the same terms and conditions as applicable to Transferor Company-III, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to Transferee Company-II.

32.3 All resolutions pertaining to Remaining Undertaking-I of Transferor Company-III which are valid and subsisting on Effective Date, shall continue to be valid and subsisting and be considered as resolutions of Transferee Company-II and if any such resolutions have any upper monetary or any other limits imposed under provisions of the Act, then the said limits shall apply mutatis mutandis to such resolutions and shall constitute the aggregate of the said limits in Transferee Company-II.

33. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

33.1 With effect from Appointed Date and up to and including Effective Date, Transferor Company-III shall be deemed to carry on all the businesses and other incidental matters pertaining to Remaining Undertaking-I for and on account of and in trust for Transferee Company-II with reasonable diligence and due business prudence in the same manner as carried before and shall not without the prior written consent of Transferee Company-II alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of such Said Assets-3 or such Said Rights and Interests-3 and business undertaking(s) or any part thereof, save and except in each case:

a) If it is in the ordinary course of business of Transferor Company-III as on the date of filing this Scheme with the Tribunal; or
b) If the same is expressly permitted by this Scheme.

33.2 All Said Assets-3 and Said Rights and Interests-3 pertaining to Remaining Undertaking-I of Transferor Company-III accrued to and/or acquired by Transferor Company-III after Appointed Date and prior to Effective Date shall have been or deemed to have been accrued to and/or acquired for and on behalf of Transferee Company-II and shall upon coming into effect of this Scheme and pursuant to provisions of section 232(4) of the Act, without any further act, instrument or deed be and stand transferred

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to and vested in or be deemed to have been transferred to and vested in Transferee Company-II to that extent and shall become Said Assets-3 and Said Rights and Interests-3 of Transferee Company-II.

34. SAVING OF CONCLUDED TRANSACTION

34.1 Where any of Said Liabilities-3 pertaining to Remaining Undertaking-I of Transferor Company-III, as on Appointed Date, transferred to Transferee Company-II have been discharged by Transferor Company-III after Appointed Date and prior to Effective Date, such discharge of Said Liabilities-3 shall be deemed to have been for and on account of Transferee Company-II.

34.2 Without prejudice to anything mentioned above or anything contained in this Scheme, transfer and vesting of Remaining Undertaking-I of Transferor Company-III as per this Scheme shall not affect any transactions or proceedings already concluded by Transferor Company-III on or before Appointed Date or after Appointed Date till Effective Date, to the end and intent that Transferee Company-II accepts and adopts all acts, deeds, matters and things made, done and executed by Transferor Company-III as acts, deeds, matters and things made, done and executed by or on behalf of Transferee Company-II.

34.3 All Said Liabilities-3 incurred or undertaken by Transferor Company-III after Appointed Date and prior to Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of Transferee Company-II to the extent they are outstanding on Effective Date, shall, upon the coming into effect of this Scheme and pursuant to provisions of section 232 and any other applicable provisions of the Act, shall without any further act, instrument or deed be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in Transferee Company-II and shall become Said Liabilities-3 of Transferee Company-II.

35. CONSIDERATION

35.1 Upon coming into effect of this Scheme, equity and preference shares of the Transferor Company-III held by Transferee Company-II shall, without any further act, instrument or deed, be automatically stand cancelled and be of no effect on and from Effective Date.

35.2 Upon coming into effect of the Scheme, without any further application, act, instrument or deed and upon the transfer and vesting of the Transferor Company-III with and into Transferee Company-II and subject to the provision of clause 35.1 of this Scheme, the Board of the Transferor Company-III and Transferee Company-II after considering the valuation report dated November 14, 2017 issued by M/s B. Chhawchharia & Co., Chartered Accountants having Firm Regn. No. 305123E, have decided that the Transferee Company-II shall issue its shares to the shareholders

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of the Transferor Company-III, whose name appear in the Register of Members of the Transferor Company-III, as consideration for the Amalgamation in the following manner:

"*(a) 2 (Two) equity shares of Rs. 10/- each fully paid-up of the Transferee Company-II for 17 (Seventeen) equity shares of Rs.10/- each of the Transferor Company-III; and*

(b) 2 (Two) preference shares of Rs 10/- each fully paid-up of the Transferee Company-II for 17 (Seventeen) preference shares of Rs.10/- each of the Transferor Company-III."

35.3 In respect of any fractional shares, if any to be issued to equity shareholders and preference shareholders of the Transferor Company-III, the same shall be rounded off to the nearest whole integer.

35.4 Equity shares and preference shares to be allotted by the Transferee Company-II under Clause 35.2 above, shall hereinafter be referred to as **"New Equity Shares-2"** and **"New Preference Shares-1"**, respectively.

35.5 The New Equity Shares-2 and New Preference Shares-1 to be issued in terms hereof shall be subject to the memorandum and articles of association of the Transferee Company-II;

35.6 The New Equity Shares-2 shall rank, for dividend, voting rights and for all other benefits and in all other respects, pari-passu with the existing equity shares of the Transferee Company-II with effect from the date of allotment of New Equity Shares-2; and

35.7 The issue and allotment of New Equity Shares-2 and New Preference Shares-1, pursuant to Clause 35.2 above is an integral part of this Scheme. The approval of this Scheme by the members of the Transferee Company-II shall be deemed to be due compliance with all applicable provisions of the Act including but not limited to Section 42, 55, 62(1)(c) of the Act and other applicable provisions of the Act.

36. ACCOUNTING TREATMENT

36.1 Upon the Scheme becoming effective and with effect from Appointed Date, Amalgamation shall be accounted as per 'The Pooling Interest Method' prescribed under Indian Accounting Standard 103 Business Combinations specified by the Companies (Indian Accounting Standards) Rules, 2014 notified by the Central Government and as amended from time to time and issued by the Institute of Chartered Accountants of India.

36.2 Transferee Company-II shall record all assets and liabilities pertaining to the Remaining Undertaking-I, as appearing in the books of Transferor

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Company-III at the close of business of the day immediately preceding Appointed Date, vested in it pursuant to this Scheme, at their respective carrying values.

36.3 Inter-company balances and investments between the Remaining Undertaking-I of the Transferor Company-III and Transferee Company-II, if any, shall stand cancelled.

36.4 The difference between amount recorded as share capital issued along with any additional consideration in the form of cash or other assets and the amount of share capital of Transferor Company-III and Transferee Company-II shall be transferred to capital reserve.

36.5 Transferee Company-II shall record in its books of accounts, all transactions pertaining to Remaining Undertaking-I of Transferor Company-III in respect of Said Assets-3 and Said Liabilities-3, income and expenses, from Appointed Date to Effective Date.

36.6 If, at the time of the Amalgamation, the Transferor Company-III and Transferee Company-II have conflicting accounting policies, the accounting policies of Transferee Company-II should be adopted following the Amalgamation. The effects on the financial statements of any changes in accounting policies should be reported in accordance with the applicable accounting standards.

36.7 Notwithstanding the above, the Board of Directors of the Transferee Company-II is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India, including the Indian accounting standard (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

37. CLUBBING OF AUTHORIZED SHARE CAPITAL

37.1 Upon the Scheme coming into effect and with effect from Appointed Date, the authorized share capital of Transferor Company-III as on Effective Date shall stand transferred to and be added with the authorized share capital of Transferee Company-II, without any liability for payment of any additional fees (except as may be required as per the applicable provisions of the Act) or stamp duty or any other charges under any Applicable Laws for time being in force.

37.2 Consequent to transfer of the existing authorized share capital of Transferor Company-III on Effective Date in accordance with Clause 37.1 above, Clause V of the memorandum of association of Transferee Company-II shall be substituted to read as follows:

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"The Authorized Share Capital of the Company is Rs. 105,00,00,000/- (Rupees One Hundred Five Crore only) divided into 82,00,00,000 (Eighty Two Lakhs) equity shares of Rs. 10/- (Rupees Ten) each and 23,00,00,000 (Twenty Three Lakhs) preference shares of Rs. 10/- (Rupees Ten) each."

38. COMPLIANCES

38.1 The Transferee Company-II will make an application for approval, if applicable, or filings to Reserve Bank of India/ authorized dealer or other appropriate Governmental and Registration Authorities, wherever required, for their approval under the provisions of FEMA for issue and allotment of shares in the Transferee Company-II to the non-resident equity shareholders of the Transferor Company-III in accordance with the provisions of the Scheme and the Transferee Company-II shall also file all relevant intimations, if required, with the Reserve Bank of India/ authorized dealer or any Governmental and Registration Authority in this regard. Such application for approval, if required, shall be made by the Resulting Company within 30 (Thirty) days of the Record Date.

38.2 The approval to this Scheme under sections 230-232 and other applicable provisions of the Act by the shareholders and/or creditors of the Transferor Company-III and Transferee Company-II shall be deemed to have the approval of the shareholders and/or creditors, as the case may be, under the applicable provisions of the Act, including but not limited to sections 4, 13, 14, 61 and 64 of the Act and no separate procedure is required to be carried out.

PART V

39. APPLICATION TO TRIBUNAL

39.1 Companies shall make applications under sections 230 to 232 of the Act and other applicable provisions of the Act to the Tribunal for seeking approval of the Scheme and for dissolution of Transferor Company-I, Transferor Company-II and Transferor Company-III without following the process of winding up.

40. MODIFICATION OR AMENDMENT TO THE SCHEME

40.1 Subject to approval by the Tribunal, Board of each of Companies may assent to any modifications / amendments including withdrawal/ termination of the Scheme or to any other conditions or limitations that the Tribunal or any Governmental and Registration Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by their respective Boards. Each of Companies shall authorize their respective Boards to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or

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questions whether by reason of any directive or order of the Tribunal or any Governmental and Registration Authority of any other competent authority or otherwise howsoever arising out of or by virtue of the Scheme and/or to give effect to and to implement the Scheme, in part or in whole, and/or any matter concerned or connected therewith.

40.2 Further, it is clarified that the initial consent of the shareholders and creditors (*both secured and unsecured*) of Companies to this Scheme shall in itself be deemed to be sufficient to authorize the operation of Clause 40.1 of this Scheme and any subsequent alteration would not require a fresh note of consent from such shareholders and creditors.

41. REVOCATION, WITHDRAWAL OF THIS SCHEME

41.1 Subject to order of the Tribunal, Board of Companies shall be entitled to revoke, cancel, withdraw and declare this Scheme to be of no effect at any stage including, if: (i) this Scheme is not being sanctioned by the Tribunal; (ii) if any of the consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not obtained or for any other reason as Board of Companies may deem fit; (iii) in case any condition or alteration imposed by the Tribunal, Governmental and Registration Authority, shareholders and creditors of the Companies is not acceptable to the Board of the Companies; and (iv) Board of any of Companies are of view that upon coming into effect of this Scheme, in terms of the provisions of this Scheme or filing of the order with any Governmental and Registration Authority can have adverse implication on all or any of the Companies. On revocation, withdrawal, or cancellation, this Scheme shall stand revoked, withdrawn or cancelled, as the case may be, and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter- se between Companies or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with Applicable Laws and in such case, each party shall bear its own costs unless otherwise mutually agreed.

41.2 If any part of this Scheme is held invalid or is ruled illegal by the Tribunal or becomes unenforceable for any reason, whatsoever, whether under present or future laws, then it is the intention of Companies that such part, in the opinion of the Board of any Companies, shall be severable from the remainder of this Scheme and the remaining part of this Scheme shall not be affected thereby, unless the deletion of such part, in opinion of Board of either of Companies, shall cause this Scheme to become materially adverse to either of Companies in which case Companies shall attempt to bring about a modification in this Scheme, which will best preserve the

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benefits and obligations of this Scheme for Companies, including but not limited to such part.

42. CONDITIONALITY OF THE SCHEME

42.1 This Scheme is and shall be conditional upon and subject to:

a) Transferee Company-I having received observation letters / no-objection letters from the Stock Exchanges in respect of the Scheme, pursuant to regulation 37 of the Listing Regulations read with SEBI Circulars and Regulation 11 and 94 of the Listing Regulations;

b) The approval of the public shareholders of the Transferee Company-I in accordance with the provisions of the SEBI Circulars issued in this behalf, if required. Such approval of public shareholders will be obtained through e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution and the Scheme shall be acted upon only if the votes casted by public shareholders in favor of the Scheme are more than the number of votes casted by public shareholders against it;

c) the approval by the requisite majority of the respective shareholders and creditors of the Companies as directed by the Tribunal under section 230 of the Act and requisite sanction and orders of the Tribunal being obtained; and

d) Certified copy of order of the Tribunal sanctioning the Scheme being filed with the Registrar of Companies.

43. MISCELLANEOUS

43.1 In case any doubt or difference or issue shall arise between Companies or any of their shareholders, creditors, employees or persons entitled to or claiming any right to any shares in any of Companies, as to the construction of this Scheme or as to any account, valuation or apportionment to be taken or made in connection herewith or as to any other aspects contained in or relating to or arising out of this Scheme, the same shall be amicably settled among the Board of the respective Companies, and the decision arrived at therein shall be final and binding on all concerned parties.

44. DIVIDEND

44.1 With effect from Appointed Date and up to and including Effective Date, Companies shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period(s) prior to Effective Date.

44.2 Until this Scheme becomes effective, shareholders of respective Companies shall continue to enjoy their existing rights under respective articles of association of such Companies including their right to receive dividend.

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44.3 It is however clarified that the aforesaid provision in respect of declaration of dividend is an enabling provision only and shall not be deemed to confer any right on any shareholder of Companies to demand or claim any dividend which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Companies and subject, wherever necessary, to the approval of the shareholders of Companies, respectively.

45. COST, CHARGES AND EXPENSES

45.1 All costs, charges, taxes including duties, levies and all other expenses, if any arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by Transferee Company-I.

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Schedule-I

Table depicting details of assets and liabilities of the Demerged Undertaking of Demerged Company-I to be transferred to Resulting Company as on April 01, 2017:

Particulars	**Amount (in Rs)**
Assets	
Non-current Assets	
Fixed assets	
Tangible assets	81,431,766
Intangible assets	146,577,266
Intangible assets under development	18,384,722
Non-current investments	
Deferred tax assets (net)	97,474,119
Long-term loans and advances	2,427,684
Current Assets	
Inventories	7,571,718
Trade receivables	141,566,073

Blackie & Son (Calcutta) Private Limited
Director

For NIRJA PUBLISHERS & PRINTERS PVT. LTD.
Authorized Signatory

DS Digital Private Limited
Authorised Signatory

For Safari Digital Education Initiatives Pvt. Ltd.
Company Secretary

For S Chand And Company Limited
Company Secretary

राष्ट्रीय कंपनी विधि अधिकरण
National Company Law Tribunal
नई दिल्ली बेंच
New Delhi Bench

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Cash and cash equivalents	5,197,639
Short-term loans and advances	14,018,899
Total Assets	**514,649,885**
Liabilities	
Non- Current Liabilities	
Long term Borrowings	70,380,315
Long-term provisions	4,633,119
Current Liabilities	
Short-term Liabilities	27,985,552
Trade payables	134,749,343
Other current liabilities	39,159,440
Short-term provisions	1,516,484
Total Liabilities	**278,424,252**
Reserve & Surplus	**(283,283,945)**

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Director

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Company Secretary

For S Chand And Company Limited
Company Secretary

राष्ट्रीय कंपनी विधि अधिकरण
National Company Law Tribunal
नई दिल्ली पीठ
New Delhi Bench

(181)

Schedule-II

Table depicting details of assets and liabilities of the Demerged Undertaking of Demerged Company-II to be transferred to Resulting Company as on April 01, 2017:

Particulars	**Amount (in Rs)**
Assets	
Non-current Assets	
Fixed Assets	
Tangible assets	1,102,134
Intangible assets	43,917,124
Intangible assets under development	634,000
Non-current investments	
Other non-current assets	200,000
Long-term loans and advances	
Current Assets	
Inventories	4,661,663
Trade receivables	30,084,808
Cash and cash equivalents	

Blackie & Son (Calcutta) Private Limited
Director

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Authorized Signatory

DS Digital Private Limited
Authorised Signatory

For Safari Digital Education Initiatives Pvt. Ltd.
Company Secretary

Company Limited
Secretary

राष्ट्रीय कंपनी विधि अधिकरण National Company Law Tribunal
नई दिल्ली बेंच New Delhi Bench

(182) 1013

Short-term loans and advances	13,579
Other current assets	
Total Assets	**80,613,307**
Liabilities	
Non- Current Liabilities	
Long Term Borrowings	56,976,323
Other Long term liabilities	
Long-term provisions	2,206,048
Current Liabilities	
Trade payables	21,219,800
Other current liabilities	2,612,087
Short-term provisions	1,799
Total Liabilities	**83,016,057**
Reserve & Surplus	**(2,402,750)**

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New Delhi

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Blackie & Son (Calcutta) Private Limited
Director

For NIRJA PUBLISHERS & PRINTERS PVT. LTD.
Authorized Signatory

DS Digital Private Limited
Authorised Signatory

For Safari Digital Education Initiatives Pvt. Ltd.
Company Secretary

For S Chand And Company Limited
Company Secretary

11/08/2023
सहायक पंजीयक
ASSISTANT REGISTRAR
राष्ट्रीय कम्पनी विधि अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
C.G.O. COMPLEX, NEW DELHI-110003

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORIGINAL JURISDICTION)

Friday, the 14th day of September, 2012.

THE HON'BLE Ms.JUSTICE K.B.K.VASUKI

COMP.PETN.No.167 OF 2011

In the matter of the Companies Act, 1956
and
In the matter of Sections 391 and 394 of the said Act,
and
In the matter of Scheme of Arrangement of Atlantic Hotels Private Limited and S.Chand & Company Ltd., and S.Chand Hotels Private Ltd., and SC Hotels Tourist Deluxe Private Limited, and Shaara Hospitalities Private Ltd., and S.Chand Properties Private Ltd.

C.P.NO.167/2011:

Atlantic Hotels Private Limited,
a Company registered under the
Companies Act, 1956
as a Private Limited Company
having its Registered office at
No.2, Montieth Road, Egmore,
Chennai 600 008,
Rep.by its Director
Himanshu Gupta. .. Petitioner/ Transferor Company

COURT FEE INDIA 10 Rs
भारत
दस रुपये
TEN RUPEES
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This Company Petition praying this Court:

a) That the said Scheme of Amalgamation of the Petitioner Company with S.Chand & Company Limited may be sanctioned by this Court so as to be binding on all the shareholders of the petitioner company and on the petitioner Company, with effect from 1.4.2011.

b) That the petitioner company be dissolved with effect from 1.4.2011 without undergoing the processing of winding up, after obtaining Official Liquidator report.

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This Company Petition coming on this day before this Court for hearing in the presence of Mr.V.Venkadasalam, Advocate for the Petitioner in the Company Petition No.167/2011, and Mr.V.Kadhirvelu, Additional Central Government Standing Counsel appearing for the Regional Director, Southern Region, Ministry of Corporate Affairs, Chennai, and Mr.M.Jayakumar, Deputy Official Liquidator for Official Liquidator, High Court, Madras, and upon reading the order dated 7.9.2011 and made in C.A.No.574 of 2011 whereby the said company Atlantic Hotels Private Limited the petitioner company in C.P.No.167 of 2011 herein was directed to convene a meeting of the equity shareholders of the above named company for the purpose of considering and if thought fit approving with or without modification of the proposed scheme of arrangement, and the advertisement having been made in one issue of English Daily, "The Hindu Business Line" (Chennai Edition), dated 19.9.2011, and another issue of Tamil Daily "Dina Thanthi" (Chennai Edition), dated 19.9.2011, each containing the advertisement of the said meeting and the report of the chairman of the said meeting as to the result of the meeting and report as the scheme of Arrangement had been approved unanimously, and upon reading the Company Petition No.167/2011, and the affidavit of M.A.Kuvadia, Regional Director, Southern Region, Ministry of Corporate Affairs, Chennai and the report dated 25.7.2012 filed by the Official Liquidator, High Court, Madras in C.P.No.167/2011, and the affidavit and reply affidavit filed by Himanshu Gupta, and the advertisement of the company petition having been made in one issue of English Daily "The Hindu Business Line" (Chennai Edition) dated 19.11.2011, and also in one issue of Tamil Daily "Daily Thanthi" (Chennai edition) dated 19.11.2011, and the order of this Court dated 4.11.2011, and made in C.P.No.167 of 2011, and on perusal of the report of the Official Liquidator, High Court, Madras summarising the report of the Chartered Accountant, to the effect that the affairs of the transferor company have not been conducted in a manner prejudicial to the interest of its members or public interest and that there are no investigation or proceedings pending against the transferor company or transferee company under sections 235 to 251 or any other provisions of the Companies Act, 1956, and it is further stated therein that the petitioner company has also obtained loan from HDFC and ICICI Banks, but the loan was settled as early as on 17.3.2009 and no objection certificate was also obtained from those banks to the Scheme, the copy of which is enclosed along with Memo filed by the petitioner on 14.8.2012, and it is also stated in the report that the directors of the transferor company have not committed any misfeasance, diversion of funds etc. attracting provisions under Sections 542/543 of the Companies Act, 1956 and they have not acted against the interest of the company, shareholders or stake holders of the transferor company, and the transferee company obtained order from High Court of Delhi on 21.10.2011 in C.P.No.343 of 2011 regarding sanction of scheme and this Court doth hereby sanction the Scheme of Amalgamation annexed hereunder with effect from 1.4.2011 and declare the same to be binding on all the shareholders of the said company, and the said company, THIS COURT DOTH FURTHER ORDER AS FOLLOWS:-

(1) That, the Petitioner Companies herein do file with the Registrar of Companies, Chennai, a certified copy of the order within 30 days from this the date of receipt of copy of this order.

(2) That, the parties to the Scheme of Amalgamation or any other person interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to carrying out this Scheme of Amalgamation annexed hereunder.

(3) That the Transferor Company viz., Atlantic Hotels Private Limited shall be dissolved without being wound up.

(4) That the fee for the counsel for the Ministry of Corporate Affairs be and is hereby fixed at Rs.2500/- (Rupees two thousand and five hundred only).

ANNEXURE:

-5-

ANNEXURE

SCHEME OF ARRANGEMENT

BETWEEN

ATLANTIC HOTELS PRIVATE LIMITED

AND

S. CHAND & COMPANY LIMITED

AND

S. CHAND HOTELS PRIVATE LIMITED

AND

SC HOTELS TOURIST DELUXE PRIVATE LIMITED

AND

SHAARA HOSPITALITIES PRIVATE LIMITED

AND

S CHAND PROPERTIES PRIVATE LIMITED

A. This composite Scheme of Arrangement (hereinafter referred to as the "**Scheme**") provides for:

(a) the amalgamation of Atlantic Hotels Private Limited with S. Chand & Company Limited; and

(b) the demerger of Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking-III and Demerged Undertaking-IV (as defined hereinafter) of S. Chand & Company Limited to S. Chand Hotels Private Limited, SC Hotels Tourist Deluxe Private Limited, SHAARA Hospitalities Private Limited and S Chand Properties Private Limited, respectively and consequent issue of equity shares by S. Chand Hotels Private Limited, SC Hotels Tourist Deluxe Private Limited, SHAARA Hospitalities Private Limited and S Chand Properties Private Limited to the shareholders of S. Chand & Company Limited

pursuant to sections 391 to 394 and other relevant provisions of the Companies Act, 1956 in the manner provided herein after.

B. The Scheme is divided into the following parts:

(a) Part I deals with Definitions, Interpretation and Share Capital;

(b) Part II deals with the amalgamation of Atlantic Hotels Private Limited with S. Chand & Company Limited;

(c) Part III deals with vesting of Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking-III and Demerged Undertaking-IV (as defined hereinafter) of S. Chand & Company Limited to S. Chand Hotels Private Limited, SC Hotels Tourist Deluxe Private Limited, SHAARA Hospitalities Private Limited and S Chand Properties Private Limited, respectively;

For SHAARA HOSPITALITIES PVT. LTD.

M/s. S. CHAND & CO. LTD.

...tic Hotels Pvt. Ltd.

For SC Hotel Tourist Deluxe Pvt. Ltd.

Authorised Signatory

For S. Chand Properties Pvt. Ltd.

...uthorized Signatory

For S. Chand Hotels Pvt. Ltd.

Authorised Signatory

Authorised Signatory

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(d) Part IV deals with the Residual Business; and

(e) Part V deals with the general terms and conditions that would be applicable to the Scheme.

PART-I DEFINITIONS & SHARE CAPITAL

1.1. DEFINITIONS:

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

(i) "**Act**" means the Companies Act, 1956 (Act No. 1 of 1956) or any statutory modification or re-enactment thereof.

(ii) "**Amalgamation**" means the amalgamation of AHPL with SCCL in terms of the Scheme in its present form or with any modification(s) as approved for sanction by the Hon'ble High Court or any other authority concerned.

(iii) "**Appointed Date**" means 1st April, 2011, or such other date(s) as the High Court may direct or approve.

(iv) "**Board**" means the board of directors of AHPL and/or SCCL and/or SCHPL and/or SCHT and/or SHPL and/or SCPPL as the case may be, and shall, unless it is repugnant to the context, includes a committee of directors or any person authorised by the board of directors or such committee of directors.

(v) "**Demerged Undertaking or Demerged Undertakings**" means Demerged Undertaking-I and/or Demerged Undertaking-II and/or Demerged Undertaking -III and/or Demerged Undertaking-IV, as the case may be and if the context so permits, the Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking-III and Demerged Undertaking-IV, taken collectively or any two or more of the said Demerged Undertakings.

(vi) "**Demerged Undertaking-I** shall mean the Hotel Iris Hometel of Demerged Company located at 1-C, Hari Nagar, New Delhi, along with all its assets and liabilities, which would be transferred on a going concern basis to the Resulting Company-I on and from the Appointed Date. The details of assets and liabilities comprising of the Demerged Undertaking-I as on March 31, 2011 are described in Schedule-I annexed hereto. The Demerged Undertaking-I shall mean and include (without limitation):

(a) all properties and assets, movable and immovable (if any), tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent, or of

For SC Hotel Tourist Dev.

For Atlantic Hotels Pvt. Ltd.

M/s. S. CHAND & CO.

Authorised Signatory

For S. Chand

For S. Chand Hotels Pvt. Ltd. For SHARDA HOSPITALITY

Authorized Signatory

Authorised Signatory

whatsoever nature, where-so-ever situated, as on the Appointed Date including but not limited to plant and machinery, computers, software, capital, work in progress, vehicles, office equipments, telephones, telexes, facsimile, other communication facilities and equipment, electricity and other such connections, air conditioner(s), furniture, fixture and fittings, stock in hand, sundry debtors, investments, inventories, cash and bank balances, balance with government authorities, fixed deposits, stores and spares, bills of exchange, receivable(s), loans and advances including staff advances, security deposits, if any, given etc., pertaining to Demerged Undertaking-I ;

(b) all leases or parts thereof, tenancy rights and agency, if any, pertaining to the Demerged Undertaking-I and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests, charges including but not limited to the charge(s) on the property of Demerged Company pertaining to Demerged Undertaking-I, privileges, benefits, entitlements, export promotion capital goods license pertaining to Demerged Undertaking-I, licenses for running and operating hotel(s) and restaurent(s) , hotel management agreements , Brand License agreements , including but not limited to municipal licenses, police license and excise licenses (and/or conditions attached thereto), registrations including but not limited to registration under prevention of food and adulteration act, registration under excise laws, registration with ministry/department of tourism and other local bodies as pollution control etc. of respective states, quotas, trademarks, patents, copyrights, brand names, import quotas, liberties, easements, advantages, rights and benefits of all agreements held by the Demerged Company or applied after the Appointed Date and pertaining to Demerged Undertaking-I as on Appointed Date of whatsoever kind, nature or description held, applied for or may be obtained thereafter together with the benefit of all contracts and engagements and all books, papers, documents and records, related to the Demerged Undertaking-I and all rights, obligations, benefits available under any rules, regulations, statutes including but not limited to direct and indirect taxes

For SHAARA HOSPITALITIES PVT. LTD. For S. Chand properties Pvt. Ltd.

Authorised Signatory. Authorised Signatory

For SC Hotel Tourist Deluxe Pvt. Ltd.

Authorised Signatory

M/s. S. CHAND & CO. LTD.

For S. Chand Hotels Pvt. Ltd.

Authorised Signatory

Atlantic Hotels Pvt. Ltd.

Authorized Signatory

and particularly sales tax benefits/ exemptions, Income tax exemptions etc;

(c) all debts, liabilities, loans, deposits, expenses payable, security deposits received, earnest monies received, obligations, provisions, present and future, secured or unsecured, contingent or of whatsoever nature, sundry creditors and other liabilities pertaining to Demerged Undertaking-I;

(d) all employees exclusively engaged in relation to Demerged Undertaking-I;

It is intended that all property, assets and liabilities relatable to Demerged Undertaking-I be vested in Resulting Company-I pursuant to the Scheme".

(viii) "**Demerged Undertaking-II** shall mean the Hotel Tourist Deluxe of Demerged Company at 7351, Ram Nagar, New Delhi-110055, along with its assets and liabilities, which would be transferred on a going concern basis to the Resulting Company-II on and from the Appointed Date. The details of assets and liabilities comprising of the Demerged Undertaking-II as on closing hours of March 31, 2011 are described in Schedule-II annexed hereto. The Demerged Undertaking-II shall mean and include (without limitation):

(a) all properties and assets, movable and immovable (if any), tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent or of whatsoever nature, where-so-ever situated, as on the Appointed Date including but not limited to plant and machinery, computers, software, capital, work in progress, vehicles, office equipments, telephones, telexes, facsimile, other communication facilities and equipment, electricity and other such connections, air conditioner(s), furniture, fixture and fittings, stock in hand, sundry debtors, inventories, cash and bank balances, balance with government authorities, fixed deposits, stores and spares, bills of exchange, receivable(s), loans and advances including staff advances, security deposits given etc., pertaining to Demerged Undertaking-II ;

(b) all leases or parts thereof, tenancy rights and agency, if any, pertaining to the Demerged Undertaking-II and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests,

For Atlantic Hotels Pvt. Ltd.

For SC Hotel Tourist Deluxe P... Ltd.

M/s. S. CHAND & CO. LTD.

Authorized Signatory

...Hotels Pvt. Ltd.

...SHNARA HOSPITALITIES PVT. LTD.

Authorised Signatory

For S. Chand Properties

Authorised Signatory

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charges including but not limited to the charge(s) on the property of Demerged Company pertaining to Demerged Undertaking-II, privileges, benefits, entitlements, export promotion capital goods license pertaining to Demerged Undertaking-II, licenses for running and operating hotel(s) and restaurant(s) including but not limited to municipal licenses, police license and excise licenses (and/or conditions attached thereto), registrations including but not limited to registration under prevention of food and adulteration act, registration under excise laws, registration with ministry/department of tourism, licenses from local bodies like pollution control etc, of respective states, quotas, trademarks, patents, copyrights, brand names, import quotas, liberties, easements, advantages, rights and benefits of all agreements held by the Demerged Company or applied after the Appointed Date and pertaining to Demerged Undertaking-II as on Appointed Date of whatsoever kind, nature or description held, applied for or may be obtained thereafter together with the benefit of all contracts and engagements and all books, papers, documents and records, related to the Demerged Undertaking-II and all rights, obligations, benefits available under any rules, regulations, statutes including but not limited to direct and indirect taxes and particularly sales tax benefits/ exemptions, Income tax exemptions etc;

(c) all debts, liabilities, loans including but not limited to the term loan and loan obtained against hypothecation of vehicles, deposits, expenses payable, security deposits received, earnest monies received, obligations, provisions, present and future, secured or unsecured, contingent or of whatsoever nature, sundry creditors and other liabilities pertaining to Demerged Undertaking-II;

(d) all employees exclusively engaged in relation to Demerged Undertaking-II;

It is intended that all property, assets and liabilities relatable to Demerged Undertaking-II be vested in Resulting Company-II pursuant to the Scheme".

(viii) **"Demerged Undertaking-III** shall mean the hotel property of Demerged Company located at 2, Monthieth Road, Egmore, Chennai along with its assets and liabilities, which would be transferred on a going concern basis to the Resulting Company-III on and from the Appointed Date. The details of assets and

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For Atlantic Hotels Pvt. Ltd.

For S. CHAND & CO. LTD

For SC Hotel Tourist Deluxe Pvt. Ltd.

For S. Chand Properties Pvt. Ltd.

For S. Chand Hotels Pvt. Ltd.

Authorized Signatory

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liabilities comprising of the Demerged Undertaking-III as on closing hours of March 31, 2011 are described in Schedule-III annexed hereto. The Demerged Undertaking-III shall mean and include (without limitation):

(a) all properties and assets, movable and immovable (if any), tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent or of whatsoever nature, where-so-ever situated, as on the Appointed Date including but not limited to plant and machinery, computers, software, capital, work in progress, vehicles, office equipments, telephones, telexes, facsimile, other communication facilities and equipment, electricity and other such connections, air conditioner(s), furniture, fixture and fittings, stock in hand, capital work in progress, sundry debtors, inventories, cash and bank balances, balance with government authorities, fixed deposits, stores and spares, bills of exchange, receivable(s), loans and advances including staff advances, security deposits given etc., pertaining to Demerged Undertaking-III ;

(b) all leases or parts thereof, tenancy rights and agency, if any, pertaining to the Demerged Undertaking-III and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests, charges including but not limited to the charge(s) on the property of Demerged Company pertaining to Demerged Undertaking-III, privileges, benefits, entitlements, export promotion capital goods license pertaining to Demerged Undertaking-III, licenses for running and operating hotel(s) and restaurant(s) including but not limited to municipal licenses, police license and excise licenses (and/or conditions attached thereto), registrations including but not limited to registration under prevention of food and adulteration act, registration under excise laws, registration with ministry/department of tourism and licenses from other local bodies like pollution control etc., of respective states, quotas, trademarks, patents, copyrights, brand names, import quotas, liberties, easements, advantages, rights and benefits of all agreements held by the Demerged Company or applied after the Appointed Date and pertaining to Demerged Undertaking-III as on Appointed Date of whatsoever kind, nature or description held, applied for or may be obtained

M/s. S. CHAND & CO. LTD. For SC Hotel Tourist Deluxe Pvt. Ltd.

For Atlantic Hotels Pvt. Ltd. For S. Chand Hotels Pvt. Ltd. For SHAARA HOSPITALITIES PVT. LTD.

Authorised Signatory Authorised Signatory Authorised Signatory thereafter together with the benefit of all contracts and engagements and all books, papers, documents and records, related to the Demerged Undertaking-III and all rights, obligations, benefits available under any rules, regulations, statutes including but not limited to direct and indirect taxes and particularly sales tax benefits/ exemptions, Income tax exemptions etc;

(c) all debts, liabilities, loans, including inter-unit loan(s) payable either existing as on the Appointed Date or arising on account of amalgamation of Transferor Company with the Transferee/Demerged Company, pertaining to the Demerged Undertaking-III, deposits, expenses payable, security deposits received, earnest monies received, obligations, provisions, present and future, secured or unsecured, contingent or of whatsoever nature, sundry creditors and other liabilities pertaining to Demerged Undertaking-III;

(d) all employees exclusively engaged in relation to Demerged Undertaking-III;

It is intended that all property, assets, debts, liabilities etc. relatable to Demerged Undertaking-III be vested in Resulting Company-III pursuant to the Scheme".

(ix) "Demerged Undertaking-IV shall mean the real estate division of the Demerged Company having immovable properties in different parts of the Country other than the immovable properties of the Demerged Company pertaining to Demerged Undertaking-I, Demerged Undertaking-II and Demerged Undertaking-III. The details of assets and liabilities comprising of the Demerged Undertaking-IV on closing hours of March 31, 2011 are described in Schedule-IV. The Demerged Undertaking shall mean and include (without limitation):

(a) all properties and assets, movable and immovable (if any), rights in flats and other immovable property, tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent or of whatsoever nature, where-so-ever situated, as on the Appointed Date including but not limited to plant and machinery, lifts, computers, software, capital, work in progress, vehicles, office equipments, telephones, telexes, facsimile, other communication facilities and equipment, electricity and other such connections, air conditioner(s),

For SHAARA HOSPITALITIES PVT. LTD. For S. Chand properties Pvt. Ltd.
M/s. S. CHAND & CO. LTD.
For Atlantic Hotels Pvt. Ltd.
For S. Chand Hotels Pvt. Ltd.
For SC Hotel Tourist Deluxe Pvt. Ltd.
Authorised Signatory. Authorised Signatory
Authorised Signatory
Authorized Signatory
Authorised Signatory

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furniture, fixture and fittings, stock in hand, sundry debtors, inventories, rentals, cash and bank balances, balance with government authorities, fixed deposits, stores and spares, bills of exchange, receivable(s), loans and advances including staff advances, security deposits given etc., pertaining to Demerged Undertaking-IV;

(b) all leases or parts thereof, tenancy rights and agency, if any, pertaining to the Demerged Undertaking-IV and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests, charges including but not limited to the charge(s) on the property of Demerged Company pertaining to Demerged Undertaking-IV, privileges, benefits, entitlements, licenses for running and operating hotel(s) and restaurant(s) including but not limited to municipal licenses, police license and excise licenses (and/or conditions attached thereto), registrations including but not limited to registration under prevention of food and adulteration act, registration under excise laws, registration with ministry/department of tourism, registration with or from local bodies like pollution board or department etc., respective states, quotas, trademarks, patents, copyrights, brand names, import quotas, liberties, easements, advantages, rights and benefits of all agreements held by the Demerged Company or applied after the Appointed Date and pertaining to Demerged Undertaking-IV as on Appointed Date of whatsoever kind, nature or description held, applied for or may be obtained thereafter together with the benefit of all contracts and engagements and all books, papers, documents and records, related to the Demerged Undertaking-IV and all rights, obligations, benefits available under any rules, regulations, statutes including but not limited to direct and indirect taxes and particularly sales tax benefits/ exemptions, income tax exemptions etc;

(c) all debts, liabilities, loans, deposits, expenses payable, security deposits received, earnest monies received, obligations, provisions, present and future, secured or unsecured, contingent or of whatsoever nature, sundry creditors and other liabilities pertaining to Demerged Undertaking-IV;

(d) all employees exclusively engaged in relation to Demerged Undertaking-IV;

M/s. S. CHAND ... For Atlantic Hotels Pvt. Ltd. Authorized Signatory

For S. Chand Hotels Pvt. Ltd.

For SC Hotel Tourist Deluxe Pvt. Ltd. Authorised Signatory

For SHAARA HOSPITALITIES PVT. LTD. Authorised Signatory

For S. Chand prope... Authorised Signatory.

It is intended that all property, assets and liabilities relatable to Demerged Undertaking-IV be vested in Resulting Company-IV pursuant to the Scheme".

(x) **"Demerger"** means the vesting by way of demerger of Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking-III and Demerged Undertaking-IV of SCCL into SCHPL, SCHT, SHPL and SCPPL, respectively; and consequent issue of equity shares by SCHPL, SCHT, SHPL and SCPPL to the shareholders of SCCL in terms of the Scheme.

(xi) **"Demerger Record Date or Demerger Record Dates"** means the date(s) to be fixed by the Board of SCHPL and/or SCHT and/or SHPL and/or SCPPL in consultation with the Board of SCCL, with reference to which the eligibility of the shareholders of SCCL for the purposes of issue and allotment of equity shares by SCHPL, SCHT, SHPL and SCPPL in terms of the Scheme shall be determined.

(xii) **"Effective Date"** shall be the date on which the last of the certified copy of the Order, under section 394 of the Act, of the Hon'ble High Court of Delhi and/or the Hon'ble Madras High Court at Chennai, sanctioning the Scheme is filed with the Registrar of Companies, NCT of Delhi and Haryana and the Registrar of Companies, Tamil Nadu, Chennai, respectively.

References in this Scheme to the date of "coming into effect of the Scheme" or "upon Scheme becoming effective" shall mean the Effective Date.

(xiii) **"High Court(s)"** means the Hon'ble High Court of Delhi at New Delhi and/or the Hon'ble Madras High Court at Chennai or the National Company Law Tribunal or any other relevant authority empowered to approve the Scheme as per the law for the time being in force;

(xiv) **"Residual Business"** means the remaining business and undertakings of Demerged Company, including but not limited to the publishing business and digital education business along with the investments made by the Demerged Company in unquoted shares, investments in mutual funds, interest in partnership firm, investment in joint ventures, investments shown as share application money, other than the business carried on by the Demerged Company in Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking -III and Demerged Undertaking-IV which are being transferred through this Scheme.

For Atlantic Hotels Pvt. Ltd.

Authorized Signatory

M/s. S. CHAND & CO. ...

Authorised Signatory

For S. Chand Hotels & Hotel Tourist Deluxe Pvt. Ltd.

Authorised Signatory

For SHAARA HOSPITALITIES PVT. LTD.

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For S. Chand properties Pvt. Ltd.

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(xv) **"Resulting Companies"** means SCHPL and/or SCHT and/or SHPL and/or SCPPL, taken collectively or any two or more of the said Resulting Companies.

(xvi) **"Resulting Company-I or SCHPL"** means S. Chand Hotels Private Limited, a wholly-owned subsidiary of the Demerged Company and duly incorporated and validly existing under the Act, having its registered office at 7361, Ram Nagar, Paharganj, New Delhi-110055.

(xvii) **"Resulting Company-II or SCHT"** means SC Hotels Tourist Deluxe Private Limited, a wholly-owned subsidiary of the Demerged Company and duly incorporated and validly existing under the Act, having its registered office at 7361, Ram Nagar, Paharganj, New Delhi-110055.

(xviii) **"Resulting Company-III or SHPL"** means SHAARA Hospitalities Private Limited, a wholly-owned subsidiary of the Demerged Company and duly incorporated and validly existing under the Act, having its registered office at 7361, Ram Nagar, Paharganj, New Delhi-110055.**"Resulting Company-IV or SCPPL"** means S Chand Properties Private Limited, a wholly-owned subsidiary of the Demerged Company and duly incorporated and validly existing under the Act, having its registered office at 7361, Ram Nagar, Paharganj, New Delhi-110055.

(xix) **"ROC"** means Registrar of Companies, NCT of Delhi and Haryana and/or Registrar of Companies, Tamil Nadu, Chennai "

(xx) **"Scheme or Scheme of Arrangement"** means this scheme of Arrangement in its present form with any amendment/modifications approved or imposed or directed by the Board and/or shareholders and/or creditors of the Companies and/or by High Court.

(xxi) **"Transferee Company or Demerged Company or SCCL"** means S. Chand & Company Limited, a public limited company and duly incorporated and validly existing under the Act, having its registered office at 7361, Ram Nagar, Paharganj, New Delhi-110055..

(xxii) **"Transferor Company or AHPL"** means Atlantic Hotels Private Limited, a wholly-owned subsidiary of the Transferee Company and duly incorporated and validly existing under the Act, having its registered office at 2 Montieth Road, Egmore, Madras-8, Tamil Nadu-600008.

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1.2 INTERPRETATION

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

1.3. SHARE CAPITAL

1.3.1 The authorized, issued, subscribed and paid up share capital of AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL as on 18.05.2011 is as under:

Name of the Company	Authorised Capital	Issued, subscribed and paid up capital
AHPL (Transferor Company)	Rs. 1,71,00,000 comprising of 171,000 shares of Rs. 100 each	Rs. 1,18,00,000 comprising of 118.000 shares of Rs. 100 each fully paid up
SCCL (Transferee Company/ Demerged Company)	Rs. 25,00,000 comprising of 2500 shares of Rs. 1000 each	Rs. 10,01,000 comprising of 1001 shares of Rs. 1000 each fully paid up.
SCHPL (Resulting Company-I)	Rs. 100,000 comprising of 10, 000 shares of Rs. 10 each	Rs. 100,000 comprising of 10, 000 shares of Rs. 10 each fully paid up
SCHT (Resulting Company-II)	Rs. 100,000 comprising of 10, 000 shares of Rs. 10 each	Rs. 100,000 comprising of 10, 000 shares of Rs. 10 each fully paid up
SHPL (Resulting Company-III)	Rs. 1,00,00,000 comprising of 10,00, 000 shares of Rs. 10 each	Rs. 10,00,000 comprising of 100, 000 shares of Rs. 10 each
SCPPL (Resulting	Rs. 100,000 comprising of 10, 000 shares of Rs.	Rs. 100,000 comprising of 10,

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Company-IV)	10 each	000 shares of Rs. 10 each fully paid up

1.3.2 It is provided that till the Scheme becomes effective, AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL are free to alter their authorized, issued, subscribed or paid up share capital as required by respective business requirements, subject to the necessary approvals from their respective Boards and shareholders, if required.

PART –II

AMALGAMATION OF AHPL WITH SCCL

2.1 Upon the Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of the Scheme, including in relation to the mode of vesting, the entire business of the Transferor Company including all movable and immovable properties including but not limited to the hotel property of Transferor Company located at 2, Monthieth Road, Egmore, Chennai, tangible and intangible properties including but not limited to actionable claims, assets, land (freehold and/or leasehold), buildings, offices, computers and softwares, furniture & fixtures, vehicles, office equipments, inventories, debtors, loans & advances, capital advances, advances recoverable in cash or kind or for value to be received, capital work in progress, prepaid expenses, cash in hand, cash at bank, bank balances in current accounts and fixed deposits, investments, deferred tax assets, lease and hire purchase contracts, licensing arrangements, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, and privileges, if any, of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, permits, approvals, authorizations, rights to use telephones, telexes, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements and all other interests (hereinafter referred to as **"said Assets"**) shall be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in the Transferee Company as a going concern pursuant to the provisions of section 391 to 394 and other applicable provisions of the Act, so as to become on and from the Appointed Date, the estate, assets, rights, title and interests of the Transferee Company and its successors.

2.2 All the said Assets that have accrued or which may accrue to the Transferor Company on or after the Appointed Date shall pursuant to the

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provisions of Section 394 of the Act and without any further act, instrument or deed, be transferred to and stand vested in and/or be deemed to have been transferred to and vested in and be available to the Transferee Company and its successors.

2.3 Without prejudice to Clause 2.1 and 2.2 above, after the Scheme becomes effective, in respect of such of the said Assets of the Transferor Company as are movable in nature, or incorporeal property, or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same may be so transferred to the Transferee Company and its successors and shall upon such transfer become the property and an integral part of the Transferee Company. In respect of such of the said Assets other than those referred hereinabove, the same shall, without any further act, instrument or deed, be transferred and vested in and/or be deemed to be transferred to and vested in the Transferee Company pursuant to an order being made thereof under Section 394 of the Act.

2.4 With effect from the Appointed Date and upon the Scheme becoming effective, the land, with the buildings standing thereon, if any, held by Transferor Company, and any documents of title or rights and easements in relation thereto shall be deemed to have been transferred to and vested in the Transferee Company and shall belong to the Transferee Company on account of the amalgamation of the Transferor Company. The mutation of title to the immovable properties shall be made and duly recorded by appropriate authorities upon giving effect to the Scheme in its entirety in accordance with terms hereof in favour of the entity to which such immovable property shall ultimately belong to.

2.5 (a) All the licenses, permits, quotas, approvals, permissions, incentives or any such similar tax credit, by whatever name called, sales tax deferrals, brought forward business losses, loans, subsidies, concessions, grants, rights, claims including but not limited to actionable claims, leases, tenancy rights, liberties, and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued, which may accrue to the Transferor Company shall, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the Transferee Company and its successors, so as to become as and from the Appointed Date the licenses, permits, quotas, approvals, permissions, incentives, minimum alternate tax credit, if any, or any such similar tax credit, by whatever name called, sales tax deferrals, brought forward business losses, loans, subsidies, concessions, grants, rights, claims including but not limited to actionable claims, leases, tenancy

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rights, liberties, and other benefits or valid, effective and enforceable on the same terms and conditions to the extent permissible under law and shall be duly and appropriately mutated or endorsed by the authorities concerned therewith in favour of the Transferee Company .

(b) The tax deducted at source (TDS)/advance tax, if any, paid by the Transferor Company under the Income Tax Act, 1961 or any other statute in respect of income of the Transferor Company assessable for the period commencing from Appointed Date shall be deemed to be the tax deducted from/advance tax paid by the Transferee Company and credit for such TDS/advance tax shall be allowed to the Transferee Company and its successors notwithstanding that certificates or challans for TDS/advance tax are in the name of the Transferor Company and not in the name of the Transferee Company or its successors, as the case may be.

(c) The income tax or any other tax, by whatever name called, if any, paid by the Transferor Company on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of the Transferee Company and its successors. The Transferee Company and its successors shall, after the Effective Date, be entitled to file the relevant returns with the authorities concerned for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further, the Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company for any year, if so necessitated or consequent to this Scheme; notwithstanding that the time prescribed for such revision may have elapsed.

(d) All deductions available or benefits accruing or which would have been otherwise available to the Transferor Company in future under the provisions of the Income Tax Act or any other applicable laws in respect of the capital expenditure incurred by the Transferor Company shall be available to the Transferee Company as if the said expenditure has been incurred for and on behalf of the entity which shall ultimately own and/or operate the said capital asset..

(e) The wealth tax, if any, paid by the Transferor Company in respect of the valuation date under the Wealth Tax Act, 1957, on or after the Appointed Date shall be deemed to have been paid by the Transferee Company. The Transferee Company shall, after the Scheme becomes effective, be entitled to file the wealth tax return for the relevant valuation date notwithstanding that the time prescribed for filing such returns may have lapsed. Further the Transferee Company shall, after the Scheme becomes effective, be entitled to revise the wealth tax returns, if any, filed by the

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Transferor Company for any year if so necessitated or consequent to this Scheme; notwithstanding that the time prescribed for such revision may have elapsed.

(f) Similarly, any other taxes including but not limited to service tax, value added tax, sales tax, paid by the Transferor Company, if any, on or after the Appointed Date, in respect of the period after such date shall be deemed to have been paid by or for the benefit of the Transferee Company. The Transferee Company shall, after the Effective Date, be entitled to file the relevant returns with the authorities concerned for the period after the Appointed Date, notwithstanding that the time prescribed for filing such return may have elapsed. Further, the Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company for any year, if so necessitated or consequent to this Scheme notwithstanding that the time prescribed for such revision may have elapsed.

(g) Without prejudice to generality of the aforesaid, concessional or statutory forms under the laws of the Central or State Sales Tax or Value Added Tax (VAT), or local levies issued or received by the Transferor Company, if any, in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to the Transferor Company.

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

2.6 Upon coming into effect of the Scheme, all patents, trademarks, copyrights, if any, registered with the authorities concerned or applications submitted at any time on or before the Effective Date by the Transferor Company shall stand transferred and vested along with the undertaking in the name of Transferee Company without any further act or deed. The Transferee Company, however, shall after the Scheme becoming effective file the relevant intimation with the concerned statutory authority(ies) who shall take them on record pursuant to vesting orders of the sanctioning authority.

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2.7 With effect from the Effective Date and until such time the names of the bank accounts including the current accounts or fixed deposits of the Transferor Company are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in its name, in so far as may be necessary.

2.8 The Transferee Company, at any time after the coming into effect of this Scheme, may execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliance, referred to above on the part of the Transferor Company to be carried out or performed.

2.9 Upon the coming into effect of the Scheme and with effect from the Appointed Date:

(a) All secured and unsecured loans/debts, liabilities including but not limited to term loan, vehicle loan, current liabilities, sundry creditors, retention money, bank book overdraft, contingent liabilities, whether disclosed or undisclosed, duties, taxes and obligations of the Transferor Company along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall also be vested or be deemed to be and stand vested, without any further act, instrument or deed, to the Transferee Company, pursuant to the provisions of Section 394 of the said Act so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further, that it shall not be necessary to obtain separate consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause. It is clarified that in so far as the said Assets of the Transferor Company are concerned, the security or charge over said Assets or any part thereof, if any, relating to any loans, debentures or borrowing of the Transferor Company, shall, without any further act or deed continue to relate to such Assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the Assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which the Transferor Company and the Transferee Company are party, and consistent

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with the joint obligations assumed by them under such arrangement.

(b) All debentures, bonds, notes or other securities, other than equity share capital, issued by the Transferor Company, if any, either before the Appointed Date or after the Appointed Date until the Effective Date (hereinafter referred to as **"Transferor's Securities"**) shall without any further act, instrument or deed become securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and stand vested in and shall be exercised by or against the Transferee Company as if it were the Transferor Company in respect of the Transferor's Securities so transferred.

(c) Loans, advances, including capital advances, and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future becomes due between the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf on either party.

(d) In respect of the shares held by the Transferee Company in the Transferor Company and/or , the same shall stand cancelled as on the Effective Date, and shall be of no effect and the Transferor Company and the Transferee Company shall have no further obligation outstanding in that behalf.

(e) All loans and advances extended by the Transferee Company to the Transferor Company shall stand cancelled; however upon the amalgamation being effective, the Transferee Company shall continue to maintain in its books such loans and advances as inter-unit balances in its books of accounts.

2.10 Where any of the liabilities and obligations, if any, of any of the Transferor Company, as on the Appointed Date, transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

2.11 All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations, if any, incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of

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this Scheme, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company.

2.12 (a) With effect from the Appointed Date up to and including the Effective Date:

(i) the Transferor Company shall carry on and shall be deemed to have carried on all its business and activities and shall hold and stand possessed of and shall be deemed to have held and stood possessed of all the said Assets for and on account of, and in trust for, the Transferee Company;

(ii) the Transferor Company shall carry on its business and activities with reasonable diligence and business prudence.

(b) All profits or incomes or assets accruing or arising to the Transferor Company or expenditure, or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Company on and after the Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or assets or expenditure or losses of the Transferee Company, as the case may be.

2.13 (a) Upon the coming into effect of this Scheme, all suits, actions and legal proceedings, if any, by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and/or arising by or against the Transferee Company.

(b) The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause (a) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

2.14 Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licences and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately

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before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. The Transferee Company shall, wherever necessary, enter into and/or issue and/or execute deeds, writings or confirmations, enter into any tripartite arrangements, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.

2.15 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, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

2.16 Upon the coming into effect of this Scheme:

(a) All the employees in the service of the Transferor Company, if any; immediately preceding the Effective Date shall become employees of the Transferee Company on the basis that:

(i) their services shall be deemed to have been continuous and not have been interrupted by reasons of the said transfer.

(ii) the terms and conditions of service applicable to employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer.

(b) It is expressly provided that as far as the provident fund, gratuity scheme, superannuation scheme or any other special scheme(s) or fund(s) created or existing, if any, for the benefit of the employees of the Transferor Company are concerned, upon the coming into effect of this Scheme, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, related to the administration or operation of such schemes and intent that all the rights, duties, powers and

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obligation of the Transferor Company in relation to such schemes shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid schemes.

(c) The Transferee Company, if required, will file the relevant intimations to the statutory authorities concerned who shall take the same on record and endorse the name of the Transferee Company for the respective Transferor Companies.

2.17 **Consideration and Re-organisation of Authorised Share Capital:**

(a) Upon the Scheme becoming effective, all the said Assets and said Liabilities, including but not limited to reserves but excluding revaluation reserve, forming part of the Transferor Company shall stand vested to the Transferee Company at the book values as were appearing in the books of the Transferor Company after ignoring revaluation of any of such assets .

(b) As the entire issued, subscribed and paid up share capital of the Transferor Company is held by the Transferee Company either directly or through its nominees, upon the Scheme becoming finally effective, the said share capital of the Transferor Company will, without any further act, instrument or deed, stand cancelled and there will be no issue and allotment of shares by the Transferee Company in consideration of amalgamation of the Transferor Company with the Transferee Company.

(c) Upon coming into effect of the Scheme, the authorised share capital of the Transferor Company shall, without any further act or deed, stand clubbed with the authorized share capital of the Transferee Company;

(d) Any filing fee and/or stamp duty already paid by the Transferor Company in respect of the authorized share capital, shall be deemed to have been paid by the Transferee Company and accordingly, the Transferee Company shall not be required to pay any fee / stamp duty on the increase of authorised share capital to that extent.

(e) Upon coming into effect of the Scheme, the authorized share capital of the Transferee Company shall be reorganized by clubbing the authorized share capital of the Transferor Company as well as by reorganizing the authorized share capital of

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Transferor Company by way of converting 1,71,000 (One Lac Seventy One Thousand) equity shares of Rs.100/- (Rupees Hundred) each into 17,100 (Seventeen Thousand One Thousand) equity shares of Rs. 1000/- (Rupees Thousand) each;

(f) Consequently, upon the Scheme becoming effective, the words and figures in Clause V of the Memorandum of Association of the Transferee Company shall be substituted to read as follows:

"The Authorised Share Capital of the Company is Rs. 1,96,00,000/- (Rupees One Crore and Ninety Six Lacs Only) divided into 19,600 (Nineteen Thousand Six Hundred) equity shares of Rs. 1000/- (Rupees Thousand Only) each."

(g) Further, the Transferee Company shall file the amended copy of its Memorandum and Articles of Association and requisite documents for amendment of Memorandum and Articles of Association with the Registrar of Companies within 30 days from the Effective Date and the Registrar of Companies shall take the same on record.

2.18 Accounting Treatment

Upon the Scheme becoming effective, the Transferee Company shall incorporate the said Assets and said Liabilities of the Transferor Company in accordance with the treatment provided in the Accounting Standard-14 on 'Accounting for Amalgamations' issued by the Institute of Chartered Accountants of India as also notified by the Companies (Accounting Standard) Rules, 2006 and more particularly as specified hereunder:

(a) All the said Assets and the said Liabilities recorded in the books of the Transferor Company, after ignoring revaluation of any of such assets, as on the Appointed Date shall stand transferred to and vested in the Transferee Company and shall be recorded by the Transferee Company at the same values..

(b) An amount equal to the balance lying in the "Profit and Loss Account" as appearing in the balance sheet of the Transferor Company shall be taken over by the Transferee Company and included in the balance of its Profit and Loss Account of the Transferee Company.

(c) As on the Appointed Date, and subject to any corrections and adjustments as may, in the opinion of the Board of the Transferee Company be required, the capital reserve account, investment

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allowance reserve, except the revaluation reserve, lying in the books of the Transferor Company will be merged with those of the Transferee Company in the same form as appeared in the financial statements of the Transferor Company.

(d) Further, in case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact on account of change in the accounting policy to achieve uniformity on account of amalgamation will be quantified and adjusted in the revenue reserve(s) to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistency in the accounting policy.

(e) The excess, if any, of the aggregate value of the said Assets reduced by the aggregate value of the said Liabilities and the Profit & Loss Account, and reserves, excluding revaluation reserve, of the Transferor Company after cancellation of investments held by the Transferee Company in the Transferor Company, if any, pursuant to the Scheme, recorded by the Transferee Company upon their transfer to and vesting in the Transferee Company under the Scheme shall be credited to an "Amalgamation Reserve Account" and the same shall be treated as free reserve forming part of the net worth of the Transferee Company. However, in case of shortfall, after recording the necessary entries as envisaged in para (a) to (d) hereinabove, the difference shall be first adjusted from the capital reserve account and the balance, if any, from the general reserve of the Transferee Company, pursuant to the Scheme becoming effective.

PART -III

DEMERGER

3.1 (a) Upon Scheme becoming effective and after giving effect to Part-I of the Scheme but with effect from Appointed Date, Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking-III and Demerged Undertaking-IV shall, pursuant to the provisions of section 394(2) of the Act and without any further act or deed be transferred to and vested in or be deemed to have been transferred to and vested in Resulting Company-I, Resulting Company-II, Resulting Company-III and Resulting Company-IV on a "going concern" basis.

(b) Without prejudice to sub-clause 3.1(a) above, such of the assets of Demerged Undertaking(s) as are movable in nature, or incorporeal property, which are capable of being transferred by manual delivery or by endorsement and delivery, the same may, upon coming into

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effect of this Scheme, be transferred as such to the respective Resulting Company(ies) without requiring any deed or instrument of conveyance and shall upon such transfer become the property and an integral part of respective Resulting Company(ies).

(c) In respect of immovable property including land (whether lease hold or free hold) and building constructed thereupon and the improvements made thereon, of the Demerged Undertaking(s), if any, and of such of the assets of Demerged Undertaking(s) other than those referred to in clause (b) above, the same shall, without any further act, instrument or deed, be transferred and vested in and/or be deemed to be transferred to and vested in respective Resulting Company(ies) upon the Scheme becoming effective pursuant to an order being made thereof under Section 394 of the Act and the same shall be mutated by the concerned authorities in favour of the respective Resulting Company(ies).

(d) With effect from the Appointed Date, any permissions, approvals, sanctions, consents, remissions or exemptions under various enactments relatable to respective Demerged Undertaking(s) shall stand vested in or transferred to respective Resulting Company(ies) without further act or deed and shall be appropriately mutated/transferred by the concerned authorities in favour of respective Resulting Company(ies) upon the vesting and transfer of respective Demerged Undertaking(s), pursuant to this Scheme. The benefit of all such statutory and regulatory permissions, approvals and consents relatable to the respective Demerged Undertaking(s) shall vest in and become available to respective Resulting Company(ies) pursuant to the Scheme.

(e) All debts, liabilities, inter-unit payables and obligations of Demerged Company pertaining to the Demerged Undertaking(s), as on close of business on the day immediately preceding the Appointed Date, whether provided for or not in the books of account of Demerged Company and other liabilities relating to the Demerged Undertaking(s), which may accrue or arise on or after the Appointed Date, but which relate to the period upto the day immediately preceding the Appointed Date, including inter-unit payables, if any, arising in the Transferee/Demerged Company pursuant to amalgamation of Transferor Company with the Transferee/Demerged Company as provided under Part-II of the Scheme, (hereinafter referred to as the **"Demerged Undertaking(s) Liabilities"**) shall become the debts, liabilities, duties and obligations of respective Resulting Company(ies), upon the Scheme becoming effective, who shall undertake to meet, discharge and satisfy the same to the exclusion of Demerged Company.

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(f) If any of the liabilities and obligations of the Demerged Company pertaining to the respective Demerged Undertaking(s) as on the Appointed Date deemed to be transferred to the respective Resulting Company(ies) have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been taken for and on account of the respective Resulting Company(ies) and all loans raised and used and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking(s) after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the respective Resulting Company(ies) and to the extent they are outstanding on the Effective Date shall also without any further act or deed be and stand transferred to the Resulting Company(ies) and shall become liabilities of the Resulting Company(ies) which shall meet, discharge and satisfy the same.

(g) As regards the general or multipurpose borrowings and liabilities of the Demerged Company not pertaining to any particular undertaking of the Demerged Company, if any, are concerned, it is clarified that the value of such liabilities shall be apportioned in the same proportion which the value of the fixed assets of the respective Demerged Undertaking(s) transferred to the respective Resulting Company(ies) bears to the fixed assets of the Demerged Company on the Appointed Date. The liabilities so apportioned shall, without any further act or deed stand transferred to the respective Resulting Company(ies), and shall become the liabilities and obligations of the respective Resulting Company(ies). The respective Resulting Company(ies) undertakes to meet, discharge and satisfy the same.

(h) In so far as the assets of Demerged Company pertaining to the respective Demerged Undertaking(s) are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of Demerged Company taken/availed/obtained for respective Demerged Undertaking(s), shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall neither relate to or be available as security in relation to any or any part of the assets of the Residual Business of Demerged Company nor to the assets of the other Demerged Undertaking(s) which are not subject to such charge, save to the extent warranted by the terms of the existing security arrangements and/or otherwise decided or formal amendment is made by the Board of the Demerged Company and/or the respective Resulting Company(ies) in consultation with lenders. Provided, however, that if any of the assets comprised in the

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Demerged Undertaking(s) which have not been charged or secured in respect of any loan/borrowing/liability, such assets shall be transferred to the respective Resulting Company(ies) as unencumbered assets and in the absence of any formal amendment, which may be required by a lender or third party.

(i) Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Demerged Company and the respective Resulting Company(ies) may execute any instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) or satisfaction of charge, with the ROC to give formal effect to the above provisions, if required.

(j) Upon the coming into effect of this Scheme, the respective Resulting Company(ies) alone shall be liable to perform all obligations with regard to the respective Demerged Undertaking Liability(ies), and the Demerged Company shall not have any obligations in respect of the said Demerged Undertaking Liabilities and the respective Resulting Company(ies) shall indemnify the Demerged Company in this behalf.

(k) It is expressly provided that, save as mentioned in this para, no other terms or conditions of the said Demerged Undertaking Liabilities are modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

(l) Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this para/clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

(m) Subject to the other provisions contained in this Scheme, all contracts, deeds, agreements and other instruments of whatever nature, if any, relating to the respective Demerged Undertaking(s) to which Demerged Company is a party subsisting or having effect immediately before the Appointed Date shall remain in full force and effect against or in favour of respective Resulting Company(ies) and may be enforced as fully and effectively as if instead of Demerged Company, the respective Resulting Company(ies) had been a party thereto.

(n) Upon the Scheme becoming effective Demerged Company and Resulting Company(ies) are expressly permitted to revise their tax

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returns including without limitation to tax deducted at source. It is specifically declared that on or after the Appointed Date any taxes deducted at source by Demerged Company on account of the payment made or any tax deducted at source by third party in relation to payments made to Demerged Company, which pertains to the Demerged Undertaking(s), shall be deemed to be the taxes paid by or deducted on behalf of the respective Resulting Company(ies) and the respective Resulting Company(ies) shall be entitled to claim credit for such taxes deducted by any third party against its tax liabilities notwithstanding that the certificate/challans or other documents for payment of such taxes are in the name of the Demerged Company.

8.2 The demerger of the respective Demerged Undertaking(s) as a going concern to the respective Resulting Company(ies) is in accordance with Section 2(19AA) of the Income Tax Act, 1961.

8.3 Business to be carried on in trust for Resulting Companies

With effect from Appointed Date and upto the Effective Date:

(a) The Demerged Company shall be deemed to have been carrying on all business and activities relating to the respective Demerged Undertaking(s) and stand possessed of the properties to be transferred to respective Resulting Company(ies) for and on account of and in trust for such Resulting Company(ies).

(b) All assets, rights, title, interest and authorities acquired by Demerged Company for operating respective Demerged Undertaking(s) shall also stand transferred to and vested in the respective Resulting Company(ies).

(c) All income, receipts, profits or assets of whatsoever nature arising, accruing or received by the Demerged Company from the Demerged Undertaking(s) and/or for losses, expenses and payments of whatsoever nature arising, accruing or incurred by the Demerged Company in respect of the Demerged Undertaking(s), on or after the Appointed Date, shall for all purposes, without any further act or deed, would be treated as profits, income, receipts, assets or losses, expenses, payments, capital expenditure etc. as the case may be, of the respective Resulting Company(ies) and would be offered to tax and / claimed as deduction, as the case may be, by the respective Resulting Company(ies), in their income tax returns filed / to be filed for the period on or after the Appointed date.

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3.4 All legal or other proceedings by or against the Demerged Company, whether pending on the Appointed Date or any matter arising before the Appointed Date, and relating to the respective Demerged Undertaking(s) (including but not limited to the legal proceedings relating to any property, rights, power, liability, debt, obligation and criminal complaints filed by Demerged Company under the provisions of Negotiable Instruments Act, 1881) shall be continued and enforced by or against the respective Resulting Company(ies). If any proceedings relating to Demerged Undertaking are instituted against the Demerged Company before the Effective Date, the Demerged Company will defend the same with due notice to the respective Resulting Company(ies) for indemnification from and against all liabilities, obligations, actions, claims and demands in respect thereof. However, after the Effective Date, the parties hereto shall take appropriate steps to substitute the name of respective Resulting Company(ies) for that of Demerged Company in respect of such proceedings.

3.5 **Employees:**

(a) Resulting Companies undertakes to engage, on and from the Effective Date, employees, if any, exclusively engaged in relation to their respective Demerged Undertaking(s), on the same terms and conditions at which these employees are engaged by Demerged Company without any interruption of service as a result of the transfer.

(b) Resulting Companies agrees that the service of all such employees with Demerged Company upto the Effective Date, including the employees which are being taken over pursuant to Part-II of this Scheme, shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Demerged Company upto the Effective Date. Further, the Provident Fund accumulated up to the Effective Date in respect of the employees engaged in the Demerged Undertaking(s) lying either with Demerged Company or with the relevant Regional Provident Fund Commissioner, having jurisdiction over the Demerged Company, shall be transferred to the respective Regional Provident Fund Commissioners having jurisdiction over the respective Resulting Company(ies). In so far as the existing group gratuity policy, gratuity fund and pension and /or superannuation fund / trusts and retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits created by Demerged Company, if any, for its employees (including employees of the Demerged

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Undertaking(s)) are concerned, such proportion of the investments made by the funds which are relatable to the employees pertaining to the Demerged Undertaking(s) as on the Effective Date, shall be transferred to the necessary policy/funds/schemes/trusts to be created by respective Resulting Company(ies) and till such time the necessary policy/funds/schemes/ trusts are created by Resulting Company(ies), contribution shall continue to be made to the existing funds/schemes of Demerged Company and any such contribution so made shall continue to be eligible of all benefits under the applicable laws. Further, the Resulting Company(ies) undertakes to continue to abide by the terms of agreement / settlement entered into by Demerged Company with employees' union / employee or associations of respective Demerged Undertaking(s).

(c) Resulting Company(ies) will file the relevant intimations to the statutory authorities concerned who shall take the same on record and endorse the name of the respective Resulting Company(ies) for Demerged Company.

3.8 Consideration:

(a) In consideration of vesting of respective Demerged Undertaking(s) pursuant to the Scheme, the respective Resulting Company(ies) after the Scheme becoming effective, shall issue its fully paid equity shares of Rs. 10/- each at par for an amount equivalent to the book value of the net assets (all assets transferred pursuant to the Scheme as reduced by the book value of liabilities and/or reserves, except the revaluation reserve, taken over) of the respective Demerged Undertaking(s) as on the Appointed Date, as determined by valuers appointed by the Board of Demerged Company and Resulting Companies, to the equity shareholders of the Demerged Company in proportion of their shareholding in the Demerged Company. In the manner given herein below:

(i) Resulting Company-I shall issue and allot 39,926,693 equity shares to the shareholders of the Demerged Company in proportion to their shareholding as on Demerger Record Date;

(ii) Resulting Company-II shall issue and allot 17,89,711 equity shares to the shareholders of the Demerged Company in proportion to their shareholding as on Demerger Record Date;

(iii) Resulting Company-III shall issue and allot 15,89,894 equity shares to the shareholders of the Demerged Company in proportion to their shareholding as on Demerger Record Date;

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(iv) Resulting Company-IV shall issue and allot 82,48,394 equity shares to the shareholders of the Demerged Company in proportion to their shareholding as on Demerger Record Date.

(b) Any fractional entitlement arising out of issue of shares by the Resulting Company(ies), in terms of clause 3.5(a) herein above, shall be ignored. Consequently, if there are any share(s) to be issued pursuant to clause 3.5(a) which remain unallotted on account of ignoring fractional allotments ("fractional share(s)"), the Board of the respective Resulting Company(ies) shall allot such fractional share(s) in the respective Resulting Company(ies) to any person , as they may deem fit and proper and such person shall realize and distribute the proceeds of sale of such fractional share(s) to the shareholders of the Demerged Company who were entitled to receive the fractional entitlements. The remuneration, if any, to be paid to the person shall be borne proportionately by the relevant Resulting Companies and not to be accounted for while determining the net proceeds payable to the shareholders of the Demerged Company.

(c) The equity shares to be issued and allotted in terms of clause 3.5(a) hereinabove shall rank pari passu in all respects with the existing equity shares of respective Resulting Company(ies).

(d) The equity shares of Resulting Company(ies) to be issued in terms hereof shall be subject to the Memorandum and Articles of Association of respective Resulting Company(ies).

(e) In order to issue equity shares in terms of clause 3.5(a) herein above and upon the scheme becoming effective, the authorised share capital of the respective Resulting Company(ies) shall stand increased equivalent to the value of shares to be issued by the respective Resulting Company(ies) and the respective Resulting Company(ies) shall pay the requisite filing fee and/or stamp duty and/or other charges, if any, on the authorised share capital so increased; and the respective Resulting Company(ies) shall also file the relevant forms with the ROC.

(f) It is hereby clarified that for the purposes of Clause 3.5(e), the consent of the shareholders of the Resulting Company(ies) i.e. the Demerged Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution under Section 16, Section 31, Section 94 or any other applicable provisions of the Act would be required to be separately passed.

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(g) Further, the Resulting Company(ies) shall file the amended copy of its Memorandum and Articles of Association with ROC within 30 days from the Effective Date and the ROC shall take the same on record.

3.6 **Accounting Treatment in the books of Resulting Companies**

(a) Upon the Scheme becoming effective, all the assets and liabilities of Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking-III and Demerged Undertaking-IV, shall be transferred and vested in Resulting Company-I, Resulting Company-II, Resulting Company-III and Resulting Company-IV; respectively, at the values appearing in the books of Demerged Company, including the values recorded in the books of Demerged Company of the assets which are taken over in the Demerged Company pursuant to Part-II of the Scheme.;

(b) Respective Resulting Company(ies) shall credit to their share capital account the aggregate face value of the equity shares issued by it to the shareholders of Demerged Company pursuant to this Scheme;

(c) The excess/deficit, if any, of the aggregate value of the assets over the aggregate value of the liabilities of the Demerged Undertaking(s) recorded by respective Resulting Company(ies) upon their transfer to and vesting in Resulting Company(ies) under the Scheme after adjusting the aggregate value of the equity shares issued and allotted in terms of para 3.5(a) above shall be adjusted to the general reserve account by the respective Resulting Company(ies).

3.7 **Accounting Treatment in the books of Demerged Company**

(a) Upon the Scheme becoming effective, the amount of difference between the aggregate value of assets over the aggregate value of liabilities of the Demerged Undertaking(s), as transferred by Demerged Company to respective Resulting Company(ies), shall be adjusted first from the from the general reserve of the Demerged Company and the balance, if any, shall be adjusted against the profit & loss account of the Demerged Company.

PART -IV

4.1 **Residual Business of the Demerged Company**

(a) The Residual Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong and remain vested in and be managed by the Demerged Company.

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(b) All legal, taxation including income tax appeals or other proceedings whether civil or criminal, particularly the complaints filed by Demerged Company under the provisions of Negotiable Instruments Act, 1881, (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Residual Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Residual Business) shall be continued and enforced by or against the Demerged Company after the Effective Date, which shall keep the Resulting Companies fully indemnified in that behalf. The Resulting Company(ies) shall in no event be responsible or liable in relation to any such legal or other proceeding against the Demerged Company.

(c) If proceedings are taken against the Resulting Company(ies) in respect of the matters referred to in clause (a) above, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company(ies) against all liabilities and obligations incurred by the Resulting Company(ies) in respect thereof.

4.2 Upon coming into effect of the Scheme, all patents, trademarks, copyrights, if any, registered with the authorities concerned or applications submitted at any time on or before the Effective Date by the Demerged Company and pertaining to the Residual Business shall continue to vest and owned by the Demerged Company without any interruption or interference by the Resulting Company(ies).

4.3 In so far as the existing security in respect of any loan/borrowing/liability of the Residual Business is concerned, such security shall continue to extend to and operate over the assets comprised in the Residual Business and/or assets comprised in the Demerged Undertaking, as the case may be, which have been charged and secured in respect of such loan/borrowing/liability of the Residual Business as transferred to the Resulting Company(ies) pursuant to this Scheme.

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PART IV

OTHER TERMS & CONDITIONS

5.1 Since Transferee Company/Demerged Company beneficially owns more than 90% of the issued, subscribed and paid up capital of the Transferor Company, Resulting Company-I, Resulting Company-II, Resulting Company-III and Resulting Company-IV, the Transferee Company would be entitled to the benefits of exemption/remission of stamp duty in terms of the relevant notification(s) under the Stamp Act(s) of relevant states.

5.2 **Application to the Hon'ble High Court:**

AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL shall with all reasonable dispatch make applications / petitions to the Hon'ble High Court under Sections 391 and 394 and other applicable provisions of the Act, for sanctioning the Scheme of Arrangement and for dissolution of AHPL without winding up and for convening and/or seeking exemption to convene the meeting of the shareholders and/or of the creditors, and to obtain all other approvals as may be required under law.

5.3 **Modifications/Amendments to the Scheme**

(a) AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL by their respective Board of Directors may make or assent from time to time on behalf of all persons concerned to any extension, modification or amendments of this Scheme or any of conditions or limitation which the Hon'ble High Court and/or any authorities/persons may deem fit to approve of or impose or which may otherwise be considered necessary, desirable or appropriate by the Board of Directors of AHPL and/or SCCL and/or SCHPL and/or SCHT and/or SHPL and/or SCPPL to resolve all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary for putting the Scheme into effect.

(b) For the purpose of giving effect to this Scheme or to any modification or amendments thereof, the Board of Directors of AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL may give and are authorized to give all such directions as are necessary including directions for settling any question or doubt or difficulty that may arise.

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5.4 There is no likelihood that any creditor of AHPL or SCCL or SCHPL or SCHT or SHPL or SCPPL would lose or be prejudiced as a result of the proposed Scheme being passed. The arrangement will in no way cost any additional burden on the shareholders of any of these companies nor will it prejudicially affect the interests of any of the classes of the creditors.

5.5 If any part of this Scheme hereof is ruled illegal or invalid by, or is not sanctioned by the Hon'ble High Court, or is unenforceable under present or future laws, or which otherwise is considered unnecessary, undesirable or inappropriate at any stage by the Board, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.

5.6 Approval of the Scheme under Section 391 & 394 of the Act shall also be deemed to be compliance of the provisions of sections 16,31, 81(1A), 94, 95, 100, 102 to 103 and other applicable provisions of the Act and rules and regulations made there under upon the Scheme becoming effective. .

5.7 Effect of non-receipt of approvals/sanctions:

(a) In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the Hon'ble High Court and/or the order not being passed as aforesaid within such period or periods as may be agreed upon by and among AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL, this Scheme shall stand revoked and cancelled and become null and void and be of no effect and in that event, no rights and liabilities whatsoever, shall accrue to or be incurred inter se by AHPL or SCCL or SCHPL or SCHT or SHPL or SCPPL or their shareholders or creditors or employees or any other person.

(b) In the event any of the conditions that may be imposed by the Hon'ble High Court and/or competent authority which AHPL and/or SCCL and/or SCHPL and/or SCHT and/or SHPL and/or SCPPL may find unacceptable for any reason or Board of Directors of AHPL and/or SCCL and/or SCHPL and/or SCHT

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and/or SHPL and/or SCPPL decides otherwise, then they are at liberty to withdraw from the Scheme.

(c) If any part of this Scheme is found to be unworkable for any reason whatsoever the same shall not, subject to the decision of AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL affect the validity of or implementation of the other part and/or the provisions of this Scheme.

5.8 **Expenses Connected with the Scheme:**

SCCL shall bear all costs, charges and expenses in relation to or in connection with or incidental to this Scheme and of carrying out and completing the terms and provisions of the Scheme and/or incidental to the completion of the terms in pursuance of this Scheme.

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Legal Counsel for the Scheme:

Vaish Associates, Advocates,

Flat No. 5-7, 10, Hailey Road,

New Delhi-110001

SCHEDULE-I

Details of the assets and liabilities of the Demerged Company pertaining to the Demerged Company-1 as on the Appointed Date

Assets		Amt. in Rupees
Fixed Assets		605,560,682
Current Assets , Loans & Advances		
Stock	6,500,000	
Debtors	805,135	
Cash & Bank Balance	7,073	
Loan & Advances	8,023,101	
	15,335,309	
Less: Current Liabilities & Provisions	26,082,214	(10,746,905)
Total Assets		**594,813,777**
Liabilities		
Secured Loan		285,546,848
Total Liabilities		**285,546,848**

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SCHEDULE-II

Details of the assets and liabilities of the Demerged Company pertaining to the Demerged Company-II as on the Appointed Date

Assets		Amt in Rupees
Fixed Assets		15,516,516
Current Assets , Loans & Advances		
Stock	750,000	
Debtors	2,285,832	
Cash & Bank Balance	(579,411)	
Loan & Advances	531,607	
	2,988,028	
Less: Current Liabilities & Provisions	1,407,432	1,580,596
Total Assets		17,097,112
Liabilities		Nil

For Atlantic Hotels Pvt. Ltd.

Authorised Signatory

For S. Chand Hotels Pvt. Ltd.

Authorised Signatory

For S. Chand Tourist Complex Pvt. Ltd.

Authorised Signatory

For SHAARAD HOSPITALITY

For S. Chand properties Pvt.

Authorised Signatory

Authorised Signatory.

SCHEDULE-III

Details of the assets and liabilities of the Demerged Company pertaining to the Demerged Company-III as on the Appointed Date

Assets		**Amt. in Rupees**
Fixed Assets		676,557,377
Investments		1,000
Deferred Tax Assets		17,000,954
Current Assets , Loans & Advances		
Cash & Bank Balance	4,426,267	
Loan & Advances	17,224,933	
	21,651,200	
Less: Current Liabilities & Provisions	28,595,204	(6,944,004)
Total Assets		**686,615,327**
Liabilities		
Secured Loan		337,003,666
Unsecured Loan		333,712,720
Total Liabilities		**670,716,366**

For Atlantic Hotels Pvt. Ltd.
Authorized Signatory

M/S. S. CHAND & CO. LTD.
Authorised Signatory

For S. Chand Hotels Pvt. Ltd.
Authorised Signatory

For SC Hotel Tourist Deluxe Pvt. Ltd.
Authorised Signatory

For SHAARA HOSPITALITIES PVT. LTD.
Authorised Signatory

For S. Chand properties Pvt ...
Authorised Signatory

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SCHEDULE-IV

Details of the assets and liabilities of the Demerged Company pertaining to the Demerged Company-IV as on the Appointed Date

Assets		Amt. in Rupees
Fixed Assets		98,708,132
Current Assets , Loans & Advances		
Less: Current Liabilities & Provisions	16,224,188	(16,224,188)
Total Assets		**82,483,944**
Liabilities		Nil

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WITNESS, The Hon'ble Thiru M.YUSUF EQBAL, Chief Justice of Madras High Court, aforesaid this the 14th day of September, 2012.

Sd/-
DEPUTY REGISTRAR(C.S).

//CERTIFIED TO BE A TRUE COPY//

DATED THIS THE 26/9 DAY OF 2012.

COURT OFFICER.

HIGH COURT OF JUDICATURE MADRAS

सत्यमेव जयते

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bs/20.9.2012

COMP.PETN.No.167 of 2011

ORDER DATED: 14.9.2012

THE HON'BLE Ms.JUSTICE K.B.K.VASUKI

ORDER APPROVED ON: 20.9.2012

DISPATCHED ON: 20.9.2012

COPY TO:

1. The Official Liquidator, High Court, Madras.

2. The Regional Director, Southern Region, 5th Floor, Ministry of Corporate Affairs, No.26, Haddows Road, Chennai-6.

3. The Registrar of Companies, II Floor, No.26, Haddows Road, Chennai.6.

HIGH COURT, MADRAS

ORIGINAL SIDE

C.A. No. 8678/15

Applied 17/9/16

Stamp called for 20/9/16

Stamps put in

Ready 20/9/16

8
20/9/16

C.O.(O.S.)

IN THE HIGH COURT OF DELHI AT NEW DELHI

COMPANY JURISDICTION

COMPANY PETITION NO. 348 OF 2011

CONNECTED WITH

COMPANY APPLICATION (M) NO. 111 of 2011

AND

IN THE MATTER OF SECTIONS 391 AND 394

OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT

BETWEEN

ATLANTIC HOTELS PRIVATE LIMITED

NON PETITIONER COMPANY

AND

S.CHAND & COMPANY LIMITED

PETITIONER COMPANY –I

AND

S.CHAND HOTELS PRIVATE LIMITED

PETITIONER COMPANY-II

AND

SC HOTEL TOURIST DELUXE PRIVATE LIMITED

PETITIONER COMPANY-III

AND

SHAARA HOSPITALITIES PRIVATE LIMITED

PETITIONER COMPANY-IV

AND

S CHAND PROPERTIES PRIVATE LIMITED

PETITIONER COMPANY-V

(Collectively referred to as the Petitioner Companies)

MEMO OF PARTIES

ATLANTIC HOTELS PRIVATE LIMITED a company incorporated under the Companies Act, 1956 having its registered office at No. 2 Montieth Road, Egmore, Chennai- 600 008

.... NON PETITIONER COMPANY

AND

S.CHAND & COMPANY LIMITED a company incorporated under the Companies Act, 1956 having its registered office at Ravindra Mansion, Ram Nagar, and New Delhi 110055.

.... PETITIONER COMPANY- I

AND

S.CHAND HOTELS PRIVATE LIMITED a company incorporated under the Companies Act, 1956 having its registered office at 7361,Ram Nagar Pahar Ganj, New Delhi-110055

.... PETITIONER COMPANY-II

AND

SC HOTEL TOURIST DELUXE PRIVATE LIMITED a company incorporated under the Companies Act, 1956 having its registered office at 7361,Ram Nagar Pahar Ganj, New Delhi-110055

.... PETITIONER COMPANY III

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AND

SHAARA HOSPITALITIES PRIVATE LIMITED a company incorporated under the Companies Act, 1956 having its registered office at 7361,Ram Nagar Pahar Ganj, New Delhi-110055

.... PETITIONER COMPANY IV

AND

S CHAND PROPERTIES PRIVATE LIMITED a company incorporated under the Companies Act, 1956 having its registered office at 7361,Ram Nagar Pahar Ganj, New Delhi-110055

...... PETITIONER COMPANY V

THROUGH

Simran Sethi

Satwinder Singh / NPS Chawla / Simran Sethi

Vaish Associates, Advocates

Advocates for the Petitioners

Flat No.5 - 7, 10, Hailey Road

New Delhi-110001

Phone no. 01142492525

E-mail id: satwinder@vaishlaw.com

PLACE: New Delhi

DATED: 5/8/ 2011

Certified to be True Copy

IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGIAL JURISDICTION)
IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF ARRANGEMENT
OF
COMPANY PETITION NO.343/2011
CONNECTED WITH
COMPANY APPLICATION (M) No.111/2011

IN THE MATTER OF: Atlantic Hotels Private Limited
having its regd. office at:
No. 2 Montieth Road, Egmore,
Chennai- 600008

Non-Petitioner Company

AND

S.Chand & Company Limited
having its regd. office at:
Ravindra Mansion, Ram Nagar,
New Delhi 110055

Petitioner Company – I

AND

S.Chand Hotels Private Limited
having its regd. office at:
7361, Ram Nagar Pahar Ganj,
New Delhi-110055

Petitioner Company – II

AND

SC Hotel Tourist Deluxe Private Limited
having its regd. office at:
7361, Ram Nagar Pahar Ganj,
New Delhi-110055

Petitioner Company – III

AND

SHAARA Hospitalities Private Limited
having its regd. office at:
7361, Ram Nagar Pahar Ganj,
New Delhi-110055

Petitioner Company – IV

AND

S Chand Properties Private Limited
having its regd. office at:
7361, Ram Nagar Pahar Ganj,

New Delhi-110055

Petitioner Company – V

BEFORE HON'BLE MR. JUSTICE MANMOHAN
DATED THIS THE 21st DAY OF OCTOBER, 2011

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petition came up for hearing on 21/10/2011 for sanction of Scheme of Arrangement among Atlantic Hotels Private Limited (hereinafter referred to as Non-Petitioner Company) and S.Chand & Company Limited (hereinafter referred to as Petitioner Company-I) and S.Chand Hotels Private Limited (hereinafter referred to as Petitioner Company-II) and SC Hotel Tourist Deluxe Private Limited (hereinafter referred to as Petitioner Company-III) and SHAARA Hospitalities Private Limited (hereinafter referred to as Petitioner Company-IV) and S Chand Properties Private Limited (hereinafter referred to as Petitioner Company-V). The Court examined the petition, the order dated 03/06/2011, passed in CA (M) No. 111/2011, whereby the requirement of convening and holding the meetings of the Shareholders of all the Petitioner Companies and Unsecured Creditors of the Petitioner Company Nos.II, III & V were dispensed with and the meetings of the Secured and Unsecured Creditors of the Petitioner Company-I were ordered to be convened for the purpose of considering and, if thought fit, approving with or without modification, the Scheme of Arrangement annexed to the affidavits dated 02/06/2011 of Mr. Dinesh Kumar Jhunjhunwala, Authorized Signatory of the all the Petitioner Companies (there being no Secured Creditors of the Petitioner Companies Nos.II to V and also no Unsecured Creditors of the Petitioner Company-IV) and the publication in the newspapers namely 'Financial Express' (English) and 'Jansatta' (Hindi) both dated 22/06/2011 containing the advertisement of the notice convening the said meetings and the reports/affidavits of

Chairpersons showing the publication and despatch of the notices convening the said meetings.

The Court also examined the affidavit dated 27/09/2011 of the Regional Director, Northern Region, Ministry of Corporate Affairs and observed that the observations/objections raised by the Regional Director did not survive and stand disposed of.

Upon hearing Mr. N.P.S. Chawla with Ms. Simran Sethi and Mr. Gaurav Kochar, Advocates for the petitioner-companies, Mr. Rajiv Bahl, Advocate for the Official Liquidator and Mr. K.S. Pradhan, Dy. Registrar of Companies for Regional Director (Northern Region) and in view of the approval of the Scheme of Arrangement without any modification by the Shareholders, Secured and Unsecured Creditors of the Petitioner Companies and there being no investigation proceedings pending in relation to the Petitioner Companies under Section 235 to 251 of the Companies Act, 1956,

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF ARRANGEMENT (subject to receipt of sanction of High Court of Madras in relation to the Non-Petitioner Company) under sections 391 and 394 as set forth in Schedule-I annexed hereto and Doth hereby declare the same to be binding on all the Shareholders & Creditors of the Petitioner Companies and all concerned and doth approve the said Scheme of Arrangement with effect from the appointed date i.e. 01/04/2011.

AND THIS COURT DOTH FURTHER ORDER:

1. That in terms of the scheme, all assets, rights, title, interest and authorities acquired by Petitioner Company-I/Demerged Company for operating respective Demerged Undertaking(s) shall stand transferred to and vested in the respective Resulting Company(ies)/Petitioner Companies-II

to V without any further act or deed and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the assets, rights, title, interest and authorities of the respective Resulting Companies; and

2. That in terms of the scheme, the respective Resulting Company(ies) alone shall be liable to perform all the obligations with regard to the respective Demerged Undertaking Liability(ies), and the Demerged Company shall not have any obligations in respect of the said Demerged Undertaking Liabilities and the respective Resulting Company(ies) shall indemnify the Demerged Company in this behalf; and

3. That all the proceedings now pending by or against the Demerged Company in relation to the respective Demerged Undertakings of the Demerged Company be continued by or against respective Resulting Companies; and

4. That Petitioner Company-II to V do without further application allot to such members of the Petitioner Company-I as have not given such notice of dissent as is required by the Consideration Clause-3.5(a) given in the Scheme of Arrangement herein the shares in the Petitioner Company-II to V to which they are entitled under the said Arrangement; and

5. That the Petitioner Companies do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration; and

6. It is clarified that this order will not be construed as an order granting exemption from payment of stamp duty that is payable in accordance with law; and

7. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

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ANNEXURE 9-1

SCHEME OF ARRANGEMENT
BETWEEN
ATLANTIC HOTELS PRIVATE LIMITED
AND
S. CHAND & COMPANY LIMITED
AND
S. CHAND HOTELS PRIVATE LIMITED
AND
SC HOTELS TOURIST DELUXE PRIVATE LIMITED
AND
SHAARA HOSPITALITIES PRIVATE LIMITED
AND
S CHAND PROPERTIES PRIVATE LIMITED

Merger

Demergers

I

II

III

IV

A. This composite Scheme of Arrangement (hereinafter referred to as the "**Scheme**") provides for:

(a) the amalgamation of Atlantic Hotels Private Limited with S. Chand & Company Limited; and

(b) the demerger of Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking-III and Demerged Undertaking-IV (as defined hereinafter) of S. Chand & Company Limited to S. Chand Hotels Private Limited, SC Hotels Tourist Deluxe Private Limited, SHAARA Hospitalities Private Limited and S Chand Properties Private Limited, respectively and consequent issue of equity shares by S. Chand Hotels Private Limited, SC Hotels Tourist Deluxe Private Limited, SHAARA Hospitalities Private Limited and S Chand Properties Private Limited to the shareholders of S. Chand & Company Limited

pursuant to sections 391 to 394 and other relevant provisions of the Companies Act, 1956 in the manner provided herein after.

B. The Scheme is divided into the following parts:

(a) Part I deals with Definitions, Interpretation and Share Capital;

(b) Part II deals with the amalgamation of Atlantic Hotels Private Limited with S. Chand & Company Limited;

(c) Part III deals with vesting of Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking-III and Demerged Undertaking-IV (as defined hereinafter) of S. Chand & Company Limited to S. Chand Hotels Private Limited, SC Hotels Tourist Deluxe Private Limited, SHAARA Hospitalities Private Limited and S Chand Properties Private Limited, respectively;

Atlantic Hotels Pvt. Ltd.
Authorized Signatory

S. CHAND & CO. LTD.

For S. Chand properties Pvt. Ltd
Authorised Signatory

For S. Chand Hotels Pvt. Ltd.
Director

For SC Hotel Tourist Deluxe Pvt. Ltd.
Authorised Signatory

For SHAARA HOSPITALITIES PVT. L
Authorised Signa

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Indian Evidence Act

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(d) Part IV deals with the Residual Business; and

(e) Part V deals with the general terms and conditions that would be applicable to the Scheme.

PART-I DEFINITIONS & SHARE CAPITAL

1.1. DEFINITIONS:

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

(i) **"Act"** means the Companies Act, 1956 (Act No. 1 of 1956) or any statutory modification or re-enactment thereof.

(ii) **"Amalgamation"** means the amalgamation of AHPL with SCCL in terms of the Scheme in its present form or with any modification(s) as approved for sanction by the Hon'ble High Court or any other authority concerned.

(iii) **"Appointed Date"** means 1st April, 2011, or such other date(s) as the High Court may direct or approve.

(iv) **"Board"** means the board of directors of AHPL and/or SCCL and/or SCHPL and/or SCHT and/or SHPL and/or SCPPL as the case may be, and shall, unless it is repugnant to the context, includes a committee of directors or any person authorized by the board of directors or such committee of directors.

(v) **"Demerged Undertaking or Demerged Undertakings"** means Demerged Undertaking-I and/or Demerged Undertaking-II and/or Demerged Undertaking -III and/or Demerged Undertaking-IV, as the case may be and if the context so permits, the Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking-III and Demerged Undertaking-IV, taken collectively or any two or more of the said Demerged Undertakings.

(vi) **"Demerged Undertaking-I** shall mean the Hotel Iris Hometel of Demerged Company located at I-C, Hari Nagar, New Delhi, along with all its assets and liabilities, which would be transferred on a going concern basis to the Resulting Company-I on and from the Appointed Date. The details of assets and liabilities comprising of the Demerged Undertaking-I as on March 31, 2011 are described in Schedule-I annexed hereto. The Demerged Undertaking-I shall mean and include (without limitation):

(a) all properties and assets, movable and immovable (if any), tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent or

For Atlantic Hotels Pvt. Ltd.
Authorized Signatory

For S. Chand properties Pvt. Ltd.
Authorised Signatory

For S. Chand Hotels Pvt. Ltd.
Authorised Signatory
Director

For SC Hotel Tourist Deluxe Pvt. Ltd.
Authorised Signatory

For SAHARA HOSPITALITIES
Authorised

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High Court of Delhi
Authorised Under Section 76
Indian Evidence Act

whatsoever nature, where-so-ever situated, as on the Appointed Date including but not limited to plant and machinery, computers, software, capital, work in progress, vehicles, office equipments, telephones, telexes, facsimile, other communication facilities and equipment, electricity and other such connections, air conditioner(s), furniture, fixture and fittings, stock in hand, sundry debtors, investments, inventories, cash and bank balances, balance with government authorities, fixed deposits, stores and spares, bills of exchange, receivable(s), loans and advances including staff advances, security deposits, if any, given etc., pertaining to Demerged Undertaking-I ;

(b) all leases or parts thereof, tenancy rights and agency, if any, pertaining to the Demerged Undertaking-I and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests, charges including but not limited to the charge(s) on the property of Demerged Company pertaining to Demerged Undertaking-I, privileges, benefits, entitlements, export promotion capital goods license pertaining to Demerged Undertaking-I, licenses for running and operating hotel(s) and restaurant(s) , hotel management agreements , Brand License agreements , including but not limited to municipal licenses, police license and excise licenses (and/or conditions attached thereto), registrations including but not limited to registration under prevention of food and adulteration act, registration under excise laws, registration with ministry/department of tourism and other local bodies as pollution control etc. of respective states, quotas, trademarks, patents, copyrights, brand names, import quotas, liberties, easements, advantages, rights and benefits of all agreements held by the Demerged Company or applied after the Appointed Date and pertaining to Demerged Undertaking-I as on Appointed Date of whatsoever kind, nature or description held, applied for or may be obtained thereafter together with the benefit of all contracts and engagements and all books, papers, documents and records, related to the Demerged Undertaking-I and all rights, obligations, benefits available under any rules, regulations, statutes including but not limited to direct and indirect

For Atlantic Hotels Pvt. Ltd.
Authorized Signatory

S. CHAND & CO. LTD.

For S. Chand properties Pvt. Ltd.
Authorised Signatory

For S. Chand Hotels Pvt. Ltd.
Authorised Signatory
Director

For S. Chand Hotels Pvt. Ltd.
Authorised Signatory

For SHAARA HOSPITALITIES PVT. LT.
Authorised Signatory

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and particularly sales tax benefits/ exemptions, Income tax exemptions etc;

(c) all debts, liabilities, loans, deposits, expenses payable, security deposits received, earnest monies received, obligations, provisions, present and future, secured or unsecured, contingent or of whatsoever nature, sundry creditors and other liabilities pertaining to Demerged Undertaking-I;

(d) all employees exclusively engaged in relation to Demerged Undertaking-I;

It is intended that all property, assets and liabilities relatable to Demerged Undertaking-I be vested in Resulting Company-I pursuant to the Scheme".

(vii) "**Demerged Undertaking-II** shall mean the Hotel Tourist Deluxe of Demerged Company at 7361, Ram Nagar, New Delhi-110055, along with its assets and liabilities, which would be transferred on a going concern basis to the Resulting Company-II on and from the Appointed Date. The details of assets and liabilities comprising of the Demerged Undertaking-II as on closing hours of March 31, 2011 are described in Schedule-II annexed hereto. The Demerged Undertaking-II shall mean and include (without limitation):

(a) all properties and assets, movable and immovable (if any), tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent or of whatsoever nature, where-so-ever situated, as on the Appointed Date including but not limited to plant and machinery, computers, software, capital, work in progress, vehicles, office equipments, telephones, telexes, facsimile, other communication facilities and equipment, electricity and other such connections, air conditioner(s), furniture, fixture and fittings, stock in hand, sundry debtors, inventories, cash and bank balances, balance with government authorities, fixed deposits, stores and spares, bills of exchange, receivable(s), loans and advances including staff advances, security deposits given etc., pertaining to Demerged Undertaking-II ;

(b) all leases or parts thereof, tenancy rights and agency, if any, pertaining to the Demerged Undertaking-II and all other interests or rights in or arising out of or relating to such properties together with all rights, powers,

For S. CHAND & CO. LTD.

For S. Chand properties Pvt. Ltd.

For S. Chand Hotels Pvt. Ltd.

For SC Hotel Tourist Deluxe

For SHAARA HOSPITALITIES PVT. LTD.

Authorised Signatory

Authorised Signatory

Authorised Signatory

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charges including but not limited to the charge(s) on the property of Demerged Company pertaining to Demerged Undertaking-II, privileges, benefits, entitlements, export promotion capital goods license pertaining to Demerged Undertaking-II, licenses for running and operating hotel(s) and restaurant(s) including but not limited to municipal licenses, police license and excise licenses (and/or conditions attached thereto), registrations including but not limited to registration under prevention of food and adulteration act, registration under excise laws, registration with ministry/department of tourism, licenses from local bodies like pollution control etc, of respective states, quotas, trademarks, patents, copyrights, brand names, import quotas, liberties, easements, advantages, rights and benefits of all agreements held by the Demerged Company or applied after the Appointed Date and pertaining to Demerged Undertaking-II as on Appointed Date of whatsoever kind, nature or description held, applied for or may be obtained thereafter together with the benefit of all contracts and engagements and all books, papers, documents and records, related to the Demerged Undertaking-II and all rights, obligations, benefits available under any rules, regulations, statutes including but not limited to direct and indirect taxes and particularly sales tax benefits/ exemptions, Income tax exemptions etc;

(c) all debts, liabilities, loans including but not limited to the term loan and loan obtained against hypothecation of vehicles, deposits, expenses payable, security deposits received, earnest monies received, obligations, provisions, present and future, secured or unsecured, contingent or of whatsoever nature, sundry creditors and other liabilities pertaining to Demerged Undertaking-II;

(d) all employees exclusively engaged in relation to Demerged Undertaking-II;

It is intended that all property, assets and liabilities relatable to Demerged Undertaking-II be vested in Resulting Company-II pursuant to the Scheme".

(vi) **Demerged Undertaking-III** shall mean the hotel property of Demerged Company located at 2, Monthieth Road, Egmore, Chennai along with its assets and liabilities, which would be transferred on a going concern basis to the Resulting Company-III on and from the Appointed Date. The details of assets and

For Atlantic Hotels Pvt. Ltd

Authorized Signatory

For S. Chand properties Pvt. Ltd.

Authorised Signatory

For S. Chand Hotels Pvt. Ltd.

Authorised Signatory

For SC Hotel Tourist Deluxe Pvt. Ltd.

For SHARDA HOSPITALITIES PVT.

Authorised Sig.

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liabilities comprising of the Demerged Undertaking-III as on closing hours of March 31, 2011 are described in Schedule-III annexed hereto. The Demerged Undertaking-III shall mean and include (without limitation):

(a) all properties and assets, movable and immovable (if any), tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent or of whatsoever nature, where-so-ever situated, as on the Appointed Date including but not limited to plant and machinery, computers, software, capital, work in progress, vehicles, office equipments, telephones, telexes, facsimile, other communication facilities and equipment, electricity and other such connections, air conditioner(s), furniture, fixture and fittings, stock in hand, capital work in progress, sundry debtors, inventories, cash and bank balances, balance with government authorities, fixed deposits, stores and spares, bills of exchange, receivable(s), loans and advances including staff advances, security deposits given etc., pertaining to Demerged Undertaking-III ;

(b) all leases or parts thereof, tenancy rights and agency, if any, pertaining to the Demerged Undertaking-III and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests, charges including but not limited to the charge(s) on the property of Demerged Company pertaining to Demerged Undertaking-III, privileges, benefits, entitlements, export promotion capital goods license pertaining to Demerged Undertaking-III, licenses for running and operating hotel(s) and restaurant(s) including but not limited to municipal licenses, police license and excise licenses (and/or conditions attached thereto), registrations including but not limited to registration under prevention of food and adulteration act, registration under excise laws, registration with ministry/department of tourism and licenses from other local bodies like pollution control etc., of respective states, quotas, trademarks, patents, copyrights, brand names, import quotas, liberties, easements, advantages, rights and benefits of all agreements held by the Demerged Company or applied after the Appointed Date and pertaining to Demerged Undertaking-III as on Appointed Date of whatsoever kind, nature or description held, applied for or may be obtained

For Atlantic Hotels Pvt. Ltd.

Authorized Signatory

For S. Chand properties Pvt. Ltd. Authorised Signatory

For S. Chand Hotels Pvt. Ltd. Authorised Signatory

For SC Hotel Tourist Developers Pvt. Ltd. Authorised Signatory

For SHAARA HOSPITALITIES PVT. LTD. Authorised Signatory

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Examiner Judicial Department High Court Authorised under Section 76 Indian Evidence Act thereafter together with the benefit of all contracts and engagements and all books, papers, documents and records, related to the Demerged Undertaking-III and all rights, obligations, benefits available under any rules, regulations, statutes including but not limited to direct and indirect taxes and particularly sales tax benefits/ exemptions, Income tax exemptions etc;

(c) all debts, liabilities, loans, including inter-unit loan(s) payable either existing as on the Appointed Date or arising on account of amalgamation of Transferor Company with the Transferee/Demerged Company, pertaining to the Demerged Undertaking-III, deposits, expenses payable, security deposits received, earnest monies received, obligations, provisions, present and future, secured or unsecured, contingent or of whatsoever nature, sundry creditors and other liabilities pertaining to Demerged Undertaking-III;

(d) all employees exclusively engaged in relation to Demerged Undertaking-III;

It is intended that all property, assets, debts, liabilities etc. relatable to Demerged Undertaking-III be vested in Resulting Company-III pursuant to the Scheme".

(ix) "**Demerged Undertaking-IV** shall mean the real estate division of the Demerged Company having immovable properties in different parts of the Country other than the immovable properties of the Demerged Company pertaining to Demerged Undertaking-I, Demerged Undertaking-II and Demerged Undertaking-III. The details of assets and liabilities comprising of the Demerged Undertaking-IV on closing hours of March 31, 2011 are described in Schedule-IV. The Demerged Undertaking shall mean and include (without limitation):

(a) all properties and assets, movable and immovable (if any), rights in flats and other immovable property, tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent or of whatsoever nature, where-so-ever situated, as on the Appointed Date including but not limited to plant and machinery, lifts, computers, software, capital, work in progress, vehicles, office equipments, telephones, telexes, facsimile, other communication facilities and equipment, electricity and other such connections, air conditioner(s),

For Atlantic Hotels Pvt. Ltd.
Authorized Signatory

S. CHAND & CO. LTD.

For S. Chand Hotels Pvt. Ltd.
Authorised Signatory

For S. Chand properties Pvt. Ltd.
Authorised Signatory

For SC Hotel Tourist Deluxe
Authorised Signatory

For SHAARA HOSPITALITIES PVT
Authorised Sig

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furniture, fixture and fittings, stock in hand, sundry debtors, inventories, rentals, cash and bank balances, balance with government authorities, fixed deposits, stores and spares, bills of exchange, receivable(s), loans and advances including staff advances, security deposits given etc., pertaining to Demerged Undertaking-IV;

(b) all leases or parts thereof, tenancy rights and agency, if any, pertaining to the Demerged Undertaking-IV and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests, charges including but not limited to the charge(s) on the property of Demerged Company pertaining to Demerged Undertaking-IV, privileges, benefits, entitlements, licenses for running and operating hotel(s) and restaurant(s) including but not limited to municipal licenses, police license and excise licenses (and/or conditions attached thereto), registrations including but not limited to registration under prevention of food and adulteration act, registration under excise laws, registration with ministry/department of tourism, registration with or from local bodies like pollution board or department etc., respective states, quotas, trademarks, patents, copyrights, brand names, import quotas, liberties, easements, advantages, rights and benefits of all agreements held by the Demerged Company or applied after the Appointed Date and pertaining to Demerged Undertaking-IV as on Appointed Date of whatsoever kind, nature or description held, applied for or may be obtained thereafter together with the benefit of all contracts and engagements and all books, papers, documents and records, related to the Demerged Undertaking-IV and all rights, obligations, benefits available under any rules, regulations, statutes including but not limited to direct and indirect taxes and particularly sales tax benefits/ exemptions, Income tax exemptions etc;

(c) all debts, liabilities, loans, deposits, expenses payable, security deposits received, earnest monies received, obligations, provisions, present and future, secured or unsecured, contingent or of whatsoever nature, sundry creditors and other liabilities pertaining to Demerged Undertaking-IV;

For Atlantic Hotels Pvt. Ltd.
Authorized Signatory

S. CHAND & CO. LTD.

(d) all employees exclusively engaged in relation to Demerged Undertaking-IV;

For S. Chand properties Pvt. Ltd.
For S. Chand Hotels Pvt. Ltd.
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It is intended that all property, assets and liabilities relatable to Demerged Undertaking-IV be vested in Resulting Company-IV pursuant to the Scheme".

(x) **"Demerger"** means the vesting by way of demerger of Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking-III and Demerged Undertaking-IV of SCCL into SCHPL, SCHT, SHPL and SCPPL, respectively; and consequent issue of equity shares by SCHPL, SCHT, SHPL and SCPPL to the shareholders of SCCL in terms of the Scheme.

(xi) **"Demerger Record Date or Demerger Record Dates"** means the date(s) to be fixed by the Board of SCHPL and/or SCHT and/or SHPL and/or SCPPL in consultation with the Board of SCCL, with reference to which the eligibility of the shareholders of SCCL for the purposes of issue and allotment of equity shares by SCHPL, SCHT, SHPL and SCPPL in terms of the Scheme shall be determined.

(xii) **"Effective Date"** shall be the date on which the last of the certified copy of the Order, under section 394 of the Act, of the Hon'ble High Court of Delhi and/or the Hon'ble Madras High Court at Chennai, sanctioning the Scheme is filed with the Registrar of Companies, NCT of Delhi and Haryana and the Registrar of Companies, Tamil Nadu, Chennai, respectively.

References in this Scheme to the date of "coming into effect of the Scheme" or "upon Scheme becoming effective" shall mean the Effective Date.

(xiii) **"High Court(s)"** means the Hon'ble High Court of Delhi at New Delhi and/or the Hon'ble Madras High Court at Chennai or the National Company Law Tribunal or any other relevant authority empowered to approve the Scheme as per the law for the time being in force;

(xiv) **"Residual Business"** means the remaining business and undertakings of Demerged Company, including but not limited to the publishing business and digital education business along with the investments made by the Demerged Company in unquoted shares, investments in mutual funds, interest in partnership firm, investment in joint ventures, investments shown as share application money, other than the business carried on by the Demerged Company in Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking -III and Demerged Undertaking-IV which are being transferred through this Scheme.

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(xv) **"Resulting Companies"** means SCHPL and/or SCHT and/or SHPL and/or SCPPL, taken collectively or any two or more of the said Resulting Companies.

(xvi) **"Resulting Company-I or SCHPL"** means S. Chand Hotels Private Limited, a wholly-owned subsidiary of the Demerged Company and duly incorporated and validly existing under the Act, having its registered office at 7361, Ram Nagar, Paharganj, New Delhi-110055.

(xvii) **"Resulting Company-II or SCHT"** means SC Hotels Tourist Deluxe Private Limited, a wholly-owned subsidiary of the Demerged Company and duly incorporated and validly existing under the Act, having its registered office at 7361, Ram Nagar, Paharganj, New Delhi-110055.

(xviii) **"Resulting Company-III or SHPL"** means SHAARA Hospitalities Private Limited, a wholly-owned subsidiary of the Demerged Company and duly incorporated and validly existing under the Act, having its registered office at 7361, Ram Nagar, Paharganj, New Delhi-110055.**"Resulting Company-IV or SCPPL"** means S Chand Properties Private Limited, a wholly-owned subsidiary of the Demerged Company and duly incorporated and validly existing under the Act, having its registered office at 7361, Ram Nagar, Paharganj, New Delhi-110055.

(xix) **"ROC"** means Registrar of Companies, NCT of Delhi and Haryana and/or Registrar of Companies, Tamil Nadu, Chennai "

(xx) **"Scheme or Scheme of Arrangement"** means this scheme of arrangement in its present form with any amendment/modifications approved or imposed or directed by the Board and/or shareholders and/or creditors of the Companies and/or by High Court.

(xxi) **"Transferee Company or Demerged Company or SCCL"** means S. Chand & Company Limited, a public limited company and duly incorporated and validly existing under the Act, having its registered office at 7361, Ram Nagar, Paharganj, New Delhi-110055..

(xxii) **"Transferor Company or AHPL"** means Atlantic Hotels Private Limited, a wholly-owned subsidiary of the Transferee Company and duly incorporated and validly existing under the Act, having its registered office at 2 Montieth Road, Egmore, Madras-8, Tamil Nadu-600008.

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1.2 INTERPRETATION

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

1.3. SHARE CAPITAL

1.3.1 The authorized, issued, subscribed and paid up share capital of AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL as on 18.05.2011 is as under:

Name of the Company	Authorised Capital	Issued, subscribed and paid up capital
AHPL (Transferor Company)	Rs. 1,71,00,000 , comprising of 171,000 shares of Rs. 100 each	Rs. 1,18,00,000 comprising of 118.000 shares of Rs. 100 each fully paid up
SCCL (Transferee Company/ Demerged Company)	Rs. 25,00,000 comprising of 2500 shares of Rs. 1000 each	Rs. 10,01,000 comprising of 1001 shares of Rs. 1000 each fully paid up.
SCHPL (Resulting Company-I)	Rs. 100,000 comprising of 10, 000 shares of Rs. 10 each	Rs. 100,000 comprising of 10, 000 shares of Rs. 10 each fully paid up
SCHT (Resulting Company-II)	Rs. 100,000 comprising of 10, 000 shares of Rs. 10 each	Rs. 100,000 comprising of 10, 000 shares of Rs. 10 each fully paid up
SHPL (Resulting Company-III)	Rs. 1,00,00,000 comprising of 10,00, 000 shares of Rs. 10 each	Rs. 10,00,000 comprising of 100, 000 shares of Rs. 10 each
SCPPL (Resulting	Rs. 100,000 comprising of 10, 000 shares of Rs.	Rs. 100,000 comprising of 10,

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Company-IV)	10 each	000 shares of Rs. 10 each fully paid up

1.3.2 It is provided that till the Scheme becomes effective, AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL are free to alter their authorized, issued, subscribed or paid up share capital as required by respective business requirements, subject to the necessary approvals from their respective Boards and shareholders, if required.

PART –II

AMALGAMATION OF AHPL WITH SCCL

2.1 Upon the Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of the Scheme, including in relation to the mode of vesting, the entire business of the Transferor Company including all movable and immovable properties including but not limited to the hotel property of Transferor Company located at 2, Monthieth Road, Egmore, Chennai, tangible and intangible properties including but not limited to actionable claims, assets, land (freehold and/or leasehold), buildings, offices, computers and softwares, furniture & fixtures, vehicles, office equipments, inventories, debtors, loans & advances, capital advances, advances recoverable in cash or kind or for value to be received, capital work in progress, prepaid expenses, cash in hand, cash at bank, bank balances in current accounts and fixed deposits, investments, deferred tax assets, lease and hire purchase contracts, licensing arrangements, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, and privileges, if any, of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, permits, approvals, authorizations, rights to use telephones, telexes, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements and all other interests (hereinafter referred to as **"said Assets")** shall be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in the Transferee Company as a going concern pursuant to the provisions of section 391 to 394 and other applicable provisions of the Act, so as to become on and from the Appointed Date, the estate, assets, rights, title and interests of the Transferee Company and its successors.

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2.2 All the said Assets that have accrued or which may accrue to the Transferor Company on or after the Appointed Date shall pursuant

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provisions of Section 394 of the Act and without any further act, instrument or deed, be transferred to and stand vested in and/or be deemed to have been transferred to and vested in and be available to the Transferee Company and its successors.

2.3 Without prejudice to Clause 2.1 and 2.2 above, after the Scheme becomes effective, in respect of such of the said Assets of the Transferor Company as are movable in nature, or incorporeal property, or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same may be so transferred to the Transferee Company and its successors and shall upon such transfer become the property and an integral part of the Transferee Company. In respect of such of the said Assets other than those referred hereinabove, the same shall, without any further act, instrument or deed, be transferred and vested in and/or be deemed to be transferred to and vested in the Transferee Company pursuant to an order being made thereof under Section 394 of the Act.

2.4 With effect from the Appointed Date and upon the Scheme becoming effective, the land, with the buildings standing thereon, if any, held by Transferor Company, and any documents of title or rights and easements in relation thereto shall be deemed to have been transferred to and vested in the Transferee Company and shall belong to the Transferee Company on account of the amalgamation of the Transferor Company. The mutation of title to the immovable properties shall be made and duly recorded by appropriate authorities upon giving effect to the Scheme in its entirety in accordance with terms hereof in favour of the entity to which such immovable property shall ultimately belong to.

2.5 (a) All the licenses, permits, quotas, approvals, permissions, incentives or any such similar tax credit, by whatever name called, sales tax deferrals, brought forward business losses, loans, subsidies, concessions, grants, rights, claims including but not limited to actionable claims, leases, tenancy rights, liberties, and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued, which may accrue to the Transferor Company shall, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the Transferee Company and its successors, so as to become as and from the Appointed Date the licenses, permits, quotas, approvals, permissions, incentives, minimum alternate tax credit, if any, or any such similar tax credit, by whatever name called, sales tax deferrals, brought forward business losses, loans, subsidies, concessions, grants, rights, claims including but not limited to actionable claims, leases, tenancy

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rights, liberties, and other benefits or valid, effective and enforceable on the same terms and conditions to the extent permissible under law and shall be duly and appropriately mutated or endorsed by the authorities concerned therewith in favour of the Transferee Company .

(b) The tax deducted at source (TDS)/advance tax, if any, paid by the Transferor Company under the Income Tax Act, 1961 or any other statute in respect of income of the Transferor Company assessable for the period commencing from Appointed Date shall be deemed to be the tax deducted from/advance tax paid by the Transferee Company and credit for such TDS/advance tax shall be allowed to the Transferee Company and its successors notwithstanding that certificates or challans for TDS/advance tax are in the name of the Transferor Company and not in the name of the Transferee Company or its successors, as the case may be.

(c) The income tax or any other tax, by whatever name called, if any, paid by the Transferor Company on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of the Transferee Company and its successors. The Transferee Company and its successors shall, after the Effective Date, be entitled to file the relevant returns with the authorities concerned for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further, the Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company for any year, if so necessitated or consequent to this Scheme; notwithstanding that the time prescribed for such revision may have elapsed.

(d) All deductions available or benefits accruing or which would have been otherwise available to the Transferor Company in future under the provisions of the Income Tax Act or any other applicable laws in respect of the capital expenditure incurred by the Transferor Company shall be available to the Transferee Company as if the said expenditure has been incurred for and on behalf of the entity which shall ultimately own and/or operate the said capital asset..

(e) The wealth tax, if any, paid by the Transferor Company in respect of the valuation date under the Wealth Tax Act, 1957, on or after the Appointed Date shall be deemed to have been paid by the Transferee Company. The Transferee Company shall, after the Scheme becomes effective, be entitled to file the wealth tax return for the relevant valuation date notwithstanding that the time prescribed for filing such returns may have lapsed. Further the Transferee Company shall, after the Scheme becomes effective, be entitled to revise the wealth tax returns, if any, filed by the

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Transferor Company for any year if so necessitated or consequent to this Scheme; notwithstanding that the time prescribed for such revision may have elapsed.

(f) Similarly, any other taxes including but not limited to service tax, value added tax, sales tax, paid by the Transferor Company, if any, on or after the Appointed Date, in respect of the period after such date shall be deemed to have been paid by or for the benefit of the Transferee Company. The Transferee Company shall, after the Effective Date, be entitled to file the relevant returns with the authorities concerned for the period after the Appointed Date, notwithstanding that the time prescribed for filing such return may have elapsed. Further, the Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company for any year, if so necessitated or consequent to this Scheme notwithstanding that the time prescribed for such revision may have elapsed.

(g) Without prejudice to generality of the aforesaid, concessional or statutory forms under the laws of the Central or State Sales Tax or Value Added Tax (VAT), or local levies issued or received by the Transferor Company, if any, in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to the Transferor Company.

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

2.6 Upon coming into effect of the Scheme, all patents, trademarks, copyrights, if any, registered with the authorities concerned or applications submitted at any time on or before the Effective Date by the Transferor Company shall stand transferred and vested along with the undertaking in the name of Transferee Company without any further act or deed. The Transferee Company, however, shall after the Scheme becoming effective file the relevant intimation with the concerned statutory authority(ies) who shall take them on record pursuant to vesting orders of the sanctioning authority.

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2.7 With effect from the Effective Date and until such time the names of the bank accounts including the current accounts or fixed deposits of the Transferor Company are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in its name, in so far as may be necessary.

2.8 The Transferee Company, at any time after the coming into effect of this Scheme, may execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliance, referred to above on the part of the Transferor Company to be carried out or performed.

2.9 Upon the coming into effect of the Scheme and with effect from the Appointed Date:

(a) All secured and unsecured loans/debts, liabilities including but not limited to term loan, vehicle loan, current liabilities, sundry creditors, retention money, bank book overdraft, contingent liabilities, whether disclosed or undisclosed, duties, taxes and obligations of the Transferor Company along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the **"said Liabilities")** shall also be vested or be deemed to be and stand vested, without any further act, instrument or deed, to the Transferee Company, pursuant to the provisions of Section 394 of the said Act so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further, that it shall not be necessary to obtain separate consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause. It is clarified that in so far as the said Assets of the Transferor Company are concerned, the security or charge over said Assets or any part thereof, if any, relating to any loans, debentures or borrowing of the Transferor Company, shall, without any further act or deed continue to relate to such Assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the Assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which the Transferor Company and the Transferee Company are party, and consistent

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with the joint obligations assumed by them under such arrangement.

(b) All debentures, bonds, notes or other securities, other than equity share capital, issued by the Transferor Company, if any, either before the Appointed Date or after the Appointed Date until the Effective Date (hereinafter referred to as **"Transferor's Securities"**) shall without any further act, instrument or deed become securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and stand vested in and shall be exercised by or against the Transferee Company as if it were the Transferor Company in respect of the Transferor's Securities so transferred.

(c) Loans, advances, including capital advances, and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future becomes due between the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf on either party.

(d) In respect of the shares held by the Transferee Company in the Transferor Company and/or , the same shall stand cancelled as on the Effective Date, and shall be of no effect and the Transferor Company and the Transferee Company shall have no further obligation outstanding in that behalf.

(e) All loans and advances extended by the Transferee Company to the Transferor Company shall stand cancelled; however upon the amalgamation being effective, the Transferee Company shall continue to maintain in its books such loans and advances as inter-unit balances in its books of accounts.

2.10 Where any of the liabilities and obligations, if any, of any of the Transferor Company, as on the Appointed Date, transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

2.11 All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations, if any, incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of

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this Scheme, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company.

2.12 (a) With effect from the Appointed Date up to and including the Effective Date:

(i) the Transferor Company shall carry on and shall be deemed to have carried on all its business and activities and shall hold and stand possessed of and shall be deemed to have held and stood possessed of all the said Assets for and on account of, and in trust for, the Transferee Company;

(ii) the Transferor Company shall carry on its business and activities with reasonable diligence and business prudence.

(b) All profits or incomes or assets accruing or arising to the Transferor Company or expenditure, or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Company on and after the Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or assets or expenditure or losses of the Transferee Company, as the case may be.

2.13 (a) Upon the coming into effect of this Scheme, all suits, actions and legal proceedings, if any, by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and/or arising by or against the Transferee Company.

(b) The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause (a) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

2.14 Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately

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before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. The Transferee Company shall, wherever necessary, enter into and/or issue and/or execute deeds, writings or confirmations, enter into any tripartite arrangements, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.

2.15 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, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

2.16 Upon the coming into effect of this Scheme:

(a) All the employees in the service of the Transferor Company, if any; immediately preceding the Effective Date shall become employees of the Transferee Company on the basis that:

(i) their services shall be deemed to have been continuous and not have been interrupted by reasons of the said transfer.

(ii) the terms and conditions of service applicable to employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer.

(b) It is expressly provided that as far as the provident fund, gratuity scheme, superannuation scheme or any other special scheme(s) or fund(s) created or existing, if any, for the benefit of the employees of the Transferor Company are concerned, upon the coming into effect of this Scheme, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, related to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in their respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and

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obligation of the Transferor Company in relation to such schemes shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid schemes.

(c) The Transferee Company, if required, will file the relevant intimations to the statutory authorities concerned who shall take the same on record and endorse the name of the Transferee Company for the respective Transferor Companies.

2.17 **Consideration and Re-organisation of Authorised Share Capital:**

(a) Upon the Scheme becoming effective, all the said Assets and said Liabilities, including but not limited to reserves but excluding revaluation reserve, forming part of the Transferor Company shall stand vested to the Transferee Company at the book values as were appearing in the books of the Transferor Company after ignoring revaluation of any of such assets .

(b) As the entire issued, subscribed and paid up share capital of the Transferor Company is held by the Transferee Company either directly or through its nominees, upon the Scheme becoming finally effective, the said share capital of the Transferor Company will, without any further act, instrument or deed, stand cancelled and there will be no issue and allotment of shares by the Transferee Company in consideration of amalgamation of the Transferor Company with the Transferee Company.

(c) Upon coming into effect of the Scheme, the authorised share capital of the Transferor Company shall, without any further act or deed, stand clubbed with the authorized share capital of the Transferee Company;

(d) Any filing fee and/or stamp duty already paid by the Transferor Company in respect of the authorized share capital, shall be deemed to have been paid by the Transferee Company and accordingly, the Transferee Company shall not be required to pay any fee / stamp duty on the increase of authorised share capital to that extent.

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Upon coming into effect of the Scheme, the authorized share capital of the Transferee Company shall be reorganized by clubbing the authorized share capital of the Transferor Company as well as by the authorized share capital of...

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Transferor Company by way of converting 1,71,000 (One Lac Seventy One Thousand) equity shares of Rs.100/- (Rupees Hundred) each into 17,100 (Seventeen Thousand One Thousand) equity shares of Rs. 1000/- (Rupees Thousand) each;

(f) Consequently, upon the Scheme becoming effective, the words and figures in Clause V of the Memorandum of Association of the Transferee Company shall be substituted to read as follows:

"The Authorised Share Capital of the Company is Rs. 1,96,00,000/- (Rupees One Crore and Ninety Six Lacs Only) divided into 19,600 (Nineteen Thousand Six Hundred) equity shares of Rs. 1000/- (Rupees Thousand Only) each."

(g) Further, the Transferee Company shall file the amended copy of its Memorandum and Articles of Association and requisite documents for amendment of Memorandum and Articles of Association with the Registrar of Companies within 30 days from the Effective Date and the Registrar of Companies shall take the same on record.

2.18 **Accounting Treatment**

Upon the Scheme becoming effective, the Transferee Company shall incorporate the said Assets and said Liabilities of the Transferor Company in accordance with the treatment provided in the Accounting Standard-14 on 'Accounting for Amalgamations' issued by the Institute of Chartered Accountants of India as also notified by the Companies (Accounting Standard) Rules, 2006 and more particularly as specified hereunder:

(a) All the said Assets and the said Liabilities recorded in the books of the Transferor Company, after ignoring revaluation of any of such assets, as on the Appointed Date shall stand transferred to and vested in the Transferee Company and shall be recorded by the Transferee Company at the same values..

(b) An amount equal to the balance lying in the "Profit and Loss Account" as appearing in the balance sheet of the Transferor Company shall be taken over by the Transferee Company and included in the balance of its Profit and Loss Account of the Transferee Company.

(c) As on the Appointed Date, and subject to any corrections and adjustments as may, in the opinion of the Board of the Transferee Company be required, the capital

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allowance reserve, except the revaluation reserve, lying in the books of the Transferor Company will be merged with those of the Transferee Company in the same form as appeared in the financial statements of the Transferor Company.

(d) Further, in case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact on account of change in the accounting policy to achieve uniformity on account of amalgamation will be quantified and adjusted in the revenue reserve(s) to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistency in the accounting policy.

(e) The excess, if any, of the aggregate value of the said Assets reduced by the aggregate value of the said Liabilities and the Profit & Loss Account, and reserves, excluding revaluation reserve, of the Transferor Company after cancellation of investments held by the Transferee Company in the Transferor Company, if any, pursuant to the Scheme, recorded by the Transferee Company upon their transfer to and vesting in the Transferee Company under the Scheme shall be credited to an "Amalgamation Reserve Account" and the same shall be treated as free reserve forming part of the net worth of the Transferee Company. However, in case of shortfall, after recording the necessary entries as envisaged in para (a) to (d) hereinabove, the difference shall be first adjusted from the capital reserve account and and the balance, if any, from the general reserve of the Transferee Company, pursuant to the Scheme becoming effective.

PART -III

DEMERGER

3.1 (a) Upon Scheme becoming effective and after giving effect to Part-I of the Scheme but with effect from Appointed Date, Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking-III and Demerged Undertaking-IV shall, pursuant to the provisions of section 394(2) of the Act and without any further act or deed be transferred to and vested in or be deemed to have been transferred to and vested in Resulting Company-I, Resulting Company-II, Resulting Company-III and Resulting Company-IV on a "going concern" basis.

(b) Without prejudice to sub-clause 3.1(a) above, such of the assets of Demerged Undertaking(s) as are movable in nature, or incorporeal property, which are capable of being transferred by manual delivery or by endorsement and delivery, the same may, upon coming into

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effect of this Scheme, be transferred as such to the respective Resulting Company(ies) without requiring any deed or instrument of conveyance and shall upon such transfer become the property and an integral part of respective Resulting Company(ies).

(c) In respect of immovable property including land (whether lease hold or free hold) and building constructed thereupon and the improvements made thereon, of the Demerged Undertaking(s), if any, and of such of the assets of Demerged Undertaking(s) other than those referred to in clause (b) above, the same shall, without any further act, instrument or deed, be transferred and vested in and/or be deemed to be transferred to and vested in respective Resulting Company(ies) upon the Scheme becoming effective pursuant to an order being made thereof under Section 394 of the Act and the same shall be mutated by the concerned authorities in favour of the respective Resulting Company(ies).

(d) With effect from the Appointed Date, any permissions, approvals, sanctions, consents, remissions or exemptions under various enactments relatable to respective Demerged Undertaking(s) shall stand vested in or transferred to respective Resulting Company(ies) without further act or deed and shall be appropriately mutated/transferred by the concerned authorities in favour of respective Resulting Company(ies) upon the vesting and transfer of respective Demerged Undertaking(s), pursuant to this Scheme. The benefit of all such statutory and regulatory permissions, approvals and consents relatable to the respective Demerged Undertaking(s) shall vest in and become available to respective Resulting Company(ies) pursuant to the Scheme.

(e) All debts, liabilities, inter-unit payables and obligations of Demerged Company pertaining to the Demerged Undertaking(s), as on close of business on the day immediately preceding the Appointed Date, whether provided for or not in the books of account of Demerged Company and other liabilities relating to the Demerged Undertaking(s), which may accrue or arise on or after the Appointed Date, but which relate to the period upto the day immediately preceding the Appointed Date, including inter-unit payables, if any, arising in the Transferee/Demerged Company pursuant to amalgamation of Transferor Company with the Transferee/Demerged Company as provided under Part-II of the Scheme, (hereinafter referred to as the **"Demerged Undertaking(s) Liabilities"**) shall become the debts, liabilities, duties and obligations of respective Resulting Company(ies), upon the Scheme becoming effective, who shall undertake to meet, discharge and satisfy the same to the exclusion of Demerged Company.

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(f) If any of the liabilities and obligations of the Demerged Company pertaining to the respective Demerged Undertaking(s) as on the Appointed Date deemed to be transferred to the respective Resulting Company(ies) have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been taken for and on account of the respective Resulting Company(ies) and all loans raised and used and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking(s) after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the respective Resulting Company(ies) and to the extent they are outstanding on the Effective Date shall also without any further act or deed be and stand transferred to the Resulting Company(ies) and shall become liabilities of the Resulting Company(ies) which shall meet, discharge and satisfy the same.

(g) As regards the general or multipurpose borrowings and liabilities of the Demerged Company not pertaining to any particular undertaking of the Demerged Company, if any, are concerned, it is clarified that the value of such liabilities shall be apportioned in the same proportion which the value of the fixed assets of the respective Demerged Undertaking(s) transferred to the respective Resulting Company(ies) bears to the fixed assets of the Demerged Company on the Appointed Date. The liabilities so apportioned shall, without any further act or deed stand transferred to the respective Resulting Company(ies), and shall become the liabilities and obligations of the respective Resulting Company(ies). The respective Resulting Company(ies) undertakes to meet, discharge and satisfy the same.

(h) In so far as the assets of Demerged Company pertaining to the respective Demerged Undertaking(s) are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of Demerged Company taken/availed/obtained for respective Demerged Undertaking(s), shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall neither relate to or be available as security in relation to any or any part of the assets of the Residual Business of Demerged Company nor to the assets of the other Demerged Undertaking(s) which are not subject to such charge, save to the extent warranted by the terms of the existing security arrangements and/or otherwise decided or formal amendment is made by the Board of the Demerged Company and/or the respective Resulting Company(ies) in consultation with lenders. Provided, however, that if any of the assets comprised in the

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Demerged Undertaking(s) which have not been charged or secured in respect of any loan/borrowing/liability, such assets shall be transferred to the respective Resulting Company(ies) as unencumbered assets and in the absence of any formal amendment, which may be required by a lender or third party.

(i) Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Demerged Company and the respective Resulting Company(ies) may execute any instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) or satisfaction of charge, with the ROC to give formal effect to the above provisions, if required.

(j) Upon the coming into effect of this Scheme, the respective Resulting Company(ies) alone shall be liable to perform all obligations with regard to the respective Demerged Undertaking Liability(ies), and the Demerged Company shall not have any obligations in respect of the said Demerged Undertaking Liabilities and the respective Resulting Company(ies) shall indemnify the Demerged Company in this behalf.

(k) It is expressly provided that, save as mentioned in this para, no other terms or conditions of the said Demerged Undertaking Liabilities are modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

(l) Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this para/clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

(m) Subject to the other provisions contained in this Scheme, all contracts, deeds, agreements and other instruments of whatever nature, if any, relating to the respective Demerged Undertaking(s) to which Demerged Company is a party subsisting or having effect immediately before the Appointed Date shall remain in full force and effect against or in favour of respective Resulting Company(ies) and may be enforced as fully and effectively as if instead of Demerged Company, the respective Resulting Company(ies) had been a party thereto.

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(n) Upon the Scheme becoming effective Demerged Company and Resulting Company(ies) are expressly permitted to revise their tax

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returns including without limitation to tax deducted at source. It is specifically declared that on or after the Appointed Date any taxes deducted at source by Demerged Company on account of the payment made or any tax deducted at source by third party in relation to payments made to Demerged Company, which pertains to the Demerged Undertaking(s), shall be deemed to be the taxes paid by or deducted on behalf of the respective Resulting Company(ies) and the respective Resulting Company(ies) shall be entitled to claim credit for such taxes deducted by any third party against its tax liabilities notwithstanding that the certificate/challans or other documents for payment of such taxes are in the name of the Demerged Company.

3.2 The demerger of the respective Demerged Undertaking(s) as a going concern to the respective Resulting Company(ies) is in accordance with Section 2(19AA) of the Income Tax Act, 1961.

3.3 Business to be carried on in trust for Resulting Companies

With effect from Appointed Date and upto the Effective Date:

(a) The Demerged Company shall be deemed to have been carrying on all business and activities relating to the respective Demerged Undertaking(s) and stand possessed of the properties to be transferred to respective Resulting Company(ies) for and on account of and in trust for such Resulting Company(ies).

(b) All assets, rights, title, interest and authorities acquired by Demerged Company for operating respective Demerged Undertaking(s) shall also stand transferred to and vested in the respective Resulting Company(ies).

(c) All income, receipts, profits or assets of whatsoever nature arising, accruing or received by the Demerged Company from the Demerged Undertaking(s) and/or for losses, expenses and payments of whatsoever nature arising, accruing or incurred by the Demerged Company in respect of the Demerged Undertaking(s), on or after the Appointed Date, shall for all purposes, without any further act or deed, would be treated as profits, income, receipts, assets or losses, expenditures, payments, capital expenditure etc. as the case may be, of the respective Resulting Company(ies) and would be offered to tax and/or claimed as deduction, as the case may be, by the respective Resulting Company(ies) , in their income tax returns filed / to be filed for the period on or after the Appointed date.

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3.4 All legal or other proceedings by or against the Demerged Company, whether pending on the Appointed Date or any matter arising before the Appointed Date, and relating to the respective Demerged Undertaking(s) (including but not limited to the legal proceedings relating to any property, rights, power, liability, debt, obligation and criminal complaints filed by Demerged Company under the provisions of Negotiable Instruments Act, 1881) shall be continued and enforced by or against the respective Resulting Company(ies). If any proceedings relating to Demerged Undertaking are instituted against the Demerged Company before the Effective Date, the Demerged Company will defend the same with due notice to the respective Resulting Company(ies) for indemnification from and against all liabilities, obligations, actions, claims and demands in respect thereof. However, after the Effective Date, the parties hereto shall take appropriate steps to substitute the name of respective Resulting Company(ies) for that of Demerged Company in respect of such proceedings.

3.5 **Employees:**

(a) Resulting Companies undertakes to engage, on and from the Effective Date, employees, if any, exclusively engaged in relation to their respective Demerged Undertaking(s), on the same terms and conditions at which these employees are engaged by Demerged Company without any interruption of service as a result of the transfer.

(b) Resulting Companies agrees that the service of all such employees with Demerged Company upto the Effective Date, including the employees which are being taken over pursuant to Part-II of this Scheme, shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Demerged Company upto the Effective Date. Further, the Provident Fund accumulated up to the Effective Date in respect of the employees engaged in the Demerged Undertaking(s) lying either with Demerged Company or with the relevant Regional Provident Fund Commissioner, having jurisdiction over the Demerged Company, shall be transferred to the respective Regional Provident Fund Commissioners having jurisdiction over the respective Resulting Company(ies). In so far as the existing group gratuity policy, gratuity fund and pension and /or superannuation fund / trusts and retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits created by Demerged Company, if any, for its employees (including employees of the Demerged

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Undertaking(s)) are concerned, such proportion of the investments made by the funds which are relatable to the employees pertaining to the Demerged Undertaking(s) as on the Effective Date, shall be transferred to the necessary policy/funds/schemes/trusts to be created by respective Resulting Company(ies) and till such time the necessary policy/funds/schemes/ trusts are created by Resulting Company(ies), contribution shall continue to be made to the existing funds/schemes of Demerged Company and any such contribution so made shall continue to be eligible of all benefits under the applicable laws. Further, the Resulting Company(ies) undertakes to continue to abide by the terms of agreement / settlement entered into by Demerged Company with employees' union / employee or associations of respective Demerged Undertaking(s).

(c) Resulting Company(ies) will file the relevant intimations to the statutory authorities concerned who shall take the same on record and endorse the name of the respective Resulting Company(ies) for Demerged Company.

3.5 Consideration:

(a) In consideration of vesting of respective Demerged Undertaking(s) pursuant to the Scheme, the respective Resulting Company(ies) after the Scheme becoming effective, shall issue its fully paid equity shares of Rs. 10/- each at par for an amount equivalent to the book value of the net assets (all assets transferred pursuant to the Scheme as reduced by the book value of liabilities and/or reserves, except the revaluation reserve, taken over) of the respective Demerged Undertaking(s) as on the Appointed Date, as determined by valuers appointed by the Board of Demerged Company and Resulting Companies, to the equity shareholders of the Demerged Company in proportion of their shareholding in the Demerged Company. In the manner given herein below:

(i) Resulting Company-I shall issue and allot 30,926,693 equity shares to the shareholders of the Demerged Company in proportion to their shareholding as on Demerger Record Date;

(ii) Resulting Company-II shall issue and allot 17,09,711 equity shares to the shareholders of the Demerged Company in proportion to their shareholding as on Demerger Record Date;

(iii) Resulting Company-III shall issue and allot 15,89,894 equity shares to the shareholders of the Demerged Company in proportion to their shareholding as on Demerger Record Date;

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(iv) Resulting Company-IV shall issue and allot 82,48,394 equity shares to the shareholders of the Demerged Company in proportion to their shareholding as on Demerger Record Date.

(b) Any fractional entitlement arising out of issue of shares by the Resulting Company(ies), in terms of clause 3.5(a) herein above, shall be ignored. Consequently, if there are any share(s) to be issued pursuant to clause 3.5(a) which remain unallotted on account of ignoring fractional allotments ("fractional share(s)"), the Board of the respective Resulting Company(ies) shall allot such fractional share(s) in the respective Resulting Company(ies) to any person , as they may deem fit and proper and such person shall realize and distribute the proceeds of sale of such fractional share(s) to the shareholders of the Demerged Company who were entitled to receive the fractional entitlements. The remuneration, if any, to be paid to the person shall be borne proportionately by the relevant Resulting Companies and not to be accounted for while determining the net proceeds payable to the shareholders of the Demerged Company.

(c) The equity shares to be issued and allotted in terms of clause 3.5(a) hereinabove shall rank pari passu in all respects with the existing equity shares of respective Resulting Company(ies).

(d) The equity shares of Resulting Company(ies) to be issued in terms hereof shall be subject to the Memorandum and Articles of Association of respective Resulting Company(ies).

(e) In order to issue equity shares in terms of clause 3.5(a) herein above and upon the scheme becoming effective, the authorised share capital of the respective Resulting Company(ies) shall stand increased equivalent to the value of shares to be issued by the respective Resulting Company(ies) and the respective Resulting Company(ies) shall pay the requisite filing fee and/or stamp duty and/or other charges, if any, on the authorised share capital so increased; and the respective Resulting Company(ies) shall also file the relevant forms with the ROC.

(f) It is hereby clarified that for the purposes of Clause 3.5(e), the consent of the shareholders of the Resulting Company(ies) i.e. the Demerged Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution under Section 16, Section 31, Section 94 or any other applicable provisions of the Act would be required to be separately passed.

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(g) Further, the Resulting Company(ies) shall file the amended copy of its Memorandum and Articles of Association with ROC within 30 days from the Effective Date and the ROC shall take the same on record.

3.6 Accounting Treatment in the books of Resulting Companies

(a) Upon the Scheme becoming effective, all the assets and liabilities of Demerged Undertaking-I, Demerged Undertaking-II, Demerged Undertaking-III and Demerged Undertaking-IV, shall be transferred and vested in Resulting Company-I, Resulting Company-II, Resulting Company-III and Resulting Company-IV; respectively, at the values appearing in the books of Demerged Company, including the values recorded in the books of Demerged Company of the assets which are taken over in the Demerged Company pursuant to Part-II of the Scheme.;

(b) Respective Resulting Company(ies) shall credit to their share capital account the aggregate face value of the equity shares issued by it to the shareholders of Demerged Company pursuant to this Scheme;

(c) The excess/deficit, if any, of the aggregate value of the assets over the aggregate value of the liabilities of the Demerged Undertaking(s) recorded by respective Resulting Company(ies) upon their transfer to and vesting in Resulting Company(ies) under the Scheme after adjusting the aggregate value of the equity shares issued and allotted in terms of para 3.5(a) above shall be adjusted to the general reserve account by the respective Resulting Company(ies).

3.7 Accounting Treatment in the books of Demerged Company

(a) Upon the Scheme becoming effective, the amount of difference between the aggregate value of assets over the aggregate value of liabilities of the Demerged Undertaking(s), as transferred by Demerged Company to respective Resulting Company(ies), shall be adjusted first from the from the general reserve of the Demerged Company and the balance, if any, shall be adjusted against the profit & loss account of the Demerged Company.

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PART -IV

4.1 Residual Business of the Demerged Company

(a) The Residual Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong and remain vested in and be managed by the Demerged Company.

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(b) All legal, taxation including income tax appeals or other proceedings whether civil or criminal, particularly the complaints filed by Demerged Company under the provisions of Negotiable Instruments Act, 1881, (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Residual Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Residual Business) shall be continued and enforced by or against the Demerged Company after the Effective Date, which shall keep the Resulting Companies fully indemnified in that behalf. The Resulting Company(ies) shall in no event be responsible or liable in relation to any such legal or other proceeding against the Demerged Company.

(c) If proceedings are taken against the Resulting Company(ies) in respect of the matters referred to in clause (a) above, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company(ies) against all liabilities and obligations incurred by the Resulting Company(ies) in respect thereof.

4.2 Upon coming into effect of the Scheme, all patents, trademarks, copyrights, if any, registered with the authorities concerned or applications submitted at any time on or before the Effective Date by the Demerged Company and pertaining to the Residual Business shall continue to vest and owned by the Demerged Company without any interruption or interference by the Resulting Company(ies).

4.3 In so far as the existing security in respect of any loan/borrowing/liability of the Residual Business is concerned, such security shall continue to extend to and operate over the assets comprised in the Residual Business and/or assets comprised in the Demerged Undertaking, as the case may be, which have been charged and secured in respect of such loan/borrowing/liability of the Residual Business as transferred to the Resulting Company(ies) pursuant to this Scheme.

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PART IV

OTHER TERMS & CONDITIONS

5.1 Since Transferee Company/Demerged Company beneficially owns more than 90% of the issued, subscribed and paid up capital of the Transferor Company, Resulting Company-I, Resulting Company-II, Resulting Company-III and Resulting Company-IV, the Transferee Company would be entitled to the benefits of exemption/remission of stamp duty in terms of the relevant notification(s) under the Stamp Act(s) of relevant states.

5.2 **Application to the Hon'ble High Court:**

AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL shall with all reasonable dispatch make applications / petitions to the Hon'ble High Court under Sections 391 and 394 and other applicable provisions of the Act, for sanctioning the Scheme of Arrangement and for dissolution of AHPL without winding up and for convening and/or seeking exemption to convene the meeting of the shareholders and/or of the creditors, and to obtain all other approvals as may be required under law.

5.3 **Modifications/Amendments to the Scheme**

(a) AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL by their respective Board of Directors may make or assent from time to time on behalf of all persons concerned to any extension, modification or amendments of this Scheme or any of conditions or limitation which the Hon'ble High Court and/or any authorities/persons may deem fit to approve of or impose or which may otherwise be considered necessary, desirable or appropriate by the Board of Directors of AHPL and/or SCCL and/or SCHPL and/or SCHT and/or SHPL and/or SCPPL to resolve all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary for putting the Scheme into effect.

(b) For the purpose of giving effect to this Scheme or to any modification or amendments thereof, the Board of Directors of AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL may give and are authorized to give all such directions as are necessary including directions for settling any question or doubt or difficulty that

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5.4 There is no likelihood that any creditor of AHPL or SCCL or SCHPL or SCHT or SHPL or SCPPL would lose or be prejudiced as a result of the proposed Scheme being passed. The arrangement will in no way cost any additional burden on the shareholders of any of these companies nor will it prejudicially affect the interests of any of the classes of the creditors.

5.5 If any part of this Scheme hereof is ruled illegal or invalid by, or is not sanctioned by the Hon'ble High Court, or is unenforceable under present or future laws, or which otherwise is considered unnecessary, undesirable or inappropriate at any stage by the Board, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.

5.6 Approval of the Scheme under Section 391 & 394 of the Act shall also be deemed to be compliance of the provisions of sections 16,31, 81(1A), 94, 95, 100, 102 to 103 and other applicable provisions of the Act and rules and regulations made there under upon the Scheme becoming effective. .

5.7 Effect of non-receipt of approvals/sanctions:

(a) In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the Hon'ble High Court and/or the order not being passed as aforesaid within such period or periods as may be agreed upon by and among AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL, this Scheme shall stand revoked and cancelled and become null and void and be of no effect and in that event, no rights and liabilities whatsoever, shall accrue to or be incurred inter-se by AHPL or SCCL or SCHPL or SCHT or SHPL or SCPPL or their shareholders or creditors or employees or any other person.

(b) In the event any of the conditions that may be imposed by the Hon'ble High Court and/or competent authority which AHPL and/or SCCL and/or SCHPL and/or SCHT and/or SHPL and/or SCPPL may find unacceptable for any reason or Board of Directors of AHPL and/or SCCL and/or SCHPL and/or SCHT

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and/or SHPL and/or SCPPL decides otherwise, then they are at liberty to withdraw from the Scheme.

(c) If any part of this Scheme is found to be unworkable for any reason whatsoever the same shall not, subject to the decision of AHPL, SCCL, SCHPL, SCHT, SHPL and SCPPL affect the validity of or implementation of the other part and/or the provisions of this Scheme.

5.8 **Expenses Connected with the Scheme:**

SCCL shall bear all costs, charges and expenses in relation to or in connection with or incidental to this Scheme and of carrying out and completing the terms and provisions of the Scheme and/or incidental to the completion of the terms in pursuance of this Scheme.

ATLANTIC HOTELS PRIVATE LIMITED

For Atlantic Hotels Pvt. Ltd.

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S. CHAND & COMPANY LIMITED

M/s. S. CHAND & CO. LTD.

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S. CHAND HOTELS PRIVATE LIMITED

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SC HOTELS TOURIST DELUXE PRIVATE LIMITED

For SC Hotel Tourist Deluxe Pvt. Ltd.

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SHAARA HOSPITALITIES PRIVATE LIMITED

For SHAARA HOSPITALITIES PVT. LTD.

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Authorised Signatory.

For S. Chand properties Pvt. Ltd.

S CHAND PROPERTIES PRIVATE LIMITED

Authorised Signatory

Legal Counsel for the Scheme:
Vaish Associates, Advocates,
Flat No. 5-7, 10, Hailey Road,
New Delhi-110001

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Schedule - II

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SCHEDULE-I

Details of the assets and liabilities of the Demerged Company pertaining to the Demerged Company-I as on the Appointed Date

Assets		**Amt. in Rupees**
Fixed Assets		605,560,682
Current Assets , Loans & Advances		
Stock	6,500,000	
Debtors	805,135	
Cash & Bank Balance	7,073	
Loan & Advances	8,023,101	
	15,335,309	
Less: Current Liabilities & Provisions	26,082,214	(10,746,905)
Total Assets		**594,813,777**
Liabilities		
Secured Loan		285,546,848
Total Liabilities		**285,546,848**

M/s. S. CHAND & CO. LTD.

For S. Chand properties Pvt. Ltd.

For S. [illegible] Ltd.

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SCHEDULE-II

Details of the assets and liabilities of the Demerged Company pertaining to the Demerged Company-II as on the Appointed Date

Assets		Amt in Rupees
Fixed Assets		15,516,516
Current Assets , Loans & Advances		
Stock	750,000	
Debtors	2,285,832	
Cash & Bank Balance	(579,411)	
Loan & Advances	531,607	
	2,988,028	
Less: Current Liabilities & Provisions	1,407,432	1,580,596
Total Assets		**17,097,112**
Liabilities		Nil

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SCHEDULE-III

Details of the assets and liabilities of the Demerged Company pertaining to the Demerged Company-III as on the Appointed Date

Assets		**Amt. in Rupees**
Fixed Assets		676,557,377
Investments		1,000
Deferred Tax Assets		17,000,954
Current Assets , Loans & Advances		
Cash & Bank Balance	4,426,267	
Loan & Advances	17,224,933	
	21,651,200	
Less: Current Liabilities & Provisions	28,595,204	(6,944,004)
Total Assets		**686,615,327**
Liabilities		
Secured Loan		337,003,666
Unsecured Loan		333,712,720
Total Liabilities		**670,716,386**

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SCHEDULE-IV

Details of the assets and liabilities of the Demerged Company pertaining to the Demerged Company-IV as on the Appointed Date

Assets		**Amt. in Rupees**
Fixed Assets		98,708,132
Current Assets , Loans & Advances		
Less: Current Liabilities & Provisions	16,224,188	(16,224,188)
Total Assets		**82,483,944**
Liabilities		Nil

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Schedule-II

(1)

SCHEDULE OF ASSETS OF THE DEMERGED UNDERTAKING -I OF S.CHAND & COMPANY LIMITED TO BE TRANSFERRED TO S.CHAND HOTELS PRIVATE LIMITED

PART – I

A short description of the freehold properties of Demerged Undertaking -I of S.Chand & Company Limited to be transferred to S.Chand Hotels Private Limited

S NO.	PARTICULARS OF LAND AND BUILDING	AREA (sq mtrs.)	Property Registration Details
1.	90 Rooms Hotel Namely Iris Hometel, At: 1-C, Sub District Centre, New Delhi 110085	1500 (With Land & Building)	Registration no.5564 Addl Book No.I Vol No. 2911 Pg No. 19 to 22 Dtd: 26.03.2008

PART –II

Short description of all stocks, shares, debentures and other charges of Demerged Undertaking -I of S.Chand & Company Limited to be transferred to S.Chand Hotels Private Limited

All current assets, loans and advances, cash/bank balances and other miscellaneous assets as per the books of accounts of the Demerged Undertaking; all the undertakings, the entire businesses, properties (whether movable or immovable, tangible or intangible), including but not limited to land, plant and machinery, buildings and structures, offices, residential and other premises, deposits for purchase of flat, furniture, fixture, goodwill, vehicles, computers, communication, office equipment, appliances, accessories, power lines, deposits, all stocks, investments of all kinds (including shares, scrips, stocks, bonds, debenture stock, units or pass through certificates), cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases (including lease rights and prospecting leases, if any) and hire purchase contracts, licensing arrangements, lending contracts, benefit of any security

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For SC Hotel Tourist Deluxe Pvt. Ltd. Authorised Signatory

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arrangements, reversions, powers, authorities, allotments, approvals, permits, quotas, consents, rights, entitlements, contracts, licenses, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, benefits of assets or properties or other interest held in trust, registrations, agreements, engagements, easements arrangements of all kind, privileges, liberties, concessions, grants, claims, subsidies, incentives, special status or privileges enjoyed or conferred upon or held or availed by the Demerged Undertaking and all other rights including tax deferrals and other benefits (including tax benefits) and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power, possession and in the control of or vested in or granted in favor of or enjoyed by the Demerged Undertaking, including but without being limited to trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the Demerged Undertaking.

SCHEDULE OF ASSETS OF THE DEMERGED UNDERTAKING -II OF S.CHAND & COMPANY LIMITED TO BE TRANSFERRED TO SC HOTEL TOURIST DELUXE PRIVATE LIMITED

PART – I

A short description of the freehold properties of Demerged Undertaking -II of S.Chand & Company Limited to be transferred to SC Hotel Tourist Deluxe Private Limited

S NO.	PARTICULARS OF LAND AND BUILDING	AREA
1.	44 Rooms Building of Hotel namely Hotel Tourist Deluxe, At: 7361, Ram Nagar, New Delhi 110055	Only Building of Basement, Ground Floor and Four Floors above that.

S. CHAND & CO. LTD.

PART –II

For SC Hotel Tourist Deluxe Pvt. Ltd.

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Short description of all stocks, shares, debentures and other charges of Demerged Undertaking -II of S.Chand & Company Limited to be transferred to SC Hotel Tourist Deluxe Private Limited

All current assets, loans and advances, cash/bank balances and other miscellaneous assets as per the books of accounts of the Demerged Undertaking; all the undertakings, the entire businesses, properties (whether movable or immovable, tangible or intangible), including but not limited to land, plant and machinery, buildings and structures, offices, residential and other premises, deposits for purchase of flat, furniture, fixture, goodwill, vehicles, computers, communication, office equipment, appliances, accessories, power lines, deposits, all stocks, investments of all kinds (including shares, scrips, stocks, bonds, debenture stock, units or pass through certificates), cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases (including lease rights and prospecting leases, if any) and hire purchase contracts, licensing arrangements, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits, quotas, consents, rights, entitlements, contracts, licenses, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, benefits of assets or properties or other interest held in trust, registrations, agreements, engagements, easements arrangements of all kind, privileges, liberties, concessions, grants, claims, subsidies, incentives, special status or privileges enjoyed or conferred upon or held or availed by the Demerged Undertaking and all other rights including tax deferrals and other benefits (including tax benefits) and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power, possession and in the control of or vested in or granted in favor of or enjoyed by the Demerged Undertaking, including but without being limited to trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information,

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customer and supplier pricing information and other records in connection with or relating to the Demerged Undertaking.

SCHEDULE OF ASSETS OF THE DEMERGED UNDERTAKING -III OF S.CHAND & COMPANY LIMITED TO BE TRANSFERRED TO SHAARA HOSPITALITIES PRIVATE LIMITED

PART – I

A short description of the freehold properties of Demerged Undertaking -III of S.Chand & Company Limited to be transferred to SHAARA Hospitalities Private Limited

S NO.	PARTICULARS OF LAND AND BUILDING	AREA (sq mtrs.)	Property Registration Detail
1.	Land & Building of Atlantic Hotels Private Limited., Registered Office at No.2, Montieth Road, Egmore Chennai 600008	6860 (With Land & Building)	Registered Document no. 3913Book No. I Of 1972

PART –II

Short description of all stocks, shares, debentures and other charges of Demerged Undertaking -III of S.Chand & Company Limited to be transferred to SHAARA Hospitalities Private Limited

All current assets, loans and advances, cash/bank balances and other miscellaneous assets as per the books of accounts of the Demerged Undertaking; all the undertakings, the entire businesses, properties (whether movable or immovable, tangible or intangible), including but not limited to land, plant and machinery, buildings and structures, offices, residential and other premises, deposits for purchase of flat, furniture, fixture, goodwill, vehicles, computers, communication, office equipment, appliances, accessories, power lines, deposits, all stocks, investments of all kinds (including shares, scrips, stocks, bonds, debenture stock, units or pass through certificates), cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases (including lease rights and prospecting leases, if any) and hire purchase contracts, licensing arrangements, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits,

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quotas, consents, rights, entitlements, contracts, licenses, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, benefits of assets or properties or other interest held in trust, registrations, agreements, engagements, easements arrangements of all kind, privileges, liberties, concessions, grants, claims, subsidies, incentives, special status or privileges enjoyed or conferred upon or held or availed by the Demerged Undertaking and all other rights including tax deferrals and other benefits (including tax benefits) and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power, possession and in the control of or vested in or granted in favor of or enjoyed by the Demerged Undertaking, including but without being limited to trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the Demerged Undertaking.

SCHEDULE OF ASSETS OF THE DEMERGED UNDERTAKING -IV OF S.CHAND & COMPANY LIMITED TO BE TRANSFERRED TO S.CHAND PROPERTIES PRIVATE LIMITED

PART – I

A short description of the freehold properties of Demerged Undertaking -IV of S.Chand & Company Limited to be transferred to S.Chand Properties Private limited

S NO.	PARTICULARS OF LAND AND BUILDING	AREA (sq mtrs.)	Registration Details
1.	2/3rd portion of land of Ravindra Mansion situated at 7361, Ram Nagar, Qutab Road, New Delhi – 110055, at 1st and 2ndcFloor	2237 FF & SF	Registration no.2016 Addl Book no.8 Pg no. 53-69

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2	Office Unit G-5,6,7,8 At: Ahuja Chambers , premises No. 1 , Kumarkrupa Road , High Grounds , Bangalore – 560001	153 (With Land & Building)	Two Sale Deeds Registration No.3475 Book No.I Dated 31.07.1987 Registration No.3371 Book No. I 03.08.1987
3.	1st Floor , Dilip Commercial Building , Motilal Nehru Road , Pan Bazaar , Guwahati – 1	312 (With Land & Building)	Two Sale Deeds Deed no.2090 Dated 21.04.1995 Deed no. 1864 Dtd: 19.04.1996
4.	Municipal No. N.D.2 , Circular, in Mohalla Bikrampura , Jullundur City , shops on Ground, First & Second Floor office	627 (With Land & Building)	Registration no.257 Book No. I Vol No. 329 Pg No. 142-151 Dated 16.02.1982
5.	House No. 30 , Kutcheri Road known as 173/11 , Dr. B.N.Verma Road Wazirganj , Lucknow	172 (With Land & Building)	Registration no.2339 Deed No.986 Pg no. 117-140 Dtd: 27.05.1996
6.	Office 383/310 , 384/311 , 385/312 at Govind Mitra Road , Bankpore , Patna	320	Builder Buyer Agreement
7.	Premises No. 285/J Bow Baraar Street , Kolkata	189	Deed No. 588 Document no. 3568/3377 Book No. I Vol No. 80 Dtd: 02.02.1980

M/s. S. CHAND & CO. LTD.

For S. Chand Hotels Pvt. Ltd.

For SHAARA HOSPITALITIES PVT. LT[illegible]

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8.	Blackie House , 103/5 , Fort Street , Mumbai – 1 (Ground Floor & Second Floor)	491.74	Registration No.1432/78 Book no. I Dtd: 17.09.1982
9.	B-33 , NDSE South Extension, 2nd Floor , New Delhi	209	Registraion no. 4278 Book No. I Vol No 1677 Pg No. 152-163
10.	A 27, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110044	6951 (With Land & Building)	Documents no.3228 Addl Book No. 70 Vol No.51 Pg No. 175-179 Dtd 22.09.1997
11.	19 A, Daryaganj, Muncipal no. 4633, New Delhi.	127.97	Regn No. 3317 Add Book No I Vol No. 3357 Pg No. 90-98 Dated 30.08.1979

PART – II

Short description of all stocks, shares, debentures and other charges of Demerged Undertaking -IV of S.Chand & Company Limited to be transferred to S.Chand Properties Private Limited

All current assets, loans and advances, cash/bank balances and other miscellaneous assets as per the books of accounts of the Demerged Undertaking; all the undertakings, the entire businesses, properties (whether movable or immovable, tangible or intangible), including but not limited to land, plant and machinery, buildings and structures, offices, residential and other premises, deposits for purchase of flat, furniture, fixture, goodwill, vehicles, computers, communication, office equipment, appliances, accessories, power lines, deposits, all stocks, investments of all kinds (including shares, scrips, stocks, bonds, debenture stock, units or pass

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through certificates), cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases (including lease rights and prospecting leases, if any) and hire purchase contracts, licensing arrangements, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits, quotas, consents, rights, entitlements, contracts, licenses, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, benefits of assets or properties or other interest held in trust, registrations, agreements, engagements, easements arrangements of all kind, privileges, liberties, concessions, grants, claims, subsidies, incentives, special status or privileges enjoyed or conferred upon or held or availed by the Demerged Undertaking and all other rights including tax deferrals and other benefits (including tax benefits) and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power, possession and in the control of or vested in or granted in favor of or enjoyed by the Demerged Undertaking, including but without being limited to trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the Demerged Undertaking.

Dated this the 21st October, 2011
By order of the Court

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Registrar (Co.) 16-1-12
for Registrar General

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IN THE HIGH COURT OF DELHI AT NEW DELHI

(ORIGINAL JURISDICTION)

COMPANY PETITION NO. 40 OF 2008

CONNECTED WITH

COMPANY APPLICATION (MAIN) NO. 145 OF 2007

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IN THE MATTER OF:

S. CHAND AND COMPANY LIMITED

...TRANSFEROR COMPANY

AND

RKG HOSPITALITIES PRIVATE LIMITED

...TRANSFEREE COMPANY

MEMO OF PARTIES

S. CHAND AND COMPANY LIMITED
HAVING REGISTERED OFFICE AT
7361, RAVINDRA MANSION,
RAM NAGAR,
NEW DELHI 110055

...TRANSFEROR COMPANY

AND

RKG HOSPITALITIES PRIVATE LIMITED
HAVING REGISTERED OFFICE AT
19, ANSARI ROAD DARYAGANJ,
NEW DELHI- 110002

...TRANSFEREE COMPANY

THROUGH

ATUL SHARMA/ RAVI VARMA
LINK LEGAL
ADVOCATES
109, GOLF APARTMENTS,
MAHARISHI RAMANNA MARG
NEW DELHI – 110 003

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IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)
IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF DEMERGER
BETWEEN
COMPANY PETITION NO. 40/2008
CONNECTED WITH
COMPANY APPLICATION (M) NO. 145/2007

IN THE MATTER OF M/s. S. Chand & Company Ltd.
having its Regd. office at:
7361, Ravindra Mansion,
Ram Nagar, New Delhi – 110 055

....Petitioner/Transferor Company

WITH

IN THE MATTER OF M/s. RKG Hospitalities Pvt. Ltd.
having its Regd. office at :
19, Ansari Road,
Darya Ganj, New Delhi – 110 002

....Petitioner/Transferee Company

BEFORE HON'BLE MS. JUSTICE GITA MITTAL
DATED THIS THE 03rd DAY OF OCTOBER, 2008

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petitions came up for hearing on 03/10/2008 for sanction of Scheme of Demerger proposed to be made between M/s. S. Chand & Co. Ltd. (hereinafter referred to as Transferor Company) with M/s. RKG Hospitalities Pvt. Ltd. (hereinafter referred to as the Transferee Company). The Court examined the petition; the order dt. 15/11/2007, passed in CA(M) 145/07, whereby the requirement of convening and holding the meeting of the Equity Shareholders & Unsecured Creditors of the Transferor and Transferee Company was dispensed with; there being no Secured Creditors of Transferee Company and the meeting of Secured Creditors of the Transferor Company was ordered to be convened for the purpose of considering and if thought fit approving with or without modification, the Scheme of Demerger annexed to the affidavit of Mrs. Nirmala Gupta and Mr. Ravinder Kumar Gupta, Director of the Petitioner Companies filed on 27th day of September, 2007 and the publication in the newspapers namely (1) Statesman (English) (2) Jansatta (Hindi) dt. 21/12/2007 each containing the advertisement of the said notice; the affidavit of Ms. Avnish Ahlawat, Chairperson appointed for the meeting, filed on 28/01/08 showing the publication and despatch of the notices convening the said meeting and the report of the Chairperson of the said meeting as to the result of the said meeting.

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The Court also examined the report filed by Shri Dhan Raj, Regional Director Northern Region, Ministry of Corporate Affairs, Noida on behalf of Central Government vide affidavit dated 14/07/2008 stating that Para 6(a) of the Scheme provides that the Transferee Company shall, without further act or deed issue and allot to every member of the Transferor Company 5,32,53,200 Equity Shares in the Transferee Company of the face value of Rs. 10/- each fully paid up to the Equity Shareholders of the Transferor Company for every one Equity Share of Rs. 1000/- each held by them in Transferor Company, while M/s SSRA & Co., Chartered Accountants had recommended that existing Shareholders of the Transferor Company be issued 53,200 shares in new Company for every one share held by them. It was further submitted that Para 6(a) of the Scheme is contradictory to the valuation report prepared the Chartered Accountants.

In response to the objection raised by the Regional Director(NR), the Petitioners filed an additional affidavit of Shri Himanshu Gupta, Joint Managing Director stating that an inadvertent typographical error had occurred in Para 6(a) of the Share allotment, re-organisation of Share Capital and Share Premium account and Para 5(i)(b) of the General Terms and Conditions of the Scheme. Instead of stating the number of shares being allotted after Demerger, the value of shares has been stated. The Joint Managing Director of the Transferor Company stated that the figure of 53,253,200 has been erroneously typed instead of 53,200 which is the actual number of Equity Shares of the Transferee Company to be allotted for each share of Rs. 1,000/- held in the Transferor Company to the existing shareholders of the Transferor Company as was clear from the share valuation certificate dated 21.05.2007. It was also stated that in Para 5(i)(b) of the Scheme, at the fourth row of the table, against the total number of Equity Shares of the Transferee Company to be issued to the Equity Shareholders of the Transferor Company, instead of 53,253,200 the figure of Rs. 53,253,200 has been typed. Thus, the word 'Rs.' needed to be removed. The explanation given by the petitioners was accepted and the correction in the proposed Scheme has been taken on record. The share valuation certificate, reflecting the correct valuation and exchange ratio, was before the Directors, Shareholders and Creditors when they considered the Scheme. There is no material change in the Scheme proposed by virtue of the correction. The Court ordered that in view of the above, the objections raised by the Regional Director did not survive.

Upon hearing Shri Atul Sharma and Mr. Ravi Verma, Advocates for the petitioners, Ms. Manisha Tyagi for the Official Liquidator and Mr. Raisuddin, Asstt. Registrar of companies in person; and in view of the approval of the Scheme of Demerger without any modification, by the Equity Shareholders, Secured and Unsecured Creditors of the Transferor and Transferee

Companies; and there being no investigation proceedings pending in relation to the petitioner companies under Section 235 to 251 of the Companies Act, 1956,

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF DEMERGER set forth in Schedule-I annexed hereto and Doth hereby declare the same to be binding on all the shareholders and creditors of the Transferor and Transferee Companies and all concerned and doth approve the said Scheme of Demerger with effect from the appointed date i.e. 01/04/2007.

AND THIS COURT DOTH FURTHER ORDER:

1. That all the property, rights and powers of the Investment and Realty Divisions of Transferor Company specified in the First, Second and Third parts of the Schedule-II hereto and all other property, rights and powers of the Investment and Realty Divisions of Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company for all the estate and interest of the Investment and Realty Divisions of Transferor Company therein but subject nevertheless to all charges now affecting the same; and

2. That all the liabilities and duties of the Investment and Realty Divisions of Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and

3. That all the proceedings now pending by or against the Investment and Realty Divisions of Transferor Company be continued by or against the Transferee Company; and

4. That the Transferee Company do without further application allot to such members of the Investment and Realty Divisions of Transferor Company as have not given such notice of dissent as is required by Clause 6(a) given in the Scheme of Demerger herein the shares in the Transferee Company to which they are entitled under the said Demerger; and

5. That the Transferor Company do within five weeks after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration; and

6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

ATTESTED

Examiner Judicial Deptt

High Court of Delhi

SCHEDULE-I

SCHEME OF DEMERGER

S. CHAND AND COMPANY LIMITED — TRANSFEROR COMPANY

WITH

RKG HOSPITALITIES PRIVATE LIMITED — TRANSFEREE COMPANY

AND THEIR RESPECTIVE SHAREHOLDERS

This Scheme of Demerger (hereinafter referred to as the "**Scheme**" provides for the Demerger of **S. CHAND AND COMPANY LIMITED** having its registered office at 7361, Ravindra Mansion, Ram Nagar, New Delhi 110055 (hereinafter referred to as the "**Transferor Company**") into **RKG HOSPITALITIES PRIVATE LIMITED**, having its registered office at 19, Ansari Road, Daryaganj, New Delhi – 110002 (hereinafter referred to as the "**Transferee Company**"), pursuant to the relevant provisions of the Companies Act, 1956.

1. DEFINITIONS

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

(i) "**Act**" means the Companies Act, 1956.

(ii) "**Appointed Date**" means 1st April 2007 or such other date as the Court may approve.

(iii). "**Effective Date**" means the date on which the last of the approvals or sanctions specified in Article 33 of the Scheme shall have been obtained and a certified copy of the order of the Hon'ble High Court of Delhi has been filed with the Registrar of Companies, NCT of Delhi and Haryana as required, under the provisions of the Act.

(iv). "**Residuary business**" means the entire business of the Publication division, Hotel division and Share Business division and includes the following: -

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High Court of Delhi

a) All properties and assets, movable and immovable, tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent or of whatsoever nature, where-so-ever situated, as

For S. Chand & Co. Ltd.

For RKG Hospitalities Pvt. Ltd.

on the Appointed Date along with land and buildings, plant and machinery, capital work in progress, vehicles, equipments, furniture and fittings, sundry debtors, investments, inventories, cash and bank balances, bills of exchange, deposits, loans and advances etc. of the Residuary Business.

b) All leases or parts thereof, tenancy rights and agency of the Transferor Company, pertaining to the Residuary Business and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests, charges, privileges, benefits, entitlements, industrial and other licenses (and/or conditions attached thereto), registrations, liberties, easements, advantages pertaining to the Residuary Business, equipment, electricity and other such connections, rights and benefits of all agreements and allotments held by or applied for by the Transferor Company after the appointed date and pertaining to the Residuary Business and/or to which the Transferor Company is entitled to in respect of the said Residuary Business of whatsoever kind, nature or description held, applied for or may be obtained thereafter or to which the Transferor Company is entitled to in respect of the Residuary Business together with the benefit of all contracts and engagements and all books, papers, documents and records, related to the Residuary Business and all rights, obligations, benefits available under any rules, regulations, statutes including direct and indirect taxes in respect of the Residuary Business.

c) All debts, liabilities, loans including related guarantees and obligations, provisions, deposits present and future, contingent or of whatsoever nature, relating to the Residuary Business of the Transferor Company.

d) All permanent employees of the Transferor Company engaged in or in relation to and required in the opinion of the Transferor Company's management for the Residuary Business of the Transferor Company at the works, press, branches and other offices etc.

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For S. Chand & Co. Ltd.

Managing Director

For RKG Hospitalities Pvt. Ltd.

Director

(v) "**Demerged Business** " means the entire business, assets and investments of the Investment & Realty Divisions currently of the Transferor Company and to be Demerged to the Transferee Company as set out in **Annexure A** and includes the following:-

a) All properties and assets, movable and immovable, tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent or of whatsoever nature, where-so-ever situated, as on the Appointed Date along with land and buildings, plant and machinery, capital work in progress, vehicles, equipments, furniture and fittings, sundry debtors, investments, inventories, cash and bank balances, bills of exchange, deposits, loans and advances etc. of the Investment & Realty Division.

b) All leases or parts thereof, tenancy rights and agency of the Transferor Company, pertaining to the Investment & Realty Division and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests, charges, privileges, benefits, entitlements, industrial and other licenses (and/or conditions attached thereto), registrations, quotas, trademarks, patents, copyrights, brand names, import quotas, liberties, easements, advantages pertaining to the Investment & Realty Division, equipment, electricity and other such connections, rights and benefits of all agreements and allotments held by or applied for by the Transferor Company after the appointed date and pertaining to the Investment & Realty Division and/or to which the Transferor Company is entitled to in respect of the said divisions of whatsoever kind, nature or description held, applied for or may be obtained thereafter or to which the Transferor Company is entitled to in respect of the Investment & Realty Division together with the benefit of all contracts and engagements and all books, papers, documents and records, related to the Investment & Realty Division and all rights, obligations, benefits available under any rules, regulations, statutes including direct and indirect taxes in respect of the Investment & Realty Division.

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For S. Chand & Co. Ltd.

Managing Director

For RKS Hospitalities Pvt. Ltd.

c) All the assets including leasehold assets and movable assets together with all present and future liabilities including any contingents/ statutory liabilities and debts and undertakings of the Transferor Company, as per the records of the Transferor Company pertaining to the Investment & Realty Division.

d) All application monies, advance monies, earnest monies and / or security deposits paid, payments against other entitlements of the Transferor Company relating to the Investment & Realty Division.

e) All debts, liabilities, loans and obligations, provisions, deposits present and future, contingent or of whatsoever nature, relating to the Investment & Realty Division of the Transferor Company.

f) All immovable assets, whether freehold, leasehold or otherwise, including all buildings, fixtures, structures, plant, machinery, depots, warehouses and / or any other developments or rights and facilities related thereto of the Transferor Company pertaining to Investment & Realty Division including those comprised in the undertakings illustratively (and not exhaustively) listed out in the records of Transferor Company.

(vi) The "**Transferor Company**" means S. Chand and Co. Ltd, a company incorporated under the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi and Haryana on 9.9.1970 having its Registered Office at 7361, Ramnagar , New Delhi - 110055 under the Certificate of Incorporation No.5400 in the name of S. Chand & Co.Ltd.

(vii) The "**Transferee Company**" means RKG Hospitalities Private Ltd, a company incorporated under the Companies Act, 1956 as a Private Limited company with the Registrar of Companies, NCT of Delhi and Haryana having its registered office at 19, Ansari Road , Daryaganj , New Delhi - 110002 under the Certificate

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For S. Chand & Co.
Managing Director

For RKG Hospitalities Pvt. Ltd.

of Incorporation No160538 issued by the Registrar of Companies, NCT of Delhi and Haryana..

2. **SHARE CAPITAL**

2.1 The Authorised, Issued, Subscribed and Paid up Share capital of the Transferor Company as on the Appointed Date was as under:-

Authorised:

2,500 Equity shares of Rs.1, 000 each		2,500,000
Total		**2,500,000**
Issued, Subscribed and Paid-up :		
1,001 Equity shares of Rs.1, 000 each fully paid up in cash		1,001,000
Add: Forfeited shares – 1,499 Equity shares of Rs.1, 000 each (fully called up but only Rs.300 each paid up in cash)		449,700
Total		**1,450,700**

2.2 The present capital structure of the Transferee Company is as under:

Authorised:

10,000 Equity Shares of Rs. 10 each		100,000
Total		100,000
Issued, Subscribed and Paid-up:		
10,000 Equity shares of Rs. 10 each		100,000
Total		100,000

2.3 Shareholding pattern of the Transferor Company as on the Appointed Date is filed as **Annexure B.**

2.4 Shareholding pattern of the Transferee Company as on the Appointed Date is filed as **Annexure C.**

For S. Chand & Co. Ltd.

Managing Director

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For RKG Hospitalities Pvt. Ltd.

3. **THE RATIONALE OF THE SCHEME**

The circumstances, reasons and grounds that necessitated and justify the Scheme of Arrangement of the Transferor Company and the Transferee Company are, inter alia, as follows:

3.1 The Transferor Company is carrying on and owning the following business divisions namely:

i). Publication Division

ii). Hotel Division

iii). Investment & Realty Division

iv). Share Business Division

3.2 The Transferor Company considers it desirable to separate the Investment & Realty Division from the other three divisions namely the Publication Division, Hotels and the Share business division to provide independent growth and expansion of the respective businesses by facilitating greater focus and utilization of resources with the ultimate aim of enhancement of profitability. With this intent in view it is proposed that the Investment & Realty Division be demerged into the Transferee Company. The Transferor Company will eventually remain and continue to exist as an entity having the Publication, Hotels and the Share business division.

3.3 The Transferor Company intends to transfer the business of the Investment & Realty Divisions by way of Demerger to the Transferee Company with the ultimate intent of restructuring and reorganizing the share capital base under this Scheme of Arrangement between the shareholders of the two companies in the manner provided herein.

3.4 It is the expectation of the Board of Directors of the Transferor Company and the Transferee Company, that the proposed arrangement would result in generation of greater business opportunities, high profits and surpluses and would therefore, be in the best interests of the shareholders, creditors and employees of both the companies and would also be in the larger public interest.

3.5 The Scheme of Arrangement will provide:

For S. Chand & Co. Ltd.

Managing Director

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For RKG Hospitalities Pvt. Ltd.

(i). Clear management focus in as much as each Company will have a separate management, which can focus on improving shareholder value in each of them.

(ii). Each company shall be in a position to pursue its own growth strategy. As the businesses are expected to require different growth paths, keeping the two companies separate will ensure that each can pursue its own growth trajectory.

(iii). If the businesses are separated out through a Demerger process, the shareholders of the existing company will get a proportionate stake in both the companies.

4. TRANSFERRED/DEMERGED UNDERTAKING

4.1 With effect from the Appointed Date, all the properties, estates and interests of Transferor Company in the Demerged Businesses of the Investment & Realty Division in their entirety including but not restricted to its assets, liabilities, rights, leases including leases granted by any government authority including the State Government and Central Government, licenses, benefits, obligations etc. shall, pursuant to Section 394(2) of the Act and without any further act or deed be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee company on a 'going concern' basis, subject to all existing charges, mortgages, liens, encumbrances, if any created/existing in favour of banks and/or financial institutions and/or other lenders.

4.2 With effect from the Appointed Date, all statutory licenses, permissions, approvals, sanctions or consents required to carry on operations in the Demerged Business shall be transferred to/or vested in the Transferee Company without further act or deed and shall be appropriately mutated/transferred by the concerned authorities in favour of the Transferee Company upon the vesting and transfer of the business of the Transferor Company, pursuant to this Scheme. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions, approvals, sanctions or consents required to carry on the operations of the Demerged Business shall vest in and become available to the Transferee Company pursuant to the Scheme. Any no-objection certificates, licenses, permissions, consents, approvals, sanctions, authorizations, registrations or statutory

For S. Chand & Co.

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For AKG Hospitalities Pvt Ltd.

rights as are held by the Transferor Company including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Demerged Business shall be deemed to constitute separate licenses, permissions, no-objection certificates, consents, approvals, sanctions, authorizations, registrations or statutory rights, and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, upon the filing of the Scheme as sanctioned with such authorities and licensors after the same becomes effective, so as to facilitate the continuation of operation in the Transferee Company without hindrance from the appointed date.

4.3 It is expressly clarified that the movable assets of the Transferor Company pertaining to its Demerged Business, capable of transfer by physical delivery or endorsement shall be so transferred and/or delivered to the Transferee Company to the end and intent that the movable assets shall become the property of the Transferee Company on the Appointed Date. The venue for vesting of all such assets shall by virtue of the provisions of this scheme, be effected under the provisions of Section 394 of the said Act and shall take place at the respective locations.

4.4 All debts, liabilities and obligations of the Transferor Company relating to the Demerged Business as on the close of business on the date immediately preceding the Appointed Date, where provided in the books of accounts of the Transferor Company and other liabilities relating to the Demerged Business which may accrue or arise from the Appointed Date, but which relate to the period upon the day immediately preceding the Appointed Date, shall become the debts, liabilities, duties and obligations of the Transferee Company who shall undertake to meet, discharge and satisfy the same to the exclusion of the Transferor Company. The Transferee Company undertakes to meet, discharge and satisfy the same and keep the Transferor Company indemnified against all costs, losses, etc. in future in respect of such debts, liabilities and obligations.

Provided always that any reference, in the security documents or arrangements to which the Transferor Company is a party, to the assets of the Transferor Company offered as security for any financial assistance or obligations, shall be construed as a reference to the assets pertaining to the Transferor Company as are not vested in the Transferee Company by virtue of this Scheme.

For R.Chand & Co. Ltd.

Director

ATTESTED

For RKG Hospitalities Pvt. Ltd.

The scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company, which shall vest in the Transferee Company by virtue of the de-merger.

4.5 The Transferee Company undertakes to deal with the contingent liabilities in relation to the Demerged Business, if any, which are not transferred to or provided in the Balance Sheet of Demerged Business as on the Appointed Date and keep the Transferor Company indemnified from and against all liabilities, obligations, actions, claims and demands in respect thereof. In the event of any such liability being required to be met and paid by the Transferor Company, the Transferee Company shall deal with all proceedings in respect thereof in consultation with the Transferor Company and shall deal with the same as per the advise of the Transferor Company and at its own cost and the Transferee Company will indemnify and keep indemnified the Transferor Company from and against all liabilities, obligations actions, claims and demands in respect thereof..

(a) All legal or other proceedings by or against the Transferor Company, whether pending on the Appointed Date or any matter arising before the Appointed Date, and relating to the Demerged Business including those relating to any property, rights, power, liability, obligation or duty of the Transferor Company in respect of the Demerged Business shall be contested and enforced by or against the Transferee company. If any proceedings are instituted against the Transferor Company before the Effective Date, the Transferor Company will defend the same with due notice to the Transferee Company for indemnification from and against all liabilities, obligations, actions, claims and demands in respect thereof. However, after the Effective Date, the parties hereto shall take appropriate steps to substitute the name of the Transferee Company for that of Transferor Company.

(b) It is clarified that the settlements or compromises in favour of the Transferor Company in respect of all businesses including the Demerged Business shall continue to be enforced by the Transferor Company and any monies paid under the said settlements/compromises shall be divided between the Transferor and Transferee Company depending on the business to which the monies relate, i.e., if to the Demerged

For S. Chand & Co. Ltd.

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For RKG Hospitalities Pvt. Ltd.

Business then to the transferee company and if to the Residuary Business then to the Transferor Company.

5. **CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

Subject to the other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the Demerged Business to which the Transferor Company is a party subsisting or having effect immediately before the Appointed Date shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if the Transferee Company instead of the Transferor Company, had been a party thereto.

It is clarified that even after the Effective Date the Transferee Company shall be entitled to realize all monies and complete and enforce all pending contracts and transactions in respect of the Demerged Business, in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme finally stands devolved on the parties concerned.

6. Share Allotment, Reorganization of Share capital and Share Premium Account

(a) The Transferee Company shall, without further act or deed, issue and allot to every member of the Transferor Company, on a Record Date (hereinafter referred to as "Record Date" as determined by the Board of Directors) equity shares in the Transferee Company as follows –

53,200 equity shares in the Transferee Company, of the face value of Rs 10/- each fully paid up, to the equity shareholders of the Transferor Company for every one equity share of Rs 1000/- each held by them in Transferor Company.

(b) Such shares in the Transferee Company shall, for all purposes save as expressly provided otherwise be deemed to have been held by each member from the Appointed Date. The

For S. Chand & Co. Ltd.
Managing Director

ATTESTED

For RKG Hospitalities Pvt. Ltd.

Transferee Company shall be entitled to allot shares to those persons who hold shares as on record date in the Transferor Company. All equity shares issued and allotted by the Transferee Company in terms hereof shall rank *pari-passu* in all respects with effect from the Appointed Date.

(c) Upon the coming into effect of the Scheme and upon the vesting and transfer of Demerged Businesses of the Transferor Company to the Transferee Company above pursuant to the terms of this scheme and conditions thereof, the Transferor Company shall, without any further act or deed reduce and reorganize its capital in a way that the Reserves and Surplus of the Transferor Company will be reduced by Rs. 532,532,000/-.

(d) In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of the Transferor Company, it will be at the sole discretion of the Board of Directors of Transferor Company who shall be empowered in appropriate cases, even subsequent to the Appointed Date or the Effective Date as the case may be, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Appointed Date, in order to remove any difficulties arising to the Transferor of the share in the Transferee Company and in relation to the new shares after the Scheme becomes effective. The Board of Directors of the Transferor Company shall be empowered to remove such difficulties as may arise in the course of implementation of the Scheme and registration of new members on account of difficulties faced in the transaction period.

(e) The Transferee Company is expressly permitted to file and/or revise its Income-tax returns and related TDS Certificates and to claim refunds, advance tax credits etc. on the basis of the Opening Balance Sheet as above, becoming effective on the Appointed Date and its right to make such revisions in the Income-tax returns and related TDS Certificates and the right to claim refunds, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly granted.

7. TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

For S. Chand & Co. Ltd.

Managing Director

For RKG Hospitalities Pvt. Ltd.

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

(a) The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities in relation to the Demerged Business and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company;

(b) The Transferor Company shall not, without the written consent of the Transferee Company, undertake any new business with respect to the Demerged Business.

(c) All the profits or incomes accruing or arising to the Transferor Company or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Company in respect of the Demerged Business shall for all purposes be treated and be deemed to be and accrued as, the profits or incomes or expenditure or losses of the Transferee Company, as the case may be.

(d) The Transferor Company shall carry on its business activities in relation to the Demerged Business under reasonable diligence, utmost business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts no incur any other liabilities or expenditure, issue any additional guarantee, indemnities, letter of comfort or commitments, either for itself or on behalf of its subsidiaries, if any, or group Companies or any third party, or save as expressly permitted by this Scheme, alienate, charge, mortgage, encumber or otherwise deal with the said Assets or any part thereof of the Demerged business, except in the ordinary course of business, or without the prior written consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the concerned Transferor Company prior to the Appointed Date.

(e) The Transferee Company shall also be entitled, pending the sanction of the Scheme to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law (including without limitation, under the Transfer of Property Act, 1973 etc.) for such consent, approvals and sanctions which the Transferee Company, may require.

For S. [illegible] & Co. Ltd.

Managing Director

For RKG Hospitalities Pvt. Ltd.

Director

(f) Save as specifically provided in this Scheme, neither the Transferor Company nor the Transferee Company shall make any change in its capital structure either by any increase, (by issue of rights shares, equity or preference shares, bonus shares, convertible debentures or otherwise) decrease, reduction, re-classification, sub division or consolidation, reorganisation, or in any other manner. The Transferee Company may however take action to increase its authorised capital and amend its object so as to include the objects of the proposed Transferor Company and to facilitate the proposed demerger.

(g) The transaction of sale/purchase between the Transferor and Transferee Company would be on arms' length basis and will be recorded in the books of the Transferor Company in the manner as done presently i.e., in the books of the respective Units.

(h) Necessary adjustments shall be done by the Transferor Company and the Transferee Company after the confirmation of the Scheme by the Hon'ble High Court of Delhi.

8. After the Effective Date, the Transferor and Transferee Company at their option will continue to purchase products and/or avail of services from each other on arms length basis.

9. All Intellectual Property Rights in respect of trademarks, copyrights, designs registrations, etc., which have been applied for, and which relate to the Demerged Business, shall be transferred to the Transferee Company.

10. Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, Tax Holidays, Incentives, Concessions and other authorizations pertaining to the Demerged Business shall stands vested in the Transferee Company upon sanction of the scheme by this Hon'ble Court, the parties shall file the requisite/relevant intimations for the record of the

For S. Chand & Co. Ltd.

Managing Director

For RKG Hospitalities Pvt. Ltd.

concerned Statutory Authorities who shall take them on file, pursuant to the sanction of the said scheme.

11. The Transferor Company and the Transferee Company are expressly permitted to revise their Income-tax, sales tax, and other statutory returns including without limitation, TDS certificates and the right to claim refund, advance tax credits etc., upon this Scheme becoming effective and have expressly reserved the right to make such revisions in the Income-tax loss returns and related TDS certificates and the right to claim refund, advance tax credit etc. pursuant to the sanction of this Scheme.

12. The de-merger of the Demerged Business as a going concern to the Transferee Company is in accordance with section 2(19AA) of the Income-tax Act, 1961.

13. The Transferor Company hereby undertakes, from the Appointed Date upto and including the Effective Date, to carry on the business in the ordinary course and not to alienate, charge or otherwise deal with or dispose of the assets of the Demerged Business or any part thereof except in the usual course of business.

14. All income, receipts and gains of whatsoever nature and all expenses, payments and losses of whatsoever nature relating to the Demerged Business not accounted for or disclosed in the books of the Transferor Company as on the appointed date, but pertaining to the period upto the Appointed Date shall be to the account of the Transferor Company and any monies received or payments made or any income or expense accrued or any gains made or losses incurred by the Transferee Company in relation to such items shall be paid to or recovered from the Transferor Company as the case may be. All continuing gains/losses, carried forward unabsorbed losses under the Income Tax Act of each unit, income/expenses, receipts/payments relating to the Demerged Business in respect of the period on and after the Appointed Date shall accrue to the Transferee Company's account only and will be claimed for future set off as per provisions of applicable laws.

For S. Chand & Co. Ltd.

Managing Director

For RKC Hospitalities Pvt. Ltd.

Director

15. Advance payment of income-tax and/or tax deducted at source made on or after the Appointed Date in respect of Demerged Business shall be transferred/vested and/or treated as income-tax paid on behalf of and/or on account of the Transferee Company who shall be entitled to claim for such income-tax payments in their own tax assessments.

16. Save and except the Demerged Business of the Transferor Company and as expressly provided in this Scheme of Arrangement, nothing contained in this Scheme of Arrangement shall affect the rest of the assets, liabilities and businesses of the Publishing, Hotel and Share Business Division of the Transferor Company which shall continue to belong to and be vested in and be managed by the Transferor Company.

17. All mandates or other instructions in force at the close of business on the Effective Date relating to the payment of dividends on the equity shares of the Transferor Company shall unless and until revoked be deemed to be valid and subsisting mandates or instructions to the Transferee Company in relation to the corresponding equity shares of the Transferee Company to be issued and allotted pursuant to the Scheme.

18. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise the sales tax returns and to claim refund/credits etc. on the basis of the Opening Balance Sheet, becoming effective on the Appointed Date pursuant to the terms of this Scheme and its right to make such revisions in the Sales Tax returns and to claim refund/credits is expressly reserved.

19. It is expressly clarified that upon the Scheme becoming effective all taxes payable by the Transferor Company from the appointed date onwards including all or any refunds of the claims in respect of the Demerged Business shall be treated as the tax liability or refunds/claims as the case may be of the Transferee Company.

20. It is expressly clarified that the employees of the Transferor Company in the Demerged Business of the Investment & Realty Division will become employees of the Transferee Company on the same terms and conditions.

For S. Chand & Co. Ltd.

For RKG Hospitalities Pvt. Ltd.

Director

21. The Transferee Company shall make suitable alterations to its Memorandum and Articles of Association for proper implementation of this Scheme.

GENERAL TERMS & CONDITIONS:

1. The Books of Accounts of the Transferor Company and Transferee Company as on the Appointed Date would incorporate the above arrangement as accepted by the Board of Directors of the respective Companies. The Reference Balance Sheets of the Transferor Company and Transferee Company after incorporation of the above arrangement is enclosed as **Annexure D.** The assets and liabilities pertaining to the Demerged Business will be incorporated in the Books of Accounts of the Transferee Company at the book value as appearing in the books of the Transferor Company as at the appointed Date.

2. The Transferor Company and the Transferee Company (through their respective Board of Directors) and in their full and absolute discretion, may assent to any alteration or modification to this Scheme which the Court and/or shareholders of respective companies and/or any other Authority may deem fit to approve or impose or that the two companies may otherwise consider necessary or expedient and may further give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme in any manner connected therewith.

3. The Board of Directors of the Transferor Company and/or the Transferee Company shall be at liberty to withdraw from this Scheme of Arrangement in case any condition or alteration imposed by any Authority is unacceptable to them.

4. In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person and all income, profits, costs, charges and expenses or loss of Demerged Business with effect from the Appointed Date shall continue to be to the account of the Transferor Company.

5. Upon the sanction of the Scheme and after the Scheme has become effective, with effect from the Appointed Date the following shall be deemed to have occurred in the sequence and in the

For S. Chand & Co. Ltd.

order provided herein below:-

(i) a) The demerger of the Demerged Business of the Investment & Realty Division on a going concern basis as required under Section 2(19AA) of the Income Tax Act 1961.

b) The allotment and issuance of equity shares of the Transferee Company to the shareholders of the Transferor Company as follows:

Total book value of Assets to be transferred	Rs. 538,504,306
Less: Total Liabilities to be transferred	Rs. 5,972,306
Net assets to be Transferred	Rs. 532,532,000
Total No. of Equity Shares of the Transferee Company to be issued to the Equity Share holders of the Transferor Company of Rs. 10 each per share	5,32,53,200

(ii) All credits or obligations available to the De-merged Business including carried forward losses under the Income Tax Act, Credits available under any Statutory Regulation like Sales Tax, Service Tax, Import & Export regulations etc. will flow along with the De-merger and became the part of the entitlements of the Transferee Company. Similarly, all credits or obligations available, including carried forward losses under the Income Tax Act, Credits available under any Statutory Regulation like CENVAT Sales Tax, Service Tax, Import & Export Regulations etc. shall remain with the Transferor Company.

6. The Directors of each of the Transferor Company and the Transferee company may be deemed to be concerned and/or interested in the Scheme to the extent of their shareholding in the Companies, or to the extent the said Directors are common Directors in both the Companies, or to the extent the said Directors are the partners, directors, members of the companies, firms,

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For ARU Properties Pvt. Ltd.

association of persons, bodies corporate and/or beneficiary of trust, that hold shares in any of the Companies.

7. The present details of Directors of the Transferor Company who hold shares in Transferor Company and their shareholdings in the Transferor Company are as under:

S.No.	Name of Director	Directorship in SCCL	No. of Shares held in SCCL	Directorship in RKG Hospitalities	No. of Shares held in RKG Hospitalities	Projected Shareholding after Demerger
1.	Mr. Ravindra Kumar Gupta	Chairman & Managing Director	246	Director	9990	130,97,190
2.	Mrs. Nirmala Gupta	Joint Managing Director	427	--	--	227,16,400
3.	Mrs. Savita Gupta	Whole Time Director	153	--	--	81,39,600
4.	Mr. Himanshu Gupta	Whole Time Director	89	--	--	47,34,800
5.	Mrs. Neerja Jhunjhnuwala	Director	65	--	--	34,58,000
6.	Mr. Dinesh Jhunjhnuwala	Director	10		--	5,32,000
7.	Mrs. Ankita Gupta	Whole Time Director	11		--	5,85,200
8.	Mr. Raj Gopal Gaggar	-	-	Director	10	10
	TOTAL		**1001**		**10,000**	**532,63,200**

8. This Scheme will have no effect on the interests of each of the Directors of the Companies except in their capacity as shareholders of the Companies.

9. Neither the Transferor Company nor the Transferee Company are registered under the Monopolies and Restrictive Trade Practices Act, 1969 (replaced with The Competitions Act 2002) and no investigation is pending against either of these Companies under Section 235 to 251 or any other provision of the Companies Act, 1956.

10. Total Creditors of the Transferor Company as on 31.3.2007 were to the tune of Rs. 6,26,52,259.00 as per **Annexture E** out of which loans for the purchase of cars/ computers / airconditioners by Transferor Company amount to Rs. 1,33,74,130. The Transferor Company has been regularly paying installments to the banks. The Transferor Company has approached the

For S. Chand & Co. Ltd.

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For RKG Hospitalities Pvt. Ltd.

concerned banks for obtaining their consent and they have been assured that the same would be given after obtaining the requisite approvals concerned department/officers. Of the above amount one Secured Creditor of Rs. 78,10,325 has given his No objection to the Scheme. Out of the remaining creditors, the Transferor Company has paid off creditors to the tune of Rs. 52,82,418. The remaining creditors to the tune of Rs. 50,323,303 have given their consent.

11. In the event of non-fulfillment of any obligations under the Scheme, inter-se or to the third parties and non-performance of which will put the other company under any obligation, then such Company will indemnify all costs, interests and charges to the other Company.

12. If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company affect the validity or implementation of the other parts and/or provisions of this Scheme.

MODIFICATIONS/AMENDMENTS TO THE SCHEME

For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company may give and is authorized to give all such directions as are necessary including directions for settling any question of doubt or difficulty that may arise in connection therewith.

SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

The Scheme will become effective on the receipt of the last of the following

(a) Sanction by the Hon'ble High Court of Delhi as provided in Section 394 and other applicable provisions of the Act and,

(b) Any requisite consent, approval or permission of the Central Government or any other authority, which by law or otherwise may be necessary for the implementation of this Scheme and when the certified copy of the order of the Hon'ble High Courts of Delhi have been filed with the Registrar of Companies, NCT of Delhi and Haryana respectively under the provisions of the Act.

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EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses incurred by the Transferor Company or the Transferee Company in relation to or in connection with this scheme and incidental to the completion of the De-merger of the said undertaking of the Transferor Company in pursuance of this scheme shall, except as specifically provided herein be borne and paid by the respective Companies equally.

For S. Chand & Co. Ltd.

Managing Director

For RKG Hospitalities Pvt. Ltd.

Director

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SCHEDULE - II

SCHEDULE OF PROPERTY

PART I

Details of Freehold Property

S.No.	Details of Properties
1.	7-B, Taimoor Nagar, New Delhi (Details of Other assets on the Property specified under Part III)
2.	Flat No.D-702, Sun City Heights, Gurgoan
3.	Flat No.H-902 & 1002, Sun City Heights, Gurgoan
4.	Plot No.G-54, Unitech Southcity II, Gurgoan
5.	Plot No.H-100, Unitech Southcity II, Gurgoan
6.	Plot No.H-126, Unitech Southcity II, Gurgoan
7.	Plot No.H-128, Unitech Southcity II, Gurgoan **(Note -1)**
8.	Plot No.I-225, Unitech Southcity II, Gurgoan
9.	Flat No.1001-Dendara Tower, Omaxe The Nile, Gurgoan **(Note 3)**
10.	Flat No.1002-Dendara Tower, Omaxe The Nile, Gurgoan
11.	Flat No.1004-Dendara Tower, Omaxe The Nile, Gurgoan
12.	Flat No.403-Dendara Tower, Omaxe The Nile, Gurgoan
13.	Flat No.803-Dendara Tower, Omaxe The Nile, Gurgoan
14.	Flat No.804-Dendara Tower, Omaxe The Nile, Gurgoan **(Note - 2)**
15.	Flat No.1404-Karnac Tower, Omaxe The Nile, Gurgoan
16.	Flat No.501-Sphnix, Omaxe The Nile, Gurgoan

Note 1 : The Plot Sold for Rs. 1,41,99,936 and amount transferred to RKG Hospitalities Pvt. Ltd.
Note 2 : The Flat since sold for Rs. 4,340,394 and amount transferred to Investment Division ICICI Bank Account
Note 3 : The Flat since under agreement to sell for Rs. 55,00,000

PART II

Details of Leasehold Property

1.	SCO 6,7,8, Sector 9D, Madhya Marg, Chandigarh (Details of Other Assets on the property specified in Part III) – Property Leased out to ICICI Bank Ltd. and IREO Management Pvt. Ltd.
2.	137, First Floor , Kailash Hills, New Delhi.

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PART III
A) List of Shares, Stocks and Mutual Funds

Scheme Name /	Folio No.	AMOUNT INVESTED (Rs.)	DATE OF PURCHASE	NAV AS ON DATE OF PRCH	NO. OF UNITS PURCHASED
DEBT					
HDFC Floating Rate Income Fund STP (G) (Note 2)	396053 / 91	7,785,482	24-Sep-04	10.8473	717,734.586
HDFC Floating Rate Income Fund STP (G) (Note 2)	1149136 / 53	8,788,293	24-Sep-04	10.8473	810,182 498
DWS Floating Rate Fund Regular Plan (G) (Note 2)	2051048086	10,592,527	7-Apr-05	10.7187	988,228 678
DWS Floating Rate Fund Regular Plan (G) (Note 2)	2051037952	10,720,562	7-Apr-05	10.7187	1,000,173 737
HDFC Floating Rate Fund Short Term Plan (G) (Note 2)	430320 / 13	10,509,854	25-May-05	11.2189	936,798.929
HDFC Multiple Yield Fund (G)	265726 / 65	11,536,267	31-May-05	10.8628	1,061,997 506
FT India Life Stage FOF The 50S Plus Floating Rate Plan (G)	14407258 (189 0009 306592)	13,423,299	31-May-05	11.0414	1,215,724.357
Prudential ICICI Short Term (Cumulative Option) (Note 6)	202198 / 44	10,000,000	23-Jun-05	12.7752	782,766.610
Reliance Short Term Fund – Retail Plan - (G) (Note 7)	4089472135	10,000,000	13-Jul-05	11.7037	854,430 650
TATA Short Term Bond Fund (G) (Note 4)	846173 / 68	20,000,000	13-Jul-05	11.9865	1,668,126.277
Benchmark Derivative Fund - Growth Option (Note 5)	6051007481	10,000,000	29-Jul-05	1,024.795	9,758 049
Prudential ICICI Blended Plan B (G) (Note 5)	942271 / 58	10,034,013	22-Aug-05	10.1416	989,391.496
HSBC Fixed Term Series I (G) Mat. (4-06-07) (Note 1)	285917 / 20	20,000,000	5-Dec-05	10.00	2,000,000.00
Reliance Fixed Tenor Fund Plan B (G) Mat. June 08 (Note 8)	416 158 98064	20,000,000	3-Feb-06	10.00	2,000,000 00
JM Equity & Derivative Fund (G) (Note 5)	709 282 7223	12,500,000	28-Sep-05	10.36	1,206,004 940
Total Debt Funds		***185,890,296***			
EQUITY					
FT India MIP (G) Plan A Growth (Note 3)	063 9900 689318	5,000,000	23-Sep-03	14.5448	343765.469
Fidelity Equity Fund (Dividend Option) (Note 9)	96338 / 46	5,000,000	16-May-05	10.225	488997 555
Fidelity Equity Fund (Dividend Option) (Div. Units) (Note 9)	96338 / 46	977,995	23-Mar-06	15.021	65108.522
Franklin India Prima Fund (G) (Note 10)	14899534 / 036 9901 467297	2,004,341	20-Oct-05	151.77	13206.440
DSP ML Opportunities Fund (G) (Note 11)	263938 / 94	4,011,268	28-Oct-05	32.420	123728.203
HDFC Equity Fund (G) (Note 12)	2339709 / 84	4,007,988	19-Oct-05	90.289	44390 655
HDFC Prudence Fund (D) (Note 5)	638064 / 06	4,000,000	21-Jan-04	21.04	190114.068
HDFC Prudence Fund (D) (Div. Units) (Note 5)	638064 / 06	285,171	16-Mar-04	18 75	15211.559
ING Vysya Midcap Fund (Dividend) (Note 5)	263607 / 20	3,000,000	30-May-05	10.00	300000.000
ING Vysya Midcap Fund (Dividend) (Div. Units) (Note 5)	263607 / 20	150,000	25-Jul-05	10.56	14204.545
ING Vysya Midcap Fund (Dividend) (Div. Units) (Note 5)	263607 / 20	157,102	22-Nov-05	11.43	13744 731
Total Equity Funds		***28,593,866***			
Sub Total of Mutual Funds		***214,484,162***			

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Investment & Realty in Unichand Builders Pvt. Ltd.					
4980 Shares of Unichand Builders Pvt. Ltd.		49,800			
Unichand Builders (P) Ltd.		158,585,151	**(Balance as on 13-12-2008 – Rs. 159,141,143/-)**		
Share Application Money (UniChand Builders Pvt. Ltd.)		1,200,200			
Joint Venture Account		700,000			
Sub Total Invested in Properties		***160,535,151***			

B) List of Vehicles

1) Mercedes Benz Model <u>**C-220 CDI**</u> Chassis No. <u>**2030086L000133**</u> Regn. No. <u>**DL 2FGY 6666 , Hypothecated to ICICI Bank Limited against Vehicle Loan LADEL No. 00007289948**</u>

2) Toyota Innova Model <u>**INNOVA DIESEL G**</u> Chassis No.<u>**KUN40-7 032757**</u> Regn No. <u>**DL 3C AM 1617**</u>

C) <u>LIST OF FIXED ASSETS AT 7B TAIMOOR NAGAR , NEW DELHI</u>

SL. No.	Particulars
1	Bathroom Accesories
2	Building
3	Computer
4	Furnishing
5	Furniture & Fixture
6	Air Conditioners
7	Close Circuit T. V.
8	Deep Freezer
9	Electrical Equipment
10	Electrical Installation
11	Electric Fan
12	Fancy Light
13	Fax
14	Fire Fighting
15	Generator
16	Installation of Gas Pipe Line
17	Kitchen Equipment
18	Lamination Machine
19	Lockers
20	Lock & Misc. Items
21	Office Equipment
22	Rain Water Harvesting
23	R O Plant
24	Solar Control Film
25	Telephone
26	Television
27	Time Clock

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28 Vaccum Cleaner
29 Water Coller
30 Water Softing Plant
31 Weighting Machine

LIST OF FIXED ASSETS AT SCO 6,7,8, Sector 9D, Madhya Marg, Chandigarh

1 Transformer-Chandigarh
2 Air Conditioner & Cooler
3 Colour Doppler Machine
4 Computer & Software
5 Furniture & Fixture
6 Hot Water Generator
7 Lift
8 Television

Notes :

(1) Redemption of HSBC FMP Series I on 04-06-2007 for Rs. 2,19,58,200 transferred to Investment Division ICICI Bank Account.

(2) Redemption of 5 Mutual Fund Holdings in HDFC Mutual Fund & Deutsche Fund reinvested as under for the Investment Division as under :

Fund Name	Folio Number	Initial Investment	Initial Date	Redemption Amount (Rs.)
HDFC Floater ST (G)	398053 / 91	7,785,482	24-Sep-04	9,385,025.67
HDFC Floater ST (G)	1149136 / 53	8,788,293	24-Sep-04	10,593,865.33
Deutsche Floating Rate Fund (G)	2051048086	10,592,527	7-Apr-05	124,05,531.06
Deutsche Floating Rate Fund (G)	2051037952	10,720,562	7-Apr-05	12,555,480.97
HDFC Floating Rate Fund ST (G)	430320 / 13	10,509,854	25-May-05	12,249,489.12

Current Investment in :

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units
IDFC (Standard Chartered) Arbitrage Fund Plan B Dividend	800366/40	27,000,000	21-Sep-07	10.2585	2,631,963.80
JM Arbitrage Advantage Fund Dividend Plan	7095048026	30,000,000	20-Sep-07	10.3951	2,885,975.12

(3) Redemption of FT India MIP (G) Plan A on 05 July 2007 for Rs. 74,19,868.26 transferred to Investment Division.

(4) Redemption of TATA Short Term Bond Fund (G) on 16 October 2007 for Rs. 23,504,733.31 transferred to Investment Division ICICI Bank Account.

(5) **Redemption of 5 Mutual Fund Holdings reinvested as under for the Investment Division as under :**

Fund Name	Folio Number	Initial Investment	Initial Date	Redemption Amount (Rs.)
Prudential ICICI Blended Plan B (G)	942271 / 58	10,034,013	22-Aug-05	11,747,539.92
ING Vysya Midcap Fund (DR)	263607 / 20	3,000,000	30-May-05	
ING Vysya Midcap Fund (DR) (Div. Units)	263607 / 20	150,000	25-Jul-05	
ING Vysya Midcap Fund (DR) (Div. Units)	263607 / 20	157,102	22-Nov-05	6,500,061.11
HDFC Prudence Fund (D)	638064 / 06	4,000,000	21-Jan-04	
HDFC Prudence Fund (D) (Div. Units)	638064 / 06	285,171	16-Mar-04	6,804,069.65
JM Equity & Derivative Fund (G)	709 282 7223	12,500,000	28-Sep-05	14,575,655.10
Benchmark Derivative Fund	6051007481	10,000,000	29-Jul-05	11,975,997.92

SWITCHED INTO:

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units	Switched Amount (Rs.)
DSP India Tiger Fund Growth-Reg	1163186/17	10,000,000	29-Oct-07	54.916	182,096.293	7,024,604.00
HDFC Equity Fund (G)	4338284/26	4,650,000	29-Oct-07	214.07	21,722.07	3,425,153.94
ICICI 15 PRU Dynamic Plan	3066001/22	10,000,000	29-Oct-07	86.73	115,295.04	7,839,335.64
Reliance Diversified Power-Sector Fund	40862396506	10,000,000	01-Jan-08	84.2236	118,731.57	7,054,873.00
Reliance Vision Fund-Retail	40862396384	10,000,000	01-Jan-08	296.26	33,754.14	6,631,256.58

AGAIN SWITCHED INTO:

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units
Reliance Liquid Plus Fund Regular (WD)	40862396506	7,054,873.00	24-Mar-08	1002.7037	7,035.85
Reliance Liquid Plus Fund Regular (WD)	40862396384	6,631,256.58	24-Mar-08	1002.7037	6,613.38
DSP ML Liquid Plus Regular Plan (WD)	1163186/17	7,024,604.00	24-Mar-08	1001.4433	7,014.48
ICICI Prudential Flexible Income Plan (W)	3066001/22	7,839,335.64	24-Mar-08	10.5578	742,516.02
HDFC Cash Management Fund Savings Plus Retail (WD)	4338284/26	3,425,153.94	24-Mar-08	10.03	341,490.92

(6) Pru ICICI Short Term Plan **PARTLY** switched :

FROM:

Fund Name	Folio Number	Initial Investment	Initial Date	Switched Amount (Rs.)
ICICI Short Term Plan(G)	202198/44	10,000,000	23-Jun-05	10,000,000

SWITCHED INTO :

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units	Switched Amount (Rs.)
Prudential ICICI Dynamic Plan	202198/44	5,000,000.00	24-Jan-08	79.648	62,775.43	4,289,780
Prudential ICICI Emerging Star	202198/44	5,000,000.00	24-Jan-08	37.83	132,170.24	3,670,420

Again SWITCHED INTO:

Prudential ICICI Dynamic Plan switched into :

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units	Switched Amount (Rs.)
ICICI PRU Growth Fund	202198/44	4,289,780	24-Mar-08	100.91	4,2510.95	3,740,092

Again Prudential ICICI Growth Fund switched into :

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units
ICICI PRU FLEXIBLE INCOME PLAN (W)	202198/44	3,740,092	03-Jul-08	10.547	354,611.916

Prudential ICICI Emerging Star switched into :

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units	Switched Amount (Rs.)
Prudential ICICI Infra Fund	202198/44	3,670,420	24-Mar-08	25.66	143,040.54	3,101,927

Again Prudential ICICI Infra Fund switched into :

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units
ICICI PRU FLEXIBLE INCOME PLAN (W)	202198/44	3,101,927	03-Jul-08	10.547	294,105.186

(7) Reliance Short Term Plan PARTLY switched :

FROM:

Fund Name	Folio Number	Initial Investment	Initial Date	Redemption Amount (Rs.)
Reliance Short Term Plan(G)	4089472135	10,000,000	13-Jul-05	10,000,000

SWITCHED INTO :

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units	Redemption Amount (Rs.)
Reliance Banking Fund	4089472135	5,000,000.00	23-Jan-08	64.47	77,555.45	3,887,418
Reliance Vision Fund-Retail	4089472135	5,000,000.00	23-Jan-08	253.92	19,691.24	3,868,495

Again Reliance Banking Fund switched into :

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units	Redemption Amount (Rs.)
Reliance Growth Fund	4089472135	3,887,418	24-Mar-08	312.32	12,446.91	3,590,136

Again Reliance Growth Fund switched into :

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units
Reliance Liquid Plus Fund Reg (WD)	4089472135	3,590,136	03-Jul-08	1004.1027	3,575,467

Reliance Vision Fund-Retail switched into :

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units	Redemption Amount (Rs.)
Reliance Diversified Power	4089472135	3,868,495	24-Mar-08	59.5676	64,942.94	3,283,430

Again Reliance Diversified Power switched into :

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units
Reliance Liquid Plus Fund Reg (WD)	4089472135	3,283,430	03-Jul-08	1004.1027	3,270,014

(8) Reliance Fixed Tenor Fund Plan B (G) redeemed for Rs. 23,19,7600 on 07-Apr-2008 and transferred to Investment Division ICICI Bank Account.

(9) Fidelity Equity Fund including Dividend Units switched :

FROM:

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units	Redemption Amount (Rs.)
Fidelity Equity Fund(DR)	96338/46	5,000,000	16-May-05	10.23	488,997.56	10,158,043
Fidelity Equity Fund(DR) (Div Unit)	96338/46	977,995	23-Mar-06	15.52	65,108.52	

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SWITCHED INTO:

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units
Fidelity Liquid Plus Fund Institutional (WD)	96338/46	10,158,043.00	07-Jul-08	10.0168	1,014,100.65

(10) Franklin India Prima Fund (G) switched:

FROM:

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units	Redemption Amount (Rs.)
Franklin India Prima Fund (G)	0369901467297	2,004,341	20-Oct-05	151.77	13206.44	2,203,722

SWITCHED INTO:

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units
Templeton India Treasury Management Fund (WD)	0429901467297	2,203,722.00	09-Jul-08	1245.1347	1,769.87

(11) DSP ML Opportunities Fund (G) Switched :

FROM:

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units	Redemption Amount (Rs.)
DSP ML Opportunities Fund (G)	263938/94	4,011,268	28-Oct-05	32.42	123,728.2	6,402,971

SWITCHED INTO:

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units
DSP ML Liquid Plus Regular Plan (WD)	263938/94	6,402,971	03-Jul-08	1000.800	6,397.85

(12) HDFC Equity Fund (G) switched :

FROM:

Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units	Redemption Amount (Rs.)
HDFC Equity Fund (G)	2339709/84	4,007,988	19-Oct-05	90.29	44,390.66	6,142,875

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Fund Name	Folio Number	Initial Investment	Initial Date	NAV	Number of Units
HDFC Cash Management Fund Savings Plus Retail (WD)	2339709/84	6,142,875	03-Jul-08	10.0207	613,018.57

(13) The following are Holding are holding as on 13-12-2008.

S.NO	Fund Name	Folio Number	Initial Invesment	Initial Date	NAV	Number of Units
1	HDFC Multiple Yield fund(G)	265726/65	11,536,267.00	31-05-2005	10.86	1,061,997.506
2	FT Life Stage FOF 50's Plan(G)	1890009306592	13,423,299.00	31-05-2005	11.04	1,215,724.36
3	Pru-ICICI Short Term Plan(G)	202198/44	1,740,938.00	23-06-2005	12.78	136,274.798
4	Reliance Short Term Plan(G)	4089472135	1,756,274.00	13-07-2005	11.7	150,061.448
5	IDFC (Standard Chartered) Arbitrage Fund Plan B – Dividend	800366/40	27,000,000.00	21-09-2007	10.2585	2,631,963.80
6	JM Arbitrage Advantage Fund – Dividend Plan	7095048026	30,000,000.00	20-09-2007	10.3951	2,885,975.12
7	RELIANCE LIQUID PLUS FUND REG (W)	40862396506	7,054,873.00	24-03-2008	1002.7037	7,035.85
8	RELIANCE LIQUID PLUS FUND REG (W)	40862396384	6,631,256.58	24-03-2008	1002.7037	6,613.38
9	DSP BR LIQ PLUS REGULAR PLAN (W)	1163186/17	7,024,604.00	24-03-2008	1001.4433	7,014.48
10	ICICI PRUDENTIAL FLEXIBLE INCOME PLAN (W)	3066001/22	7,839,335.64	24-03-2008	10.5578	742,516.02
11	HDFC CASH MGT FUND SAVING PLUS RETAIL (W)	4338284/26	3,425,153.94	24-03-2008	10.03	341,490.92
12	DSP BR LIQ PLUS REGULAR PLAN (W)	263938/94	6,402,971.00	03-07-2008	1000.8	6,397.85
13	Fidelity Liquid Plus Fund Instl (W)	96338/46	10,158,043.00	07-07-2008	10.0168	10,14,100.65
14	HDFC CASH MGT FUND SAVING PLUS RETAIL (W)	2339709/84	6,142,875.00	03-07-2008	10.0207	613,018.57
15	ICICI PRUDENTIAL FLEXIBLE INCOME PLAN (W)	202198/44	3,101,927.00	03-07-2008	10.547	294,105.19
16	ICICI PRUDENTIAL FLEXIBLE INCOME PLAN (W)	202198/44	3,740,092.00	03-07-2008	10.547	354,611.92
17	RELIANCE LIQUID PLUS FUND REG (W)	4089472135	3283430.00	03-07-2008	1004.1027	3270.01
18	RELIANCE LIQUID PLUS FUND REG (W)	4089472135	3590136.00	03-07-2008	1004.1027	3575.47
19	TEMPLETON INDIA TREASURY MGT(W)	0429901467297	2203722.00	09-07-2008	1245.1347	1769.87

Dated this the 03rd October, 2008
(By order of the Court)

-Sd-
Deputy Registrar (Co)

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Administrative Officer (Judl)
(Original)
High Court of Delhi
New Delhi
27/2/09